I am an economist with many years of research and study of the US healthcare system and of the health care systems of many developed countries. Single-payer principles of centralized finance of healthcare services has been implemented in most of these countries. It is not the preference for socializing the demand-side of healthcare, nor any inclination for centralized funding that leads most health economists to advocate single-payer systems, and it is not these habits of mind that have lead to single-payer systems in these democracies. It would be absolutely wonderful if the interests of well-informed patients and and the interests of transparent, accountable providers could be met in a free marketplace without the interference of a democratic government. But that is a pipe dream. The reason that single-payer schemes are used and health insurance has been abandoned is because single-payer gives better outcomes to patients at lower costs than our current system does.

Economic theory has lead to carefully reasoned arguments of the failure of fee for service medicine and the failure of health insurance reform schemes. In fact, the prize for health economics in America is named in honor of nobel prize winner Kenneth Arrow who wrote elegantly about this failure. Sure, one can find professors of health economics and well-paid economists in think tanks to develop schemes of health insurance reform. There has been over forty years of insurance reform schemes that have failed. The repeated attempts to promote health insurance schemes and their failure attests more to the power of vested interests and the willingness of well-funded economists to act as apologists to these vested interest than to an objective empirical analysis of what works best.

I suppose that this trend of one failed health insurance reform scheme after another can go on indefinitely with even more than 17% percent of GDP going to the health sector, even after thirty years of stagnant wage growth and and forty years of medical prices growing at twice the consumer price index and health insurance premiums growing each and every year. At some point, even independent Americans from Ohio might look at the facts and not the conventional wisdom about what Ronald Reagan taught us to call “socialized medicine”, a vaguely defined evil that we should all be in fear of. We need to open up eyes and admit to the facts.

Consider these facts:

1. One out of six dollars goes to health care in the USA, 150% higher than any other country.
2. 85% of expenditure goes for 15% of the population, roughly the same percentages as in other countries with single-payer.
3. Health insurance premiums act as a tax taken out of workers paychecks.
4. Health insurance affect employee and employer decisions.
5. Prices for hospitalization is ~150% higher than the average of OECD countries, the price of drugs and doctors prices are in excess of 200% higher.
6. The ACA allows private insurance administrative costs to be up to 15%, whereas Medicare administrative overhead is under 5%.
7. Bed occupancy rates in US hospitals are 20-25% lower than the OECD average.
8. Americans suffer and die from lack of insurance and inadequate insurance.

Health insurance reform has failed and has been abandoned many places. In Switzerland, Germany, Oregon, Hawai, Tennessee, Minnesota, and it is failing in Massachusetts. So will the reforms of the ACA. Monopolization of health care suppliers, pharmacies and hospitals ensues with even higher prices than before reform. The supply-side becomes even less competitive and treatment becomes more unfairly delivered.

For me, as a student of economic science and a believer in looking hard and long at evidence and outcomes before acting, the fear and loathing of government financed single-payer health care that stops us from adopting it is akin to the triumph of superstition over science.

I am confident that, in the end, after having suffered through many alternatives, we will do the right thing and endorse single-payer finance of health care services in Ohio.