

POLICY

# Is the U.S. Ready for a Single-Payer Health Care System?

by Sandro Galea  
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Ironically, as congressional Republicans have been trying to replace the Affordable Care Act, the ACA’s popularity is at an [all-time high](#), and the [majority of Americans](#) now believe that it is the federal government’s responsibility to provide health care for all Americans. This shift in sentiment suggests that a single-payer system — a “Medicare for all” — may soon be a politically viable solution to America’s health care woes.

This system has long been an aspiration of the far left, yet even the right now seems to acknowledge its growing likelihood. Following his decision not to support the Better Care Reconciliation Act (BCRA), the Senate Republican leadership's latest attempt to replace the ACA, Senator Jerry Moran, Republican of Kansas, warned in [a statement](#): “[I]f we leave the federal government in control of everyday health care decisions, it is more likely that our health care system will devolve into a single-payer system, which would require a massive federal spending increase.” (The BCRA, which failed in the Senate, would have kept the basic contours of the ACA but greatly reduced its ability to provide care.)

Although congressional Republicans remain uncomfortable with universal coverage as a concept, some seem to understand that the American people are coming to see health care as a right. It is very difficult to imagine how universal coverage could be sustainable over the long run without a central payment system.

While there may be openings [for bipartisan compromise](#) to address the weaknesses of the ACA, the core of the ACA framework is unstable — a [hostage to the market](#) and political fortune. By contrast, a single-payer model stands to be much more durable and provides a chance to build a health care system around the well-being of patients rather than the profits of providers and insurers. Thirty-three percent of the American public now [support a single-payer system](#) — a 5% increase since January.

To be sure, some important players remain opposed to a single-payer system. One is the [American Medical Association](#). It favors an ACA-like structure that subsidizes insurance for low-income individuals and families, and argues that a single-payer system would stymie private-sector innovation, create long waiting periods, and offer less patient choice. However, the AMA is far from a disinterested party. Indeed, it [was an early resister](#) of alternatives to our current fee-for-service system, fearing a more progressive model could diminish the independence and entrepreneurial capacity of its members.

Not surprisingly, insurance and pharmaceutical industries, which have a strong economic self-interest in maintaining the status quo, are also against the single-payer model. Opponents warn that a single-payer model could lead to a wholesale bureaucratization of the health care system by the federal government, or even to socialized medicine.

But are these concerns warranted? Doctors who fear losing their autonomy need only [look north](#) to see how a single-payer system can work without encroaching on the independence of physicians. Canada has had a single-payer model for decades, and there's no government takeover of its health care system in sight. Most services are still provided by the private sector, and most physicians are still self-employed. While health expenditures remain high, Canadians nevertheless enjoy [better health outcomes](#) at [lower cost](#) than the United States, whose [population's health is mediocre](#) despite ever-higher spending on medical care.

Canada's success stems from a few basic tenets. Its system is structured around a federal requirement to provide coverage for necessary services such as doctor and hospital visits. While the cost of this care is covered by the taxpayer, the task of providing it is decentralized to each of the country's 13 provinces and territories. Each region has wide latitude to innovate — as long as it honors the basic guarantee of providing free point-of-care treatment to all citizens for certain essential services, funded through a central payer. This is an important point. The single-payer approach is often characterized as a gateway to Byzantine regulation. Yet the reality is it is a fundamentally simple, even elegant, concept: Everybody gets the coverage that everybody pays for. Within this framework, there is much room for maneuver.

If implemented correctly, a centralized payment structure can create a health care system that is genuinely organized around health. It may seem counterintuitive to suggest that the U.S. system is not organized around health, but this truth has long been obvious to anyone who follows this issue or to anyone who has ever had to seek care in a time of need. [Over and over](#), we have seen how the U.S. health care system produces a vast array of [increasingly expensive drugs and treatments](#) that few can access [without high-quality insurance](#).

A single-payer model could change this — not by nationalizing health care outright but by incentivizing new payment structures such as [bundled payments](#), [accountable care organizations](#), and [other population-based models](#). Unlike a fee-for-service arrangement, these models do not tether provider compensation to the frequency and expense of care. Bundled payments — which provide a fixed-dollar amount for a particular type of care (e.g., replacing a knee) delivered over a set period of time — would encourage greater efficiency in care by having providers compete on the basis of quality and price. And capitation, by compensating providers per assigned patient, would open the door to an increased focus on prevention, which would save time and resources.

While such innovative payment models are possible within the current fragmented payer system — indeed, the Centers for Medicare and Medicaid Services has been a leader in [innovating](#) — a single-payer system immediately creates an opportunity for wide-scale adoption of new approaches that can transform health in the United States. With a health system reoriented toward stopping disease before it starts, rather than treating it once it strikes, we may even start to see more health investments go beyond health care, targeting the [social, economic, and environmental factors](#) that create the conditions for disease in society.

Decades of opposition have tinted Americans' view of a single-payer system's potential. But there is no reason to think that the status quo is immutable. It did not, after all, come about organically; it is the product of years of influence strategically wielded by powerful stakeholders in business, medicine, and politics. These stakeholders were able to advance their agenda in large part because Americans had not come to view health care as an essential collective right. This is changing. Turning this growing view into policy will require a national agreement that health care is a value [worth paying for](#). The country is not there yet, but it no longer feels that far off.

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