

### Coalition News

Forth in a series of eight articles on National Health Insurance

Volume 4, March 21st, 2007

WHAT SHOULD BE DONE TO PROVIDE BETTER HEALTH CARE COVERAGE FOR ALL BAHAMIANS – Find out where the National Coalition of Health Care Reform stands on the issues related to the proposed NHI!

*The National Coalition for Health Care Reform (NCHCR) has repeatedly noted that it supports improvements to the health care system that will bring tangible and sustainable benefits to the Bahamian People. We are not simply about objecting to the creation of a National Health Care Plan. What we do believe however is that there is a better, more efficient, more effective way to ensure that Bahamian get access to the best possible health care at the best possible prices.*

*This series of articles will take an in-depth examination of the key principles of the NCHCR and demonstrate what significant issues we have with the current plan proposed by Government. We will also point out alternative approaches that we believe will lead to real and tangible improvements to the delivery of health care in our Country.*



Benefits

#### Part Forth of the series highlights the third principle in our documented Statement of Purpose.

#### Statement of Purpose Forth Principle

This is the fourth installment in the Coalition's ongoing series concerning its guiding principles. Today, we examine our demand for there to be absolute clarity and honesty at the planning stages about what Bahamians residents – contributors and non-contributors to the scheme – will be getting under this or any proposed National Health Insurance (NHI) system. We see that as a critical principle, not only because of our desire for transparency and accountability - but also because with limited resources in the system, the reality is and will be that not everyone will be able to get their desired medical attention, in their desired time and with their desired level of comfort.

#### The Key Issues

**The forth guiding principle of the Coalition is that there should be a Detailed Breakdown of Benefits Under the System:**

While the last sentence may sound like the rant of a pessimist, it is simply a statement of reality which speaks to the concept of scarcity and the need to make choices when faced with scarce resources. The Coalition has been very concerned about the public pronouncements by the policy makers and NHI task force members that seem to suggest that once NHI is introduced persons will be able to get whatever medical procedures they need done right away and without need to use one's personal resources. If you need a hip replacement, or a brand new artificial knee, you need only show up to the PMH with your NHI card and by next week, it'll be done. Therefore, the rhetoric has suggested, there will be no more need for cook-outs, no more persons dying because they didn't have the money for a particular surgery.....once the NHI is established, all your medical needs and wants will be taken care of.

*The benefits of a national health care plan must be clearly defined and articulated at the outset in order to avoid misinformation and unreasonable expectations by the public;*

This is not true. The NHI task force members would know that, as in any insurance scheme, there will be services and level of care that will be included and there are matters that cannot and will not be included simply because of limited resources. At best the NHI system, with its projected \$325m cash intake in the first year, will only be able to address a limited number of critical care issues and will likely only be able to do so at the level of public ward service care provision. In other words, the NHI will only be able to cover high priority medical care conditions and very basic levels of customer care. Why? This will be due to the limited financial, human and infrastructural resources. And even if the system had all the money it needed (which it will not), it will still take time to put in place the trained personnel and the appropriate level of modern medical facilities that one would need to have a truly comprehensive NHI plan.

So the unrealistic expectations must be scaled back. The misleading rhetoric must stop. We do not suggest that because the resources will be limited, then that should mean that there should be no NHI plan. Instead, if the task force and policy makers wish to sell the Bahamian public on an NHI plan, they should do so with an honest and clear breakdown of what a person's contribution to a plan will actually buy them once they sign up and start paying. The participants in this scheme must know exactly what they are getting and in what time frame they will be able to get it.

And just what will your monthly contributions to the NHI buy you? How will it be different from what you can get now from the public hospitals and clinics? Can I get a silicone breast implant if I lost my breast tissue to cancer? What about organ and limb transplants for persons living in physical discomfort but not in life-threatening situations? And how will NHI judge my level of discomfort? What if I suffer from acute acne that contorts my facial features? Will NHI cover my acne treatment?

And what about the level of service? Does NHI buy me a private or semi-private room when I am required to be admitted into a hospital? Or does it only cover a stay on a public ward? Will I be able to stay in the hospital until I feel comfortable to leave? Will the NHI dictate how long I must stay in the hospital for my particular type of treatment? If it only covers public ward level service, how do I pay to upgrade to private treatment within the public hospitals? Will that option still exist? Will "free-riders" in the system (illegal immigrants; self employed non-contributors) get the exact same level of service as a person who is a fully paid in contributor?

These are the types of questions the Coalition has been asking and is continuing to ask. And these are the types of issues that should have been addressed before we arrived at a point where legislation was passed. We ought to have been provided with a comprehensive list of benefits that would be provided under NHI at the outset – and what additional provisions for contributors will be added as the system matures and more human and infrastructural capacity is put in place.

Our fear and concern is that in an attempt to sell the public on the concept of NHI, the task force glossed over the very real fact that the limitations of resources will mean that under an NHI scheme, the range of benefits will, of necessity, have to be limited. Put simply, the participants will not be able to get what they want and when they want it as far as their medical services are concerned. Instead, at best, they will only be able to get what they absolutely need – and even then they may have to wait an unreasonable length of time to get it.

And what does that mean? It means that, as in virtually all national health schemes the world over, Bahamians will have to wait in long lines for service or will have to be put on waiting lists for certain non-critical care. You need a hip-replacement to improve your quality of life? Well, that is not as important as the person who needs a triple by-pass surgery to save her life. So, you will have to wait until that critical heart surgery is done AND also until the other 100 or so persons ahead of you in the line for hip replacement are also completed. This may take six months or it may take one year.

And what about you who now have private insurance which, subsidized by your employer, provides you with private or semi-private in-patient care? If your company decides that it will drop or scale back its private insurance, then through NHI, your in-patient care will now only be subject to basic public ward standards. You will no-doubt get decent quality care, but not with the comfort and privacy of the care offered in a private plan. The system could not afford to provide private care for everyone and even if it could, we do not have sufficient private rooms to provide the service for everyone.

## WAY FORWARD

As mentioned earlier, just because an NHI will have limited benefits does not by itself mean that we ought not to have a national health scheme. What it means instead is that in our attempts to reform our health care system to ensure that all Bahamians have access to adequate health care, we must in an honest and clear way, explain to all Bahamians several key factors that arise from the economic reality that resources are scarce and that medical care is expensive. We have to insist that our policy makers and framers of the NHI move away from the sale of snake oil for political expediency and into a sincere and realistic public discourse and education about what Bahamians can reasonably expect from a publicly managed national health care scheme.

The key element that must be discussed is the fact that Bahamians will see rationed services in an NHI environment. The NHI will only be able to provide high-priority services in a timely way and that in-care patient treatment will be limited to public ward level care. Life and death situations will be taken care of right away and everybody else will have to wait. The NHI customer will face long lines for service and waiting lists for procedures. This is especially true at the outset of the scheme as our public institutions are antiquated and outmoded and our human resource base is very limited. The very best case scenario is that the additional resources available through an NHI will add more capacity to the system; but even if it does happen, it will take several years before NHI customers will see shorter lines and more prompt comprehensive services.

If at a national level, we are prepared to be up front about the resource limitations. This will permit Bahamians in a fair and transparent manner to determine if we do wish to take this route toward reform of our health care system and, if we do, what individuals must then be prepared to pay and sacrifice, through private insurance schemes, to obtain the prompt and individualized medical service levels that they may wish to maintain. Addressing these issues will allow all Bahamians to appreciate the total cost and total benefit of health care and make appropriate and informed decisions as to the directions we should head in respect to our health care.

On the issue of service level and care, a proper and full discussion may then lead us to determine if we would want to go the route of Singapore – which has one of the highest rated public health care systems in the world. In essence, Singapore’s system gives their citizens the OPTION to choose the level of care they wish, according to what the citizen can afford and what they are prepared to pay. In Singapore, in respect to in-care service, citizens – depending upon their contribution levels - have the option to choose between five different “Ward” levels in the hospital, depending upon their willingness and ability to pay. Class A wards have private rooms, TV and VCR and other comforts. The lowest level ward provides for an open accommodations and only basic amenities. (See *Medical Savings Account: The Singapore Experience* by Dr. Thomas Massuro and Yu-Ning Wong).

This approach brings some economic reality and rationality into the system. In any market place, persons have different capacities and willingness to pay for the same essential things. Any transatlantic flight between the US and Europe bears this out. The difference in ticket prices between first class and coach class seating can be as high as \$10 thousand on the same plane going to the same destination. Although two persons are paying for the same fundamental service – safe air passage to Madrid, Spain – some are prepared and able to pay more and get more. This maximizes the revenue for the airline and actually allows the person flying coach to pay lower fares (benefiting them) than they would have had the airline charged everybody the same fare. The Bahamas, like Singapore, ought not to be afraid to bring free market forces to bear on the provision of a good public like health care. If harnessed properly, it can and will benefit the system as a whole.

Whatever the final approach decided, the Coalition maintains that the discourse on national health reform must be based on what any proposal can legitimately provide for the participants of the plan. And this ought to have been done and made public BEFORE any legislation was introduced. Still, as the regulations have not yet been decided, it is critical that the public be made aware of the opportunities and limitations of an NHI plan. To do otherwise would certainly not be fair to the persons who will be asked to make the monthly commitment to the enterprise.