

## TODAY'S "SHORT TOPIC"

### UNIVERSAL HEALTHCARE: MORE QUESTIONS FOR ME TO ANSWER!



By Stephen L. Bakke  December 29, 2015

#### *Here's what provoked me:*

*I was fortunate to have a letter published which dealt with the futility of depending on a Universal Health Care system to keep down costs. I was responding to an earlier letter that proclaimed a universal system to be the only way to gain control of costs. Then the paper allowed fully 50% of the space for one day to take exception to my opinion. And a real "slap in the face" was that they permitted one of the letters to far exceed the maximum word limit. I responded to that letter and my response was printed. Right next to my second published letter was another letter which took exception to my first letter. HMMM! What doya' think? Should I respond to that one as well? Of course I should! Like my 14.9-year-old grandson said, "Grandpa, you're just trying to save the world – one paragraph at a time." I guess he's right.*

#### *Here's my response:*

#### **Universal Healthcare: More Questions for Me to Answer!**

A letter on December 29 asked two questions in "Are health savings accounts, free market a durable strategy?" I acknowledge the assertions by that writer that: My earlier letter on December 19 demonstrated I am opposed to the single-payer system; I support health savings accounts; and I consider the free market superior to a bureaucratic government supported and administered payment system. Before the writer gave me a chance to answer he concluded: "the free market can do many things well, but...doesn't do everything well – in fact, it does some things very poorly."

One question wonders how the HSAs could work for citizens living paycheck to paycheck. How could they possibly build up necessary balances? A "transition period" would be necessary for lower income people to build up the balances necessary to make payments. My choice between several solutions would be to have an advance, from the IRS, of the soon to be earned refundable income tax credits. This is a problem, but one that is very solvable.

The other question refers to past experience as proof the free market doesn't work. My short answer is that healthcare has never enjoyed a true free marketplace. Insurance companies have little effective competition with limited practical entry. We should have cross boarder competition between insurance companies. Many more companies would compete for consumers' dollars. There's no more effective price control than having consumers making spending decisions and "writing the checks." This would include selecting insurance carriers, desired coverage, and choosing service providers.