

Sorry seniors, but the pols are pandering on Medicare

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Thanks to that Facebook posting of hers, Sarah Palin has gotten the Democrats to drop that change in Medicare law that would have had the federal government pay doctors to provide senior citizens with end-of-life counseling.

I'm not impressed. What would impress me, as a conservative, is if she got the Democrats to stop the federal government from paying for Medicare itself.

It's not the patients who need end-of-life treatment. It's Medicare. It needs to "wither on the vine," as Newt Gingrich put it back when the Republicans took a realistic view of the question.

That was in 1995, when Gingrich's plan to cut Medicare helped lead to that infamous government shutdown. Gingrich wanted to save money by moving seniors from traditional Medicare to privately run managed-care plans. President Clinton won that battle. Ever since, Republicans have competed with Democrats in pandering to senior citizens, with the Bush administration going so far as to buy their votes with drugs.

As bad as that 1995 defeat was, Barry Goldwater did even worse back in 1964. In leading the fight against Medicare, the GOP presidential nominee called the plan "relief and charity" that would "bankrupt the system." He added, "It can be dressed up, painted, pictured as voluntary but any way it is put, the plan ... is socialized medicine." It might not have seemed that way at first, when Medicare cost a mere \$4 billion a year. But the cost in 2008 was \$413 billion a year. Its annual cost is more than twice that of the British socialized medicine system.

Being right and winning elections are two different things, however, and Goldwater was on the losing end of a historic landslide. So these days, we are met with the bizarre spectacle of supposedly "conservative" Republicans railing against socialized medicine while arguing against even the tiniest cuts in the largest system of socialized medicine on Earth.

I'm sure a lot of people get all warm and fuzzy when Palin asked on her Facebook page whether seniors would see those counseling sessions "as attempts to convince them to help reduce health care costs by accepting minimal end-of-life care." But if Goldwater were to return from the grave, he would no doubt ask: What tax are you going to raise to pay for that care?

I discussed that question with Jagadeesh Gokhale of the free-market Cato Institute. Gokhale is an expert in generational economics. He notes that Medicare has an unfunded liability of \$43 trillion over the next 75 years. In other words, we are congratulating ourselves for offering unlimited services to seniors while handing the \$43 trillion bill to our kids.

But suppose we wanted to do the honest thing: pay our bills on time. That would require us to roughly double the current 2.9 percent Medicare payroll tax and double Medicare premiums as well, according to Gokhale's calculations. And that's just the start.

"Because health-care expenses are going up faster than GDP, that rate would rise over time," said Gokhale.

Call me a cold-hearted conservative curmudgeon, but I would prefer the alternative. Instead of doubling taxes, we should cut costs in half. If it were up to me, I would run the numbers and offer seniors participation in some bare-bones HMO that could be financed with recurring revenues. Anything above that they'd have to pay for themselves.

I'm not running for office, however. Nowadays both parties pander to the senior vote. So we have the only-in-America spectacle of a bunch of participants in the largest socialized medicine scheme in the world coming out to rallies to oppose socialized medicine.

In Gokhale's considered analysis, it's the young people who should be showing up at those town-hall meetings to protest the public option.

"By extending the program to the young they're basically extending Medicare," he said. "The young are the largest uninsured population and they don't use much in the way of services." Their premiums would let the pols put off tough choices about Medicare for even longer, he said. The public option, in other words, is really a tax increase in disguise.

As for the conservative option, no one in elective office is even mentioning it after the drubbing Gingrich took back in 1995. I recall at the time having a conversation with a Republican member of Congress who proclaimed "I won't let senior citizens be forced into HMOs!" Forced? As Goldwater so aptly noted, Medicare is charity care. And charity is limited not by the recipient but by the donor.

Before Newt was neutered, he got it right. Unless Medicare withers on the vine, that vine is going to grow large enough to strangle the economy.

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