

A New Plan For Healthcare Reform

We need to address the following topics to implement effective healthcare reform in the US.

- Access to primary care
- Misunderstanding health insurance
- Role of the government
- Public Plan
- Private Health Insurance Plans
- Education of the Public

Access to Primary Care is the Answer to Healthcare Reform

The healthcare problems in the US are caused by the lack of access many Americans have to primary care physicians, physician assistants and nurse practitioners. This creates problems on many levels. The US falls below other countries in the treatment of chronic illness. People use the emergency room as their only form of healthcare. This raises the cost of healthcare for everyone. The costs are distributed over the people that do pay by higher costs of services and health insurance rates.

Lack of access to primary care causes:

- Use of emergency rooms for non emergency healthcare such as urinary tract infections, minor injuries and upper respiratory infections
- Chronic conditions such as hypertension, high cholesterol, diabetes, heart disease, arthritis related conditions and asthma do not get treated
- Lack of treatment leads to health situations with much higher costs
- Many persons needing treatment, when treated, cannot pay and the costs are then passed on to persons, insurance companies and the government as increased costs
- Hospitals bear the burden of treating people which do not need to be in the hospital or might not have needed to be there if they had received ongoing primary care
- Chronic health conditions do not receive sufficient care or sporadic care
- People do not go to the doctor when they should for fear of the costs
- The healthcare system becomes clogged

I believe that healthcare costs can be brought under control by making primary care accessible to everyone and encourage people to use it. We need to educate people so they feel comfortable seeing their primary care physician. We need to make emergency rooms for real emergencies. We need to have more primary care physicians, physician assistants and nurse practitioners. This also means teaching people new 21st century ways to relate to our new healthcare system

All discussions seem to be about people being uninsured. This leads to all proposed solutions focus on finding ways to get people insured. Yes, this is important, however if we focus on people not having access to primary healthcare then proposed solutions will be about ways to get people access to primary healthcare. We need to also focus on ways to encourage people to use primary care providers as much of the US culture uses healthcare for acute care or waits until the really need emergency care. We need to encourage prevention and wellness supported by access to primary care. Even if people have access to primary care, they need to use it.

Misunderstanding health insurance

In viewing the healthcare system it is helpful to step out of it and then view it. If we compare it to the care, maintenance and insuring of a car or home, then it makes more sense. Let's say a person takes a job. Let's say the employer in this imaginary example gives their employees a car benefit. The employer's car benefit includes providing the employee's car insurance to cover accidents and the other things auto insurance now covers. Now, let's say this employer's benefit plan also includes a warranty. The warranty will pay for the repairs the employee's car will need. Let's also say the plan also pays for maintenance costs. Now finally the employer's plan will pay your car to have all the nicks and dings taken out of it. This is what people expect of their health insurance plan. Health insurance is no longer insurance, it is insurance with a warranty, a preventative maintenance plan and covering old damage.

The Role of the Government

A way of seeing the role of a government plan is like the role of a big city's public transit system. Cities develop around their modes of transportation. Cities that developed before cars look different than cities that developed around the automobile. Cities such as New York and Chicago invested in transit systems before automobiles became the primary mode of transportation in the US. Public transportation means that everyone has access to transit, but does not eliminate other modes. People can walk, take taxis or drive cars if they choose. With my healthcare plan, the government's healthcare option would play a role similar to the role of public transit. It is there for everyone, but everyone still has choice. Our cities would not have grown and prospered without having a public transit system and supporting all other forms of transportation as well.

The government would have a national public HMO that everyone could have. It would be available to every citizen and legal resident no matter their age, health or financial situation. The government plan would focus on primary care. The government public HMO would become the payor for healthcare services under \$5000 or \$10000. The government only pays up to \$5000 or \$10000 maximum per person per year, no more. Each person would select a primary care physician. There would be emphasis on regular care, checkups, testing, prevention and wellness.

The plan would be offered at very little or no cost. There may be a sliding scale based on income. The idea is that everyone will have access to primary care. There would be no reason for anyone to put off going to the doctor or going to the emergency room for a non emergency situation. Some people would continue to use emergency rooms as this has been the habit for a couple of generations. Controls would need to be implemented so that people would go to their primary care physician when that is the proper medical treatment. With this plan, there would be no advantage for a person going to the emergency room for a non emergency.

As this is an HMO, costs could be controlled. People that would prefer to have more freedom, such as not needing to have a primary care physician or need a referral to see a specialist could take private health insurance just like that do now. In this plan, everyone has access to primary care either with the government public HMO or with their own private health insurance plan. Private health insurance would be like now, either by being on an employer sponsored group health insurance or on individual health insurance.

Since the burden of unpaid healthcare and abuse of the emergency room would be lifted off the hospitals, then there would be no passing on these expenses. Currently, unpaid medical expenses are passed on to those that do pay. This raises the costs of healthcare and health insurance. This should lower healthcare costs and health insurance costs or slow the rise of healthcare costs.

Educating the Public

People learn about healthcare from their parents, their family, their friends, the news, advertising, their doctors and others. Healthcare varies from culture to culture and over time. People in the US have been taught to ask for and expect to be given prescription medications. The US takes 60% of all the prescription medications taken in the world and has only 5% of the population. Many people feel cheated if they go to the doctor and the doctor does not give them a prescription. Our pharmaceutical/surgical healthcare model is costly. This is an expensive healthcare model is costly and it is not entirely fair to compare it to other healthcare models. In the US people have been trained over the past couple of generations to expect certain things from the system that are not the same as in other countries. Using other countries healthcare systems as models is more complex than simply saying they cost less. The culture of the country pays a big part in the type of healthcare system they have.

The government becomes the baseline, in a way, very similar to the example of public transit. It is important that people understand that we need a plan that has a role similar to public transit and not that the government's role is to give everyone a new Mercedes. Everyone will not have to take public transit or be in the new government HMO, but it will be available.

I work in international health insurance. Many people feel that the "grass is greener" in other countries when it comes to healthcare. We hear this about Canadian and European healthcare. These countries do have some things that we can learn from them. We can learn about accessible primary healthcare. We need to also know that major medical care in Canada

and European countries can also entail very long waits, waits for medical services that are totally unacceptable in the US. Canadians that can afford it come to the US and often receive medical care within days that they might have waited months, years or maybe never received.

A great deal of healthcare is taken care for under \$2000 in a year. This is what people do not do and exactly what this plan addresses. The public will need to be educated on how to use and relate to the new plan.

Private Health Insurance Plans

Currently, private health insurance plans can be roughly divided into employer sponsored group health insurance plans and individual health insurance plans. Employer group health insurance plans can be further divided into small group plans which are businesses having 50 or less employees and large group health insurance plans which are businesses having more than 50 employees. In this discussion I am dealing with them in the same way, as employer group health insurance.

With this plan, employer group health insurance and individual health insurance would continue as it does now with some additions. With the burden of non-reimbursed healthcare costs gone or substantially diminished, healthcare costs could more reflect the real cost of a service. Health insurance would not be subsidizing the non-reimbursed costs so rates could be lower. The carriers would offer more high deductible plans with more variations. There would be more plans with deductibles of \$10,000 as people could have the government HMO if they chose and then have the high deductible plan. All insurance needs to be underwritten, but underwriting a plan with a \$10,000 deductible can have more lenient underwriting particularly if the government plan is in place. We would continue to have all the plan options we do today and these would be more affordable.

For companies that want to offer employer healthcare benefits but must control costs they could offer an employer plan with a \$10,000 deductible. The employees would have the government HMO for healthcare under \$10,000 then when the insured healthcare costs in a year exceeded \$10,000 the employer group health insurance plan would covered up to \$1 million to \$5 million as today. The employee has access to healthcare at all levels and it is affordable.

Individual health insurance plans would also continue as they do now, just like the employer group health insurance plans. People would have choice. They would have the government HMO and a high deductible private individual health insurance or they could opt-out of the government plan and have a private individual health insurance with a low deductible. This would be underwritten and so subject to approval as today, but people would all have options.

Private health insurance would be marketed as it is today. Everyone, the government, the insurance carriers, the insurance agents and the employers would be working together as a

healthy healthcare system is good for all. This plan will actually work and have all of us working together.

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