PNHP PHYSICIANS FOR A NATIONAL HEALTH PROGRAM
CALIFORNIA

SUMMARY OF INTERNATIONAL HEALTH SYSTEMS

Compiled by PNHP California
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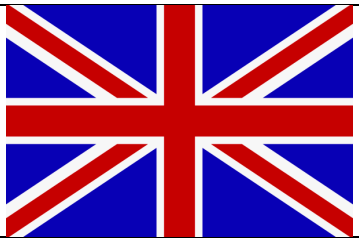
BEVERIDGE MODEL – "Socialized Medicine"

Countries: *Britain*, Spain, New Zealand, Cuba

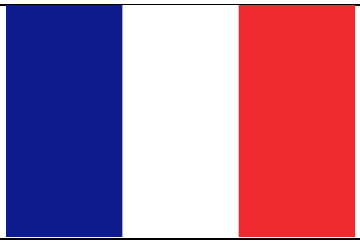


GDP Spent on Healthcare: 8.7%
Total Health Expenditure Per Capita: $3,130
Public Health Expenditure Per Capita: $2,585
Life Expectancy: 79.7 years

- Health care is provided and financed by the government through tax payments, just like the police force.
- The government owns many hospitals and clinics. Most doctors are government employees.
- These systems tend to have low costs per capita, because the government, as the sole payer, controls covered benefits and payment.

BISMARCK MODEL – "All Payer"

Countries: *France*, Germany, Belgium, Netherlands, Japan, Switzerland



GDP Spent on Healthcare: 11.2%
Total Health Expenditure Per Capita: $3,700
Public Health Expenditure Per Capita: $2,875
Life Expectancy: 81 years

- This model uses an insurance system; the insurers are called "sickness funds," usually financed jointly by employers and employees through payroll deduction.
- Unlike the U.S. insurance industry, Bismarck-type health insurance plans have to cover everybody, and they don't make a profit.
- Doctors and hospitals tend to be private.
- Tight regulation gives government much of the cost-control clout that the Beveridge Model provides.

NATIONAL HEALTH INSURANCE MODEL – "Single Payer"

Countries: *Canada*, Taiwan, South Korea

GDP Spent on Healthcare: 10.4%
Total Health Expenditure Per Capita: $4,080
Public Health Expenditure Per Capita: $2,863
Life Expectancy: 80.7 years

- This system uses private-sector providers, but payment comes from a publicly run insurance program that every citizen pays into.
- Since there's no need for marketing, no financial motive to deny claims and no profit, these universal insurance programs tend to be cheaper and much simpler administratively than American-style for-profit insurance.
- The single payer tends to have considerable market power to negotiate for lower prices.

OUT-OF-POCKET MODEL – "Pay-to-Play"

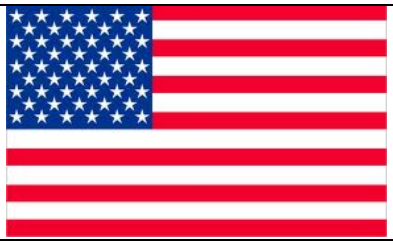
Countries: *Rural areas of India*, Africa, China, South America

GDP Spent on Healthcare: ??
Total Health Expenditure Per Capita: ??
Public Health Expenditure Per Capita: ??
Life Expectancy: ??

- Only the developed, industrialized countries -- perhaps 40 of the world's 200 countries -- have established health care systems.
- Most nations on the planet are too poor and too disorganized to provide any kind of mass medical care.
- The basic rule in such countries is that the rich get medical care; the poor stay sick or die.

PATCHWORK MODEL – "A Little of this, a little of that"

Country: *United States*



GDP Spent on Healthcare: 16%
Total Health Expenditure Per Capita: $7,670
Public Health Expenditure Per Capita: $3,507
Life Expectancy: 77.9 years

- The patchwork model is an informal term – it is only for America - because we have elements of all four systems in our fragmented national health care apparatus.
- When it comes to treating veterans, we're Britain. For Americans over the age of 65 on Medicare, we're Canada. For working Americans who get insurance on the job, we're Germany.
- For the uninsured or underinsured, the U.S. is rural India, with access to a doctor available if you can pay the bill out-of-pocket at the time of treatment or if you're sick enough to be admitted to the emergency ward at the public hospital.

"The United States is unlike every other country because it maintains so many separate systems for separate classes of people. All the other countries have settled on one model for everybody. This is much simpler than the U.S. system; it's fairer and cheaper, too."
- T.R. Reid

This document was adapted from an excerpt from T.R. Reid's book *The Healing of America: A Global Quest for Better, Cheaper, and Fairer Health Care*

Figures were taken from the 2010 OECD (Data are from 2008).

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SINGLE PAYER CAN HAPPEN