

Title: Outsourced Medicare and Medicaid
Introduced by: Domenic R. Federico, MD, Kent County
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Referred to: Reference Committee A
House Action:

Whereas, the United States spent \$1.9 trillion on health in 2004 (or 16 percent of the GDP) with more than half paid by the states – largely by tax-subsided employer-based insurance, and

Whereas, 174 million get insurance via an employer – some 27 million by insurance individually without tax subsidy -- 40 million elderly and disabled have Medicare – 38 million poor have Medicaid, and 46 million go without insurance by choice, and

Whereas, America has impressive innovation, accounting for eight of the 10 most important medical breakthroughs in the last 30 years (as published in Health Affairs), and

Whereas, for decades, health care spending exceeds income growth and average of 2.5 percent per year, while employees are herded into managed care schemes, HMOs, et al, which discount services causing increased medical spending to rise 40 percent since 2000 while the typical insurance premiums have gone up more than 60 percent, and

Whereas, the public sector already pays for 45 percent of American health care, or 60 percent if you include tax subsidies (but this will double as a share of the economy by 2020). Also, Americans pay one out of every six dollars spent on health care, and

Whereas, history is littered with failures to bring radical change to health care i.e., the Truman National Health Insurance in the 40s, the Hiliary Clinton Healthcare Plan of Mandated Insurance for Healthcare, the current unraveling of the English and Canadian government-run health care systems (splitting off private boutique and concierge health coverage, leaving the government with the safety net of public paying for health expenses of the poor), and

Whereas, the federal 1965 to 1966 grab of state's rights by Titles 18 and 19 (Medicare and Medicaid) with the cost of appalling overhead and tedious bureaucracy; therefore be it

RESOLVED: That the administration and provision of health services via Medicare and Medicaid and private health insurance be outsourced to the state medical societies and the state hospital associations in the 3,142 counties under their purview; and be it further

RESOLVED: That all health spending shall be tax deductible and encouraged by expansion of health savings accounts (HSAs).

WAYS AND MEANS COMMITTEE FISCAL NOTE: NONE