Christopher D.Casscells,MD

CRI Director of Division of Health Care Policy

Intro The Latest News

Losing the Battle Postponing the Employer Mandate The ACA Goals Incentives and Consequences

How to predict the law of unintended consequences and the reason grand planners always fail.

Medicine Commerce and Socialism

The profession of Medicine requires the transference of assets of the community. We are called to care for the weak and vulnerable of the community with the assets of that community, by creed and oath..... fully 4000 years before Christianity and arguably 100,000 years, possibly before commerce itself by archeological data. We are "hardwired" to care for our kin.

The History of Medicine

Aechylus, Hipocrates and Plato National Health System National Socialist Party FDR WW2 wage and price freeze...inflation Medicare, Medicaid, IHS, VA, SCHP, MHS Major Medical Advances.....inflation HMO's (you never need to pay for anything)

The Bubble

Unsustainable growth of available resources, extraordinary medical advances, their development cost and the population growth of those covered to receive those resources.....the crisis

The Fix

Solution 1

Go to the root cause, the disconnect of cost and benefit and apply supply/demand (Free Market Principles)

Solution 2 (The Grand Scheme) Seize the crisis to centralize power (20% of the economy) by Universal Health Care The Holy Grail of Progressivism

Ho-Ho-Ho

Santa Claus wins every time

How Did It Happen

Incentives for the players The States-money now during bankruptcy The Hospitals-Uncompensated Care The Health Insurance Industry- Book of Bus The Doctors- simplification and charity The Employers-offload insurance costs The Public- all the healthcare you want, for free, whenever you want it, forever!

The Stick (Taxes to Pay for It)

The SGR (Sustainable Growth Rate) gone x 17 Long Term Health Insurance -Gone Employer Mandate - postponed to 2015 Individual Mandate - who knows ? Premium Policy Tax (40%) Ins. then indiv. 2016

Motivation

States- majority refusing the deal Health Ins.- Max Profits and leave market Hospitals- Consolidate and be "Too Big To Fail" small hospitals fail. Large hospitals drive the market and demand fee schedule. Employers- downsize or push to exchanges Doctors-either see many patients briefly or retire, or consolidate into large groups. Public- wait in line, and pay large taxes or purchase private health care

OUTCOME

The Government will be a single payer system HealthCare will become at least 2 tiered with significant rationing of care through long waits with the inevitable outcome of shorter lifespan, fewer survivable birth defects and prematurity, and Lower Healthcare Costs. AND... the privileged class, notably the Senate and Congress will have private health care. Charity healthcare will disappear. My calling will become a trade.

What if it is repealed

Very Unlikely The IRS issue, no exchange, no fine The taxes and no benefits issue (300/78/1.6m) We still have the basic problem of Medicare and IHS/Va/MHS/SCHP/Medicaid and HMO Patients will have to choose care, negotiate and pay, or not. Supply/demand happens. If so, prices will come down, the economy will improve and innovation will resume.

What if it is not repealed

Fully a need for a 25% to 30% revenue in taxes levied disproportionately on the top brackets,

a catastrophic flight of equity and businesses and a complete cessation of medical progress.

The Economy

17% of the economy will suffer prolonged recession at least in the 5 to 10 year term and will not recover.

Innovation

The historic advances in healthcare of the past 5 decades will move offshore or stop. Life Span Will Cease to Extend

Perhaps it should

Cost

Will Decrease by Attrition and Rationing

Government Will Grow

As a ruling class/underclass oligarchy but not as a representative democratic republic

Questions?????????

THANK YOU

CRI Division of Health Policy Christopher D. Casscells, MD Director