

Quality health care will soon be a luxury few can afford

By Jack E. Lohman

Our health care system is terribly broken, and they aren't going to take it anymore. Not the public, I'm talking about the corporate leaders that are typically spending 15% of wages on health care premiums for their employees.

Follow the dominoes and you'll see that no matter what segment of health care you are in, the profit-taking is coming to an end. It's just a matter of how, and how fast.

Business and political leaders seem to be ignoring what will happen if we do nothing to fix the system today. It's a basic rule in life that he who owns the gold, rules. And today that's businesses and their shareholders. Fortunately it's not the insurance industry, but it couldn't get much worse.

Business leaders and shareholders are demanding change -- and they own the gold so I expect they'll get it. Those not forcing employees into high-deductible health savings accounts (HSAs) will be moving to managed care systems, or they'll become members of a business consortium that contracts its health care to the lowest bidder. That's the free market at work, but be careful of what you ask for.

HSAs are decent investment tools for the young and healthy and wealthy, but they are not a useful healthcare policy for the average family. Of course their salesmen, which includes most business trade groups, will disagree with me. But the Republicans have fallen for their line.

According to studies by the Rand and Kaiser Foundations, high deductibles can deter care until it is more costly to treat or becomes untreatable. Mothers will opt to put food on the table before buying their blood pressure medicine, and then they'll have a costly heart attack or stroke, or worse, die. We can do better.

Those who can afford HSAs can find other ways to invest their money, but those who can't must have a solid health care program. Unfortunately, some employers are using HSAs as a means to transfer their healthcare risk to employees, and this promises to backfire in time. Unhealthy or unhappy employees are very costly.

Business healthcare consortiums are already forming in Wisconsin, but too often they are just a hair above being uninsured when uncovered catastrophic disease strikes. Not even the insurance industry will like the current trend because, ultimately, they'll not be needed in that system either. Its best option is to see Wisconsin grow and benefit from the resulting new markets.

FedEx moved on when Fax and eMail took over the overnight document delivery market, and it survived just fine. The insurance industry should learn from their experience.

Doctors will not fare well either, as giant hospital chains buy up as many of the independent physician clinics as they can (though this practice should be abolished because it creates a conflict of interest). Physicians will soon become employed by a corporation nonetheless, and likely with lower salaries, competing more with foreign doctors, and facing higher demands for production-line efficiency. Get used to the five-minute office visit, because there's more to come.

Nor will hospitals like the new shareholder-managed-care system as they are beat down in prices with nowhere to shift costs. It is not a pretty future.

We need to fix it fast, and we must fix it correctly. But that will require dedicated and nonconflicted politicians.

Healthy Wisconsin is far ahead of all else being proposed. A 10.5% tax on wages (up to \$97,500) would offset the 15% businesses currently pay in health insurance premiums, but the Wal-marts and McDonalds of the world would have to now pay their share. Families USA predicts \$1 billion new business activity and 13,000 new jobs. I think they underestimated.

The only improvement Healthy Wisconsin needs is a small business tax break to help small businesses weather the conversion. The Republicans should love that.

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