

Observations on Healthcare Reform

Two things you may not want to watch being made: sausage and legislation. After months of politicking, health care reform is the law of the land. It might have gone better if it were called an “Insurance reform” as that section caused the most heated debate. Underlying the disagreements are two opposite philosophies. Those who think access to health care is a privilege will disagree with this reform. Those who think that access is a basic right tend to agree. Below are some observations about the whole messy process.

Everyone is entitled to their own opinion. No one is entitled to their own facts. Unfortunately, these last 14 months have been too full of allegations passing as facts, and when repeated often enough, has many believing those are facts. The effect has tainted the whole process of reform.

It may be instructional to respond to a few “facts.” One often repeated charge is that Democrats rammed this through and excluded all Republican attempts to participate.

One reason this process took so long is that Senators Baucus (Democrat) and Grassley (Republican) took far longer than expected to reach agreement on their committee bill. But it was a bipartisan effort and more than 200 Republican ideas are included in the final bill. Republican input is substantial and to say they had no voice is just politics, not fact.

Another reason is the Republican Party opted for a strategy to “just say no” to any partisan Obama bill and to appointments requiring Senate approval. They even called the health bill, Obama’s Waterloo months before they knew what was in it. Their withholding of appointments and “No” votes in 2009 support their non cooperation. After months of joint effort, even Senator Grassley voted against his own committee bill.

Minority Leader Boehner complained that this bill would be Armageddon and Senator McCain said he would no longer participate. Such hyperbole would be humorous save that far more inflammatory comments have stirred up unruly conduct in the public while leaders on the right remain mostly silent.

The majority of Americans disapprove this bill. One truth is political bickering has turned off the majority people. But it also depends on how the questions are worded. Non partisan Kaiser Foundation asked about 12 specific benefits. Over half favored 11 benefits, with 60%+approval on 6 benefits.

The individual mandate is unconstitutional. What most people do not realize is federal law requires everyone to be treated in emergency rooms, regardless of their ability to pay. Further, Republicans initiated the idea of mandate during Hillary care and Democrats objected much like Republicans do now. But like a card table, take out one leg and the whole table falls down. Healthcare is far more complex than four legs that all need to work together or reform collapses.

Republican governor Romney who passed universal health care for his state wrote in 2006. “Some of my libertarian

friends balk at what looks like an individual mandate. But remember, someone has to pay for the health care that must, by law, be provided: Either the individual pays or the taxpayers pay. A free ride on government is not libertarian.”

This is a government takeover of healthcare. Somebody might want to remind those folks that 100 million people and ½ of all medical costs are already on government health care. While reform calls for an expansion of Medicaid, the bulk of reform retains the current mix of private and government insurance. What IS reformed are the health insurers who over time have engaged in more and more nefarious acts that favor profits at the expense of the health of their insured.

Insurance reform is the number one issue for the public and this statute goes a long way, albeit gradually, in making those egregious acts illegal. Controls on insurers are what all other industrialized nations do and their costs are about half ours.

Government will dictate coverage and ration care. There is some truth to that. However, today, health insurers dictate coverage and too many care more about Wall Street than people’s health. In fact, some 45,000 people die each year because of lack of access to health care. If one wants to complain about death panels and health care rationing, look no further than your for-profit health insurer of today.

Buried in those thousands of pages are new data reporting standards and requirements that will allow comparison of medical practices. Since half of all costs are already taxpayer funded, why shouldn’t the government make an effort to eliminate waste by encouraging effective practices and discouraging non-effective ones. Contrary to “popular” opinion, the bureaucrats analyzing those practices are not political flunkies, but doctors and medical personnel.

This will cut Medicare benefits. Hard as it may seem today, the government had grave initial concerns that few people would sign up for Medicare. To encourage participation, Medicare offered private insurers a “bonus” of 15% above Medicare’s own costs to entice seniors to sign up. Today, 25% of seniors are in Medicare Advantage programs. Private insurers are free to modify that coverage and add benefits, but also free to charge more for any enhancements.

What reform does is gradually reduce that 15% “bonus” as it certainly is not needed to encourage seniors to sign up. But it does so in an intelligent way, allowing efficient insurers to keep more of the bonus while discouraging inefficient ones.

Closing Medicare Drug “doughnut hole”. There is bipartisan support for this provision as there was in the initial Bush statute. What few remember is that there was zero funding included in that Republican bill and its 10 year costs about equal the current reform bill. Republican complaints of adding to the deficit or raising taxes are rather hypocritical given their history of deficit spending.