

Comprehensive health care reform providing private insurance for all Americans.

Comprehensive, Constitutional Health Care Reform

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Comprehensive, Constitutional Health Care Reform

Cassandra Nathan

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JustJo@inbox.com

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Introduction

In Save America, Save the World, several key areas of concern for the U.S. were addressed: taxation, immigration, energy, national security, education, world development, Social Security, and mainly health care. With the election of a Progressive president, health care seems to have fallen into a sad bumper sticker competition of “UHC” or not—with UHC being Universal Health Care—which is government run health care, common throughout much of the world. It could be actual socialized medicine where the government owns the hospitals and the doctors are government employees or the “single-payer” system of places such as Canada—the point is that “everyone” is covered and taxes and more government control are key features of all UHC forms. For whatever reasons, much of the mainstream media seems taken with the idea and is not doing much by way of investigation into the reality of UHC. Politicians seem to be happy with fairly superficial takes on the issue—including UHC.

It’s now April, 2010, and President Obama and Congress have passed a bill to remake health care—and the U.S. Though the current bill doesn’t admit it is heading toward the Canadian system, the president has admitted that there is a “transition” in this plan and that even Canada had to transition to its present system. Well, I agree with him that a **transition** is the way to go, but I don’t want to go socialist. **This plan transitions us to a Constitutional, free market plan, away from all government control.**

Warning: this is unlike ANY other plan or ideas out there. If you glance through it, you will NOT understand it. If you believe that the government is in charge under this plan, you have misread it. If you believe that health care costs must necessarily spiral upward no matter what, you are wrong—economics just does not bear that out. The Constitution, which was divinely inspired, has **no** defects in it. You have to have an open mind, **READ** the plan, possibly mark it and go back if unclear on a point, and be open to the possibility that someone really was able to come up with a plan that gets us back to the Constitutional government without sacrificing the most vulnerable in society or bankrupting anyone or turning it all over to the government. **The free market IS the answer.** If you can’t accept those principles, then you will not be able to understand what is here and you will read

things not here into it because of the PERVERSION of certain terms and concepts over time. Being “on” the insurance as a provider does NOT automatically mean that you are subservient to the insurer or restricted in any way or forced to do anything as some cannot grasp. It simply means that your PROFESSIONAL status is acknowledged AND if you wish to receive payment from the insurer, your contact information is in his database so he can send you your money. That’s it. Anything else is fantasy and not in the plan.

Let me emphasize that again as this plan is not the usual that’s been bruited about: **it is designed to last 20-30 years to provide a bridge back to the Constitution.** Why? Because we have a lot of citizens who have been promised certain things their entire lives about Social Security and Medicare and they paid into the system for decades and as it is an unconstitutional, Ponzi scheme, it’s collapsing. It is not reasonable to expect an 85-year-old who put 40 years of FICA premiums into those two programs and 20 years premiums into Medicare to be told that now he has cancer and is too ill to work that he can go bankrupt or die. **It is reasonable to provide a bridge for him and others who will soon qualify for Medicare and Social Security to get what they bargained for and it can be done without bankrupting younger folks or the country. It is the concept of equity, or fairness, which this country was founded on and it needs to be respected.**

The legislation that I am proposing needs to be written will have a 20 year expiration date on it. If in 20 years, people want to expand it for another decade, so be it. If we can pull out of this mess earlier, then let’s end the minimal government involvement early. If I were a psychic, I’d be a multi-billionaire, so I have to run with reasonable projections and if most people have 20 years to save for their retirement, they’ll be able to do it. Also when one or two generations have grown up with the idea that the government is NOT the answer and that health care belongs in the private sector, the deadly link that generations have been exposed to of the Nanny state will start to die off. People will look once again at other socialist-oriented governments and see the real American way, the Constitutional way, is best.

There are some other plans on the table, even conservative ones, but with respect for those who want to do more in the private sector, they are not comprehensive

and they are not the solution. This plan grew out of the one initially presented in Save America, Save the World. It has been modified to totally eliminate any government plan. That was at the State level, so it did NOT violate the U.S. Constitution, but frankly, let's just shoot for the desired goal: the least government possible. The subsidy for the poor to use for private insurance became a better idea: tax credits for the private insurance companies that cover someone who is poor and/or sick (as in pre-existing condition). Here is why that is better: it saves everyone money.

Also as the government would have been providing Medicaid/Medicare/SCHIP or some combination to the person, we, the taxpayer, are saving a small fortune even with helping with PRIVATE long-term care insurance premiums for a time period. If the person would not have qualified for Medicaid/Medicare/SCHIP then he would have been uninsured and possibly getting care at an ER at a very exorbitant cost for no good reason. Or he might have gone bankrupt, which also costs the taxpayer and those who did business with him. So the tax credit for the company is an elegant solution. By fostering private insurance plans, we stimulate the economy. Many insurers are also publicly-traded companies and sell stock, so there is also the potential for a healthy investment for people. This allows people to have complete choice of what insurer to go with and will encourage competition.

The new Nathan plan has more on tort reform, more on how to increase the number of qualified doctors and nurses without anyone going bankrupt, and ideas on reducing the cost of long-term care as well. This book will not go over the "Obamacare" alternative. It falls into the camp of tried and failed policies, such as UHC, single-payer, the Massachusetts plan, the TennCare, and more. The government's approach is to micromanage and that will be costly on every level. **The major points of the Nathan plan are that: the free market is the key to reducing costs; tax credits trump subsidies; and we need more doctors and nurses, tort reform, and improvements in long-term care options and costs. The private sector IS the way to give us what we need in health care.**

We do now have an actual crisis in health care in the U.S. Not only are many speaking of switching the system to UHC, which will greatly limit choices and cause problems most people can't see or won't admit to at this time, but it will

bankrupt the U.S. The U.S. is on the road to bankruptcy now, however. As Dr. David Gratzter wrote, in The Cure, his book about serious problems and a possible solution for America's health care crisis, **Medicare “will consume 25 percent of federal income-tax revenues by 2030” and for the next seventy-five years the unfunded liability will be “\$68.3 trillion, or more than five times the present GDP of the United States”** (126). However, given that he notes that when Medicare was created it was projected that in 1990 the hospital portion would cost \$9 billion (125), but in fact cost **seven times that amount**, what reason is there to believe that it will “only” be \$68.3 trillion that we would be in the red? The present system is simply unsustainable and it's not working well either, no matter what some claim.

It's not just Medicare either. As George Will noted in his 11 September 2008 column, “Bankrupt Cities,” townhall.com: **“Credit Suisse estimates that state and local governments have a cumulative \$1.5 trillion shortfall in commitments for retiree health care.”**

Because of Medicare and its rules, the government basically controls health care for those 65 and older. With SCHIP, a substantial portion of children's coverage is government directed. Add in Medicaid, IHS (Indian Health Services), and the VA (Veteran's Administration), as well as some other assorted government programs and the effective subsidy of employer-provided health care (a deduction for the employer, not for the employee if he buys his own insurance), and you can see why **the estimates on the percentage of the health care system the government effectively controls ranges from at least 50 percent to more than 70 percent** (Strom, “Wading Into a Health Care Swamp,” 12 Sept. 2008, townhall.com). Strom notes this has resulted in about 17 percent of our economy going towards health care—twice that of other countries' expenditures.

Beyond the fiscal issues is the fact Gratzter notes that a study by the Center for Health System Change stated that **around 30 percent of all physicians will “not accept some or all prospective new Medicare patients”** (130). Individual Medicare patients often find that they also have substantial medical expenses each year—and they tend to be on fixed incomes. **“Every year, more than three-quarters of Medicare recipients pay \$5,000 or more out of pocket”** according

to the AMA's retired principal economist, Gratzer stated (126). Hixson, the economist, had also calculated at one time that it was **possible for a Medicare recipient to be on the hook for \$35,000 in a year** (Gratzer 126)—that was in the past and prices have risen. Will these people then end up on yet another government program, Medicaid? As Dick Morris noted in a 22 July 2008 column "Obama's Health Rx: Cover illegals," **"About 80 percent of each Medicaid dollar goes to nursing-home care for the elderly, only about 20 percent for the medical needs of the poor."** Morris also noted in his 20 November 2009 column, "Obamacare to Hike State Taxes," that 39 states have Medicaid cut-offs that are below the **new** cut-offs in the current legislation that is proposed. Because of how Medicaid is funded, this means that states will be hit with several million more dollars in expenses for Medicaid. This ranges from around \$14 million for North Dakota to nearly one-and-a-half billion more for California which is already bankrupt (Townhall.com). With the significant taxes in the bill as it stands at this time, and the fact that it requires, with the President's blessing, that all citizens buy health care insurance or be penalized, Americans will be sending a great deal more to the government at both the state and federal levels. Taxes are front-loaded and that does not work. **It's not Constitutional and it didn't save Medicare which most people pay into for more than 30 years before being able to collect and when they are "on" it, they still have to pay premiums.** It just does not work.

Medicaid is rationed care and a poor reimbursor—physicians are not eager to sign up to treat Medicaid patients. From a 5 April 2008 NY Times article, "In Massachusetts, Universal Coverage Strains Care,"

Dr. Atkinson, 45, said she paid herself a salary of \$110,000 last year. Her insurance reimbursements often do not cover her costs, she said. "I calculated that every time I have a Medicaid patient, it's like handing them a \$20 bill when they leave," she said. "I never went into medicine to get rich, but I never expected to feel as disrespected as I feel. Where is the incentive for a practice like ours?"

Spawning additional government programs is not the answer and also overlooks many important issues, such as the continuing and growing shortage of physicians and nurses. However, as we have so many people on a

government health care program, we must reform that system because there is no way we're suddenly going to end all of those programs. They should be transitioned to the reformed private sector, but reform must occur.

What makes this plan different from **all** other offerings is several things accomplished by fixing some of the errors we have now:

- significant shortages of health care personnel;
- excessive governmental regulations which drive up costs while providing no real benefits to anyone;
- absolutely no price transparency in the health care field;
- routine violations of contract law and antitrust law in the field (the norm, not the exception);
- ill considered “charity” designations for hospitals and some insurance plans that do not result in a benefit to the public;
- a hodge podge of inefficient government programs for health insurance;
- nuisance malpractice suits and rich attorneys;
- excessive costs to approving new medications which can provide a better quality and quantity of life for many;
- no realistic plans to fund existing government programs and a way to replace them with people having control of their own retirements;
- no practical solutions for long-term care bankrupting us at every turn;
- no realistic plans to help the American worker save money for his retirement so that we can end entitlement programs such as Social Security, Medicare, and Medicaid without sacrificing those who depend on the programs, and
- no plans that stimulate the U.S. economy—and as health care is already one-sixth of the U.S. economy, not turning that into a plus for the country is a serious mistake on several levels.

Some bureaucrat—in government or at an insurance company—is always telling the patient what he may or may not do and usually surprising him with an unexpected and ridiculously large bill months down the road. All of that is unnecessary and expensive and must be stopped and can be with this plan. Doctors are also routinely expected to bear the costs of poorly managed programs and to accept low and slow pay from insurance—private or

government—while dealing with mounds of paperwork that few would tolerate. Many hours per week are wasted on complying with all manner of regulations or trying to get paid for services that were delivered. It is possible to turn the American system into a free market one while providing some “social safety net” for those who are ill and even under a reformed system unable to meet all their necessary medical expenses.

The increase in “medical tourism”—U.S. citizens going to other countries for medical care they can not afford here—is not the answer. More of the same, letting insurance companies dominate markets in contradiction to free market principles, is not the answer. We need to move far closer to a true free market because that is the only way to encourage the necessary competition and deliver the quality we need. Because health care is lacking in every country in the world (UHC is not the paradise the uninformed claim it to be), we cannot continue to raid other countries of their doctors and nurses nor throw open our borders to care for others (see “compassionate entry” and the fiscal disaster that spawns. Time’s 30 March 2006 article, “Who Left the Door Open?” provides a good description of what is happening to many border communities, including Indian ones, from this ill conceived practice.)

Doctors are thinking about quitting in significant numbers (close to half some reports say) if the ill-conceived health care “reform” goes through instead of being repealed or modified in major ways

(<http://www.themedicusfirm.com/pages/medicus-media-survey-reveals-impact-health-reform>). We have many who are set to retire soon and there is a need for far more doctors than we have now. We are on the road to disaster if we don’t do smart reform. The entire Nathan plan that INCLUDES the base model plan with tax credits, the FICA IRA, ways to create more physicians and nurses, real tort reform, and more addresses **everything** in the health care field. It’s a complete system—part of which is designed to be temporary as the goal is to get government out even from tax credits.

It’s time to get a better plan on the table for discussion. Though both Dr. Gratzner’s book, The Cure, and economist Regina Herzlinger’s book, Who Killed Healthcare? are excellent, neither are as free market nor comprehensive as this plan. They

should be read, however, for quality argumentation and excellent information. This book offers a free market plan while reforming existing government programs with some major refinements to the initial plan offered in 2007's Save America, Save the World. There is more information that could be used when trying to have an accurate and intelligent discussion on this vital subject than in the broader issues book. Devoting a work to the single issue may help people focus. The clock is ticking, so we need to act now.

<http://heyteachkp.web.officelive.com>

is THE web site for this plan. Check there for any new updates or thoughts and use the “contact us” button if you have questions or need to contact the author.

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