

## A Competitive Vision for Health Care in America

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The 13th century Italian poet Dante observed, "A great flame follows a little spark."

Thomas Jefferson said, "The greatest threat to freedom is the expansion of government power."

In no other profession is government more involved than in health care in the 21<sup>st</sup> century.

### The Policy Argument

The policy argument against choice in health care runs something like this: Since 90 percent of Americans are in a third-party payment system, we must devote all our energies to "fixing" that system. We must also fight freedom of choice with regard to doctors outside of managed care networks, because choice brings competition, and competition will increase costs.

It is certainly true that most Americans currently receive health care either paid by the government (Medicare or Medicaid) or their employers (HMOs or managed-care plans), but this is precisely why we should embrace choice rather than reject it. A system that can command (and indeed, enforce) a 90-percent market share is a monopoly, and as everyone knows, monopolies produce bad products at high prices. Why? When there is no competition, customers have no alternatives; when there are no alternatives, customers have to accept whatever a monopoly decides to produce, and pay whatever a monopoly decides to charge.

This is exactly the dismal record of the government's long-standing monopoly in health care. Medicare costs almost 10 times its initial projected costs. The government calls this "cost overruns," which gives it a reason to tax more and get even more control over the people. But overall health care has not improved. People are not getting better care at a cheaper cost. The government blames doctors and patients - it is great at pointing the finger, but the public should stop looking where the government is pointing and start looking at the government itself.

More government is not the solution to our problems. We are told if we just keep plugging away at failed solutions - if we spend more money, hire more health-care managers and administrators, and create more government commissions and regulators - we will get different results.

In the meantime, what happens to the patient? To defenders of the status quo, the primary concern is not what happens to the patient if he or she is forced to stay in the system, but rather, what happens to the system if corporate bureaucrats or government bureaucrats lose control and the patient is free to leave. By this reasoning, no matter how bad the situation gets, we must not help the patient to leave, lest in leaving, he makes a bad situation worse. Does this make any sense at all?

Does the patient exist to serve the system, or does the system exist to serve the patient? Even if the policy argument were not morally bankrupt, it runs counter to settled economic truths. Long before

the Sherman Antitrust Act (a flawed, but popular piece of legislation) was passed in 1890, Americans recognized that monopolies stifle innovation and defraud the customer. The solution has never been to increase the power of the monopoly; the only remedy that has worked consistently is to encourage competition.

### The Historical Argument

Competition may be deeply ingrained in our nation, but according to opponents of choice, so is government health care. This is the historical argument against choice, which alleges that America was founded on a system in which government was given the primary responsibility for delivering health care to the people. In other words, government health care constitutes the very underpinnings of our republic, and reflects our founding fathers' deepest aspirations.

The problem with this argument is that it is false. The government delivery system we have come to know as Medicare wasn't established until 150 years after America was founded. The system it forcibly replaced - the system of health care in our country was founded on - was characterized above all by diversity, competition and choice. People could choose from different private practitioners, while competition spurred innovation and expanded services. This approach wasn't perfect, but it worked well, and it was improving steadily. Not only did it produce some of the greatest doctors in history, it also produced a system of health care that led to technological breakthroughs and expanded methods of health-care delivery.

### The Civic Argument

Such revelations don't seem to faze the anti-choice crowd. Its members simply "step over" history and move on to the civic argument against choice. They admit that the free-market approach to health care may have worked in a more homogenous society, but quickly add that in today's diverse culture, we need government health care to promote standards of care and uniform guidelines that are acceptable to everyone.

Conflicts began immediately after the creation of uniform standards of health care. There are over 150 different guidelines just for the treatment of back pain. Which one is correct? Health care is an inexact science, and even if it were exact, there would still be human error. Doctors have to learn how to document all patient records to specific practice guidelines developed by the government and different HMO standards. Fees for services are set according to a uniform standard, rather than the expertise or experience of individual practitioners. Look at the recent battles involving HMOs that denied care for basic procedures that used to be standard. HMO profits are paramount to patient care; a "one size fits all" policy is developed, and patients who fall between the cracks with complicated cases are just out of luck. The question becomes not whether health care is rationed, but who decides what is rationed? The decisions are made not between patient and doctor, but by corporate or government bureaucrats.

By claiming to deliver what families need, rather than giving them the power to pursue what they want, the government health system needlessly tramples individual rights and creates unnecessary conflict.

### The Legal Argument

Why not enable patients to pursue the health care they want? According to the final argument against

choice, it is against the law. Patients are caught in a "catch-22" situation. The same people in government health programs argue that the law prevents them from using a fraction of their tax dollars to leave the system.

Since some patients may flee to doctors outside their network, we are told this represents an unconstitutional establishment or tax-supported health care. In a competitive system, patients would receive the money and do their own choosing. It is almost as if advocates of the government's monopoly in health care have discounted patients for so long, they have forgotten they even exist.

### Freedom Is What Matters

The last weapons in the government's health-care-monopoly arsenal are fear and prejudice, disguised as concern for the welfare of the disadvantaged. Thus, its leaders insinuate (in politically correct terms, of course) that poor and minority patients won't make good decisions when it comes to their own health care. This argument underestimates the fundamental value that makes this country great. In America, we must place our faith in freedom and the ability of ordinary, often humble people to make the best decisions, by their own lights, for themselves and their families.

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JUNE 2003