



WHAT JACQUES CHIRAC COULD TEACH US ABOUT HEALTH CARE.

Comparative Advantage

by Jonathan Cohn

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Depending on where you get your political commentary, you may have heard that John Edwards is a bad husband or father for sticking with his presidential campaign even though his wife, Elizabeth, was recently diagnosed with stage four breast cancer. But did you know that he is also a hypocrite--or, at least, a fool? That's what conservative critics of his health insurance plan have been implying. "One hesitates to intrude upon a personal tragedy to make a political point," Michael Tanner, of the Cato Institute, wrote recently. "While one sympathizes with Elizabeth Edwards and wishes her well, it's important to note that the national health care system her husband has taken this opportunity to propose would be disastrous to thousands of Americans who suffer from cancer and other diseases."

Though Elizabeth Edwards's diagnosis has made it newsworthy again, this argument--that countries with universal coverage ration care and limit investment in new medical technology at the expense of seriously ill patients who require the most advanced treatments--has been around for a while. Tanner made the same point in a 2005 book called *Healthy Competition*, which he co-wrote with his Cato colleague Michael Cannon. David Gratzer, a physician and health care policy expert at the Manhattan Institute, did the same in his 2006 book, *The Cure*. Going back a bit farther, Harry Truman's opponents warned of European-style rationing when he proposed creating universal coverage in the 1940s; Bill Clinton's opponents did the same in the 1990s.

It's a potent argument politically. Americans certainly don't like the idea of losing their health insurance and facing medical bills on their own--a problem universal plans like Edwards's would overcome. But they're also spooked by the prospect that they might not be able to get the best, most advanced life-saving care if faced with a deadly disease. That's particularly true for more affluent Americans, for whom the threat of losing insurance coverage seems remote--and whose ample financial resources (not to mention personal connections) give them access to this country's top doctors and hospitals.

But is it actually true that universal coverage results in worse care? That's a very different story from the one that conservatives tell.

Let's start with what we know for sure. Relative to other highly advanced countries, the United States lags well behind the leaders when it comes to infant mortality, overall life expectancy, and life expectancy at 65. In fact, on all three, the United States is actually lower than the average for the nations of the Organization of Economic Cooperation and Development. If you live in Canada, Japan, or virtually any part of Western Europe or Scandinavia, then you're expected to live longer than if you do in the United States.

Critics argue that measuring infant mortality and life expectancy is too crude, since whether a newborn dies or how long somebody ends up living may have as much to do with outside conditions like poverty, environment, and lifestyle as they do with the quality of medical care. And while it's a bit unfair to treat these entirely separate from health insurance--universal coverage helps reduce poverty, among other things--the measures *are* crude. That's why the scholars who specialize in comparing international health care systems prefer to look at some more finely tuned calculations: "potential years of life lost" or "disability adjusted life years." The latter is the preferred measure of Gerard Anderson, a professor at the Johns Hopkins School of Public Health and a leading expert on international comparisons. But, as he's noted many times, on these measures, too, the United States is decidedly mediocre compared to Japan and the more advanced countries in Europe.

Conservatives insist that even these, more finely adjusted measures still can't adequately account for outside influences like poverty or environment. As such, they say, the only way to really grasp why the U.S system is better than those abroad, you need to look at health care-specific factors--like the amount of high-tech technology here versus there. In universal health care systems, the government inevitably exercises more control over health care spending. This is a big reason why all the other systems cost less--and, if you believe the critics, why people in those other systems get less.

It sounds perfectly reasonable in theory. But the facts don't back it up. Look at Japan. It has universal health care. It also has more CT scanners and MRIs, per person, than the United States. It's true that the European countries tend to have less technology (although Germany and Switzerland appear to be comparable or at least very close.) But their citizens get more of something else relative to Americans: Face time with doctors and time in hospitals. Take France, for example. As New York University's Victor Rodwin [has noted](#), on a per capita basis the French get more physician office visits and more drugs than their American counterparts. When a woman in France gives birth, she gets to stay in the hospital for an average of nearly five days--even if it's a perfectly normal delivery. In the United States, on average, a woman with normal labor and delivery gets to stay less than two.

Why the difference? The big reason is that private insurance in this country has squeezed inpatient time to the bare minimum, while universal coverage in France has preserved longer periods for convalescence--just as it has in other countries. The Germans get almost as much time as the French.

Truth be told, if there's an objection to relying on this sort of data, it's that they measure inputs and not outputs. Who's to say that more technology--or more days in the hospital--really does amount to better medical care? A lot of experts would argue that sometimes the opposite is true. And they would have a point.

That leaves one place to look: The results of people who actually get sick. This is where the conservative argument about American superiority seems most persuasive--because, in a few cases, it actually has some merit. Cannon, Gratzner, Tanner, and others have all seized on the survival rates for cancers--particularly breast cancer and prostate cancer. In those two cases, Americans diagnosed with those diseases are significantly more likely to live than Europeans diagnosed with them.

But before leaping to the conclusion that this proves the overall superiority of American health care--and, by extension, the inferiority of universal coverage--you have to consider a slew of caveats. The first is that the "European" average includes the entire continent--not just the more advanced systems in Scandinavia and Western Europe, but also the more hidebound ones in Eastern and (to some extent) Southern Europe. The gap closes if you limit the comparison to the most advanced countries.

Another wrinkle is that the comparisons look a lot different if you look at populations as a whole, rather than just those diagnosed with the disease. Yes, an American diagnosed with prostate cancer is less likely to die than, say, a German diagnosed with prostate cancer. But Americans on the whole are no less likely to die of the disease than Germans on the whole--and the same is true for most of the other well-developed countries in Europe. In fact, the percentage of the population that dies from prostate cancer is remarkably consistent between the United States and the most advanced European nations. (You can see this dichotomy vividly in a chart, produced [here](#) by *The American Prospect's* Ezra Klein.)

So what's the explanation? One possibility is that aggressive screening in the United States turns up a lot of slow-growing tumors--cancers that would not have ultimately killed people had they been allowed to grow. This seems particularly plausible in the case of prostate cancer. Simply put, the U.S. cure rate may look better than the rest of the world's because we're curing a lot of cancers that don't need to be cured.

No, we can't be sure about this. It's possible that, even accounting for such over-treatment, the United States still has better treatment for breast and prostate cancer. But, even if that were true, it's hard to read the data as indictment of universal health care when the U.S. survival rate on other ailments isn't so superior. The Swedes are more likely than Americans to survive a diagnosis of cervical, ovarian, or skin cancer; the French are more likely to survive stomach cancer, Hodgkins disease, and non-Hodgkins lymphoma. Aussies, Brits, and Canadians do better on liver and kidney transplants.

ll of this comes with an important cautionary note: Measuring the outcomes of medical care is an imperfect science at best, in all countries. (Plus the measurement standards themselves are different sometimes.) It's difficult to make an ironclad case that any one system is better than another. But the fact that countries with universal health care routinely outperform the United States on many fronts--and that, overall, their citizens end up healthier--ought to be enough, at least, to discredit the argument that universal care leads to worse care.

And that, in turn, ought to tip the scales of debate, since not even conservatives dispute the one clear advantage other countries have over us: You don't see their citizens choosing between prescriptions and groceries, or declaring bankruptcy, because of medical bills. As John Edwards put it when he announced his health care plan, "It doesn't have to be that way." Sounds like he knows what he's talking about after all.

[JONATHAN COHN](#) is a senior editor at The New Republic, a senior fellow at Demos, and the author of [Sick: The untold story of America's health care crisis--and the people who pay the price](#) (HarperCollins).

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