

# The covid healthcare crisis in the USA

Rebecca Anderson Fri, 12/03/2021 - 00:00

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Coronavirus spread uncontrolled across all fifty states, causing millions of infections and hundreds of thousands of preventable deaths. From undermining public health advice, delaying stimulus cheques while bailing out big business and delaying lockdowns, the political response to the virus has been catastrophic. Even the vaccine rollout, in the country that produces one of the major vaccines, has been painfully slow. The last defence against the pandemic ? the healthcare system that deals with the worst cases, where hospital staff work tirelessly to save critically ill patients ? has also failed the test of the pandemic. Covid-19 has exposed the structural crisis of a patchwork healthcare system, run for profit rather than human need. The DSA has been campaigning since 2016 for Medicare for All, a proposal that has not been taken up by the trade unions, both because their bureaucratic leaderships have no interest in such a campaign and because, for many workers, Medicare offers less healthcare protection than their existing insurance. As revolutionaries in the DSA, we believe the DSA should instead raise the call for universal healthcare for all and mobilise with rank and file trade unionists to fight for this policy in their unions.

### Healthcare in the world's wealthiest country

The US system is insurance-based and, even where the state, through schemes like Medicare or Medicaid, funds healthcare, the actual provider (e.g. a hospital) tends to be run by a private company. The cost of forgoing a planned, nationwide system of hospitals and doctors' surgeries in favour of funding the profits of private providers can be quantified: medical care per person in the US costs \$11,000, more than double that of other industrialised nations.

Of that average expenditure, \$4,993 is public money. This is higher than France, at \$4,111, but lower than Germany, at \$5,056. The UK, with healthcare free at the point of need, spends \$3,107 per capita.

However, in the US, the larger-than-average healthcare spending does not mean better healthcare, just more expensive. Some hospitals and clinics are state-run, but most are in private hands. Most of the time, expenditure on citizens' health is paid to private companies.

State expenditure on healthcare in the US fails to cover most people's medical needs, and therefore private medical insurance is a huge industry. This costs an average of \$4,092 per person per year. For some, this is paid by employers ? essentially a deduction from wages ? and others must either pay it themselves or go without.

Even with health insurance, healthcare is far from free. Co-payments and deductibles mean those with insurance must still think twice about seeing a doctor. Many of those with lower incomes are underinsured, meaning their insurance does not cover adequate healthcare.

Insurance also fails to protect against the costs of long-term illness. Premiums increase or insurance companies drop expensive, that is, sick, customers. A study in 2009 found that medical debt contributed to 46 per cent of all personal bankruptcies.

The US Census Bureau reported in 2017 that nearly nine per cent of Americans do not have insurance. This figure had been higher in previous years but the introduction of the 2010 Affordable Care Act started to decrease the numbers of uninsured from 2014.

Those 28 million people without medical insurance either pay out of pocket for treatment (average annual cost per person is \$1,122) or have to wait until their need becomes desperate before being able to access low-quality, free healthcare. A lack of health insurance causes roughly sixty thousand preventable deaths per year. The Affordable Care Act, ACA, commonly known as Obamacare, essentially provided some regulation of the medical insurance market by forcing insurance companies to take on people with pre-existing conditions and cover basic medical needs. It halved the number of uninsured people and slowed the increasing cost of healthcare. However, despite enormous political opposition to the ACA, it only tinkered round the edges of a broken system and many Americans are still underinsured, uninsured or owe money for medical treatment.

Joe Biden plans to tinker further and provide cover for 25 million uninsured Americans, though not the 6.5 million undocumented migrants resident in the country. He would automatically enrol 4 million people living in poverty whose states have refused to offer them Medicaid. For others, more insurance options would be made available via the Obamacare insurance marketplace. However, Biden's plans do not interfere with employer-sponsored coverage and, therefore, the 150 million people who get their insurance via their employer would not benefit from the new scheme.

Another major health burden for Americans is the price of pharmaceuticals, which is far higher than in other industrialised countries. A 10ml bottle of insulin costs \$450 in the US, compared to just \$21 over the border in Canada. In 2015, nearly 5 million Americans risked criminal charges to buy prescription medications from other countries.

### The Coronavirus Crisis

Coronavirus has forced the US government to negotiate directly with big pharma to secure enough vaccines at a low enough price to roll out a nationwide vaccination programme. The vaccine itself is free, though providers will still be allowed to charge for administering it.

The vaccination programme is about prevention, about getting schools reopened and rescuing the economy. The government has an obvious interest in centralising and socialising the vaccination of over 300 million people.

Similarly, coronavirus has forced the government to step in and curb the debt incurred by those hospitalised and encourage the infected to seek treatment rather than risk spreading the virus by taking their chances at home. At the end of January, there were over 120,000 coronavirus patients in US hospitals and the average cost of their treatment was \$30,000, or \$62,000 for those aged sixty or over. As the scale of the pandemic became clear, a series of federal aid packages were passed, largely covering the cost of care. However, the healthcare system is still a marketplace and some hospitals and other providers have chosen not to participate in aid programmes. Some patients have still found themselves saddled with huge bills.

Over 25 million cases have been recorded and deaths have passed the 400,000 mark, with little doubt that at least half a million Americans will die in this pandemic. It is also estimated that one in five people who contract the virus go on to suffer from 'Long Covid', a chronic illness of varying symptoms and severity. Many who contract this illness struggle to work, often due to ongoing fatigue. Some have suffered permanent damage to their heart, lungs or brain. Who will foot the bill for ongoing Long Covid treatment is a worrying question for the millions of Americans who could lose their jobs and, therefore, any insurance as a result of the illness.

Coronavirus has exposed the US healthcare system as a failure. The anarchy of the market has been unable to cope with the challenges presented by the pandemic, forcing even the free-market, small-state Republican party to step in, take responsibility for the vaccination programme and provide federal aid for those hospitalised.

The extension of the ACA proposed by Biden, or even Sanders' 'Medicare for all', does not go far enough. The money already being spent on healthcare in the US would be sufficient to provide a National

Health Service free at the point of use to all, including undocumented migrants. In contrast to the existing insurance system, universal healthcare could be funded by taxing the billionaires and multi-millionaires who have profited from the pandemic.

But, between Americans and free, quality healthcare stand powerful health providers who have divided the market up between them and skim a massive profit off the top of both government and private healthcare schemes. Likewise, the pharmaceutical industry is accustomed to taking advantage of the healthcare market in the US and charging far more for their products.

The fight for free healthcare

The Democratic Socialists of America, DSA, have campaigned since 2016 for Medicare for All, that is, a single payer healthcare system that would mean automatic Medicare enrolment for all US citizens. While this would be a huge step forward in access to, and cost of, healthcare in the US, it would still leave provision of healthcare and ownership of pharmaceuticals in private hands. It also lacks support from the unions because many employer-provided insurance schemes negotiated by the unions are better than Medicare, though of course more expensive. The DSA needs to go beyond Medicare for All and propose a system of universal healthcare. Union support can be won by first convincing rank-and-file trade union members, who can take those arguments into the trade union movement.

While the Democrats, under pressure from their base, have passed limited reforms like the ACA, they have proven themselves unwilling to take healthcare out of private hands. The Republicans have vehemently opposed regulation of, and intervention into, the healthcare market and, despite coronavirus forcing their hand in extreme circumstances, they remain ideologically opposed to socialised healthcare. Neither party can be relied on to deliver or manage a healthcare system in the interests of the working class.

Biden's proposals for the expansion of insurance to a further 25 million Americans, while a very limited reform, will face opposition from the Republicans, insurance lobbies and large parts of the media. The scare stories that circulated in opposition to Obamacare will resurface. There will be enormous pressure for the government to water down or delay the healthcare reforms so socialists must also build pressure, from the left, to ensure the new laws pass, while pointing out they don't go far enough and proposing far more wide-reaching change.

Any serious plan to nationalise healthcare would require the expropriation of private medical and pharmaceutical companies. The hospitals were built with the hard-earned dollars of working class Americans, forcing those who couldn't pay into bankruptcy. The research and development costs of medicines have been paid for many times over by the extortionate charges levied by big pharma, yet they are willing to let people die from diabetes and HIV rather than see their profits fall. No compensation is owed to the companies that have been profiting from ill-health. Their patents should be revoked and physical assets like laboratories and hospitals nationalised into a public health service.

If such a service were won through struggle, it would not be safe with the Democrats and Republicans, but the doctors, nurses and other healthcare workers who have risked their lives throughout the pandemic to care for their patients know what it means to provide for human need rather than private self-interest. A nationalised health service, free to all, funded by taxing the rich, and run by patients and healthcare workers is the answer to America's healthcare crisis.

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