

Canada's One-Tier Health Care is the Better System

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Rich or poor, if you live in Canada, you can go to the doctor and be referred to a hospital when you're sick. Canada's publicly funded, one-tier health-care insurance system makes this possible. Similar social welfare systems are commonplace in Europe, but the United States provides a startling alternative: a two-tier combination of social-welfare Medicare and free-enterprise private health insurance. One result is that 40 million people have no health insurance at all,¹ 40 million have such inadequate coverage that a major illness could bankrupt them,² and a U.S. Census Bureau study showed that at any one time more than 60 million people have been uninsured for a month or more.³ In the United States, families have become destitute because their private insurance did not cover the costs of care for leukemia or neonatal care.

Some say our public health insurance system ought to cover dental, optical, drug, and other health-related costs—more as Justice Emmett Hall proposed to the Parliament of Canada in 1964.⁴ Waiting periods for services do vary somewhat in the provinces, and a few people do travel to the United States for treatment, but most would agree the Canadian system is close to one-tier. It

¹ "Health Care Group to Fund Study on Effects of Lack of Health Insurance," Canadian Press 18 December 2000, in *MAS FullTEXT Elite* [database on-line]; available from <http://www.epnet.com/ehost/login.html> (Boston, MA: EBSCO Publishing, accessed 30 January. 2001).

² Michael Rachlis, "Shopping for Care Nonsensical," *Toronto Star*, 19 January 1996, A20, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

³ Pat Armstrong and Hugh Armstrong, *Universal Health Care: What the United States Can Learn from the Canadian Experience* (New York: New Press, 1998), xi.

⁴ Brian Bergman, "Conscience of Canada: Emmett Hall Helped to Shape Social Programs," *Maclean's*, 27 November 1995, 24, in *Canadian MAS FullTEXT Elite* [database on-line]; available from <http://www.epnet.com/ehost/login.html> (Boston, MA: EBSCO Publishing, accessed 30 January. 2001).

does come near to realizing the principle of equal access to basic health services of physicians and hospitals. Gratzner, working with data from the Organization of Economic Co-operation and Development, says governments pay for about 70 per cent of medical expenditures in Canada.⁵ Fuller estimates that about 68 per cent of Canadians' spending on health care is through the government; individuals also purchase drugs, medical equipment, and home care.⁶ Despite inequities that remain in our health-care system, Canada's one-tier, publicly supported, health-insurance system is better than two-tier alternatives because it is economical, efficient, and fair.

Our one-tier health-care system is less expensive than the two-tier system in the United States. Of all the industrialized countries, the United States, with its two-tier system of health insurance, spends the most on health care.⁷ The many private health-insurance plans in the United States push up the costs of providing health care: "Current U.S. estimates put the extra administrative costs generated by private coverage—pure paper-pushing—at about \$100 billion annually," estimates Robert Evans, a professor of economics at the University of British Columbia's Centre for Health Services and Policy Research.⁸

⁵ David Gratzner, *Code Blue: Reviving Canada's Health Care System* (Toronto: ECW Press, 1999), 99.

⁶ Colleen Fuller. *Caring for Profit: How Corporations Are Taking Over Canada's Health Care System* (Vancouver: New Star Books, 1998), 5.

⁷ Dennis Bueckert, "Liberals Face Challenge Keeping Promises for Single-Tier Health System." *Canadian Press* 12 Dec. 2000, in *Canadian MAS FullTEXT Elite* [database on-line]: available from <http://www.epnet.com/ehost/login.html> (Boston, MA: EBSCO Publishing, accessed 30 January. 2001).

⁸ Robert Evans, "Canada Should Shun a Two-Tier System: The Wealthy Might Gain, But at the Expense of Others," *Gazette* (Montreal), 20 May 1995, Final Weekly Review, B6, in *Canadian NewsDisc*

In a comparison of the U.S. and Canadian health-insurance systems, Perrin Beatty notes that in 1971, the United States and Canada spent 7.6 per cent and 7.4 per cent of its Gross National Product (GNP), respectively, on health care⁹, yet as Jerome-Forget and Forget report, by 1994, Canada was spending 9.7 per cent of its GNP while the United States was spending 4.3 per cent.¹⁰ Beatty estimates that more than three times as much money is lost to administration costs in the United States than in Canada.¹¹ Armstrong and Armstrong find that Canada's single-payer system made care in Canada cheaper than in the United States.¹²

Michael Rachlis comments that the 1 500 private insurance companies mean that the United States will spend 15 per cent of its GDP on health care—5 per cent more than any other country.¹³

Not only is our one-tier health insurance system economical, it is efficient: It ensures the greatest health for the greatest number of citizens.

The first publicly funded hospital-insurance plan was created by the government of Tommy Douglas and his Co-operative Commonwealth Federation

[database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

⁹ Perrin Beatty. "A Comparison of Our Two Systems," in *Looking North for Health: What We Can Learn from Canada's Health Care System*, ed. Arnold Bennett and Orvill Adams (San Francisco: Jossey-Bass, 1993), A33.

¹⁰ Monique Jerome-Forget and Claude Forget, *Who Is the Master? A Blueprint for Canadian Health Care Reform* (Montreal: Institute for Research on Public Policy, 1998), 30.

¹¹ Beatty, 34.

¹² Armstrong and Armstrong, 2.

¹³ Rachlis.

(CCF) in Saskatchewan in 1946. It came about partly because of concerns about the poor health of Canadians (e.g., high infant mortality and tuberculosis). These concerns surfaced in reports like the National Sickness Survey of the early 1950's: "The health of the population was conceded by all qualified observers to be far below the standard attainable with existing knowledge, skill, and national wealth . . . almost all commentators agreed that the high cost of a trip to the hospital, and to a lesser extent, the cost of treatment by a doctor, deterred people from seeking care when they should have done so and hereby contributed significantly to the low level of health in Canada, even among people not thought of as 'poor.'"¹⁴

When contemporary neo-conservatives urge a health-care system in which individuals pay their own way, they don't mention that Canada had such a system—and the general health of the nation was low. Look at what happened as tax-based public hospital and medical health-care insurance came into effect in 1968.

Perrin Beatty, in an address in the United States, documented the changes: "Has it improved the health of the population? We think it has. At the time we introduced the first element of our plan in the early 1950s, our infant mortality rate was running 40 per cent higher than Australia's, 30 percent higher than the United Kingdom's, and 5 per cent higher than the United States' Today our infant mortality rates are 30 per cent lower than yours and among the

¹⁴ Frank McGilly, *Canada's Public Social Services: Understanding Income and Health Programs* (Toronto: McClelland & Stewart, 1990), 233.

lowest in the world, at 7 per 1 000 live births.”¹⁵ Any kind of cost—fee-for-service or user fee—discourages the poor from using medical services. Beatty notes that pregnant women began coming earlier to physicians when they did not have to pay out of pocket. Armstrong and Armstrong report on a study that showed that poor women in Toronto are 50 per cent more likely to survive lung, stomach, and pancreatic cancer than poor women in Detroit.¹⁶

Another example comes from Lexchin, a member of the Medical Reform Group, who notes that prescription user fees mean that some poor people stop using important drugs such as insulin and heart medications, admissions to nursing homes rise, and people with mental illness get poorer care.¹⁷

Gordon Guyatt notes that restrictions on prescriptions in New Hampshire caused more admissions to nursing homes and emergency rooms and increased costs for mental health patients were 17 times the savings in drug costs.¹⁸

Preventative medical actions are less expensive and are part of the reason why a system where everyone can seek necessary medical treatment without worry about cost means more health for all members of that society. Our medicare system might be even more efficient at ensuring health for all if it included free prescription drugs.

¹⁵ Beatty, 34.

¹⁶ Armstrong and Armstrong, 132.

¹⁷ Lexchin, Joel. “Eves’ Prescription for Inequality.” *Toronto Star* 1 Jan. 1996, A23, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

A one-tier health-care system treats all Canadians fairly: Rich and poor can get essential medical help. Beginning in the 1960s, Canadians decided no one should be denied medical care just because they couldn't afford it.¹⁹

The Canada Health Act itself specifically requires equity: Provincial medicare plans must cover all essential medical services.²⁰

Benjamin Freedman, professor at the McGill Centre for Medicine, Ethics and Law, and clinical ethicist at the Sir Mortimer B. Davis Jewish General Hospital, captures this valuing of equality: "Canada has a health-care system in which, roughly speaking, everyone is in the same boat. If the wealthy and powerful want better care—new drugs, shorter waiting lists, technological improvements—they have to change the system itself, making it available to everyone else at the same time."²¹

Most Canadians who want a fair system would agree with Robert Evans that if the wealthy could pay privately for preferred access to publicly insured

¹⁸ Gordon Guyatt, quoted in Kelly Toughill, "Higher Medical Costs Coming for All," *Toronto Star*, 24 January 1996, A17, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

¹⁹ Lexchin.

²⁰ Graeme Hamilton, "Let Wealthy Pay for Fast Care: MDs; Head of Physician's Group Calls for Two-Tier Medicare System," *Gazette* (Montreal) 2 May 1995, final ed., front sec., p. A1, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

²¹ Freedman, Benjamin. "Klein's Alberta, Two-Tier Medicine Would Pillage Public Health Care." *Gazette* [Montreal] 12 March 1995, final ed., B2, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

services, most of us would lose because the system would be less equitable and more costly²²

Many others agree that a two-tier system means that most people get poorer care. Freedman notes that allowing some people to pay more to get better medicine would lead some health-care professionals to leave the public system, reducing overall quality.²³ And, as Evans notes, the wealthy are not clamouring for a truly pay-as-you-go system—it would be prohibitively expensive—they still want to have the public system pay; then, they'd add some money.²⁴

Commentator Richard Gwyn notes that the public tier becomes third-rate.²⁵

Most Canadians continue to agree with Linda McQuaig: “The notion that we must cut back on our *public* expenditures is based on the questionable assumption that our *private* expenditures are something more important—that Nintendo is more important than library services.”²⁶ Canadians have shown that they are willing to pay the taxes to keep a one-tier health insurance system because it is fairer.

Prime Minister Chrétien's remarks capture the Canadian fondness for our medicare system: “There is a wide consensus in our country about preserving

²² Evans, “Canada Should.”

²³ Freedman.

²⁴ Evans, “Canada Should.”

²⁵ Richard Gwyn, “Two-Tier Health Care Would Point to Two-Tier Society.” *Toronto Star* 1 October 1995: D3, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

²⁶ Linda McQuaig, *The Wealthy Banker's Wife: The Assault on Equality in Canada*. (Toronto: Penguin, 1993), 164.

our distinctive state-funded health-care system called medicare. Under our system, you can go to the doctor of your choice. You are admitted to a hospital if you need to be. Period. Not if you have enough money. Or the right private plan. The fact is that no one in Canada needs to worry about medical bills. It is one of our proudest achievements. Canadians want to keep medicare. And we will.”²⁷

Canadians consistently support their public health insurance. Columnist Richard Gwyn goes even further in describing medicare as the system that knits Canadians into a national community.²⁸ Fuller reports a recent survey showed that 84 per cent of Canadians felt equal access and quality were the most important aspects of Canada’s health care system.²⁹ Gratzer reports an opinion poll that found 95 per cent of Canadians would keep their health-insurance system; only 2 per cent preferred the U.S. two-tier system.³⁰ Recently, the Commission of Study for Health and Social Services rejected a two-tier system, one for those wealthy enough to pay and the other for the poor.³¹

You might think that we can count on our public health-care system being with us for a long time, given that so many Canadians are so fond of it. Perhaps not. Dr. Clement Richer, president of the Quebec Federation of General

²⁷ Jean Chretien, in Diane Marleau, Letter. *Gazette* (Montreal) 1 June 1995, final ed.: B2, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

²⁸ Gwyn.

²⁹ Fuller, 277.

³⁰ Gratzer, 90.

³¹ Rheil Seguin, “Time Running Out for Health Reform.” *Globe and Mail*, 18 January 2001, national ed.: A4.

Practitioners, for example, believes that rich people should be able to obtain CAT scans and other procedures more quickly than other citizens: "Some of our patients feel discriminated against, not to be able to pay to get exams more quickly If those who can afford it get service more quickly, I don't see any problem."³²

There are some people who do not want all Canadians to have equal access to health care, but most Canadians prefer to keep their publicly funded health-insurance system because it is economical, efficient, and fair. As Robert Evans notes, "The system we have seems to be a remarkably good compromise of quality, affordability, equity, and humanity. Not bad, eh?"³³

³² Clement Richer, quoted in Graeme Hamilton, "Let the Wealthy Pay for Fast Care; Head of Physicians' Group Calls for Two-Tier Medicare System," *Gazette* (Montreal), 2 May 1995, final ed., front sec., p. A1, in *Canadian NewsDisc* [database on-line]; available from <http://www.micromedia.on.ca> (Toronto: Micromedia, accessed 23 May 2001).

³³ Robert Evans, "Health Care in the Canadian Community," in *Looking North for Health: What We Can Learn from Canada's Health Care System*, ed. Arnold Bennett and Orvill Adams (San Francisco: Jossey-Bass, 1993), 27.

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