

## Justin Bieber and Hair Denial

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My youngest son has a Justin Bieber haircut. He denies it – but he does. The art of the look is bangs that are combed-forward, straight and fringed. The cut is called “the Bieb.” My sister once did the same thing with a Liza Minnelli cut. I never saw my dad cry, but I think he came close to it that day. My sister told him it was called the “Urchin” haircut. My dad had very different names for it.

“What was I thinking?!” How many times do we look back and doubt some of the choices we have made in life? The fact is, however, we experiment, decide what works, and either keep, modify or try something different that is something better suited to us, regardless of how it worked for another person. Health care reform in the developed world is a similar concept. For example, think about Canada with a national population smaller than that of the state of California. In 2014, the \$41 billion health care funding agreement between the Canadian federal government and the Canadian provinces will expire. Some in Canada are suggesting that it’s time for a dialogue on health care reform prior to 2014 so that what takes place in the future better fits the needs of Canadians. Does this sound familiar? In 2014, our health care system launches into high reform.

Interestingly, Canada maintains one of the developed world’s most expensive universal health insurance programs with mounting costs that are staggering - and all that for a system that by many accounts is not providing what Canadians want. For example, there is an average wait of close to five months between the doctor’s referral and the actual surgery by a specialist. According to a recent publication, that is approximately 96 percent longer than the wait time nearly 20 years ago. Canada is also the only country in the developed world that bans its citizens from buying private health insurance for necessary medical services and also bans

user fees. Every other developed nation has some sort of patient cost sharing and private financing – including the United States.

What worked in the past for Canada doesn’t appear to be effective in the present. The former president of the Canadian Medical Association stated in late 2009, “[w]e need to give our system a little dose of competition, but not to change the complete system. It’s not in our culture. The most important thing we want to keep is the universal access. This is very important for us, and everyone agrees on that.”

The Netherlands, by contrast, reformed its health insurance system in 2006 from a system of public insurance coverage where patients had the right to opt out of the public scheme and purchase private insurance. It was an approach that also was not working to fit the needs of that country. So they changed the system by introducing a mandatory health insurance program where patients had to buy a standardized health insurance plan in the private market. Sounds familiar, doesn’t it?

The Dutch government, in essence, moved from being a public insurer of health care (like Canada) to overseeing the operation of a private insurance market much like the approach in Massachusetts, and the one taken under the health care reform law. It regulates the insurance industry to ensure that coverage is not denied due to pre-existing medical conditions and that premiums are affordable for the standardized coverage, but patients are free to shop around to purchase health insurance that best suits their current needs and financial circumstances. The system is transparent and socially conscious - information is available to the public on the various options available and public subsidies for low-income individuals ensure that they

have access to a choice of private providers for the cost of the standard insurance coverage.

Let's do the numbers for all three countries – Netherlands, Canada and the United States. The percentage gross domestic product (GDP) spent on health care by each nation in 2009 was 9.4 percent (Dutch), 10 percent (Canada) and 15.3 percent (U.S.). Health care spending per capita in that same year was \$3,481 (Dutch), \$3,673 (Canada) and \$6,719 (U.S.). By embracing reform, the Netherlands has provided universal health care coverage without government - provided insurance, at a lower percentage of GDP and per capita spending than the Canadian system, but with services as good as Canada and lower wait-times for procedures.

So, where does that leave us in the United States? If we set aside the pressing issue of lack of coverage for millions of Americans, our numbers don't look great when compared to other countries, as noted above. Some studies, such as the Urban Institute in 2009, suggest the overall quality of health care in Canada and the Netherlands tends to be higher than that provided in the United States. A recent AARP survey of 1,000 adults in the United States age 50 and older revealed that only about 35 percent of these individuals said

they currently have adequate health insurance coverage. In addition, estimates of how much a 65-year-old couple will need to pay for out-of-pocket health care costs throughout retirement range from \$197,000 to \$271,000.

The bottom line - it doesn't matter what "style" of health care worked in the past. We need to focus on whether it continues to provide a level of service, protection and affordability in the present and foreseeable future. As we know from Justin Bieber's hair – that irrepressible Canadian star – and our own Liza Minnelli, one style certainly doesn't work for everyone. Each country looks to its culture, citizenry, values and pocketbook to decide what it hopes will work most effectively. We are doing the same here in the United States.



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