

REFLECTIONS ON A RECENT TRIP TO DENMARK
Healthcare - The Danish Model vs. The U.S. Model
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Before I discuss the experiences and information I garnered from a recent trip on the Baltic visiting Denmark, Finland and Estonia on the way to St. Petersburg in Russia, I would like to share some recent health care information which I believe is very elucidating.

A recent study comparing health care costs in the U.S. with those in other western nations identified the following: The U.S. spends nearly double their percentage of GDP on health care yet life expectancy in other Western nations is approximately four years longer than the U.S. An interesting caveat is that America is far from a homogenous society and lifespan is often a function of economics with longevity directly a function of economic success. In addition, the homicide rate in the U.S. is six times that of Denmark and gun violence is almost non-existent in Denmark. Many doctors there have never seen a gunshot wound. Auto deaths are 1/4 the number per capita in Denmark vs. the U.S.

Another caveat regarding health care costs; my son who has had cardiovascular treatment for the last six years is soon to undergo his 4th bout of angiogram involving blockages in his leg arteries. The last bout which was a single day at a New York City hospital involved a two-hour procedure where the arteries were opened up for a period of 6-9 months and this procedure is soon to be repeated. The insurance company paid the hospital \$150,000 for that procedure.

Let me now explore my experience in Denmark. In Denmark, all education beginning in elementary school through graduate school including up to a PhD is totally paid for by the government. There is no financial outlay by any individual. In addition, health care beginning at birth is covered by the state with no copays or out-of-pocket expenses by the patient. This includes dental care for all people under 18 years of age and is provided in the school system.

If a working woman has a child, she's given up to 52 weeks of pay while she cares for her newborn.

None of this however comes without a cost. Tax rates in Denmark for incomes of \$45,000 are 45%. The tax rate is 51% for incomes over \$80,000. In addition, there is a 25% VAT tax, essentially a sales tax, on every item you buy from your dinner to the car you buy to the computer you may purchase. The Danish use this revenue to provide social welfare for its population.

The minimum wage in Denmark is \$22 per hour. There is also very generous unemployment insurance for those who lose their jobs. Basically the system is geared to eliminate the highs and lows that often occur in a capitalist society.

In a survey of happiness among nations, the Danish rank #1.

In America, our federal tax rates are lower even at the highest levels; capping out at 37%. Our sales taxes vary from state to state generally not exceeding 6-7% and some states are lower. In addition, we have a Social Security tax on the first \$128,400 that an individual earns and this cap generally increases over time. Real estate taxes on our homes, particular in Westchester, are extremely high while in other states real estate taxes are minimal. State incomes taxes vary as well where some states have no income tax and California tops out at 13%. Many people living in New York State, particularly in Westchester County and Long Island, essentially pay up to 50% of their income in total taxes.

Those that decry the high tax rate in Denmark, when one considers that many people who are reading this pay in total nearly 50% of their income in total taxes. They should realize that they do not receive the benefits that Danes receive and if you're paying college tuition for your children, the cost can be up to \$70,000 per year at some of the universities.

Regarding health care for individuals who are self employed, many can pay up to \$25,000 per year for health care insurance.

In Canada where the cost of college is essentially free, dental school which I am particularly interested in, costs \$77,000 total for four years. In the U.S. at Columbia University or New York University, dental school tuition exceeds \$400,000 on top of an undergraduate degree which can easily exceed \$250,000.

In reviewing the pros and cons of the Danish system, several issues must be discussed as it relates to the Danes in particular. During World War II, the Danes were the one nation that resisted rigorously under the occupation of the Nazis from 1940 to 1945. Interestingly enough, the Danes were the only country that actively protected their Jewish population by saving 95% of them by putting them all on boats and sending them to Sweden before the Nazis could round them up.

When the Nazis occupied Denmark and started to separate people by religion, the King of Denmark announced there were no Christian Danes, no Jewish Danes, only Danes.

In a study looking at the culture and ethics of the Danish population, psychologists and sociologists that the sense of community was much higher in Denmark. Individualism is a predominant trait in the U.S. as opposed to community in Denmark. The Danes seem more willing to accept the uncertainty of outcomes and plan for long-term solutions rather than short-term outcomes.

America on the other hand is very different from Denmark; we're a country of immigrants who come from all over the world. There is no single American culture as it exists in Denmark. Immigrants beginning with the English to our current immigrants bring vastly different cultures and attitudes to our shores. Initially and for several centuries, the primary reason people came to America was for economic opportunity and religious freedom; it was uniquely possible in the U.S. It is clear that our sense of community is not as great as Denmark.

In America we identify ourselves by many hyphens; many of us consider ourselves New Yorkers as opposed to people in Mississippi who may identify themselves more with the state ethos of Mississippi. We identify ourselves as Democrats, Republicans, Conservatives, Libertarians, Socialists, etc. We define ourselves by race, whether it be African-American, Hispanic-American, Asian-American, by religious orientation whether we be Evangelist or Atheist or whether we're members of the NRA or oppose the NRA and whether we believe that the press is the enemy of the people or whether we believe that the First Amendment is absolute

Our nation began as 13 separate colonies that could not agree on anything and struggled mightily to form a union. Thus an anathema to British rule and did not want a strong, central government. It took a great deal of arm twisting and compromise for the 13 colonies to become the United States. One of the unfortunate outcomes of the compromise was that the South was allowed to continue possessing slaves and we're all aware of the consequences of that.

I am not proposing the Danish model because we are not Denmark. Denmark does not have a huge outlay of military expenses nor the huge deficit we have in the U.S.

Currently there are those people, particularly in the Democratic party, who are proposing a one-payer system vis-à-vis Medicare for all. There are great discussions about the pros and cons of the enormous costs. This is a complicated problem but it's something that's worthy of discussion. One can learn from others; the sign of a civilized nation is not one which can preserve its institutions but learn from others who have found perhaps another way or a better way to deal with the complicated issues that first-world nations confront.

One final caveat which I discovered during my trip to Denmark: the Danes, like many European countries, opened their doors to migrants from North Africa, Iraq and Syria. They now face an existential crisis because of that. Providing health care, housing, food, education and income for the new migrants was an example of their great generosity however they have discovered much to their chagrin that many of the immigrants do not want to become Danish. They form enclaves of Syrian and Iraqi communities which is an anathema to Danes; they hope that all adopt their Danish ways and Danish culture. This has become such a serious problem that Denmark passed a law recently requiring every child over the age of one attend a Danish school where they would Danish language and Danish culture. The penalty for not doing so would be a cessation of all welfare benefits for the families.

Obviously, the world is more complex than we would like it to be.

As always, I appreciate your feedback.

Yours truly,
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