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Insurance is the problem
Health care industry at fault
By Edith Kenna

Gov. Mitch Daniels was here recently to talk about his health care initiative. It looks, however, as if he needs a course correction.

Part of the problem with health insurance today *is* the health insurance companies. Their administrative costs are exorbitant, with Physicians for a National Health Plan and Hoosiers for a Commonsense Health Plan reporting these costs as much as 34 percent of the total costs associated with provision of our health care system. Medicare's administrative costs are a fraction of that; between 3 percent and 5 percent. The insurance companies are part of the problem and not part of the solution in the governor's health care initiative. Why does the government insist on keeping them in the game with all their inefficiencies, expense and profit?

The governor's initiative might cover 100,000 to 200,000 uninsured Hoosiers, but that isn't very many out of the 860,000 Hoosiers currently without health insurance. All Americans must have health insurance. It is not a left-right issue. It is not a Democrat-Republican issue. It is an American issue. The United States cannot be strong if its citizens are sick.

The governor's initiative does not include any dental or vision coverage. Apparently good vision, good digestion and the recent medical studies illuminating the link between good dental care and cardiac health are being ignored in favor of profits for insurance companies.

The governor's initiative relies on the much-touted health savings accounts. Recently, Allan B. Hubbard, assistant to the president for economic policy and director of the National Economic Council, wrote an op-ed piece for the New York Times. The article was headlined "The Health of a Nation." Although Hubbard writes that in the past five years – since the present administration took office – "private health insurance premiums have risen 73 percent, forcing some businesses to drop coverage altogether. The reason for this is that "health care is expensive because the vast majority of Americans consume it as if it were free. Health insurance policies with low deductibles insulate people from the cost of the medical care they use – so much so that they often do not even ask for prices."

As a social worker, I see this as a clear case of blaming the victim. Since when is going to the doctor like buying a new vacuum cleaner? When is the last time you chose to go to the doctor instead of going to the movies or enrolling your kids in dancing or piano lessons?

Health care is expensive for a myriad of reasons, including advances in technology, aging population and rising costs of medication. Rises in health care costs have not been driven by people going to

their family physician. People without health insurance have no choice but to use the emergency departments of hospitals, the most expensive route to care, because they have no other option, and usually enter the ER in a more advanced state of illness.

If this is the governor's perception of the health care crisis, he is really in need of course correction. I wish he had saved the taxpayers' money on the gasoline he expended while driving around the state with a flawed plan. Does the governor think that with 860,000 uninsured Hoosiers we are overinsured? Does he think that we are malingerers who want to be sick and go to the doctor for our amusement? Does he think we haven't noticed the ever-increasing costs of our health insurance? Doesn't he think we have noticed how hard it is to get and to keep health insurance? Doesn't he think we've noticed how easy it is to lose health insurance, especially if you have a pre-existing condition? Doesn't he think we've noticed that as large companies move offshore that our insurance plans are disappearing since in the United States health insurance has been historically tied to our employers?

Has the governor no idea that his plan to provide coverage to "some" working poor traps them on the margin of poverty, having to choose between health care for their families and perhaps another part time job, which could provide more income, perhaps a newer car, clothes for the kids, or even a start at a savings account? If they take the job, they are likely to have too much income to be eligible for health care and lose it.

It's so interesting that for years we have heard how the welfare system has created "welfare moms" who cannot or will not take the risk to work and lose welfare benefits. The governor is now planning to create "health care families" trapped on the margin of poverty for fear of losing their health care coverage.

I think the time has come to be serious about health care and less serious about initiatives to buffer an insurance industry that offers little value to our health care system. Large companies self-insure, which means they pay for the costs of their employees' health care, with the insurance companies administering those plans for far too much money and profit. Small businesses cannot afford plans through insurance companies and cannot self-insure because their pool of employees is too small, so many small businesses cannot afford health insurance for their employees at all.

The time has come for us to realize that insurance companies are dinosaurs of a bygone age. All other industrialized countries came to this conclusion long ago.

Hoosiers and all Americans *must* have health insurance. We must have a system of health care that works: not one that entraps its citizens in poverty or near poverty, thwarts entrepreneurial enterprise and supports citizens getting sick.

Health insurance should be accessible, affordable, portable and of quality. That is not what we have today, and tinkering with such a non-system does not serve the citizens. A course correction to universal coverage is needed in this nation, and we the citizens, not the politicians, should do the steering.

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