

A Universal Healthcare Plan I Can Swallow...

by Benjamin Artz

It is no secret that our nation is facing a crisis in the next few decades. We will no doubt hear all about it in the presidential election next year. This problem will certainly cause millions of people grief over the uncertainty and risk that the future could bring. And just when we are told the problem is solved, our tax bills will most certainly face a steep incline. Of course I am referring to the healthcare industry and the proposals of many politicians to make medical coverage universal by having the government pay the bills. Although healthcare for all is a great idea, getting there is downright nasty.

It is frightening that roughly 15% of the nation's citizens lack health insurance. Some may argue this is not a problem at all. If people do not want health insurance, no one should force them to buy health insurance. However, in a country where turning away the uninsured from emergency medical care is illegal and simply immoral, the insurance bills get higher for everyone else. This just increases the number of people who choose not to pay for insurance even more. The free-rider issue, coupled with the healthcare industry's inherent inefficiencies, third-party insurance providers and the rising demand for healthcare from aging baby boomers makes it nearly impossible for everyone to afford coverage.

Let us assume that universal healthcare is the voters' ultimate goal and destination. We can get there via only two proposed routes, one being better than the other. Universal healthcare paid in full by the government is probably the simplest way to solve the problem, but also the most costly. This case is easy to understand. If you are a citizen and pay your taxes, you get coverage. However, we can already experience a taste of the gross inefficiency attached to government-provided healthcare. Simply talk to an individual attempting to acquire medication by way of Medicare. Oftentimes these individuals must ask a third party for help in deciphering what is the best plan for them. Fortunately, we can do better than this.

The other way to reach universal healthcare is to let the market do its thing with minimal government intervention. The government's only role would be to mandate that everyone be insured or face a penalty such as a fine. Both Massachusetts and California are currently proposing this idea. The government already does this with liability car insurance to make certain victims of car accidents financially cared for. The government could do the same by making certain that emergency healthcare is paid for by the individual's health insurance and not by everyone else's premiums.

This plan would accomplish a few things. First of all, with the right penalty in place, it would eliminate the free-riders from enjoying free emergency healthcare. Also, with more insurance plan holders, providers would have a

broader base of individuals paying premiums. This decreases overall risk to the insurance companies and as a result the prices of premiums fall even farther. In order for a plan such as this to work though, the insurance markets would have to be overhauled so that many different sorts of plans would be available for purchase, from a cheap emergency-only package to an extensive comprehensive coverage plan. Also, for those people unable to pay for an insurance plan, government subsidy would most likely be required.

In the end, if universal healthcare is what voters want, complete government coverage is not the best way. The market can do a much better job in allocating the healthcare industry's resources in the most efficient manner possible. Wisconsin's role in healthcare's future is quite clear. Do not go "all in". In the past, this state has been a leader in welfare reform and the school voucher experiment. We should remain a leader in healthcare too. If voters want universal healthcare, then we must give it to them in the spirit of democracy. But everyone must pay for their own, not their neighbor's too.