TITLE: Health Insurance

The personal and social costs of going without health insurance can be staggering. Serious illness and catastrophic accidents bankrupt thousands of families each year. The uncompensated medical costs incurred by uninsured people in the United States total more than $84.9 billion, according to the Kaiser Family Foundation. The cost of this uncompensated care is born by insured individuals, in the form of higher health care costs and insurance premiums, and by the government. Most people agree, therefore, that the health care and insurance industry needs reform. What nobody can agree upon, however, is who should provide the insurance, who should pay for it, and whether such insurance should be compulsory. The government, private insurers, and employers who often bear the health care costs for their employees all have something at stake in the debate over the uninsured, and they have all played a role in the changing healthcare landscape of the twentieth and twenty-first centuries.

http://kff.org/uninsured/report/uncompensated-care-for-the-uninsured-in-2013-a-detailed-examination/

The Evolution of Health Insurance

Until the development of the health insurance industry in the twentieth century, all Americans—with the exception of some veterans—could be counted among the uninsured. When people got sick or were injured, they were expected to pay for medical care themselves. In the early twentieth century, however, economists began to notice that health care was not just a personal matter. They saw that it was intricately connected to poverty and other indicators of social and economic inequality, and came up with a plan. Originally called "sickness insurance," this early version of health insurance for the needy formed the core of a bill that aimed to provide universal medical coverage and went before Congress in 1915.

World War I, however, was raging, and so was anti-German sentiment in the United States. Because Germany boasted a successful universal health plan, the opponents of the U.S. plan were able to link the reform to what had happened in Germany, and the plan was defeated. The notion of universal health care was not seriously advanced again until the 1930s, when President Franklin D. Roosevelt considered making it part of a package of socially progressive legislation called the New Deal that aimed to provide social and economic relief during the Great Depression. While the New Deal established Social Security, a publicly funded retirement plan, in 1935, the health-care component faced steep opposition from the American Medical Association, which did not want the government involved in its business.

Two important developments did occur in the 1930s, however. The first private health insurer, Blue Cross, was founded in 1929, and in 1935 the government established a health system, the Agricultural Workers Health Associations, to provide preventive medicine and acute care to migrant workers who had left the "dust bowl" of the Midwest to seek farm work in the West. Nevertheless, government-funded health care for those who cannot afford it remained a fantasy of political progressives until the next wave of reform, in the 1960s.

The next important development in health insurance was the establishment of Medicare, which provides coverage to people over 65 and to those with disabilities, and Medicaid, which covers people

with very limited means, were both established as part of President Lyndon Johnson's Social Security Act of 1965.

Despite these programs, no public health insurance system existed in the United States for most people and employers increasingly sponsored private insurance plans for their employees. Typically, an employer purchased an insurance policy from a private insurance company and paid all or most of the cost of insurance coverage for employees and their families. In 1976, President Jimmy Carter campaigned unsuccessfully for national health insurance. In 1993, President Bill Clinton proposed legislation to create universal health care for all Americans. This proposal was not enacted and was met with fierce opposition. Historians cite partisan politics, the secrecy involved in drafting the plan, and fierce lobbying by the pharmaceutical and insurance industries as reasons the Clinton plan failed. By 2000, according to census figures analyzed by the Economic Policy Institute, more than 68 percent of Americans had health coverage under an employer-sponsored plan. However, because of rising health care costs and a severe global economic recession that led to high unemployment in the United States and elsewhere, that percentage dwindled quickly in the first decade of the twenty-first century. By 2014, 66 percent of Americans had health care coverage through an employer, a smaller amount than had access in 1999.

http://www.nytimes.com/1994/08/29/us/health-care-debate-what-went-wrong-health-care-campaign-collapsed-special-report.html?pagewanted=all

http://kff.org/private-insurance/issue-brief/trends-in-employer-sponsored-insurance-offer-and-coverage-rates-1999-2014/

Spiraling Costs of Health Care and Health Insurance

20 million Americans (1 in 10) were uninsured in 2016. There are various reasons that many people were uninsured in the past and remain uninsured. For those not covered by employer-sponsored plans, the cost of purchasing private individual health insurance can be prohibitive. Insurance companies were free to deny policies to people with pre-existing health conditions or a history of poor health until the Affordable Care Act was effective in 2010. As healthcare costs increased dramatically in the late twentieth and early twenty-first century (the yearly national cost was $3.2 trillion or $9990 per person in 2015), insurance premiums spiked; this led many employers to reduce their contributions to employee insurance, raising costs for employees and driving many to opt out of employer-based plans. The average annual premiums for single coverage were $6,521 for single coverage and $17, 545 for family coverage in 2015. The average cost of a family premium increased 61 percent between 2005 and 2015.

http://www.thefiscaltimes.com/2016/05/10/Even-Obamacare-29-Million-People-Are-Uninsured-Here-s-Why

https://www.cms.gov/Research-Statistics-Data-and-Systems/Statistics-Trends-and-Reports/NationalHealthExpendData/downloads/highlights.pdf

http://kff.org/report-section/ehbs-2015-section-one-cost-of-health-insurance/

The Affordable Care Act and the Debate over the Uninsured

Support for President Barack Obama's Affordable Care Act (sometimes called Obamacare), first introduced in Congress in 2009 and promising coverage of 36 million previously uninsured Americans, was split cleanly along party lines and involved fierce opposition. Enacted in March 2010, the law included provisions that made it unlawful for insurers to drop people who develop serious illnesses, and to refuse to insure them in the first place (called pre-existing conditions). It also allowed people under the age of twenty-six to remain covered by their parents' insurance, reaching a crucial demographic of people who are likely to go without insurance because they cannot afford it or have not yet found a job. It also established state marketplaces where the uninsured could purchase insurance and required that everyone have minimum health insurance or pay a yearly tax penalty.

https://www.hhs.gov/healthcare/

https://www.healthcare.gov/fees/fee-for-not-being-covered/

Repeal of the Affordable Care Act

President Trump campaigned for the 2016 election with promises to repeal the Affordable Care Act, something Congressional Republicans had long sought. Trump proposed repealing the Act, yet keeping provisions such as the ban on pre-existing conditions and allowing children to remain on their parents' plans until age twenty-size and continue Health Savings Accounts. Trump also proposed allowing the purchase of health insurance across state lines. Trump nominated Rep. Tom Price as head of Health and Human Services. Price was a long-time proponent of repeal of the Act and instead has proposed a 401K-type plan instead.

https://www.bloomberg.com/news/articles/2016-11-10/trump-outlines-health-care-plan-including-repealing-obamacare

http://www.forbes.com/sites/johnwasik/2016/12/05/how-trump-plan-to-gut-obamacare-will-take-down-medicare/#5eb22a1a517d

The Future of the Uninsured

The United States spends far more money per capita on health care than any other industrialized nation. Yet its healthcare outcomes lag behind those same comparable countries in terms of health indicators such as life expectancy and infant mortality. Much of the world's cutting-edge research in genetics, pharmaceuticals, and technology occurs in the United States, yet it is the only wealthy industrialized nation that does not offer some form of health care to all of its citizens. Ensuring that illness and accident do not signal financial ruin, using preventive care to create a healthier population, and avoiding a politically unpopular burden on the taxpayers will be a puzzle for yet another generation of policymakers.