

# THE ETHICS OF UNIVERSAL HEALTH CARE IN THE UNITED STATES

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## ABSTRACT

Close examination of ethical arguments both for and against universal health care in the United States should lead Americans to choose universal coverage over opposing alternatives. While the number of Americans without health insurance has dropped significantly due to the passage of the Affordable Care Act, nearly 30 million Americans remain without health coverage and experience limited access to health care. This considerable figure should be of tremendous moral concern, as studies have shown that tens of thousands of Americans die each year due to this lack of health coverage. Additionally, universal health coverage would promote fairness, equality and greater transparency and accountability concerning access to health care.

## KEYWORDS

Universal Health Care, Affordable Care Act, Uninsured, Rationing, Market Failure, Fair-Equality-of-Opportunity-Principle, Utilitarianism, Health Care Access

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For several decades, the debate over universal health coverage in the United States has raged. Once thought to be politically unattainable, significant progress toward the ultimate goal of universal health coverage has been made in recent years. Due to the passage of the Patient Protection and Affordable Care Act (ACA) in 2010, the number of Americans without health insurance has dropped from 49.9 million in 2010 (DeNavas-Walt, Proctor, & Smith, 2011) to 29 million in early 2015 (ObamaCare Facts, 2015). However, true universal coverage is yet to be achieved and much conjecture remains over whether or not this goal should be pursued. In the brief pages that follow, I will examine the arguments for and against universal health coverage and will seek to illustrate that ethical reasoning leads us to choose universal health coverage over opposing alternatives.

Americans face a very real ethical conflict concerning the subject of universal health coverage. As is the case in any ethical conflict, choosing one outcome over another essentially amounts to choosing one set of values over another. In this discussion, the stakes are very high and every U.S. citizen is a relevant stakeholder: patients, insurance companies, health care providers, governments, low-income families who may or may not receive increased public assistance, wealthier individuals who may or may not experience increased tax rates, etc. Collectively, we must sort through the myriad and complex ethical arguments surrounding the idea of universal health coverage in order to reach a meaningful conclusion.

One of the most overt conflicts concerning universal health coverage is the debate over the virtue of government entitlements. Most of those in favor of universal health coverage strongly believe that public resources should be used to protect the most vulnerable members of our population. Based upon this value, this group believes that those unable to afford coverage for health care should be provided with government entitlements in order to gain access to this care. However, those opposing universal coverage often have deep-seated beliefs that government entitlements are not the appropriate solution to our nation's problem of uninsured individuals. In fact, many Americans

believe that government entitlements altogether do more harm than good. It is a very American attitude that entitlements lead to the much-feared "welfare state" that produces lazy and inept citizens. For those who feel this way, entitlements meant to serve and protect vulnerable populations are often viewed very negatively. In fact, I once heard it argued that people who rely on welfare are similar to animals at the zoo. "Once the animals have learned to rely on the zookeepers for food, they are unable to return to the wild and hunt for themselves," I was told. Again, the implication here is that entitlements – such as those that would be present in a system offering universal health coverage – are to be considered morally irresponsible and should therefore be opposed. While it is true and unfortunate that some abuse entitlements, I believe that it is plainly immoral to reduce human beings to the same status as zoo animals, not to mention extremely condescending, insulting and completely void of empathy. And while I would agree that it is also morally reprehensible that anyone should abuse public entitlements, I do not believe that this argument alone removes our responsibility as a society to protect our more vulnerable members. Just because a few abuse public assistance, this does not mean that such assistance should be withdrawn from those who truly need it.

Another argument that is routinely made against universal health coverage in the United States is that any system that provides universal coverage will involve heavy doses of rationing. "You'll have to wait for months to see your doctor!" "If you want a surgery, you'll have to enter into a lottery!" Such typically unfounded arguments – remember talks of Obamacare "death panels"? – insinuate that rationing does not exist within the United States health care system. However, this sentiment is simply untrue. In the most extreme sense, rationing exists in the United States for those who are unable to afford health coverage (even with ACA subsidies). These individuals are simply excluded from the health care market and therefore have their care "rationed" almost to zero. And for those who are able to obtain coverage, rationing still exists in American health care. However, as T.R. Reid notes in his work *The Healing of America*, the

difference between rationing in the United States and rationing in most other advanced, industrialized nations is that rationing here typically takes place behind closed doors whereas rationing in a country such as the United Kingdom is a matter of public discussion (Reid, 2009).

In their work *Setting Limits Fairly: Can We Learn to Share Medical Resources?* authors Daniels and Sabin (2002) discuss this idea of rationing at length and provide valuable suggestions for ethical rationing. Among these suggestions is the idea of “accountability for reasonableness” which puts forth the assertion:

“the reasons or rationales for important limit-setting decisions should be publicly available.” Daniels and Sabin go on to describe the four conditions that must be present to satisfy accountability for reasonableness. These conditions include 1) public accessibility to the rationales for decision making, 2) relevance, 3) opportunity for revision and appeals as well as 4) either “voluntary or public regulation of the process...”

When one considers these conditions of accountability for reasonableness, it becomes apparent just how lacking much of the United States health care system remains when it comes to ethical decision making concerning rationing. Even with the enactment of the ACA, universal coverage has not been achieved and millions of Americans remain without health coverage. What accountability for reasonableness is present for these Americans? The only rationale that seems to be available to this group is, “You can’t afford health care? That’s too bad.” Another very American argument against universal health coverage is that forcing individuals to purchase health insurance (i.e. an individual mandate) goes against the highly valued American principles of autonomy, a free market economy and competition. They’ll argue, “If someone doesn’t want health insurance, why should they be forced to buy it? Shouldn’t reasonable adults be allowed to make their own purchasing decisions?” Essentially, this is the “Nanny State” argument wherein opponents of government intervention assert that many government policies can overreach and interfere with personal choice. A

now famous YouTube video titled, “CoffeeCare” (Mad River Ventures, n.d.) makes several of these same arguments. The video describes how idiotic it would be if an individual mandate to buy coffee existed. Similarly, the video explains the absurdity that would be present if the government required every coffee shop to include minimum standard services for patrons such as straws, creamers, etc. This second parody is an obvious jab at the ACA’s regulations concerning Qualified Health Plans.

Indeed, it would be highly idiotic and absurd if the United States were to place ACA-style regulations on the coffee market. However, it is similarly idiotic and absurd to compare the economics of health care with the economics of coffee when these two markets bear almost no resemblance to one another. For instance, there is no risk of adverse selection in the coffee market. There are no pre-existing conditions related to coffee (except for maybe the token pre-existing condition of “coffee addict”). Similarly, coffee is a highly elastic commodity (i.e. very high prices will lead consumers to forego purchase of coffee) whereas the health care required to treat an otherwise terminal illness is considered invaluable.

Health economics also teach us about the utilitarian aspects of universal health coverage. Utilitarianism is a branch of ethics that guides us to aim to do the most good for the greatest number of people (Peer & Rakich, 1999). While free markets encourage competition and often foster economic growth, they are often unable to ensure that goods or services are produced at levels that are economically efficient. Economists refer to this situation as market failure (Folland, Goodman, & Stano, 2013). In essence, market failures ensure that the optimal benefit to society is not achieved. For example, vaccine consumption (and preventive care as a whole) constitutes a major example of market failure if left unregulated. This is because while individuals obtain vaccines for personal benefit (increased immunity against a given illness) there also exists a beneficial externality in this transaction: as these individuals receive vaccines, those who forego such immunizations actually grow more protected against disease. This occurrence –

known as herd immunity – is due to the fact that as more individuals become immunized, it becomes harder to spread disease as the number of potential carriers of disease shrinks (Vaccines Today, 2015). Universal health coverage would ensure that every American would have access to vaccines and other very important preventive care services – made mandatorily free by the ACA (Healthcare.gov, n.d.) – thereby increasing the net benefit to society.

As noted above, the Affordable Care Act made large strides toward universal coverage. The main aspects of the ACA that increased the number of insured were the individual mandate to purchase health insurance, guaranteed issue of health insurance for individuals with pre-existing conditions as well as government subsidies for those who cannot afford insurance. For many Americans, such changes have come at a very real cost. I personally know a small business owner who operates a company of about 20 employees. He claims that post-ACA, his company's health plans cost double what they used to. Similarly, I saw my individual health plan increase from \$100 per month prior to the ACA to \$185 per month post-ACA. Many who hold disdain for "Obamacare" claim, "I liked my old health plan. My new plan has a bunch of stuff I don't need. It's too expensive." This argument against increased health premiums has much validity and certainly should not be quickly disregarded. But while increased health plan costs are very real for some Americans, we should weigh these costs against the significant benefits of legislation that brings us closer to universal coverage.

Perhaps the greatest benefit of legislation that brings us closer to universal health coverage – and one of the strongest moral arguments for such coverage – is the simple fact that access to health care results directly in lives saved. In 2009 – prior to the passage of the ACA – a study published by the American Journal of Public Health revealed that 45,000 annual deaths in the United States were associated with lack of health insurance (Wilper, Woolhandler, Lasser, McCormick, Bor, & Himmelstein, 2009). For the wealthiest nation in the world, even a single death due to lack of health coverage should be considered morally deplorable.

There is no question that Americans possess the collective resources necessary to prevent these deaths. What does seem to be in question however, is whether or not Americans possess the generosity of spirit and the moral courage necessary to ensure that every American be issued health coverage. Additionally, this moral argument says nothing of the reduced per capita costs or improved health outcomes associated with universal health coverage.

Another compelling ethical argument for universal health coverage is what Daniels and Sabin refer to as the "fair-equality-of-opportunity principle" (Daniel & Sabin, 2002). These authors note that most advanced societies seek to promote equal opportunity for citizens by attempting to control for those characteristics of birth that should be irrelevant to success – gender, race, class, etc. Daniels and Sabin further note that similar to characteristics of birth, disease and disability cause undue burdens and act as obstacles for those affected by them. They astutely argue that applying the fair-equality-of-opportunity principle to health care obligates societies to seek to eliminate these obstacles. The logical next step of this argument would be to ensure that all citizens within a society, no matter what their status, be enabled to obtain health insurance.

So while universal health coverage demands cost sharing in the form of increased taxes and/or increased health premiums for some Americans, the moral imperatives to provide such coverage outweigh these costs. It would be unjust to place the burden of health costs on those Americans least capable of carrying it. Maslow's famous hierarchy of needs indicates that physiological and safety needs are the most important needs that human beings have. In light of this, we should be willing to prioritize these most basic needs within our society, even if doing so comes at a cost to some of those less important luxuries that life has to offer. So while I don't enjoy paying an increased health insurance premium each month, I can understand that my increased premiums help to subsidize the costs of another person's health care. And I can live with this reality. After all, I very well could have

been the person without the ability to pay for my own care; I could have been the person in need of a helping hand. And while I hope to live a perfectly healthy life, I may grow very sick one day and require more from the United States health care system than I could ever possibly afford to pay for.

While the ACA has made great strides toward the ultimate goal of universal health coverage in the United States, millions of Americans remain without coverage (ObamaCare Facts, 2015). Many still find health insurance to be too expensive or forego purchasing insurance for other reasons. Currently, individuals without health coverage are required to sign up for health insurance during open enrollment periods. Failing to obtain health insurance results in a tax penalty that is meant to encourage compliance with the individual mandate. But clearly, these measures alone have proven to be insufficient in achieving the desired result of universal coverage. To ensure that all Americans obtain health coverage, I would first recommend a policy that would take the individual mandate a step further. Essentially, I would recommend that those individuals who fail to obtain health coverage be automatically assigned to a health insurance plan. So rather than paying for a tax penalty that does not produce the individual with health insurance, the individual would be forced to pay an insurance premium that does in health coverage. (For the record, Switzerland uses a similar approach to ensure that all citizens obtain coverage; FRONTLINE, 2008). To supplement this effort, I would recommend increases to the subsidies currently available to low-income individuals. Even with the subsidies made available through the ACA, many individuals and families still find health insurance premiums to be unaffordable.

Universal health coverage remains elusive in the United States as almost 30 million Americans remain without health coverage (ObamaCare Facts). In the preceding pages, I have attempted to describe the framework of America's ethical conflict concerning universal health coverage and have presented arguments from the opposing sides of this argument. I have discussed the arguments concerning the virtue (or lack thereof) of

government entitlements, the rationing involved in a universal health care system, the economics of health care and the fiscal and moral implications of universal health coverage. From this discussion, it is my personal conclusion that ethical consideration of these issues results in an opinion that supports the aim of universal health coverage in the United States. I believe that Germany's first Chancellor, Otto von Bismarck (from *Speeches of Otto von Bismarck*) may have made said it best when he noted:

"The greatest burden for the working class is the uncertainty of life. They can never be certain that they will have a job, or that they will have health and the ability to work. We cannot protect a man from all sickness and misfortune. But it is our obligation, as a society to provide assistance when he encounters these difficulties... A rich society must care for the poor."

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