Is Aussie health care really better?

"To read stories where you have a premature born baby and that the costs of that would drive you to bankruptcy – and that would never happen in Australia." - Anna Candler

911. What's your emergency?

America's healthcare system is broken and people are dying.

Welcome to Code WACK!, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host, Brenda Gazzar.

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This time on **Code WACK!** How do some Australians, who have single-payer health care they call **Medicare,** view the American healthcare system? What do they think about some people in America getting married in order to get health insurance? What about those who have health insurance but can still go bankrupt? To find out, we spoke to Australian **Anna Candler,** founder and CEO of **The Circular Water Company.** Through frequent visits to family in the U.S., Anna has gained firsthand insight into the stark differences between the Australian and American healthcare models. This is the second episode in a two-part series.

Welcome back to Code WACK! Anna.

Candler: Thank you, Brenda. It's lovely to be back again.

Q: Last time, we spoke about how simple the single-payer Australian healthcare system, known as Medicare and funded primarily by taxes, is for Australian citizens and legal residents. Many essential services are covered and people are also encouraged to get supplemental insurance for added coverage for services like private hospital stays, hip replacements and dental care. What surprises you the most about the American, multi-payer healthcare system?

Candler: One of my nieces in America was 26 and dropping off her parents' insurance and because of health issues, it was a decision to get married so that she could keep a certain medical insurance going. That doesn't happen in Australia. Everybody's covered. You were classified as a dependent, probably 18 or 21. I'm not quite sure. But once you are no longer dependent, you get your own Medicare card and you get access to everything. It's not employer based and it's not family based. So if you left home at 18 and wanted your own Medicare card, you'd get it.

Q: I hope your niece is doing well today.

Candler: She's doing fine but it was an interesting insight to realizing that there was this issue between what happened at 26 and if you didn't have a job and you had had some medical issues like asthma, nothing serious, but you needed a health cover because you couldn't afford to do it and you're going, 'not a decision that I would even contemplate, nobody in Australia would contemplate that, that you lose your, your health cover if you don't have a job.' That alone, you know, just takes a whole set of stress out.

Q: Yes. To clarify, 'cause I know I asked you this before, it wasn't like your niece married somebody she wouldn't have married otherwise, but it accelerated the process for her. Is that right?

Candler: Yes, it absolutely accelerated the process. But the fact that it was even a decision <laugh> to me was just, you know, absolutely bizarre. I mean, accelerated it because you know you're going to Las Vegas and decide to get married in an instant in Las Vegas. Understand that. To accelerate it because it was based on

where you sat in a health insurance scheme was like, ‘come over here child, I need to introduce you to Australia.’

We will read about American health systems and realize that everything is tied to ‘what does your employer cover? ’So your employer, do they cover contraception? Do they cover this?’ They have their choices to be able to do that. You don't know. I would hyperventilate if I had to sit and choose employers based on their healthcare coverage.

Q: Yes, even with limited options it's overwhelming to choose from all these different plans, PPOs and HMOs. It's very confusing, which plan will I need, and it's daunting to navigate that for anyone really.

Candler: Well, I would think so. And here well, you know, it's covered. You’ve got your base level now you're talking about decisions you make and you can change them from year to, you know, year to year if you really wanted to. I think there's about eight or nine major healthcare funds – call them healthcare funds – and they're all much of a muchness because it's a competitive market. The mixture of the baskets within it might change, but not really that much. I'd call it a branding exercise. Somebody would probably shoot me from the other side of, as we'd say, the ditch in America but it really is much more a branding exercise of ‘do you want this or you do want that?’ Some of them have got more extensive hospitals, but it really makes no difference.

Q: So is abortion covered under the Australian healthcare system?

Candler: Absolutely. The abortion costs are covered. The states make their own rules about the legalization of abortion. But once it's done, it is part of a federal system. So the states could set their own abortion requirements, but they're pretty well uniform across Australia. I come from, originally from South Australia, we have had abortion since – it must be the early seventies. So the first state in Australia to allow abortion and it's been decriminalized. So that means that it was done in other states. There was just the chance that if somebody got really narky, there might be a criminal action, but doctors weren't looking over their shoulder wondering if the police were walking in the door. As the years have progressed, certainly there are occasions where you might go to an abortion clinic and there

might be some people outside protesting, but there are very strict rules about how close they can be. And it tends to be, you know, a good 50, 60 meters away. You can't have it in your face. And I think Australia's far too relaxed about those sorts of things and if you chose that and you chose that abortion clinic, you'd be doing it knowing that that was the specific issue there. There are plenty of other ways, but abortion is essentially free except for some small out-of-pocket expenses. So you, you do, and, but depending where you are in that process, and you wouldn't have to travel out of state. So we have none of those traveling costs. None of the, 'what is my state's legislation between this week and next week ever going to do.'

And as long as it's covered by Medicare, it's free. And abortion being what it is today, it's considered, I think in most places considered day surgery. It's not a long term stay. Could be a bit more expensive if you're out in the country in regional hospitals, but that's more about that cost structure rather than, so if you came in from Broken Hill 800 miles away to Sydney, it would be cheaper in Sydney. But that's your choice.

Yeah. So abortion's considered health care and therefore it's covered as a basic right for everyone.

Candler: Yes, basically right. And of course, if you're having a later term you know, after 12 weeks [abortion] it will be more expensive simply because it's a different procedure than it is if you were you were having it pre 12 weeks,

Q: When you think of our healthcare system in America, you know, being one of the most developed countries in the world, when you hear about what kind of healthcare system we have and that people can go medically bankrupt even if they do have health insurance they could lose their house, for example. When you hear these kinds of stories, what do you think? What do Australians think about this?

Candler: If they could see me on the podcast that you'd see me shaking my head going, what the.... like really? I mean, talk about Code WACK! Wah! I have a dear friend who's got stage four cancer in the U.S. Would be treated by John Hopkins, swears by John Hopkins, but because of where they live to go into John Hopkins

and all the rest of it, it's now too difficult. And she refers to the doctor that she's going to as a for-profit doctor. And I go, 'I never heard that term.' You know, you don't, you know, 'this is a for-profit, and I get less of this, I get less of this, I get less of this. It's, you know, it's costing me this much more, you know, this is, I'm in a machine now' and I never see that. I never hear "for-profit." The idea that you would go medically bankrupt is just an anathema.

I mean, it horrifies me to read stories where you have a premature born baby and that the costs of that would drive you to bankruptcy. And that would never happen in Australia. That just wouldn't, first of all, the private medical insurance would find your place in a public hospital and it wouldn't make any difference to your standard of care. <Laugh>. I'm almost lost for words every time I think about the concept that you, you know, a for-profit doctor treating you for cancer. [In Australia], you just have a specialist who does this, or you have a specialist who does that. And some things would be done within the public health system. Some might be done [with] the private, but she'd never be sent bankrupt

Q: Yeah. Now, your friend that wanted to go to Johns Hopkins, what, what again was the reason that she couldn't go there?

Candler: The distance. She lives in Maryland. It's a two-hour drive from where she lives to Johns Hopkins and back again. And when you've got Stage Four and you're in your seventies, it's not an easy round trip to make on a repetitive basis. So she's ended up in a ….and she had nothing wrong with it, but just the whole feeling that she's in a for-profit. The change though, it's for profit is what she says is less than if it was at Johns Hopkins and she's paying for it. And I can't imagine anybody having that conversation in Australia or even calling a doctor a for-profit doc. We don't use that term and certainly not "medically bankrupt."

Yeah. I hope your friend will be okay. I hope she can pull through.

Candler: No, no. This is not one of those ones. These things happen. It's not going to have a good outcome.

And when you're dealing with, you know, something that serious, you want to be able to go to the people that will give you the best care, the best chance, the best quality of life.

Candler: Oh, absolutely. Absolutely. Let me not denigrate what care she's getting. It's just the terminology about how people talk about [it] internally in the U.S. So, you know, a for-profit doctor versus going to Johns Hopkins. The fact that people in the U.S. forgive me Brenda, you probably know better than me. Do you talk about doctors being for-profit versus not-for-profit doctors? Or is this I mean this may just be her own description to me, but it was the fact that she used the term that made me go 'Hmm.' And knowing I was talking to you going, 'that's really interesting.' Her out-of-pocket expenses are far higher than what she would be getting if she was being treated in Australia.

I'm sure. Yeah.

Candler: I mean, the costs in the U.S. are substantially higher and you've got so many levels of insurance companies that they are all making profits.

Q: I assume she's on Medicare in America?

Candler: Yes.

Q: Do you happen to know if she has a Medicare Advantage plan? Did she mention anything about that?

Candler: No.

Q: No, okay. So even with Medicare now, it's becoming increasingly privatized in America. So there's something called Medicare Advantage, which is cheaper upfront than traditional Medicare and a Medigap policy and offers things like eyeglasses and gym memberships. But if you get sick, it can be quite costly and they severely limit where you can go to get treated. And there's also something called pre-authorizations that doctors must get from the insurance company, which is often a battle.

Candler: Okay. No. **The one thing is pre-authorizations, not a term in Australia.** <Laugh> not a term. No. You go to a specialist, you go da da da, you don't have to fight anybody. It's a very simple process. Are you covered or are you not covered? End of question. Not pre-authorizations. Do you have to fight to have it covered?

Right. And we have lots of denials too.

Candler: Yes. Lots of denials. What are the codes? I mean, I've listened to so many podcasts about, you know, how you do the codes and how you do this and what do you do and what is this? And doctors having to have people to fight insurance companies and it's so black and white here. It's covered or it's not covered.

It's very clear.

Candler: Extremely clear. Here is my private health insurance. I want to go and have, I needed to have a breast cyst done. 'Here it is, here is this, this is it. That's it. Anesthesia costs you this. Medicare will cover this. You'll be up for that. That and that – done.'

Every American will have to deal with it at some point or another. And it's just a question of when you have to fight. We do have hospitals that are either for-profit or not for-profit. But even not-for-profit hospitals aren't without their problems in America. They're supposed to give back to the community (and provide charity care) in exchange for not having to pay taxes, but they often don't do that.

Candler: Okay. So in Australia we have government hospitals, public health hospitals supplied by the states, supported by the federal government. We don't have this issue that it's not a federal government process. We expect the federal government to support our state healthcare systems and to provide certain levels of funding to all of the states. So there is a juggle between the states and the federal government about their funding ratios. But the public hospitals are there. And for-profit doctors can work in government hospitals. 'cause Some government hospitals have better facilities or more appropriate facilities. And so you can have a for-profit doctor working in a public health system. And a lot of doctors work across both boards, private health funds. The hospitals tend to be smaller. They're now more likely to be owned by two or three or four

organizations. There might be a slightly strong Catholic process, you know, Catholic religious-based hospitals, Catholic being the biggest one here that I can think of.

And then there are other, other private, some founded by some health insurance companies. But you don't get forced into where you go or where you don't go. It would be, I mean, maybe at some lower level, there are some little more intricacies to it, but it's not a big issue. And as for fighting your bill, absolutely not. I go to my doctor and when I have been poor and I go, you know, if they don't bulk bill – bulk bill means it just gets taken care of straight to Medicare. Nothing comes to me – If they don't bulk Bill and I am a bit poor, I might say, 'can we put this through on bulk billing?' And then I don't have any out of pockets. And some doctors will say they won't bulk bill or they will charge you this, and then you go to Medicare and you get it back, but you know exactly what you're up for.

So if your doctor does charge you $500 and says it's gonna be $500 and Medicare says, we'll only pay $80, you know that, you don't get to fight it, you know, but you don't have to pay the $500. You can go and say, 'well, who else could I go and see? And you, you can essentially doctor shop.'

Thank you, Anna Candler, of Australia. Stay tuned for next time when we dive deeper into the differences between the U.S. and Australian healthcare systems.

Do you have a personal story you'd like to share about our wack healthcare system? Contact us through our website at heal-ca.org.

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