

Chapter Eleven

Priorities

MYTH NO. 11: UNDER SINGLE-PAYER NATIONAL HEALTH INSURANCE, HEALTH CARE DOLLARS WOULD BE ALLOCATED SO THAT THEY HAD THE GREATEST IMPACT ON HEALTH

The one characteristic of foreign health care systems that strikes American observers as the most bizarre is the way in which limited resources are allocated. Foreign governments do not merely deny lifesaving medical technology to patients under national insurance schemes. They also take money that could be spent saving lives and curing disease and spend it serving people who are not seriously ill. Often, the spending has little if anything to do with health care.

For example, the German health system spends billions of dollars on what amounts to paid holidays. Up to nine million Germans annually take month-long respites at spas and health resorts paid for by insurers. Some Germans were outraged in 2003 when the health minister announced plans to cut this benefit—as well as free cooking classes and taxi rides.¹ While billions of health care dollars are diverted for these frivolities, hospital care and drug therapies are rationed.²

SPENDING PRIORITIES IN BRITAIN

The tendency throughout the British NHS is to divert funds from expensive care for the small number who are seriously ill toward the large number who seek relatively inexpensive services for minor ills. Take British ambulance

service, for example. British “patients” take between eighteen and nineteen million ambulance rides each year—about one ride for every three people in Britain.³ Almost 80 percent of these rides are for such nonemergency purposes as taking an outpatient to a hospital or a senior to a pharmacy and amount to little more than free taxi service.

While thousands of people die each year from lack of kidney dialysis, the NHS provides an array of comforts for chronically ill people with less serious health problems. As table 11.1 shows, the NHS provides nonmedical services to about 1.5 million people a year. These include day care services to more than 260,000, home care or home help services to 578,000, home alterations for 375,000 and occupational therapy for 300,000.⁴

In our study of the British NHS a decade ago, we wrote⁵

If the NHS did nothing more than charge patients the full costs of their sleeping pills and tranquilizers, enough money would be freed to treat 10,000 to 15,000 additional cancer patients each year and save the lives of an additional 3,000 kidney patients. Yet such options are not seriously considered.

Although we have not updated those calculations, it would appear that there has been little change in NHS priorities in the interim.

More than one million people are waiting to be admitted to NHS hospitals,⁶ but the equivalent of 1,692 full-time doctors are tied up waiting for patients

TABLE 11-1

Nonmedical Spending by the British National Health Service

	Per Year
Nonemergency ambulance rides *	15,000,000
Missed physician appointments **	10,000,000
Patients receiving nonmedical services ***	1,500,000

* Only 4 million rides were classified as emergency or urgent.

** The estimated cost of missed GP appointments is \$250 million dollars.

*** Community services include meals on wheels, home care, day care, home adaptations and professional support.

Source: “Community Care Statistics 2000/2001, Referrals, Assessments and Package of Care for Adults,” UK Department of Health, 2001.

TABLE 11-2

**Nonmedical Services by the
British National Health Services**
(Number of community services performed)

Home alterations	375,000
Occupational therapy	456,000
Day care services	260,000
Home care/home help services	578,000

Source: "Community Care Statistics 2000/2001, Referrals, Assessments and Package of Care for Adults," UK Department of Health, 2001.

who do not appear for appointments or call to cancel.⁷ If the NHS did nothing more than charge patients the full costs of missed appointments, it would free up enough money to treat thousands of additional cancer patients each year. Yet, again, such options are not seriously considered.⁸

**SPENDING PRIORITIES: GENERAL
PRACTITIONERS VERSUS SPECIALISTS**

Another indicator of spending priorities is the degree to which countries allow physicians to specialize. In general, countries with national health insurance tend to encourage routine medical services for the vast majority of people who are healthy at the expense of specialized care for the few who are seriously ill. While only 11 percent of American physicians are engaged in general practice or family practice,⁹

- In Canada, just over half of all physicians are GPs.¹⁰
- In New Zealand, nearly half of all physicians are GPs.¹¹
- Approximately two in three Australian physicians are GPs.¹²

In general, Canadians have little trouble seeing a GP. But specialist services and sophisticated equipment are increasingly rationed. In 2003, for example, Canadians waited an average of 8.3 weeks to see a specialist. However, as noted above, waiting can be much longer depending upon the province and the type of specialist. For instance, the median wait to see an orthopedic surgeon is 13.3 weeks for an initial consultation, with an additional wait of 18.9 weeks for treatment. This makes for a total wait of almost eight months.¹³

NOTES

1. Jane Burgermeister, "Germany Reaches Controversial Deal on Health Care Reform," *British Medical Journal* (August 2, 2003); and "Cuts Planned for German Spa Treatments," *British Medical Journal* (July 13, 1996).
2. Annette Tuffs, "Germany at Center of Rationing Row as Budget in Crisis," *British Medical Journal* (August 23, 2003).
3. "Statistical Bulletin—Ambulance Services, England: 2000–2001," UK Department of Health, 2001, Table 1.
4. "Community Care Statistics 2000–2001, Referrals, Assessments and Packages of Care for Adults," UK Department of Health, 2001, Table P2f.1. Although most of these services are for the elderly, some adults between the ages of 18 and 64 are clients as well. For instance, home alterations are procedures designed to assist both the elderly and the disabled living at home, as are home care services. Occupational therapy is related to teaching and maintaining life skills, while day care and home care services allow the elderly or disabled to be cared for at home. See www.doh.gov.uk/public/comcare2001/tablep2f1.pdf.
5. Goodman and Musgrave, "Twenty Myths about National Health Insurance."
6. "Waiting List Figures, November 2001," UK Department of Health.
7. Patients miss an estimated 10 million general practitioner appointments totaling more than 2.5 million hours each year. Survey published by the Doctor Patient Partnership and Institute of Healthcare Management, August 14, 2001.
8. Some physicians have called for a flat £10 charge—approximately \$14 to \$15—to provide patients with an incentive to keep appointments, but the British Medical Association is opposed.
9. *Occupational Outlook Handbook*, Bureau of Labor Statistics, U.S. Department of Labor, 2002–2003 Edition, Physicians and Surgeons, Percent Distribution of M.D.s by Specialty, 1999, Table 1, January 2002.
10. National Information, Southam Medical Database, Canadian Institute for Health Information, 2002.
11. *New Zealand Workforce Statistics, 2000*, Medical Practitioners, New Zealand Health Information Service, 2000.
12. "Australian Social Trends, Health—Health Services: Distribution of General Practitioners," Australian Bureau of Statistics, 1994. This is the most recent available count by the Australian Bureau of Statistics.
13. Nadeem Esmail and Michael Walker, "Waiting Your Turn: Hospital Waiting Lists in Canada, 13th Edition," *Fraser Institute, Critical Issues Bulletin*, October 2003.