

## COVID-19 Response in Countries with Single-Payer & Implications for Impoverished Populations

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Poor health and barriers in accessing health care lead to [poverty and homelessness](#). The fragmented, multi-payer health care system in the U.S. is defined by a myriad of [insurance coverage programs](#) and comes with [coverage gaps](#) and widespread [racial](#) and [geographic](#) disparities that are [well-illustrated](#) by the COVID-19 pandemic. The U.S. has fallen behind other countries in containing transmission of COVID-19, which is attributed to factors such as [delays in rolling out widespread diagnostic testing](#), [lack of federal leadership in pandemic response](#), and [national shortages of PPE and medical equipment](#). **This paper is designed to illustrate how single-payer health systems around the world have more effectively responded to the COVID-19 pandemic and to demonstrate why the U.S. should move towards a single-payer 'Medicare for All' system of care.**

At this time, the ultimate worldwide impact of COVID-19 is still largely unknown, and empirical data on health and economic outcomes is not yet available. However, factors such as financial barriers to care, access to personal protective equipment (PPE), and testing capacity have been regularly reported in global news coverage. This paper focuses on the reported benefits apparent in present day countries with single-payer systems including Australia, Canada, Denmark, Norway, South Korea, and Taiwan. These countries are seeing better outcomes during the pandemic in terms of the [total number of cases per million people](#), the [number of tests for each new confirmed case](#), and the [total confirmed COVID-19 deaths per million people](#).

	Universal Health Coverage	Free COVID-19 Related Care	Nationally Coordinated PPE for Health Care Workers	Free COVID-19 Testing	National Testing Strategy for COVID-19
USA	X	X	X	✓**	X
Australia	✓	X*	✓	✓	✓
Canada	✓	✓	✓	✓	X
Denmark	✓	✓	✓	✓	✓
Norway	✓	X*	✓	✓	✓
South Korea	✓	✓	✓	✓	✓
Taiwan	✓	X*	✓	✓	✓

\*In these countries, COVID-19 related care is still considered affordable (while not always free) because of caps on out-of-pocket costs.

\*\*In the U.S. insurers are required to cover costs for COVID-19 tests, but there are [loopholes in federal protections](#) that leave some patients with unexpected medical bills.

The following analysis highlights key areas of a successful COVID-19 response -- eliminating cost barriers, accessing PPE, increasing testing capacity, expanding telehealth options, implementing a national testing strategy, and evolving under a unified system. Each area includes examples of countries that effectively demonstrated these factors within a single-payer health care system. For purposes of this analysis, "single-payer health system" refers to a [national insurance system](#) created by collecting and administering funds through a single public agency. Not all countries with a single-payer system were included in this paper; those chosen were based on availability of reported information and to allow for a comparison to the health care system in the U.S.

## How are single-payer countries responding to COVID-19?

### ➤ Eliminating cost barriers for testing and treatment

Millions of adults in the U.S. [lack health insurance](#) and the fear of large medical bills can deter these individuals from getting the care they need. When people don't have to worry about the costs associated with testing and treatment for COVID-19, they are more willing to seek diagnosis and treatment early. **Norway, Canada, and South Korea** demonstrate how eliminating cost barriers increases access to care and allows for earlier implementation of infection prevention measures.

In **Norway**, there are [caps on out-of-pocket costs](#) with an annual out-of-pocket maximum of about \$300. As of January 2020, individuals are also exempt from out-of-pocket costs for hospital/physician visits, tests, and treatments for infectious diseases deemed to pose a public health threat in their health care system, such as COVID-19. Removing costs associated with COVID-19 encourages people to seek diagnosis and treatment early without fear of financial burden, which is often a barrier to care. Earlier diagnoses allow public containment measures to be implemented more quickly, such as quarantining at home.

In **Canada**, there are [no out-of-pocket costs](#) for publicly insured physician, diagnostic, and hospital services. Without having to fear out-of-pocket costs or being turned away for being out-of-network, people are more comfortable seeking health care during the pandemic. This has allowed earlier testing and contact tracing, which has limited the spread of the virus in Canada to approximately [111,000 cases](#) (as of July 2020).

In **South Korea**, the health care system covers the cost of any [medical care related to COVID-19 to be covered](#) for both citizens and foreigners living in the country. Their National Health Insurance (NHI) system covers about [80 percent of medical bills](#), while central and local governments pay the remainder. People who are COVID-19 positive are also [given paid leave](#) from their employment and those that are unemployed receive benefits for basic living expenses. This prevents people from slipping into poverty or homelessness and encourages the reporting of cases without fear of financial burden.

## ➤ Accessing Personal Protective Equipment (PPE)

[PPE shortages](#) in the U.S. have put both patients and [health care personnel](#) at risk during COVID-19 and created additional barriers for vulnerable populations while accessing services. Without a nationally regulated health system, it is difficult to track the evolving need for PPE and coordinate equitable distribution. **Taiwan** and **Denmark** demonstrate how having a single-payer model positions health care systems to better track, access, and distribute PPE during a pandemic.

**Taiwan's** health care system made it possible to establish a [3-tier framework](#) for a national PPE stockpile in 2003 and a model for replacing and replenishing the national PPE stockpile in 2011. By using an electronic platform with real-time infectious disease data, orders are received and processed from local health authorities and institutions. [National regulations](#) were implemented this year banning exportation of PPE to ensure a steady supply. Taiwan also implemented a rationing system on the distribution of masks priced at [16 cents each](#), which increased access to protective face coverings for people living in poverty. Their single-payer National Health Insurance (NHI) system provided the information necessary to [ensure a mask for every citizen](#) while also prioritizing sufficient supplies for health care personnel.

**Denmark** [created a national agency to manage PPE stocks](#) as a result of COVID-19. Once operationalized, the agency will centralize the procurement and storage of PPE as well as maintain an overview of available PPE stock across the public sector. With a single-payer system, Denmark is able to collect situation reports and assess regional needs for PPE. This provides the information necessary to coordinate and provide new resources while also redistributing medical supplies between regions.

## ➤ Employing a national testing strategy

The U.S. has [no national testing strategy](#) for COVID-19 and states have been left with the responsibility of securing tests on their own as cases surge. Other countries kept their number of COVID-19 cases lower by having a national testing strategy for early and widespread case detection and prevention. **South Korea** and **Denmark** demonstrate how a single-payer health care system allowed for greater testing capacity through a nationwide strategy.

**South Korea** demonstrated their preparedness with the [highest per capita testing rate](#) in the world and as of June 30<sup>th</sup>, conducted more than [1,273,700 tests](#). Their national health care system was key to facilitating coordination between public and private sectors. A national testing strategy was also created to quickly produce testing kits and conduct large-scale testing activities. The South Korean government set up [drive-through testing centers](#) across the country that minimized contact and accelerated the testing process. Results are [texted to patients within 24 hours](#), which aids early prevention and containment measures.

**Denmark** has also demonstrated that having a single-payer health care system allows for increased testing capabilities. In Denmark, there is no need to [discuss payments with insurance companies](#), which allowed for quick coordination of the medical system to respond to the pandemic. When commercially available testing kits were [difficult to acquire](#), national authorities had labs across the country formulate their own diagnostic tests. This made widespread testing available for Denmark citizens, with some cities also offering options for drive-through tests for people with symptoms.

### ➤ Expanding telehealth options

The growth of telemedicine in the U.S. has been [stunted by fragmented coverage policies](#) among insurers. Meanwhile, countries with single-payer systems such as **Canada** and **Australia** have been able to expand telehealth services during the pandemic to increase access to health care and improve patient outcomes.

In **Canada**, options for telehealth are being expanded through [\\$240.5 million](#) invested in virtual care. This shift to virtual care could significantly reduce the risk of exposure to COVID-19 for both patients and health care providers and would be available to all citizens because care is universal. It would also [increase access](#) to primary care services for people living in rural areas and people experiencing homelessness who often experience barriers accessing care (such as a lack of transportation).

**Australia** added [additional telehealth services](#) to their single-payer health insurance system and removed restrictions so that all Australians would be able to access these services. By allowing health care providers to bill for telephone and video consultations, telehealth use has rapidly increased. In the first six weeks of expansion, [7 million telehealth consultations](#) were reported.

### ➤ Moving forward under a unified system

The lack of a unified health care system coupled with fragmented public health responses to previous disease outbreaks in the U.S. makes it difficult to implement lessons learned while also moving forward to improve outcomes. Other countries have achieved these goals because they have single-payer systems that allow them to respond better to the current pandemic as well as be better poised for future infectious disease outbreaks. **South Korea** and **Taiwan** demonstrate an ability to improve over time and are using technology within their single-payer health system to develop new and innovative disease control measures.

After struggling to respond to a MERS outbreak in 2015, **South Korea** invested heavily in emergency preparedness for infectious diseases. The government developed [partnerships with the private sector](#) to increase capacity for developing and producing testing kits. When COVID-19 emerged four years later, the country was ready to implement [widespread testing](#) that helped contain community outbreaks. Innovations in the use of technology such as [smartphone apps](#) for collecting real-time data and monitoring transmission also allowed for improved contact tracing activities during the pandemic. Their single-payer health care system provided a united front to quickly coordinate and implement large-scale detection, containment, and treatment.

Following a SARS outbreak in 2003, **Taiwan** set up [temperature monitors](#) at airports to detect fevers in passengers, a practice replicated after COVID-19 emerged. This activity aided in early and widespread detection of COVID-19 given fevers are a common symptom. The national health insurance database was integrated with immigration and customs information to provide [real-time alerts](#) during clinical visits and aid in case identification, proving to be another innovative use of technology.

## Implications for Poverty and Homelessness

COVID-19 further illustrated known issues in the U.S. health care system such as lack of health insurance coverage and fragmented data systems, while also highlighting new problems, such as a lack of a national testing strategy and uncoordinated PPE distribution. In contrast, other countries around the world with a single-payer health care system have been able to more quickly and effectively coordinate responses to COVID-19 and have realized better health outcomes as a result.

[As the U.S. falls behind in fighting the COVID-19](#), it is important to recognize that health care has a direct relationship to poverty and homelessness. Between February 2020 and May 2020, an estimated [5.4 million Americans](#) lost their health insurance because of job losses due to the pandemic. A loss of income combined with an inability to pay for medical bills puts people at risk for poverty and losing their homes. This most recent loss of employer-sponsored insurance adds to the [27 million Americans who are uninsured](#) and even [more who are underinsured](#). The [fear of financial burden](#) without health insurance also discourages people from [seeking diagnoses and treatment](#) for COVID-19.

The National Health Care for the Homeless Council [firmly believes](#) that a single-payer, Medicare-for-All system is the best approach to health care in the U.S. and would [improve response to a pandemic](#). Such a system would represent a more cost-effective, efficient, and common sense approach to providing care. It would achieve better health outcomes, and ensure health care as a human right. A single-payer system would improve response to a pandemic and prevent poor health, poverty and homelessness.

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