



Analytics

Published by the Caesar Rodney Institute

RELEASE: CRI - Center for Health Care Policy

RE: Heed the Warnings and Fear Nothing

DATE: 10/25/2012

The core argument upon which the health care political campaigns rest is based on misinformation, emotion, jealousy, greed, fear and empty promises. It is a perfect political issue. One side professes to provide free health care for all, forever with no cost to the user (unless they are wealthy and will foot the bill). The other warns of the danger of socialism, elimination of the doctor patient relationship, destruction of the free market and an additional 16 % of the economy being totally controlled by the federal government.

Here is a simple way to understand the issue: There is a limited amount of healthcare to be had. Currently some individuals have seemingly unlimited access to that and some do not. Also some pay for it and some do not. The formula has promoted the escalation of costs by disconnecting the recipient, the patient, from the cost, so naturally the cost went up, since someone else was paying for it. While the economy was expanding, the medical economy expanded and progressed. Now that the economy is failing, that luxury is unaffordable.

From the government's perspective (keep in mind the government already controls Medicare, Medicaid, Military Health Services, the Veterans Administration, Children's Health Insurance Program and the Indian Health Service) the only way to control the cost over-run is total control, and then limiting the utilization. It is a simple supply and demand formula. Currently the demand is high and the supply limited. That is expected to worsen with retiring baby boomers; a worsening employment picture; rising Medicaid enrollments; and, retiring physicians - there is currently a nationwide shortage of 90,000 physicians. In other words, through the enactment of ACA (ObamaCare) there will be a mandated increase in demand by promising free care to millions of more individuals through a monopoly single payer system to be paid for by cutting payments to physicians and other health care providers which will unquestionably decrease supply availability. Another method of reducing costs by cutting fees will result is long waiting lines for care, particularly with the elderly. The control of health care services will be held by a committee of 18 bureaucrats located in Washington DC. More and more doctors will retire or give up public practice in favor of private and some our our best and brightest students will not enter the field of health care. Since the supply demand curve will be artificially adjusted, supply of medical services will decline with demand rising – and efforts to control cost will fail to correct the problem.



Analytics

Published by the Caesar Rodney Institute

The inevitable result will be lower quality delayed care for all except those exempt. Who are they, the exempt? They are those who can afford to pay themselves for what they need, federal bureaucrats and our Senators and Congressmen. In their wisdom, those who passed this legislation without reading it, took the time and care to exempt themselves from its predictable disastrous consequences.

**Dr. Chris Casscells, M.D., Director,
Center for Health Care Policy**

