

Let's Remember Why Health Care Reform Is Needed

By: *Brad Anderson*

For the better half of a decade, lawmakers in Washington have been experimenting with the nation's healthcare policy in an attempt to bring coverage to all Americans, while controlling costs and sustaining quality. The Affordable Care Act was the climax of such attempts.

While the ACA did bring some positive ideas to the table—such as giving more Americans the ability to enjoy health insurance and protecting people with pre-existing conditions from predatory premiums—it fell short in many other aspects.

It didn't streamline the healthcare industry. It didn't reduce costs. And most famously, it didn't allow people who were satisfied with their previous coverage to remain on their plan.

In fact, PolitiFact named the statement, "If you like your health care plan, you can keep it," the 2013 lie of the year. No one knows exactly how many people were kicked off their plans, but many of the estimates range into the double digit millions. According to NBC News, 14 million people were kicked off their coverage as a result of the ACA, while the Washington Post reports a figure somewhere in between 7 and 12 million.

Either way you slice it, the ACA was bad news for many who were already privately covered.

This false pretense could have been easily overlooked by the American people if the ACA accomplished its other stated goal of reducing costs. But as we all now know, that too was not in the cards. Since the end of 2013, healthcare premiums for the average

family have increased by 140 percent.

Much of the increase is due to regulations within the ACA that mandate insurance companies to include a vast amount of benefits and perks on their plans. This means that everyone is forced to pay for what would have previously been considered platinum plans that cover anything and everything.

While an older person may see this fully loaded plan as beneficial—even with the associated high costs—a young healthy person would most definitely not. They would be more likely to opt for a plan that only covers catastrophic health failures—such as cancer or a major car accident—because they are simply unlikely to need anything else. But under the ACA, attaining catastrophic coverage by itself is impossible. Young people are forced to shell out for coverage that they don't need. There lies the root of the problem.

The negative effects are further compounded as many health insurers begin to see that supplying such robust plans is unprofitable—especially for smaller insurance providers—in some areas of the country. As a result, more and more health insurers will pull out of regional marketplaces—causing those health insurance markets to become less competitive. And as we know from simple economics, as competition decreases, prices increase.

An extreme version of this dynamic will soon be playing out in Knoxville, Tennessee—with the only insurer still participating in the ACA marketplace announcing its planned 2018 exit. This means that 40,000 people in 16 counties will have no option to

gain subsidized care through the ACA. And according to the Kaiser Family Foundation, 20 percent of healthcare consumers on a national scale will only be left with one option.

Supporters of the ACA have countered this narrative by blaming the law's failures on the uncertainty created by GOP lawmakers, but cost increases and market dropouts have been occurring since the ACA's infancy.

The ACA is teetering on the edge of total collapse. It's not a matter of if, but when. Sticking with the status quo is no longer an option.

There is no perfect solution, but an immediate major overhaul of the healthcare system is needed if we want to preserve the quality of healthcare Americans have come to expect. The ACA has a lot of great benefits, but the key is including these perks without bankrupting the country.

This means moving to a more market oriented solution that allows individuals to choose what level of care is best for them, allow healthcare plans to freely move across state lines, and remove the individual mandate that forces every American to get coverage.

Simply doing nothing would be catastrophic for the country. All parties involved—lawmakers, the public, and the administration—need to educate themselves on why our healthcare system is failing, rip that structure out by the roots, and implement a healthcare structure driven by private individuals and businesses in the free market—not government bureaucrats.

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