



Healthcare

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1 Medicare and Medicaid:

- Medicare is a national health insurance program in the United States, begun in 1966 under the Social Security Administration (SSA) and now administered by the Centers for Medicare and Medicaid Services (CMS). In 2018, according to the 2019 Medicare Trustees Report, Medicare provided health insurance for over 59.9 million individuals—more than 52 million people aged 65 and older and about 8 million younger people.

The Social Security Amendments of 1965 created Medicaid which is a federal and state program that helps with healthcare costs for some people with limited income and resources. The Patient Protection and Affordable Care Act (PPACA, or simply ACA / Obamacare) significantly expanded both eligibility for and federal funding of Medicaid. Under the law, all U.S. citizens and qualified non-citizens with income up to 138 percent of the federal poverty line, including adults without dependent children, qualified for coverage in any state that participated in the Medicaid program. The bill passed with a 60–39 split, on 24.12.2009, with all Democrats and two independents voting for it, and all Republicans against. The US Supreme Court ruled that States can opt out of it to continue with pre-ACA funding levels and eligibility standards.

President Donald Trump rescinded the federal tax penalty for violating the individual mandate (An individual mandate is a requirement by law for certain persons to purchase or otherwise obtain a good or service) through the Tax Cuts and Jobs Act of 2017, starting in 2019.

2 Medical Debt:

Medical debt has been found by a 2009 study to be the primary cause of personal bankruptcy. A 2011 study of fees paid to physicians for office visits and hip replacement procedures across the United States and several other wealthy countries, the patients in the United States paid 27 percent or more for office visits and 70 percent or more for the hip replacement procedures. Similarly, the United States charges an average of 75,345 dollars for a heart bypass operation whereas the same operation in other wealthy countries such as the Netherlands and Switzerland costs between 15,000 - 36,000 dollars on average.

Research based on available data from 2018 indicated that the amount of overpriced health care by individuals in the USA (7.4 percent) was considerably higher than European states such as France where only 1.9 percent of people faced concerns regarding medical bills, Germany (2.4 percent), the UK (1.4 percent), the Netherlands (1.1 percent) and non-European countries such as Australia (3.2 percent) and Japan (2.6 percent). The study found that although health care expenses are cheaper in other countries in comparison with the US, such countries faced difficulties such as overcrowding in UK hospitals and long waiting lists in Canada.

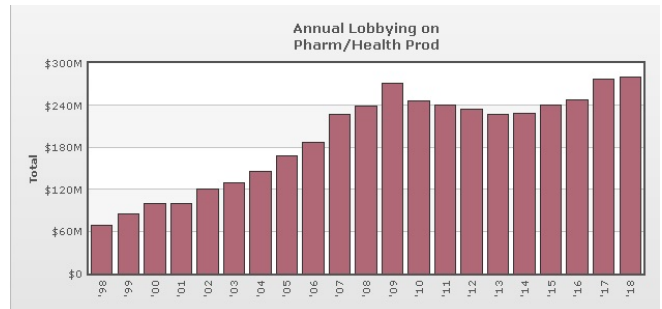


Fig. 1: Money Spent by Pharma Comp for Lobbying

3 Pharmaceuticals Lobby:

The largest pharmaceutical companies and their two trade groups, Pharmaceutical Research and Manufacturers of America (PhRMA) and Biotechnology Innovation Organization, lobbied on at least 1,600 pieces of legislation between 1998 and 2004. Under the massive pressure from the Pharma Lobby, more and more doctors started prescribing Opioids in the 1990s, which resulted in an Opioid Epidemic starting from the early 2010s. According to the non-partisan Center for Responsive Politics, pharmaceutical companies spent 900 million dollars on lobbying between 1998 and 2005, more than any other industry. During the same period, they donated 89.9 million dollars to federal candidates and political parties, giving approximately three times as much to Republicans as to Democrats. A 2020 study found that, from 1999 to 2018, the pharmaceutical industry and health product industry together spent 4.7 billion dollars lobbying the United States federal government, an average of 233 million USD per year. Nine out of every 10 members of the House of Representatives and all but three of the US's 100 senators have taken campaign contributions from pharmaceutical companies.

Since the enactment of Medicare Prescription Drug, Improvement, and Modernization Act in 2003, only insurance companies administering Medicare prescription drug program, not Medicare, have the legal right to negotiate drug prices directly from drug manufacturers. EpiPen antidotes to allergic reactions cost 600 USD in 2016. UK's National Health Service negotiated a price of about 70 USD for the same product.

The chair of the committee drafting the ACA (Obamacare) legislation, Senator Max Baucus, was at the time the single largest recipient of health industry political donations, with 1.5 million USD given to his political fund over the previous year. Baucus led votes in the committee against the inclusion in the legislation of public insurance, which was strongly opposed by private insurers who saw a threat to their profits. The drafting of large parts of the ACA was done by a former vice-president of a major health insurer- Wellpoint. Pfizer, the maker of Viagra, was the largest pharmaceutical donor to Trump's presidential campaign in 2016, giving 1 million USD.

The US Department of Justice filed a lawsuit against Walmart on 22.12.2020, alleging that the retail giant filled "thousands of invalid



prescriptions” for powerful painkillers, helping fuel America’s Opioid Crisis. Walmart runs more than 5,000 pharmacies across the country. Until 2018, the chain was a wholesale distributor of controlled substances for its own pharmacies, giving it extensive reach into many communities.

Purdue Pharma pleaded guilty to criminal charges over the handling of its addictive prescription painkiller- OxyContin, capping a deal with federal prosecutors to resolve an investigation into the Drug maker’s role in the US Opioid Epidemic. Members of the billionaire Sackler family who own Purdue and previously sat on the company’s board were not part of court proceedings and have not been criminally charged. They agreed in October to pay a separate 225 million USD civil penalty for allegedly causing false claims for OxyContin to be made to government healthcare programs such as Medicare. The Purdue’s have denied all allegations!

4 Abortion:

Abortion is legal throughout the United States and its territories, although restrictions and accessibility vary from state to state. The Republican Party has generally sought to restrict abortion access or criminalize abortion, whereas the Democratic Party has generally defended access to abortion and made contraception easier to obtain. The abortion rate has continuously fallen from a peak in 1980 of 30 per 1,000 women of childbearing age (15–44), to 12 per 1,000 by 2016.

5 References

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