

Obamacare

By Jeff Harding

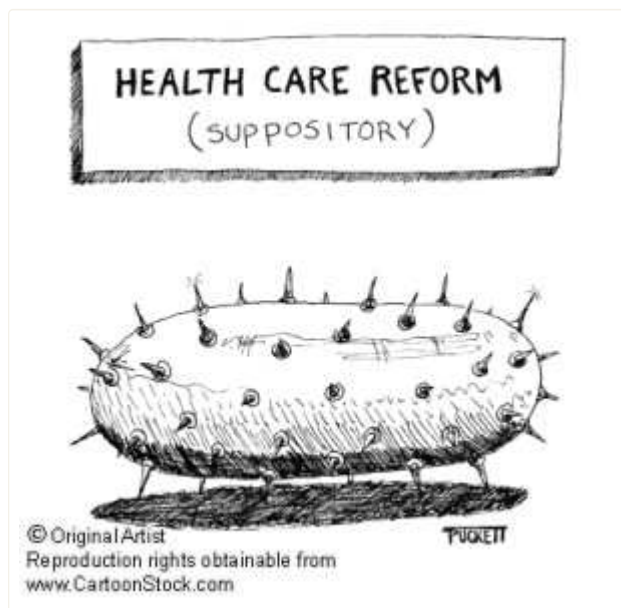
Fair warning: this is one of those *ad hominem* attacks on President Obama, just so you'll know.

I question the motives of a politician who says things like government-run national health care will bring good medical care to everyone, that it's a cost savings measure, it's a budget balancing program, and that it will not require an increase in taxes on the middle class.

On July 7, 2009, President Obama said:

I am pleased by the progress we're making on health care reform and still believe, as I've said before, that one of the best ways to bring down costs, provide more choices, and assure quality is a public option that will force the insurance companies to compete and keep them honest," the president said in the statement. "I look forward to a final product that achieves these very important goals.

President Obama knows these statements are lies.



Why is it that no one in the government can come up with an idea for delivering health care to people other than through a government-run plan? Just on the face of it you would have to question their premise. If they can't run the post office, Medicare, or anything else efficiently, what makes anyone think they can run the 16% of the economy that is health care?

Yet they continue to press for some form of government-run national health care. To be fair, they have quite a bit of support from their voters who are frustrated with the current "free market" system.

What everyone wants is a system that gives them good health care, insurance coverage at a fair price, choice as to doctors, access to the best technology, and the knowledge that they won't go broke because of medical bills. Sounds fair.

What is the best way to deliver that to consumers? Or, to put it the way President Obama would, "what works?"

To come up with the best system possible, why don't we first take a critical look at the systems around the world that are run or sponsored by governments. Do some research and find out what works and what doesn't.

Of course the reason the Administration doesn't want to do that is because all these public health care systems have problems containing costs, have some form of care rationing, and are raising taxes to cover budget shortfalls.

It is clear from a survey of current systems around the world that the programs that offer the best chance of achieving our goals are the ones that have the least amount of government control. The systems that have the most top-down government control are the ones that least meet these goals.

Heavy handed government-run single-payers programs in countries like Great Britain, Canada, and Norway have the least amount of consumer satisfaction, the highest costs, health care rationing, and delays in getting care.

Countries such as France, Netherlands, and Switzerland with national health care systems that are more market oriented, with managed competition, allow consumer choice, cost savings incentives, and market pricing are far more successful.

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Every country that has a form of national health care is facing rising costs. More and more they are turning to more market based incentives to better manage costs, increase efficiency, and allow more consumer satisfaction.

By the way, every country to some extent has the same problems Americans complain about: gatekeeper issues, cumbersome prior approvals, lack of access to experimental treatment, and delays in getting treatment.

In light of all the evidence to the contrary why does President Obama continue to press for a public option plan whereby the government would compete with private insurers? It's because he wants to drive out private companies and replace them with a single-payer system similar to the Medicare system. Since it is estimated that Medicare wastes about one-third of program spending, why go there?

Right now there are three bills pending in Congress. They each have mandates for employers and individuals to purchase policies, purchase subsidies for the middle class, increased insurance regulation, and a government-run health care plan, like Medicare, that will compete with private insurance. They are similar to the highly regarded Massachusetts plan.

If anything should convince us not to go down this road, it is the Massachusetts program. After only three years of operation, insurance premiums are shooting up, subsidies to help citizens to purchase policies are skyrocketing (\$1.9 billion in 2008), and choice is being limited. Sin taxes have been raised but not enough to keep up with cost increases. It is estimated that spending on health care, public and private, has increased 66% faster than without this plan. Governor Patrick is now talking about rationing care ("manage costs better"). Yet the proponents of the plan promised taxpayers that these things would never happen.

There is also a moral aspect to Obamacare that they don't like to talk about.

What if I came to you and said that I have a great idea on how we can have everything we want without paying for it. How, you would ask, could we do that? I would answer that we'll just have the kids and grandkids pay for it. Who cares, we'll be dead.

In other words, instead of spending our money, we'll load ourselves up with benefits and spend our kids' and grandkids' money to pay for it. You might say, that's not fair, they haven't even earned it yet. We can't spend money that hasn't been earned yet. We can't commit them to something they don't even know that's coming.

Yes we can!

I think it is fair to assume, based on published reports of past predictions on the cost of federal social welfare programs that the cost of Obamacare will be much greater than the Administration projects. Even if you support the program you have to admit this truth.

We all know that the projected \$1.7 trillion cost of the new plan will really be much more. Who will ultimately pay for it? [Play the thinking-over-your-answer music from Jeopardy] Yes, you're right! Your children and grandchildren.

Here's what the [Cato Institute](#) says:

Medicare and Medicaid are the reason that the size of the federal budget will double from 20 percent to 40 percent of GDP within 80 years. Medicare's unfunded liabilities are in the neighborhood of \$80 trillion. The CBO estimates that all income-tax rates would have nearly to double by mid-century (top rate: 66 percent), and increase by nearly 150 percent by 2082 (top rate: 88 percent), just to pay for existing federal programs. If Congress creates a new government health program instead of reforming the ones we've got, tax increases will be inevitable and painful: The CBO estimates that by 2050, economic output could be 20 percent lower than if government remained at its current share of GDP.

There is no question that we have a system that needs reform. But keep in mind, contrary to what Michael Moore's propaganda says (*SiCKO*), we have the best quality care in the world. Thousands of people from around the world come here to get medical rather than at home (just ask Italian Prime Minister Silvio

around the world come here to get medical rather than at home (just ask Italian Prime Minister Silvio Berlusconi).

There are many free market proposals to “fix” the system which would result in better health care delivered to most of the population without the waste, lack of choice, rationing, runaway costs, and massive tax increases always associated with publicly run systems.

Let's go with what works.