

We've Got You Covered

Rebooting American
Health Care



**Liran Einav &
Amy Finkelstein**

**We've Got
You Covered**

Part I



It's a Tear Down

Part II



Function Before Form

Part III



Writing the Unwritten Contract

**We've Got
You Covered**

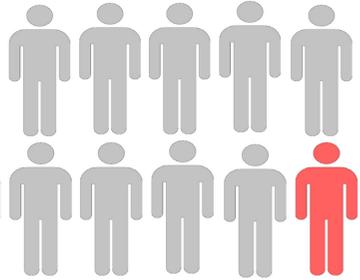
Part I



**It's a
Tear Down**

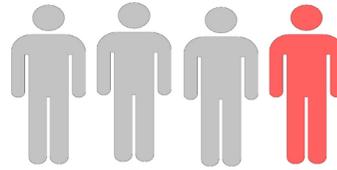
Insurance Insecurity

1 OF 10



**PEOPLE UNDER 65
ARE UNINSURED AT
ANY POINT IN TIME**

1 OF 4



**PEOPLE UNDER 65
ARE UNINSURED AT
SOME POINT OVER
TWO YEARS**



The New York Times
Millions Have Lost Health Insurance
in Pandemic-Driven Recession

WSJ

The Problem With Employer Health Insurance



The New York Times *Americans' Medical Debts Are Bigger Than Was Known, Totaling \$140 Billion*



Source: Canva

Patchwork Coverage



Source: Elise Amendola, AP 7 Aug 2014



They Decide Who Lives, Who Dies:
Medical Miracle Puts Moral Burden on Small Committee

LIFE, November 9, 1962



Source: Michael Evans, Reagan Presidential Library

Patchwork Coverage



Source: Elise Amendola, AP 7 Aug 2014



They Decide Who Lives, Who Dies:
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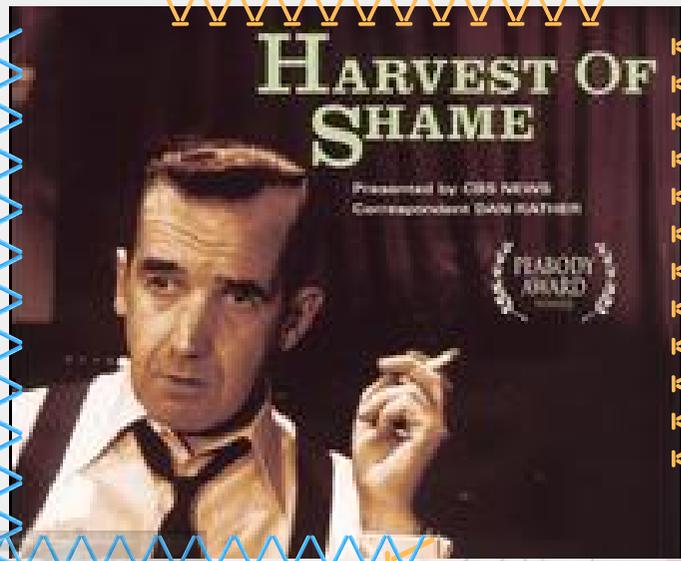


Source: Michael Evans, Reagan Presidential Library

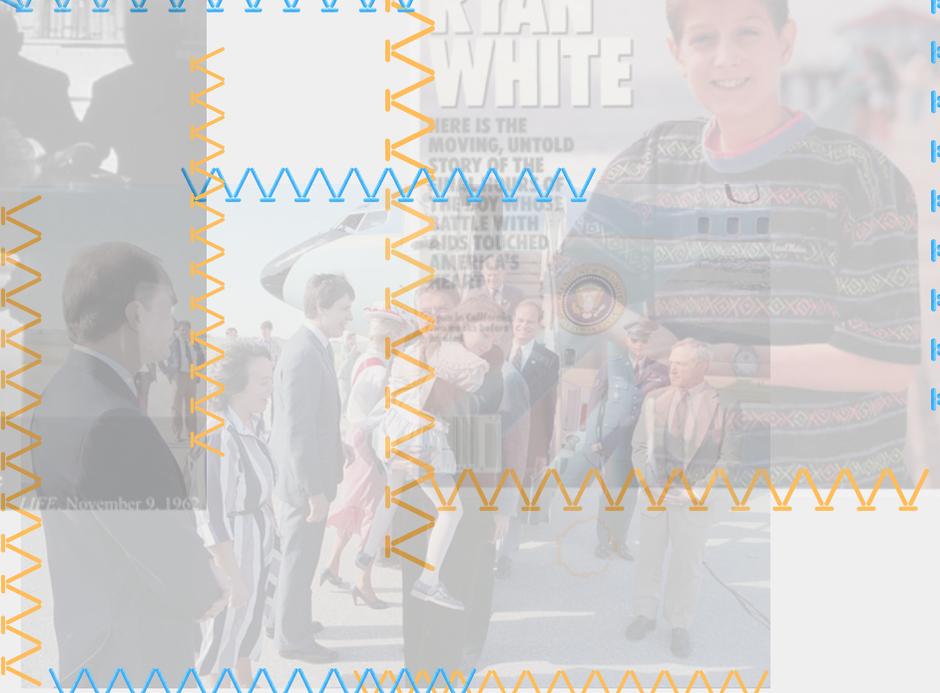
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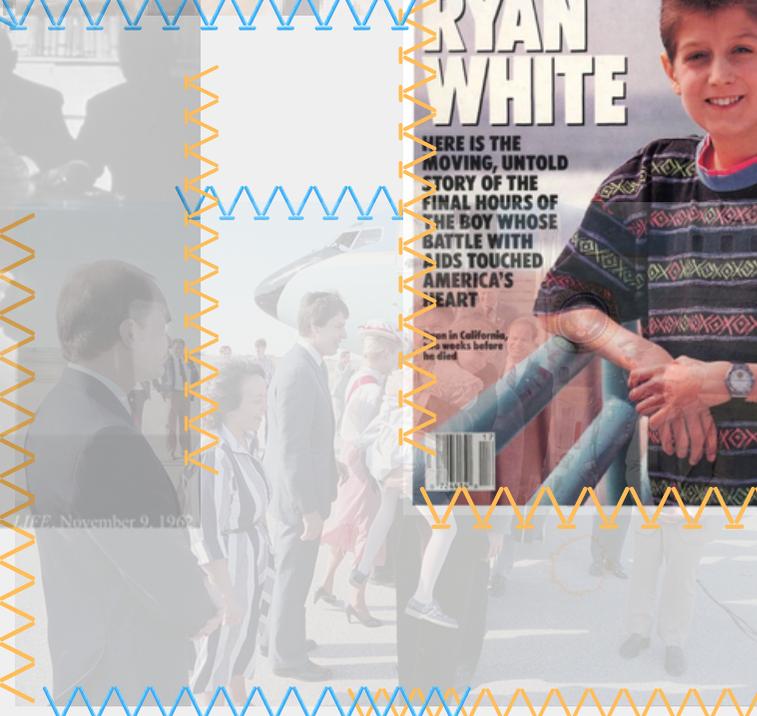
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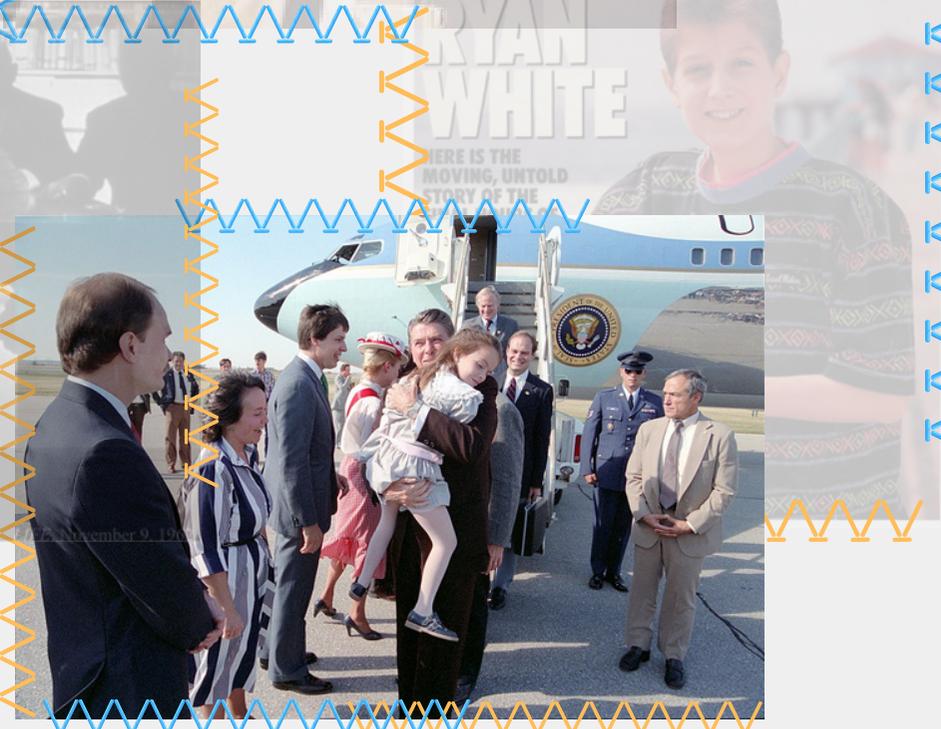
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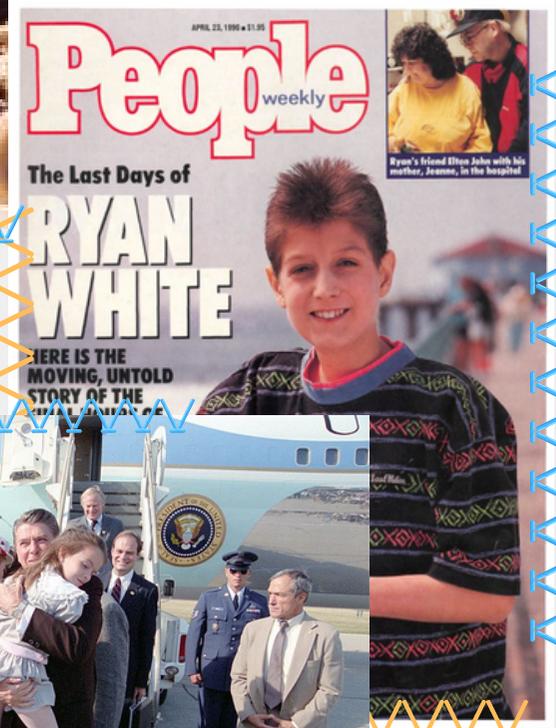


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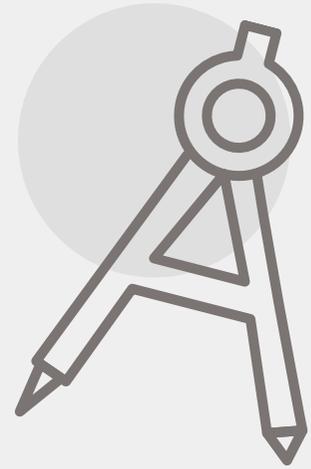
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Source: Michael Evans, Reagan Presidential Library

**We've Got
You Covered**

Part II



Function Before Form

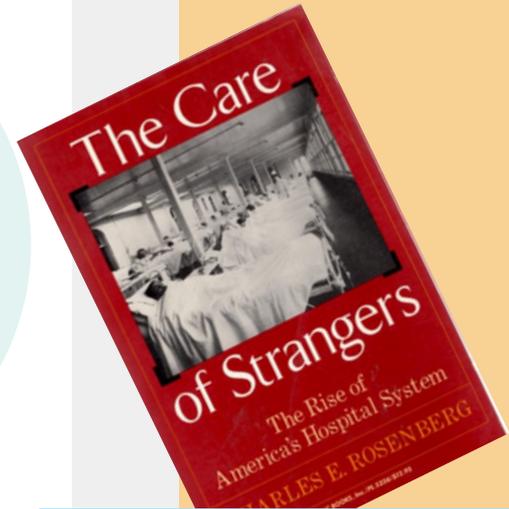
NO ONE IS UNINSURED
THE "UNINSURED"...



RECEIVE 80% OF THE
CARE THE INSURED
RECEIVE



AND PAY 20% OF THE
COST OF THE CARE



Fellow creatures
could not be
allowed to die in
the streets.

-Charles Rosenberg
The Care of Strangers

What is to be done?

The interests of humanity are concerned in it, from its tendency to protect from want and misery, a very useful, and ... a very needy class of the Community.

-Alexander Hamilton
1792

Source: Neilson Barnard - Getty Images

An Act for the Relief of Sick and Disabled Seamen - 1798

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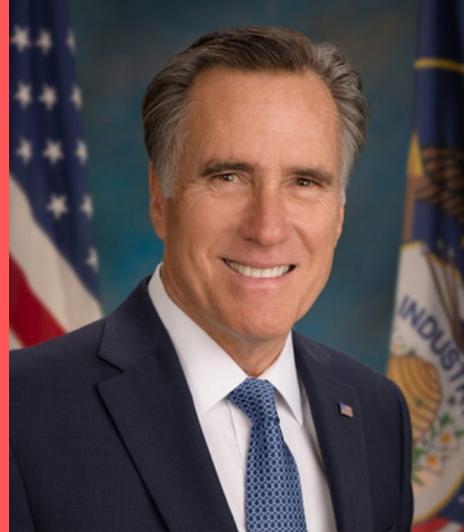
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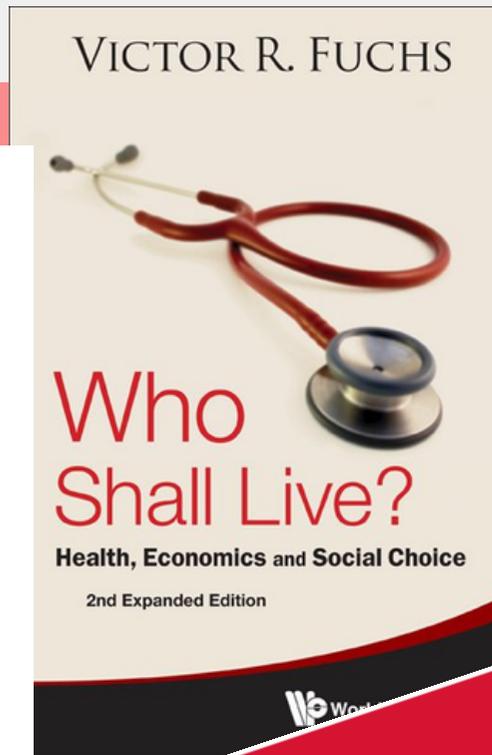
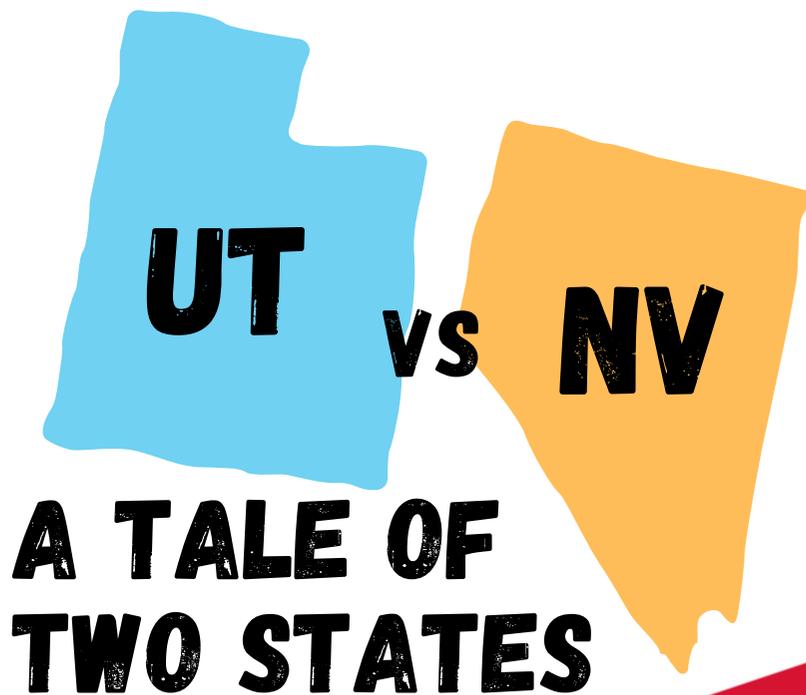


Source: Official Senate Portrait



Source: Steve Petteway, Official Portrait

Adequacy, not equality



Clinical Review & Education

Special Communication

**The Association Between Income and Life Expectancy
in the United States, 2001-2014**

JAMA
Network™

**We've Got
You Covered**

Part III



Writing the Unwritten Contract

Basic Coverage

» **AUTOMATIC**

» **FREE**

» **BASIC**

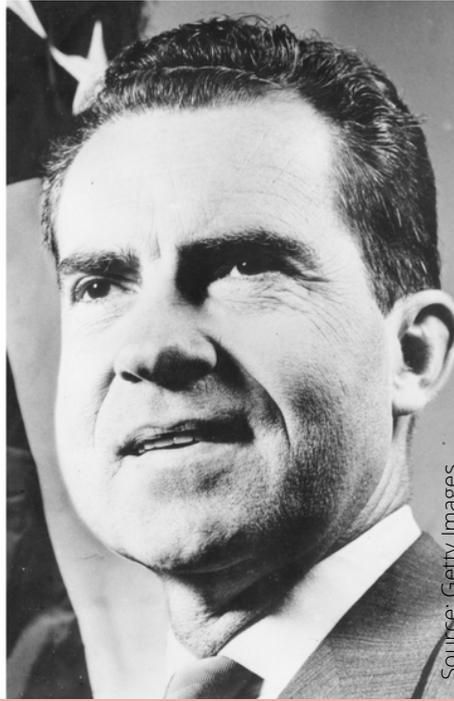
Supplemental Coverage

» **MARKET BASED**

Free and Clear



Source: Ted Kennedy, 1967. PD

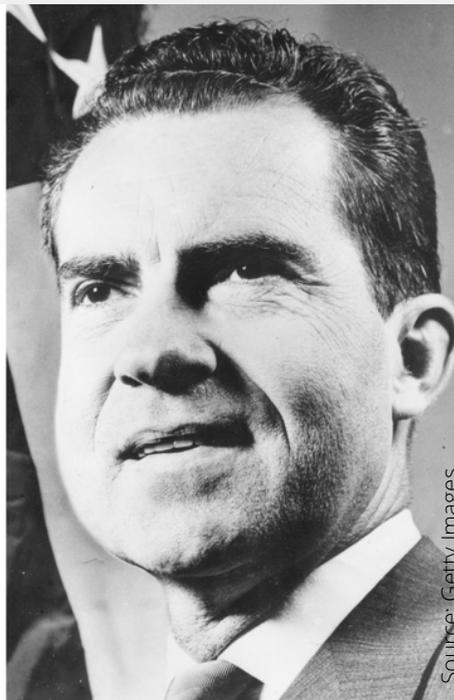


Source: Getty Images

Free and Clear



Source: Ted Kennedy, 1967. PD

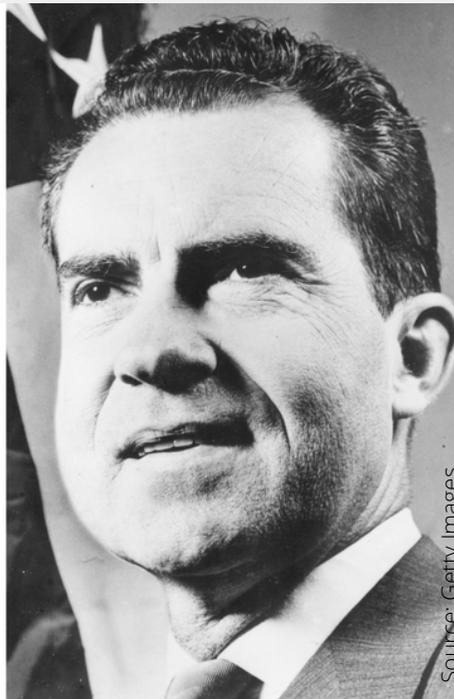


Source: Getty Images

Journal of the
European Economic Association
**Moral Hazard in Health Insurance: What We Know
and How We Know It**
Liran Einav and Amy Finkelstein



Source: Ted Kennedy, 1967. PD



Source: Getty Images

EXEMPT

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A Shack -- Not a Château



Source: iStock Photo



Source: Emon Hassan for The New York Times

A Shack -- Not a Château



Source: iStock Photo



Source: Emon Hassan for The New York Times



easyJet

Relax, We Can Afford It



Source: Stanford University

Almost every American family has become acutely aware of the soaring costs of medical care... According to many observers, the US health care system is in "crisis."

-Victor Fuchs

Source: Canva

Relax, We Can Afford It



Source: JSTOR Images

Almost every American family has become acutely aware of the soaring costs of medical care... According to many observers, the US health care system is in "crisis."

-Victor Fuchs

1974

Relax, We Can Afford It



Source: JSTOR Images

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-Victor Fuchs

1974



Source: Canva

Beyond Basic



Source: Chris B. Murray, 2017 NYT



Source: Jim Wilson, 2017 NYT

Basic Coverage

» **AUTOMATIC**

» **FREE**

» **BASIC**

Supplemental Coverage

» **MARKET BASED**

The New York Times

BRITISH PHYSICIANS DEFY HEALTH PLAN; Vote \$1,600,000



Source: Bettmann Archive/Getty Images



Source: The Star

Q & A





WHERE THERE'S LIFE...

NICE

National Institute for
Health and Care Excellence

BDJ

[Published: 13 September 2013](#)

NICE or not so NICE?

[J. Mansoor](#) , [A. Jowett](#) & [P. Coulthard](#)