

America's Great Health Care Takeaway

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The health care crisis in the United States is getting worse with no visible end. The popular anger over unattainable or unaffordable health care has been diverted away from corporations by crafty politicians, always seeking to exploit a social disaster for their benefactors. Instead of making health care more affordable for the average person, politicians have successfully switched the messaging. Now, the purpose behind “reform” is to make health care less costly for governments and employers, at the expense of patients and workers.

This was the essence behind Obama’s health care reform. And although Republicans exploited the “individual mandate” in Obamacare to gain populist credentials, they wholeheartedly agree with the deeper philosophy of the plan, which aspires to control health care costs — for corporations and governments — by providing less health care services to those who need it. This agreement to “ration” health care aligns the two parties over the coming cuts to Medicare in Obama’s bi-partisan “Super Congress,” while also binding the two parties’ approach to health care on a state and business level.

Most workers now understand that there is a difference between apparently having health care and actually having health care: if you are technically “insured” but cannot afford doctor visits due to high deductibles and co-pays, you really aren’t insured.

This fact, applied to Medicare, has startling consequences. The New England Journal of Medicine found that, “For every 100 people enrolled in plans that raised co-pays, there were 20 fewer doctor visits, 2 additional hospital admissions and 13 more days spent in the hospital...”

When co-pays and deductibles are raised, people simply stop going to the doctor and use the emergency room as needed.

This dynamic pleased politicians because less Medicare money was being spent on doctors’ visits, but they were upset that hospital stays were more frequent. The answer? Stop paying Medicare payments to hospitals if they re-admit a patient after 30 days, a policy sure to “reduce costs.” And it worked! This aspect of Obama’s Affordable Health Care Act gives hospitals financial incentives not to admit patients and, according to Bloomberg, is a major reason that Medicare costs have dropped significantly in the past year:

“Historically, nearly 20 percent of Medicare patients have been readmitted to a hospital within 30 days of being discharged... The Affordable Care Act included, among other remedies, a modest penalty for hospitals with high readmission rates.” (August 24th, 2011).

The problem here is that re-admissions are usually medically necessary. According to a study by the Agency for Healthcare Research and Quality, only one out of ten hospital re-admissions were preventable. Hospitals are thus encouraged to deny hospital stays to those who need it, something they've already started. According to Case Management Monthly, hospital social workers have noticed this disturbing trend accelerate: "Several case managers have recently received readmission denial letters...they are surprised because the readmissions in question were actually appropriate and medically necessary." (October 1st, 2010).

Cost saving ideas like these are at the heart of Obama's health care plan — which included massive cuts to Medicare — and further cuts to Medicare can be expected in his Super Congress. Even if the bi-partisan Super Congress is unable to agree to make massive cuts to social programs, cuts to Medicare will be automatically "triggered." Obama tells us not to worry because the triggered Medicare cuts will affect only providers — hospitals and doctors — not patients, as if the two could be so easily separated. The above example of denied hospital re-admissions is also a case where providers were targeted for cuts but patients were the most affected.

Another way that politicians are saving health care money is by slashing Medicaid, the shared federal-state health care program that serves low-income populations. The states' budget crises are quickly debilitating this already under-funded program, reducing availability and quality of health care for those low income people who qualify for the program. USA Today reports:

"With a shortage of doctors...[Medicaid] patients have little choice but to use hospital emergency rooms for more routine care." (July 5th, 2011).

Higher income workers across the country are also seeing their health care rapidly deteriorate. The shoddy health insurance that includes high deductibles and co-pays are standard to most non-union workers who've suffered under this pseudo insurance for years. But even these plans are being shelved. Two studies recently show that employers plan to quit offering health care plans altogether: a survey by Towers Watson showed that one out of ten companies plan to eliminate health care coverage by 2014; while a different study by the McKinsey Company showed that, by 2014, 30 percent of companies will drop their health coverage for workers.

Much of this is due again to, Obama's Affordable Health Care act: companies were encouraged and given an excuse to drop their health care coverage because everyone would be mandated to buy their own shoddy coverage. Politicians recognized that high health care costs were hurting corporate profits, and they were determined to do something about it.

For those companies with a unionized workforce, Obama's health care plan took special aim, taxing companies extra that offered so-called Cadillac insurance — coverage that was actually quality health insurance. But no more. This Cadillac tax doesn't kick in till 2018, but employers are working now to make their health care plans skinny enough to avoid the tax; unions everywhere are being forced to make major concessions in the realm of health care, paying higher monthly premiums, deductibles, and other out-of-pocket costs.

Another trend in the attack on health care for employees involves the implementation of

Health Engagement Models (sometimes called Health Promotion Model). This super-invasive insurance plan forces all workers to undergo a health “assessment,” and based on the results (weight, blood pressure, etc.) and health habits, workers will be forced to follow recommendations of a health “coach.” Not following the coach’s orders will result in monthly fines, as will refusing assessments or continuing to smoke or other bad habits. Plans like this are becoming popular among corporate leaders since they openly discriminate against workers who are overweight, or are older, or who smoke, and thus drive down the cost of health care of the employer. This form of plan combined with the above higher costs are quickly turning the once-quality health insurance of union workers into its opposite.

The above trends in health care are not likely to be reversed anytime soon. Some union leaders are arguing for these concessions using outworn logic, assuming that the economic crisis will soon be over, enabling unions to again demand better wages and benefits. No respected mainstream economist believes this. The current recession is expected to be longer and deeper than any since the Great Depression. Labor unions need to adjust their expectations to the facts and revise their tactics based on the changing economic landscape.

This also applies to working people in general, who cannot simply wait for jobs to be created or wages and benefits to regain their past value. Health care is a key component to a worker’s standard of living, and it is now unreasonable to expect any progressive health care reform from the Democrats or Republicans. The above policies have not improved health care, though they have decreased the cost of health care for corporations and governments, since patients are paying more for fewer services. The above policies have also not increased the number of workers with health insurance. In fact, the number of people without health care continues to grow every year, the most recent figure stands at over 52 million! Obama’s plan to force people to buy crappy insurance they couldn’t afford to actually use — if the law survives the Supreme Court — will do nothing of substance to help.

The above health care policies are the natural result of a health care system based on the principles of private profit. Corporate profits demand that companies provide the least amount of health care services at a minimal cost. From this vantage point, health care is a commodity that is bought by those who can afford it, instead of it being the human right of every person, as the U.N. Universal Declaration of Human Rights asserts. Europe has already proved that a nationwide, single payer system is vastly superior when it comes to quality, cost, availability, and results.

The single payer system did not come into existence from the benevolence of kind governments, but from the demands of people in the street. Organized workers must fight to maintain their benefits; unorganized workers must organize to fight for better insurance; and older workers/retirees must fight to maintain and expand Medicare. The logical end to such struggles would be to demand a Medicare For All system, financed by taxing the wealthy and corporations.

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