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FYI | In the News

Jun 4, 2009
by **John Goodman**

[Steve Forbes' latest commentary](#) calls on consumers to sign the new "[Free Our Health Care NOW!](#)" petition launched by radio host Mike Gallagher and the NCPA.

Also, the new issue of *Vital Speeches of the Day* includes my recent Congressional testimony on exactly how we can [resolve the health care crisis with consumer-driven health care reform](#).

On Monday, June 8th, NCPA Senior Fellow Laurence J. Kotlikoff will join me at a Cato Institute Policy Forum to present our plan to radically reform the financial system. The event will be streamed online. Details at [Cato's Web site](#).



This entry was posted on Thursday, June 4th, 2009 at 2:45 pm and is filed under [FYI](#). You can [leave a response](#), or [trackback](#) from your own site.

6 Responses to "In the News"

Save101.com Says:

[June 4th, 2009 at 3:33 pm](#)

Your Vital Speech was very soft on the dangers of employer-based health insurance.

Also, if a poor family of 4 can get Medicaid for your reported \$6,000 a year then everyone on employer-based insurance paying an average of \$16,000 per year is paying \$10,000 per year too much.

With this twisted logic I prefer Medicaid being in control of all 2.5 trillion annually for US health care. The truth is more like taxpayers are being squeezed bone dry to pay \$10,000 a year per person in New York for over-priced Medicaid.

I hope Mike Gallagher isn't boring about health care reform. After all, freedom is on the ropes.

Vicki Says:

[June 4th, 2009 at 4:26 pm](#)

Like the petition.

Bart Says:

[June 4th, 2009 at 6:36 pm](#)

In the Congressional testimony, I can understand why an insurer would have incentive to avoid the sick and attract the healthy given an equal premium for both. But what are the "incentives to under-provide care for the sick and over-provide for the healthy?" I would have thought the only incentive would be to pay out no more than required in either case.

I suppose an insurer could try to delay claims payment for unprofitable accounts in hopes that the insured will either die or give up in frustration. But if that's not controllable then we're in serious trouble anyway.

Obviously there is some scenario I'm missing, but I can't think what it might be. In any case, as

soon as formerly low-risk customer becomes high risk, wouldn't the same situation arise?

Bart Says:

[June 4th, 2009 at 6:39 pm](#)

Just a thought, does this mean, for example, that the insurer is extremely generous with routine and preventive care, but stingy regarding catastrophic coverage? But that would be spelled out in the terms. Dang.

Save101.com Says:

[June 5th, 2009 at 4:05 am](#)

Even the socialists who want single-payer are better at warning citizens about the dangers of employer-based insurance than Dr. Goodman.

The socialists report that Americans who have employer-based insurance simply lose their coverage and go bankrupt.

<http://www.forbes.com/feeds/hscout/2009/06/04/hscout627785.html>

Not one of our HSA clients, in 12 years, has ever lost their insurance because they lost their employment. We have never had a customer complaint and we have had hundreds of heart attacks, cancers and strokes.

7-Eleven's 1st HSA (MSA) in January of 1997 had a heart attack. Mike's HSA insurance paid 100% after the \$4,500 family deductible. Mike followed doctor's orders and quit smoking and his HSA premiums dropped like a rock. Mike can now sell his store and keep his portable individual HSA health insurance. Mike is still a Save101.com customer.

I have to give Dr. Goodman a "D" on that speech, sorry.

John Goodman Says:

[June 5th, 2009 at 10:07 am](#)

Reply to Bart:

The plan is making a profit on healthy people. So it has an incentive to over-provide to keep the ones it has and attract more of them. You over-provide by providing spa services and well checkups and other benefits that are basically not worth the cost — at least to a health plan.

The plan is losing money on sick people, so it has an incentive to under-provide — to encourage the exit of those it has and discourage the enrollment of others just like them. You under-provide by failing to include the best specialists in your network, ruling that lots of drugs and procedures are "experimental," etc.

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