

# Patient Power

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## Obama Care kills competition

August 16th, 2009 | by Brian Schwartz |

Cato's Michael Tanner summarizes why the proposed [“public health plan” would drive commercial insurers out of business](#):

A government-run plan would have an inherent advantage in the marketplace, because it ultimately would be subsidized by taxpayers. The government plan could keep its premiums artificially low or offer extra benefits, because it could turn to taxpayers to cover any shortfalls.

Plus, the government plan also could use its market power to impose much lower reimbursement rates on doctors and hospitals — Medicare and Medicaid do that now, to the point where they often pay less than cost. Providers would be forced to recoup the income lost thanks to the “public option” by raising what they charge to private insurance — driving up premiums and making private insurance even less competitive.

In the end, the private-insurance market would be eviscerated, leaving millions of Americans with no choice but the government-run program. No choice. No competition.

Read more about about the [public plan's unfair competition](#). Or read more about how [Medicare and Medicaid increase insurance premiums](#). Or...read Michael Tanner's whole article, [Obama Kills Health Competition](#).

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### 1. **One Response to “Obama Care kills competition”**

2. By [Steve Jones](#) on [Aug 16, 2009](#) | [Reply](#)

Speaking of government-run health care. here's an anti-Obamacare song from jazz singer Kathleen Stewart. Enjoy: