The Failure of Pragmatic Health Care

by Henry Oliner

The search for pragmatic health care solutions seems to only create bigger problems. This is because pragmatism has gone amok; and totally rejected sound economic and political principles. Pragmatic approaches are one thing to address short term problems; but pragmatism without sound supporting principles is doomed.

Pragmatism in health care is failing because the ideology is wrong, and the economics is wrong.

The worst obstacle to health care and to tax reform as well is the atmosphere of constant change. Even the best solution will be neutered by the belief in the market that it will only last until the next election. How can medical practices, health insurers, businesses and individuals plan when every year they are confronted with significant changes.

I do not know that any economic model considers the lack of faith in the permanence of the solution, and this may be the costliest part of any reform proposal. How can the OMB 'score' an issue that is not acknowledged?

Our health care problem is an accumulation of tax policies, mandates, cross subsidies, regulations, wishful thinking, social engineering. What is missing is sound economics and thoughtful policy.

The 'right to health care' is a meaningless myth. Health is a market for drugs, doctors, diagnostics, devices. The 'right to health care' means nothing without providing these services and products. It means nothing without discussing quality and access (service). To declare a right to health care is to

totally ignore that it is an economic problem and requires economic solutions.

Combining the issue of health care cost and insurance confuses the issue. The applies to mixing the problems of cost and access. Using insurance to pay or even file routine expenses to insurance only adds to cost.

Preferential tax treatment for business provided insurance removes consumer choice.

Mandating coverage for pre-existing conditions without holding the consumer responsible for maintaining coverage is just another cross-subsidy hike in premiums.

For decades, the market has been polluted by government meddling, laws, regulations, rules and mandates. Yet when prices continue to rise the market is blamed.

The health insurance controversy is the pragmatic apex of sharply conflicting ideologies and both will not easily coexist. It will take more than the repeal of Obamacare to fix. Obamacare was just a bad response to a history of bad policies. Trying a different bad response will not fix the problem either.

It is time to stop the tinkering around the edges and address the ideological failures and the accumulation of bad solutions enacted under the guise of pragmatism.

Only if we fix the ideology will we be able to address the problem with the permanence it requires. It’s a tough sale and it does not appear that either party is up to the task.