

Testimony Submitted to the Health, Employment, Labor and Pension  
Subcommittee

on

Examining the Single Payer Health Care Option

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Chairman Andrews, Ranking Member Kline, and members of the HELP subcommittee, my name is Dr. Walter Tsou. I am a public health physician and former Health Commissioner of Philadelphia.

If you believe that every American has the right to quality, affordable health care, then the only affordable means to achieve that goal is through a properly financed, single-payer, national health insurance program.

Attempting to reconcile the dual imperatives of universal coverage and cost control through alternative methods besides single payer is an exercise in futility. It is clear that cost controls mean that someone's ox gets gored, either the taxpayers, physicians and hospitals, or the private health insurance industry. When some Congressional leaders declare that "single payer is off the table", they are, in effect, saying that insurers will be protected, leaving the pain to patients, taxpayers, and health care providers.

Let's examine each of these categories:

For the taxpayers, it is difficult to understand why we must endure an additional \$1.5 trillion or more<sup>1</sup> over the next decade in expenses at a time when our nation already spends 50% more per capita on health care than any other country in the world?

For physicians and hospitals, simply cutting reimbursements is counterproductive, especially at a time when we need to increase reimbursements for primary care and mental health services.

For the private insurance industry, they have dominated health care for the past fifty years, but it does not work. Despite a supposedly competitive marketplace, health care costs have skyrocketed, nearly 50 million are currently uninsured, and the quality of care for most Americans is "suboptimal"<sup>2</sup>. Choice is a total misnomer. Americans want to be able to choose their doctor and hospital, not their health plans.

A humane health care system should reinforce the safety net in the face of our nation's worst recession since the Great Depression, but our profit-driven system kicks millions of Americans in the gut and leaves them both jobless and uninsured. We have saddled our nation with an inefficient and exorbitantly expensive health care system that drives jobs overseas where health benefit costs are low, and discourages entrepreneurs from striking out on their own for fear of losing their insurance coverage.

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<sup>1</sup> <http://www.washingtontimes.com/news/2009/mar/18/health-care-reform-likely-15-trillion/>

<sup>2</sup> <http://www.ahrq.gov/qual/nhqr08/Key.htm>

We need a far greater investment in community based public health and preventive medicine, including home visitation for newborns and public health nurses doing chronic disease management in the community. But where will we get the funds?

Single-payer is the only reform that can control health care costs. It does so by cutting insurance firms' profits, streamlining the massive administrative apparatus that adds to the costs of hospital and doctors' offices, using bulk purchasing, negotiating fee schedules with physicians, and putting hospitals on predictable, global budgets.

The \$19 billion that has been set aside for health information technology is doomed to fail because it is dependent on a complex, fragmented healthcare financing system. In contrast, consider Taiwan where everyone has a smart card. Your smart card carries your medical history and can be viewed by any doctor in Taiwan. Their national database allows them to identify the few outliers who try to abuse the system, rather than hassling millions of doctors and patients.

What the Internet has done to transform telecommunications across the world is what single-payer will do to transform how we deliver healthcare in America. A national public health database would allow us to direct resources to areas of greatest need. We can change the incentives in reimbursement to advance our national health goals embodied in Healthy People 2020 and reward communities that help achieve those goals. This would encourage health professionals and hospitals to work together with local health departments to advance national health objectives.

President Obama has stated that if he were to start over again he would favor a single-payer system, but argues that moving to single-payer is too radical.

Well, I come from Philadelphia where revolutionary ideas are celebrated not dismissed. Our most famous radical document begins with the words, "We the People". Not "We the Insurers". "We the People of the United States, in order to form a more perfect union . . . to promote the general Welfare, and secure the Blessings of Liberty to ourselves and our Posterity do ordain and establish this Constitution for the United States of America." This nation captured the world's imagination with bold ideas that put the people first. It is time for our own generation's revolution.