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I believe in the free speech that liberals used to believe in, the economic freedom that conservatives used to believe in, and the personal freedom that America used to believe in.

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[Yes, There Is A Free Market Solution To Fix Health Care](#)

by Doug Mataconis @ 5:43 pm on October 22, 2009.

The Cato Institute is out with [a new Policy Analysis](#) detailing [free market reforms that can make a real difference in the delivery of health care in the United States](#):

In a new Cato study titled, “[Yes, Mr. President, a Free Market Can Fix Health Care](#),” I take up the president’s challenge and explain that markets are indeed the only way to achieve those goals. I also explain how Congress can remove the impediments that currently prevent markets from doing so:

1. **Give Medicare enrollees a voucher** (adjusted for their means and health risk) and let them purchase any health plan on the market,
2. **Reform the tax treatment of health care with “large” health savings accounts**, which would give workers a \$9.7 trillion tax cut (without increasing the deficit) and free them to purchase secure coverage that meets their needs,
3. **Free consumers and employers to purchase health insurance across state lines** (i.e., licensed by other states), which could cover up to one third of the uninsured,
4. **Make state-issued clinician licenses portable**, which would increase access to care and competition among health plans, and
5. **Block-grant Medicaid and the State Children’s Health Insurance Program**, just as Congress did with welfare.

Unlike the president’s health care proposals (which, as Victor Fuchs [explains](#), would merely shift costs), these reforms would *reduce* costs, expand coverage, and improve health care quality – without new taxes, government subsidies, or deficit spending.

Would a free market be nirvana? Of course not. But fewer Americans would fall through the cracks than under the status quo or the government takeover advancing through Congress.

Here’s the report, read it for yourself:

[Yes Mr. President, There Is A Free Market Solution To Health Care Reform](#)

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Policy Analysis
No. 650 October 21, 2009

Yes, Mr. President
A Free Market Can Fix Health Care
by Michael F. Cannon

Executive Summary

In March 2009, President Barack Obama said, "If there is a way of getting this done where we're driving down costs and people are getting health insurance at an affordable rate, and have choice of doctor, have flexibility in terms of their plans, and we could do that entirely through the market, I'd be happy to do it that way." This paper explains how letting workers control their health care dollars and tearing down regulatory barriers to competition would control costs, expand choice, improve health care quality, and make health coverage more secure.

First, Congress should give Medicare enrollees a voucher and the freedom to choose any health plan on the market. Vouchers would be mandated, would contain Medicare spending, and are the only way to protect seniors from government rationing.

Second, to give workers control over their health care dollars, Congress should reform the tax treatment of health care with "large" health savings accounts. Large HSAs would reduce the number of uninsured Americans, would free workers to purchase secure health coverage from any source, and would effectively give workers a \$9.7 billion tax cut without increasing the federal budget deficit.

Third, Congress should break up state monopolies on insurance and clinician licensing. Allowing consumers to purchase health insurance licensed by other states could cover one-third of the uninsured without any new taxes or government subsidies.

Finally, Congress should reform Medicaid and the State Children's Health Insurance Program the way a reformed welfare in 1996. Block-granting these programs would reduce the deficit and encourage states to target resources to the truly needy.

The great advantage of a free market is that innovation and more prudent decisionmaking means that fewer patients will fall through the cracks.

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