

US President Barack Obama leaves after speaking in a rally celebrating the passage and signing into law of the Patient Protection and Affordable Care Act health insurance reform bill at the Interior Department in Washington on March 23, 2010. Obama signed into law his historic health care reform, enacting the most sweeping social legislation in decades which promised to ensure coverage for almost all Americans

# Miron: On the first anniversary of Obama's controversial legislation, throw away the notion that healthcare is a right

Posted by: Jay Kernis - Senior Producer

ONLY ON THE BLOG: Answering today's OFF-SET questions is **Jeff Miron**, a Senior Lecturer and <u>Director of Undergraduate Studies</u> in the Economics Department at Harvard University.



He served as the chairman of the Department of Economics at Boston University from 1992 to 1998. Miron is author of "The Economics of Seasonal Cycles," and "Drug War Crimes: The Consequences of Prohibition." One year ago today, President Obama signed The Patient Protection and Affordable Care Act into law, on March 23, 2010.

Shortly after Republicans took control of the House of Representatives this year, they voted to repeal the law, and GOP leaders have also pushed through other legislation to defund federal agencies in charge of implementing the law. But perhaps a bigger threat to the law comes from the courts. Federal judges are split on whether the law is constitutional and the issue is on a path to the U.S. Supreme Court.

Prof. Miron says the legislation should be repealed.

## This week, The Institute for Humane Studies at George Mason University in Virginia released a video of you explaining how to fix the U.S. healthcare system. Why did you make the video?

I made the video because IHS called and asked if I wanted to participate in a video/web library they are creating on libertarian thinking. (Note: I also received compensation for making this and some related videos.)

### CLICK HERE to see the video.

#### On the video, you say that we must throw away the notion that healthcare is a right? Why?

My reasoning is that, if we think of health care as a right, then we assume we should supply it to everyone, under all circumstances, without regard to the cost or the recipient's ability to pay. While this may sound compassionate, it will lead to enormous over-expenditure and a health care system riddled with inefficiencies.

Unless those who receive a given product pay at least some of the cost of producing that product, they will demand far more than is sensible from the perspective of balancing costs and benefits.

#### Then you make the case that what has been called "Obamacare" needs to be repealed. Again, why?

The US cannot afford the two major health care programs we have, Medicaid and Medicare – these are on a path to bankrupt the country – so it is crazy to add yet another expensive health care program.

Obamacare does nothing to create more balancing of costs and benefits and health care; just the opposite, it introduces more insurance for more people, with limited or no co-pays and deductibles, so the tendency to over consume health care will be even greater.

#### In your view, what should that legislation be replaced with?

I do not think we need to "replace" Obamacare with anything; I believe we need far less government subsidy of health insurance, starting especially with a phasing out of Medicare (and the tax-subsidy for employer provided insurance).

#### And you say that Medicare should be gradually phased-out? What will older Americans do without it?

In the absence of Medicare, some older Americans will work longer; some will rely on family or private charity; some will end up qualifying for Medicaid. Remember that all the elderly get Medicare, regardless of need; and I am not suggesting that we eliminate Medicaid. Rather, I am saying that we should only provide subsidized health care to the truly poor.

### You also advise that lots of regulations need to go away. Which ones are your top targets?

The Food and Drug Administration does far more harm than good by raising the costs of all new medicines and medical devices and by introducing substantial delays in the introduction of those that turn out of the safe and efficacious.

Current licensing rules for doctors and nurses are excessive and keep many qualified persons from supplying medical services. By scaling back these "barriers to entry," we can make health care less expensive for everyone.

#### You have been described as a "consequentialist libertarian." What does that mean?

Consequential libertarians believe we should choose between intervention and laissez-faire by recognizing all the unintended and adverse costs of intervention.

Our claim is that when one does a full accounting, very few interventions actually generate more good than harm, despite the best of intentions.

CLICK HERE to read our blog interview with Ralph Neas, president of National Coalition on Health Care and NCHC Action Fund CEO