

BEFORE IT'S NEWS

Bernie and the High Cost of 'Free' Health Care

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“If you think health care is expensive today,” humorist P.J. O'Rourke once opined, “just wait until it's free.”

History has repeatedly demonstrated the undeniable truth of O'Rourke's dictum, but that hasn't stopped politicians from promising that the next time really will be different. The latest to promote this version of hope over experience is Vermont Sen. Bernie Sanders, who is promoting his plan for “Medicare for All” as a key part of his presidential campaign.

Given that Medicare is running some \$40 trillion in the red, that might not be the best model, but Bernie's undeterred. In fact, Sanders' plan would actually cover more services than Medicare.

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And, it would do away with all of Medicare's modest cost-sharing components like co-payments, deductibles and premiums. When Sanders promises free health care, he means it.

But, as O'Rourke warned us, BernieCare will really cost us a whole lot more. Sanders' own estimates suggest that BernieCare would cost roughly \$13.8 trillion over its first decade of operation, roughly a 30 percent increase in federal spending.

To pay for it, Sanders would sock us all with a big tax hike. He would increase the top income-tax rate to 52 percent and add hefty hikes in capital gains taxes and estate taxes. Corporations would face a new 6.2 percent payroll tax, which would mean either fewer jobs or lower wages. He would also hit every American with a new 2.2 percent income tax.

And this doesn't count the likely impact of all this taxing and spending on the economy. The nonpartisan Tax Foundation, for instance, estimates that Bernie's plan would reduce GDP by 9.5 percent over the long term, and reduce after-tax income for all Americans by an average of 12.8 percent.

In fairness, of course, businesses and workers would no longer have to pay the health care costs that they now incur, including insurance premiums and out-of-pocket expenses, so it's possible that some people may end up paying less even after all the new taxes, lost jobs and lower wages. But the arithmetic suggests there will be far more losers than winners in the BernieCare casino.

And all of this assumes that BernieCare will reduce health care costs by as much as 47 percent, according to independent estimates. How? Well, Sanders is far less clear on that than he is on how he'll increase taxes. His plan contains exactly one paragraph on cost control, including a promise that "government will finally be able to stand up to drug companies."

Perhaps this lack of specificity is because Sanders knows that the way other countries with single-payer systems "get health care spending under control," as Bernie promises, is by denying care.

Single-payer systems in countries such as Great Britain and Canada do spend less on health care than we do. But they do so at the cost of less care, less innovation and longer wait times.

There's a reason why more than half of all new drugs are patented in the United States, and why 80 percent of non-pharmaceutical medical breakthroughs, from transplants to MRIs, were introduced first in this country.

But as bad as BernieCare is liable to be, it's particularly ironic to watch supporters of Hillary Clinton and President Obama criticizing "socialized medicine." Where do they think we've been heading for the last six years? ObamaCare may not be quite as expensive or comprehensive as BernieCare, but it still represented an enormous government takeover of the health care system.

Like BernieCare, ObamaCare — and HillaryCare before that — was based on the idea that government should make our health care decisions, not individual doctors and patients. Obama always said he really wanted a single-payer system. He settled for ObamaCare because he couldn't get single-payer through Congress. If Sanders would rush us a little faster down the road toward government-run health care, that road has already been paved by Obama and Clinton.

Hillary wants to "build on ObamaCare." Sanders has more grandiose plans.

But they're arguing about how fast to drive on the road to hell. Their destinations are the same. It's a destination that means bigger government, more taxes and rationed health care for all Americans.

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