

A Simple Solution for Healthcare Reform

Government healthcare priorities

The government prioritizes a few problems with the current healthcare system in this way: 1) It doesn't cover everyone and every condition, 2) It is too expensive; 3) It is inefficient. While anyone who has dealt with healthcare or insurance knows that any one of these areas could use improvement, the greater problem is which priority is getting the most attention first.

What should the first priority of healthcare be?

The first priority recognizes how healthcare lacks to cover the gamut of problems for all people in need, which is a good thing. But while focusing on fixing the overall outcome, the government fails to put enough emphasis on what led to the egregious expenses that burden people in the first place. The way to reduce expenses, the second priority, has to do with the third priority. Can you see how focusing on these things out of order leads to more bureaucratic postulating and less ability to do anything about it?

Correcting costly inefficiencies is the easiest and best way to start the process of healthcare reform. But the government is the worst entity to get involved when it comes to reducing red tape. Let's review what healthcare has become, and why it is a problem, before we determine how involved government should be with where the healthcare system goes from here.

Healthcare's Old System

The old system of healthcare was very basic. Medical practice used to bill directly before costs got out of hand. When it became too expensive for the average person to afford every possible healthcare need that could arise in a person's life, insurance saw an opportunity to enter this lucrative market as a third party. We turned to insurance not so much for the routine healthcare that most could afford, but to reduce the expense of possible unforeseen healthcare conditions that might arise that we could not otherwise afford. In other words, we spend more for routine visits to the doctor but spend less for other visits that may come up, when using insurance instead of paying a doctor directly. More cost overall is introduced when a third party is involved.

Healthcare's Current System

But when the option to have insurance is there, it is not worth the risk for the average individual to not have that extra coverage afforded an average income. The medical field often requests that insurance be involved to mediate costs anyway, because it assures them of their money, as long as they verify that the patient is covered by the insurance for a given treatment. And while insurances would lose money if everyone had more than routine visits, they make money on the fact that the majority of people (for the majority of the time) stay healthy, and so it is worthwhile for the insurance to cover costs on the

exceptions to the majority rule. Thus, under the current system of healthcare, all three parties have a vested interest. But suddenly the costs of medical equipment, of doctors, of their staff, and of insurance are becoming too much for the average person, whose income has not inflated as greatly. With another rise in cost a fourth party seeks to get involved, but would that lower costs for individuals, or raise them?

Follow the money

The law of supply and demand grants doctors and other medical practitioners the right of a higher wage than the average person. We need their education and their skills. The medical field is smart enough to know that if one person can't pay there will be others who can. If given the choice to perform an expensive treatment for someone who will not pay what it is worth or for someone who will pay, the choice is obvious. But who keeps doctors from over inflating costs? Insurances negotiate a cost, but doctors know that insurances can cover more than the average person, so they ask for more than they would ask of an individual. If people are generally healthy then the wages garnished by insurances give them a pretty good margin to work with. Competition with other insurances drives the price up. In other words, our general good health and your good doctor have naturally negotiated for higher medical costs. Then your insurance charges you more to cover the expense of staying in business.

Medical practitioners argue that expenses have gone up for them when their staff has to work with insurances. But we all know that medical staffs are not getting richer for the work they have to do with insurance companies, while doctors are getting paid more than ever before. Still, it brings up a good point. Are there costs in doing business with an insurance that could be reduced? The middleman is supposed to make it less expensive for the other two, after all. I think the answer is, yes. The problem comes in the interaction between doctor's offices and insurances. It's inefficient and it is the biggest extra cost in the process.

The cost of the biggest problem with healthcare today

Today doctors still fill out forms for their records, but insurances ask for an extra step. They don't only want a copy of the medical records to verify covered services, but they require the doctor to fill out their forms and to submit a bill. At first glance, patients think that insurances are to blame for this inefficiency. But would you pay anyone for services performed on your behalf without proof of the services and a bill? Neither would I. It is sound business practice. Admittedly, it is a headache for the doctor's staff to decipher the doctors writing and put it legibly on the required insurance form. Have you ever tried to read a doctor's writing? Yeah, they don't have a good reputation for their writing scrawls. Other than the fact that insurances have to go back and forth with doctor's offices to get clear reports, the original doctor form does not often conform to the information insurances need. If you are going to pay someone for services they performed for you, then they are not in a position to not give you the basic information you require of them before payment. Insurances have to legally pay for things they have agreed to cover, but not until documented proof verifies that services were even done. The harder that

insurances make it for doctor's offices to complete this vital step, and the more difficult doctor's offices make it on themselves, the more expenses will be incurred in this alone. Some insurances are worse than others. Some doctor's offices are worse than others. And suddenly the patient becomes the middleman trying to get the other two on the same page. Finally when it gets resolved, the cost in time spent by the doctor's office, the patient, and the insurance were still an unnecessary hassle and the expense of hourly paid individuals involved gets passed on to patients as a whole.

A Reformed Healthcare System

Benefits could far exceed costs

I'm not saying I have the entire solution for healthcare. If you want that to be said, then listen to a politician. I am more realistic than that. But what I am saying is that there is one big solution that is the most simple, and yet would bring the biggest reform to the system. I have worked in the healthcare industry. And I have seen private companies try to implement what I suggest, on a localized scale. They do it in order to carve out their own niche in the industry because they know it is a service that will work, but also a way for them to make money off of the inefficiency already there. I suggest the government's motives be more pure and that they help to universalize the process without becoming a moneymaking entity leeching onto the system.

The upside to the problem of high healthcare costs today is that the benefit of universalizing doctor charts and insurance paperwork would far exceed the cost. Don't get me wrong. It is not an easy fix. But we have computers and the Internet today, which makes it possible to share the same information globally. One chart that could be used for all doctors and all insurances must be devised and then used. And all other charts should be prohibited. If the government, being a federal outfit, is the best organization to implement this nationally then that, and nothing more, is what they should do, at least to start. Then see how far that takes things.

The Government should govern, not rule

We already pay the government for their service to govern. They have a place in universally reforming healthcare, but without (essentially) getting a cut of the healthcare dollars by raising our taxes. If our taxes are raised more significantly than the nominal decrease made in healthcare expenditures, then it isn't worth it. Sure, if the government taxes the wealthy then the rest of us will feel the benefit of better healthcare without our pocketbooks being directly affected by the greater expense this would incur as a whole. But under the circumstances of our economy we can't afford to be so shortsighted. Pushing the cost of healthcare reform onto the wealthy will diminish their ability to help our market recover overall, which is a bigger problem for us, as the little guys.

When the government makes choices about spending money, it is money they took from society, crippling the economies efforts to create jobs and solve its own ails. The government doesn't create money and jobs; it redistributes money and jobs. But if it takes

the money from the job producers, then it becomes the wealthy power, instead of the people who worked for the money. The government needs to look at the current healthcare system and see what inefficiencies can be fixed universally. Without charging the taxpayer more money to fix things is the only way the government can be involved for the people as a whole without causing us to lose more money to what would then be a government healthcare system (not a place government needs to be). The government needs to help eliminate inefficiencies between the entities that are already a part of the healthcare process, not become another divisive entity itself.