

Healthy Wisconsin should be passed and expanded

By Jack E. Lohman

My recent article, [Republicans have priorities reversed on health care plan](#)^{*}, elicited a number of responses from both sides of the issue. One came from Bill, who is self-employed and has happily transferred his health care obligations to his wife's company, and understandably prefers the status quo. But now her company has the expense and is less competitive in the marketplace, but he's obviously okay with that. They should get over it.

And I heard from folks who already had their health care and thumbed their noses at those who didn't, and felt they should just get a better job.

But also vocal were corporate leaders desperate to find a plan that will reduce their costs and allow them to continue in business and keep jobs in Wisconsin. These guys truly need our help.

Clearly, of our current options, [Healthy Wisconsin](#)^{**} is the best solution for the vast majority of Wisconsin businesses, the public, and the state's economy, and it should be passed by the Republican-led Assembly because it at least starts us on the road to true health care reform. And Wisconsin's business community, especially, needs it.

In Healthy Wisconsin, the state's only involvement is in collecting the taxes and passing them to a new, nonpartisan healthcare board which runs the program -- and it disperses the funds to qualified private healthcare networks and a state-wide fee-for-service plan. The board will establish a minimum level of coverage that all private networks must meet with their basic plan, but these networks can also offer higher levels of care at additional cost, and employers or citizens can opt to pick up those higher costs if they wish.

The fee-for-service option is excellent because it allows independent physicians to continue in private practice without forcing them into a corporately controlled network, thus this provides a form of competition that should help control prices. Patients will have choice, then, of a network or private doctor, and hopefully there will be some arrangements that would support the use of both at a modified cost.

The benefit of the network is, hopefully, a cohesiveness amongst the various specialties. The definition of a network is extensive and requires doctors of various specialties, nurses, technicians and one or more hospitals. Most if not all networks pay their physicians on a salary basis, which means they have no financial incentive to overutilize or underutilize - unless they are paid an efficiency bonus, in which case they could be incentivized to provide less care than needed. That, because the network gets a flat per-patient payment.

On the other hand, the fee-for-service system can have just the opposite incentive -- to overutilize because the tests being ordered are profitable to the physician ordering them. Hopefully the board will utilize the very reasonable Medicare fee schedule for doctors and hospitals rather than adding the costs of developing its own. And they should review the whole process of equipment ownership by physicians and clinics who can use these devices as lucrative cash cows.

There are no co-pays for preventative services to kids, or those in disease management programs, and I would prefer that we eliminated co-pays and deductibles altogether, because they have the opposite affect on costs many believe. Studies have shown them to deter care until it becomes more costly to treat or is untreatable. The Rand Foundation and Kaiser Family Foundation have pointed to mothers opting to put food on the table rather than paying the co-pay for their blood pressure medicine, and then suffering a debilitating and costly stroke -- or worse, dying.

The earlier *Health Security Act* by Sen. Mark Miller and Rep. Chuck Benedict, a physician, did eliminate co-pays and was a basic

Medicare model that eliminated excessive administrative costs. Perhaps we'll get back to that way of thinking some day, as it is even compatible with the existing provider network models.

I'd also prefer that the funding didn't come from employers but instead from taxation on income -- all income, not just wages -- but that option remains should we later choose.

Think about it: We all pay for medical costs anyway, if only through higher product prices as employers get reimbursed for their healthcare expenses at the cash register. So why not remove that burden from Wisconsin companies and make them more competitive with goods and services from other states and countries?

As Healthy Wisconsin gets debated both in the Assembly and around kitchen tables, we should ask ourselves, who is genuinely representing the interests of Wisconsin business?

It surely isn't the hard-line legislators tenaciously opposing Healthy Wisconsin. They are shamefully and willfully ignoring the fact that Wisconsin businesses and families pay the third highest premiums in the nation. But the opposing politicians are richly rewarded for their intransigence with the bulk of campaign contributions from the insurance and health care industries.

Nor are the major business associations looking out for the average business. After all, they have the health insurance and medical industries as influential members and actually sell health care insurance to their members. So much for objectivity.

No, Wisconsin businesspeople must represent themselves and quit expecting sold-out trade associations to do battle for them. Ordinary business folks must arm themselves with the facts and demand from their state representatives a system free of the costly health insurance bureaucracy.

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*<http://www.biztimes.com/blogs/milwaukee-biz-blog/2007/6/28/republicans-have-priorities-reversed-on-health-care-plan>

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http://www.ThrowTheRascalsOut.org/healthy_wisconsin_summary.htm