Book Reviews

The Future U.S. Healthcare System: Who Will Care for the Poor and Uninsured?

Stuart H. Altman, Uwe E. Reinhardt, and Alexander E. Shields, eds.

Health Administration Press, Chicago, 1998, 404 pp., $55 ($44 paperback)

AT THE FOUNDATION OF THE CATHOLIC Health Association's (CHA's) prominent role in support of national healthcare reform in the early 1990s was the association's unswerving pursuit of health insurance coverage for every American. Rooted in Catholic social teaching's twin values, that every person has intrinsic human dignity and that healthcare is a service, CHA and its members advocated a systemic restructuring of the healthcare system that would guarantee universal coverage.

Unfortunately, that effort was unsuccessful. Now, four years after Congress failed to approve national healthcare reform, the number of medically uninsured Americans continues to multiply. Current data indicate that:

- More than 40 million people were without health insurance in 1995, an increase of 1 million over the previous year.
- More than 25 percent of the population is uninsured for at least a month in any given year.
- Ten million children are uninsured.
- Employer-based coverage, once the mainstay of health insurance for working families, is deteriorating. In 1994, 4 million fewer working people were covered than in 1988. In 1995, 23 million working people were not provided with insurance by their employers.

Nor is this the worst of it. Indications are that, for at least the foreseeable future, the number of uninsured will continue to rise.

This sobering reality is the subject of a new book, *The Future U.S. Healthcare System: Who Will Care for the Poor and Uninsured?* Edited by Stuart H. Altman, Uwe E. Reinhardt, and Alexander E. Shields, the volume is a compilation of papers, some written expressly for this collection, others presented at a Robert Wood Johnson Foundation-sponsored conference at Princeton University in February, all easily understood by the layperson interested in healthcare issues.

The book's list of authors reads like a "Who's Who" of health policy scholars; it includes, besides Altman and Reinhardt, Judith Feder, Steven A. Schroeder, Bradford H. Gray, Henry J. Aaron, Karen Davis, Gail R. Wilensky, Alain C. Enthoven, Mark V. Pauly, and Robert B. Helms. The book's 22 chapters offer both critical data and policy recommendations on the United States's persistent failure to provide health insurance for its citizens. More important, they may also stimulate further reflection and, one hopes, action.

The chapters are arranged in five parts, the first three furnishing an overview of the problem. The last two parts give policy recommendations—both incremental and comprehensive—for the reform of the U.S. healthcare system.

Part I outlines the most recent data on the uninsured: their number, income, employment status, geographic location, reasons for not having insurance, and other information. This section of the book tracks the erosion of employer-sponsored insurance, attempts to dispel many of the myths concerning who the uninsured are, describes the changing role of Medicaid, and examines the public's apparent tolerance of the fact that millions of Americans lack health insurance.

Part II describes the increasingly competitive nature of today's health-

BOOK BRIEFS

Community Stewardship: Applying the Five Principles of Contemporary Governance

Scott W. Goodspeed, American Hospital Publishing, Inc., Chicago, 1998, 147 pp., $28, AHA members; $35, nonmembers

Linking the concepts of a learning organization and healthy communities, this volume presents an approach to positive governance reform. Its chapters examine moving from trusteeship to governance team stewardship, consider frameworks for creating healthy communities, present a six-step process for creating and building healthy communities, and discuss the five core competencies of effective boards. Appendixes outline the research methodology used in developing the core competencies and include a healthy community contract.

Miles to Go: Aging in Rural Virginia

Susan Garrett, University Press of Virginia, Charlottesville, VA, 1998, 188 pp., $22.95

In 1988 the University of Virginia began the Rural Elder Outreach Project, an innovative program that for five years evaluated and provided in-home nursing care for rural elder poor in five Virginia counties. As volunteer and observer, Susan Garrett traveled with the project's nurses, doctors, and social workers as they traveled through these counties, trying to make a difference in healthcare and quality of life. *Miles to Go* weaves issues of aging in rural America into a series of close-up encounters with individuals and their families, providing a practical look at community-based care.

care market, in which providers' ability to furnish free care to the poor has been significantly restrained. These chapters identify the financial challenges faced by safety-net providers—public hospitals and clinics and community and academic health centers—to adequately serve the needs of the poor. The authors predict that these problems will grow even worse as market incentives lead private payers to refuse to subsidize uncompensated care.

Part III focuses on the implications of hospital ownership conversions—from, that is, not-for-profit status to investor-owned status—with regard to the provision of charity care, the availability of local healthcare services, and the prices of those services. Although the number of for-profit hospitals has doubled in the past 30 years—growing from 6 percent to 11 percent of the nation's total—the evidence concerning how such conversions have affected charity care remains inconclusive. On one hand, research shows that not-for-profit hospitals usually provide more uncompensated care than investor-owned facilities. On the other hand, recent conversions have spawned community-based foundations whose total assets of more than $5 billion could potentially finance significant care for the uninsured.

In Part IV the authors, arguing that the collapse of the Clinton reform initiative and the subsequent Republican takeover of Congress have erased comprehensive reform from the national agenda for years to come, recommend incremental strategies that:

- Expand coverage to more children
- Target the unemployed for healthcare subsidies
- Allow adults under 65 to buy into the Medicare program

Two examples of the incremental approach are cited. One is the 1996 Health Insurance Portability and Accountability Act, which prohibits insurers from citing preexisting conditions to deny coverage, ensures that people who become ill will not as a result be refused renewal of their insurance policies, and allows people leaving one job for another to retain their coverage. A second example of the incremental approach urges greater flexibility for states as they revamp their Medicaid programs. Neither example, unfortunately, is expected to significantly reduce the number of uninsured Americans.

Part V proposes three, more comprehensive national reform measures. One would expand employers' participation in health insurance purchasing cooperatives (HIPCs), offer tax incentives to stimulate HIPCs' growth, and ultimately convert the current tax subsidy for private health insurance into a universal voucher by creating a refundable tax credit that could be used only for the purchase of approved health plans. This admittedly moderate approach would be augmented by an individual employer mandate and publicly supported direct care for those who fall through the safety net. A second measure, more daring and controversial, calls for scrapping the employer-based insurance system altogether in favor of one that would, first, provide subsidies directly to individuals and, second, offer preferential tax treatment to providers only to the degree that they document the services they give those unable to pay for them.

This last proposal argues for universal coverage on the basis of distributive justice. It is predicated on the belief that healthcare is a right, not merely a commodity to be purchased in the market. Healthcare—or the lack of it—affects every person's ability to achieve desired goals. Classical utilitarian theory, which undergirds economics and most public policy, fails to take these critical human factors into account.

For students wishing to understand the vexing problem of America's medically uninsured, these papers will both inform and instruct. For organizations like CHA—which, though working for universal coverage in the long run, must pursue incremental strategies in the short run—this volume is an invaluable source of data, recommendations, and arguments that can help reinvigorate the national debate. For policymakers hoping someday to resolve America's healthcare inequalities, the book should be a constant companion, because between its covers are the thoughts of this nation's best and brightest healthcare scholars.

Also between its covers, however, is an ominous warning. The United States exhibits, on one hand, a steadily growing need for universal access to healthcare and, on the other, a diminishing national will to provide it. Neither the book nor the warning should be ignored.

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BOOKS RECEIVED

Assisted Suicide and Euthanasia: Past and Present, J.C. Willke, et al., *Hayes Publishing Co., Cincinnati,* 1998

Community Health Information Systems: Lessons for the Future, Karen A. Duncan, Health Administration Press, Chicago, 1998

Health Care Ethics: A Theological Analysis, Benedict M. Ashley and Kevin D. O'Rourke, Georgetown University Press, Washington, DC, 1997

Health Care Leadership: Executive Strategies for Managing Responsible Change, Earl A. Simendinger, American Hospital Publishing, Chicago, 1997