

Let's Talk About Health Care

With my "opening salvo" on the budget, I want to explore something serious in much more depth.

The Health Care crisis.

What health care crisis, you ask? For starters, the following:

- Medicare and Medicaid currently consume 25% of the federal budget. In 30 years, if we do not fix the mess, they will consume *all of it*. Obviously, that can't happen - and also obviously, we can't raise taxes enough (no matter whether we'd like to or not) to pay for it either.
- Health care costs, *especially prescription drugs and hospitalization expenses*, are growing at astronomical rates - from anywhere from two to three times the rate of inflation and sometimes more. *This cannot continue without bankrupting our nation, as it is grossly outstripping the growth in GDP.*

A big part of the health care cost escalation, *especially in the area of hospitalization costs*, are coming from the explosion of indigent health care being provided to various people in our society. A non-trivial amount (half or more; in some cases 90%+) is going to illegal immigrants. *The cost of this care is being "taxed" to everyone else who can and does pay, either through insurance or directly.*

Then there is the troubling statistic that outlines in stark relief exactly what we're dealing with - 90% of all health care dollars you expend in your life are spent in the last year of your life, on average.

We *must* have an honest debate and discussion in this country about health care, entitlement, and exactly where the limits are to a "right" to health care. Note that there is *no mention of any sort* of a right to health care in our Constitution - just as there is no right to a job or a place to live. Instead, we have a right to *try to acquire the wealth necessary to purchase such things*, but not a right to the goods and services themselves.

This much is certain - we cannot continue to provide health care to illegal aliens on our dime, nor can we afford to continue to provide health care on demand at the standard of "best and most expensive" to conditions that come from lifestyle choices.

As just one example, there are now *very expensive* drugs for Type II diabetes. There are also zero cost means of managing *many* people's Type II diabetes - first and foremost among them for *many* (but not all) sufferers would be losing 50, 100 or more pounds! We simply *must* have the debate about what such a patient is *entitled* to have other people pay for. Is it the \$500/month drug? Is it the old, off-patent drugs, which are very cheap (\$30/month), even though that drug might not control the condition well - or even at all? Or is it nothing - until and unless the patient, if they are obese, lose the weight?

Nobody is going to argue that *if you can afford* to buy a \$400 a month drug out of your own pocket that you should not be able to do so.

Yet we *must* have an honest discussion about the **fact** that no nation can afford to provide on-demand health care at the standard of "best and most expensive" for all conditions, irrespective of how they were contracted or the individual's personal culpability in the disease process.

Should we try to go down that road, we will end up with a system similar to Canada. You won't like it. In Canada it is *illegal* to privately purchase health care. Even if you have a *billion dollars* you cannot buy a heart

procedure until your turn in the queue comes up. The *supply* of health care is rationed, all the diseases that strike mankind are listed in an order determined by the government, and if **your** disease falls below the line where funds are allocated - you don't get treated. At all.

For this reason Canadians come here and pay for treatment themselves! Increasingly, they are also going overseas to other nations, as are patients in the United States. Without the need to pay for indigent care, many nations can provide first-world-quality heart surgery for a *fraction* of what it costs in the US.

Medicare and Medicaid are unsustainable programs folks. So is our current critical care (hospital) system, where indigent patients and illegal aliens are paid for by the rest of us, directly and indirectly. The legendary \$30 aspirin in the hospital exists because the illegal immigrant who comes in having a heart attack is treated *at no cost to them*, and somehow that \$50,000 has to be recovered. So \$10,000 of that bill goes onto **your** routine appendicitis case.

Within the next 30 years, Medicare and Medicaid, if we do not reform this mess, will consume the **entire** federal budget. Long before we get there, the system will collapse.

We owe our children - and grandchildren - better.

Labels: [budget](#), [Health care](#), [medicaid](#), [medicare](#), [unfunded mandates](#)

Posted by Karl Denninger at 17:27