

# A free market in health care

Legally compelled health insurance, Obamacare, is an enemy to freedom of choice and free enterprise. Free choice and free enterprise are essential to achieve the best and highest uses in all markets, including medical care. Only when patients are empowered with knowledge and choice can they pursue their own best interests. Only when patients are able to pursue their own best interests will competition come to medical care, causing prices for services to come down.

Congress violated the Commerce Clause of the United States Constitution and fundamentally reoriented the relationship between the federal government and the individual when it presumed to compel every American into the health insurance market and to compel every American to subscribe to a certain set of health insurance offerings. The Trump Administration and a majority in both houses of Congress are intent on repealing Obamacare, but what, if anything, should replace it?

At the outset, everyone should recognize the abject failure that is Obamacare. Advocates of the system promised that it would cause 50 million uninsured individuals to become insured, that it would prevent rates from skyrocketing, and that it would have no adverse effect on choice of doctor. Among its many failings, Obamacare has fallen far short of the number of enrollees required to make it sustainable (only about 11 million are enrolled), has been rejected by most physicians and hospitals, has caused health insurance rates to skyrocket, and has caused many individuals to lose their preferred choice of doctor.

In my book, *Restore the Republic*, I offer a market based alternative to the existing system, a system that empowers patients. The following reforms need to be made to ensure that the 11 million enrolled can have options to choose from other than a system that is not working and cannot survive.

Congress should require all hospitals and physicians to reveal prominently their fees and drug and device charges, enabling competition in price. Congress should create tax free medical savings accounts and medical IRAs with no contribution caps, available to each taxpayer. Congress should exempt from any federal income tax all individuals who are diagnosed with a terminal illness or who are in hospice care. Congress should provide a \$1.50 federal individual income tax reduction for each \$1.00 spent by a taxpayer on the cost of medical care of a family member or relative. Congress should provide a \$1.50 business tax reduction for each \$1.00 spent by an employer on the cost of an employee's health insurance or medical care. Hospitals and physicians should be given a dollar for dollar tax deduction for all services provided to the indigent.

There should be no legal limits or mandates on the mix of coverages available for health insurance. A person should be able to decline from buying health insurance, buy health insurance with only a limited menu of coverages, or choose only to buy health insurance for catastrophic care without suffering any adverse consequence. The death tax should be eliminated; there should be no tax on the transfer of an estate from parents to children or relatives due to death.

By creating transparency in medical care pricing, removing the federal government from dictating health insurance and the nature of health care, and creating tax incentives protective of free choice, Congress will not only replace Obamacare but will inspire the growth of a true free market in medical care, where price competition exists and where patients are empowered. The one size fits all approach of mandated care will be replaced with a cornucopia of health care options. The relative level of risk assumed by an individual will remain his or her choice. Young people who wish to invest their resources in growing a business will not be compelled to sacrifice their dreams to buy costly health insurance. They will be free to assume the risk, to gamble, and to accept the

consequences if the gamble fails. That is freedom. Freedom entails risk, but the truth is not even the government can shield the individual from risk without depriving the most productive of their freedom and their resources.

Further reforms would involve reducing licensing law restrictions in the states that prevent experienced health care practitioners from expanding the availability of health care options at lower cost to patients. For example, a surgical nurse of a certain number of years experience ought to be able to counsel patients as to treatment options within the area of her experience, if certified by a hospital or medical group or accredited university or institution, without need for state licensing. A person with a graduate level degree in nutrition science, clinical nutrition, or another related specialty ought to be able to recommend parenteral and enteral nutrition and nutrition management of disease, if certified by a hospital or medical group or accredited university or institution, without being licensed as a dietitian or physician.

A physicians assistants with years of experience, if certified by a hospital or medical group or accredited university or institution, ought to be able to act independently within his or her area of expertise to diagnose, treat, and prescribe. Those changes will ease the growing shortage of physicians, will expand patient choice, and will reduce the cost of medical services.

There are many more market based alternatives that can and should be available to patients. A free market in health care, replete with transparent pricing, patient choice, and the right to keep one's own earnings and choose whether and how those earnings will be invested and spent on health leads to better health, prosperity, innovation, and competitive pricing in health care. Only if America abandons the failed notion of government planned markets and mandates and reembraces a free market in health care will the nation experience a renaissance

in affordable and abundant health care options.

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