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Health Care Should be Reformed

By Michael W. Thompson

The Supreme Court decided Obamacare is here to stay. It has given its “constitutional seal of approval” twice in two years to this massive new federal entitlement program and that means any changes will have to be accomplished legislatively and not through the courts.

Obamacare may be altered, reformed, and redesigned over the years but unless something dramatic happens, this huge federally funded entitlement program is now a permanent fixture in our lives. Those opposed to it need to accept this fact of political life. Those supporting it, should agree to some reasonable changes to make this national health care system a “better fit” for those of us here in the United States..

Every impacted business and every individual who pays for his or her health insurance privately will need to figure out how to best provide that health insurance. And these same citizens need to urge their elected official to make needed changes in health care law and regulations.

Here in the Old Dominion, the number of additional people on health insurance hasn't changed much. The *Richmond Times Dispatch* reports that the percentage of young people without health insurance only dropped from 13.3 percent to 12.5 percent. Not much of a difference. This is likely due to our state not broadening Medicaid coverage. That was a good decision for many reasons but the effort to expand this program will surely continue.

It's time to have a serious discussion about how to change the current Obamacare program to make it better and end the debilitating impacts on our economy. For instance, insurance premiums in the “private markets” are increasing this year between 11 and 14 percent. This is on top of an 8.5 percent increase last year. We were assured that health insurance prices would go down under Obamacare. That is not happening and there is no reason to think it will under the current government program. We need to make the changes necessary to keep our health insurance premiums from continuing this upward spiral.

As Obamacare is currently crafted, employers are incentivized to stop hourly employees from working more than 29 hours a week. Prior to Obamacare, 35 hours was considered part-time but now that cutoff is 29 hours and part time employees do not usually have health

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insurances paid by their employer. That six hours a week difference at an average wage of \$15.00 an hour means that these people lose \$4500 a year in wages. Although these folks get subsidized health insurance paid by all of us, the working poor are now losing a chunk of their previous paychecks. This 29 hour cut off for part-time designation should be changed back to 35 hours.

As our economy continues to limp along into a weaker than normal recovery, one of the reasons for this is the incredible impact that the federal regulatory burden has brought to bear on our businesses and, consequently, on our citizens.

One of these new federal mandates that is keeping businesses from expanding, from hiring new employees, from building inventory, from planning new avenues for selling their products, is the burden of Obamacare. It is costly, time-consuming and most confusing for the employers who want to help their employees but are finding it more and more difficult to do so. Changes are needed to stock the engine of our economy and to pull us out of our economic doldrums.

And here in Virginia, when charitable groups want to help those who most need medical assistance – the poor and working poor – state regulations stand in the way. Remote Area Medical is a Knoxville-based group of doctors, dentists and nurses who travel into various states, including Virginia twice a year, to offer a weekend of free medical assistance to those who show up. The lines are always longer than these medical professionals can handle. Hundreds are turned away each time this group comes into southwest Virginia. I have been told by the man who runs this nifty charity that he could spend more time here and help hundreds more if our state regulators would allow it. But under current regulations these out-of-state medical practitioners can only “practice medicine” for two days and then they must stop. This regulation should be struck down immediately.

Virginia has what is known as a Certificate of Public Need (COPN) law that requires medical facilities to apply for state approval for everything from adding hospital beds to buying new, sophisticated medical equipment. This antiquated law should be eliminated as similar laws were in Pennsylvania and other states.

Our rural hospitals need creative help as they struggle financially. We should figure out what can be done here as well.

Let's put some time and effort into reasonable and thoughtful health care reforms.

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This column originally appeared in the July 12 edition of the Richmond Times-Dispatch. Michael Thompson is currently the Chairman and President of the Thomas Jefferson Institute for Public Policy, a non-partisan Virginia focused foundation. Mr. Thompson may be reached at mikethompson@erols.com.