DOWNLOAD PDF CURING THE CRISIS

Chapter 1 : Priceless: Curing the Healthcare Crisis by John C. Goodman

A Cure for Disconnection. Loneliness is a complex problem of epidemic proportions, affecting millions from all walks of life.

Leavitt, former Governor of Utah; former Secretary, U. John Goodman has written a book that not only accurately describes what is happening with healthcare in our nation, it provides key solutions and answers to a problem that so desperately needs to be corrected. Curing the Healthcare Crisis. His prescription for fixing what ails American healthcare is to free American consumers to seek the healthcare that best suits their needs and to free physicians and hospital administrators to provide the best, lowest cost care they can by getting rid of the constraints and disincentives provided by insurance companies and public payers. Essential reading for all who have been frustrated in their search for a workable solution to our healthcare woes. Goodman argues, we should encourage it. In a new book, Priceless: Curing the Healthcare Crisis, Goodman offers an abundance of ways in which an unfettered market could address the problems of people with chronic medical needs. Employers could buy health insurance that was fully portableâ€”employees would own their policies and could take them from job to job. Health Savings Accounts for the chronically ill that would allow disabled patients to manage their own budgets and choose the goods and services that best meet their needs. He really was the creator of the health-savings-account model and developed that entire initiative to try to give people increased resources and increased control over their health. This book is a call to arms to do something about it. Curing the Health Care Crisis, makes it abundantly clear why he is a source of wisdom, insight, and innovative thinking. His ideas are not to be ignored. This book should be on the reading list for everyone interested in healthcare reform. You may not agree with every proposal he makes, but he is right on target when he notes that future solutions to unsustainable health-cost growth must convince consumers and patients that they gain from those reforms. Curing the Healthcare Crisis, John Goodman explains why so many Americansâ€”the sick, the healthy, consumers, employers, medical professionals and insurersâ€”feel trapped by the U. It offers a breath of fresh air in a tired healthcare debate that demonstrates once again that markets enjoy their greatest advantage in complex settings that call for imaginative solutions that no government-driven system can deliver. Critics may carp that healthcare markets are never perfectly competitive. Goodman offers chapter and verse to explain why market innovation beats top-down schemes by a mileâ€”ACA especially included. The insight and innovative thinking in Priceless will be invaluable in avoiding the harms of government-run healthcare. The presentation of healthcare economics is clear as is the discussion of the perverse incentives in health care. I particularly like three aspects of this book: Anyone seriously interested in understanding healthcare reform should look carefully at the proposals offered here. As we stand on the brink of hyper-regulating our system further, Goodman cogently argues that our answer is to free our system from the traps policymakers, insurers and providers have built over the decades. Goodman brings his clear thinking as an economist to explain how we could employ market forces in health care to realign incentives so patients, doctors, and all of the players in the health care marketplace are seeking greater efficiency, higher quality, and better value. Generations of health reformers have tried to engineer a new system based on regulation and centralized control, only to find higher cost for health care that too often fails to provide value to patients. Goodman has a better idea: John Goodman is the welcome exception and his innovative work has been influential in his creation of health savings accounts. His book Priceless is now full of equally useful ideas for restoring healthcare to the market, and when the ACA disappears this book will provide the framework for truly reforming healthcare for all. When we free the patients and the healthcare professionals from payer and government shackles, we will drive quality up and price down and eliminate an enormous amount of waste. Curing the Healthcare Crisis John Goodman deftly explains how to jettison the overgrown dysfunctional gridlock that prevents reform of healthcare and healthcare entitlements.

Chapter 2 : Curing the Crisis: Options for America's Health Care

I am a Senior Fellow at the Independent Institute and author of the widely acclaimed book, Priceless: Curing the Healthcare Crisis. The Wall Street Journal calls me "the father of Health Savings.

Goodman has written one of the most misperceived books in recent memory. While as of this writing Priceless has been published a little more than a year, it seems to have been favorably blurbed and reviewed across a wide range of ostensively right-leaning publications far more than it has been actually read. Clearly something is amiss when statist neoconservative to free-market anarchist reviewers seem to all agree that Priceless is a wonderful opus. This reviewer wonders if most if not all of them read the entire book, which is incoherent and unabashedly statist, with a focus on replicating market efficiency through state planning. Progressives feel that low-income households should receive free care at the point of service. But prices and quality go hand-in-hand; prices signify quality, and thus cannot be removed from markets without quality being adversely affected. Besides making health services more dangerous, eliminating money has paradoxically exploded costs. Costs in terms of time are now higher and in strata of waiting: Progressives think trading away money for time is in the best interests of the poor, who have low opportunity costs of time. This is where Goodman struggles. He wants to portray the poor as worse off under progressive policy, but seems befuddled. Yes, the rich, celebrities, and friends of physicians are routed to the front of waiting lines, but queue jumping is irrelevant, as most of the middle class does not have it as an option either. This is not implausible, as Goodman reveals that the rate of queue abandonment at emergency rooms has been found to be about 20 percent p. Where Goodman is refreshingly different from so many other conservative writers is in acknowledging the sometimes terrible quality of U. In Priceless, he adduces his own shocking figure of up to , inadvertent patient deaths in U. This does not include approximately 6 million annual injuries and infections p. He regurgitates the standard adverse-outcome taxonomy of the establishment medical journals where unfavorable outcomes fall into three categories: Now for the really bad of Priceless. Healthcare [sic], we have seen, is a complex system, undoubtedly the most complex of all social systems. None of us can ever fully grasp or understand a complex system. It is futile to even try. We should understand, however, that perverse incentives usually lead to perverse outcomes. Therefore, it is almost always a bad idea to create them. Where we discover them, it is almost always wise to eliminate them. Perturbations of complex systems always produce unintended and unexpected consequences, even when all we are doing is eliminating perversion. Nonetheless, the wise course of action is usually to admit our ignorance and avoid giving people incentives to engage in antisocial behavior. Perverse incentives do not usually lead to perverse outcomes, they always do or they would not be perverse. One thing is certain: Goodman is indeed a man with many central plans and perturbations in mind. By market forces, you might assume he means free markets, but you would be wrong. Now he has a new car for conservative dogs to chase: Roth HSAs, which would be funded by after-tax dollars and allow tax-free withdrawals p. Their adoption would end tax-free, employer-provided health benefits. The chutzpah of it all and how Goodman has gotten away with it for so long is stunning, never mind there would be no role for HSAs in a real free market anyway. Even better, to him, is using Medicaid and CHIP appropriations to subsidize private insurance so all members of each household can get enrolled in the same health insurance plan p. Goodman is afraid that real free markets are too extreme to advocate to American voters, so here is his macro plan: Accordingly, I propose a new approach. It combines an old concept, casualty insurance, with two relatively new concepts: I believe this is the approach that would naturally emerge if we relied on markets, rather than regulators, to solve our problems. Do not educate people on the benefits of free markets and advocate them. No, our best hope is regulating our way toward what would emerge if we did not rely on regulators! The next idea is breathtaking: Patients would be allowed to pay the additional expenses for out-of-plan doctors or facilities out of pocket or from an HSA, but they better not complain too much as Goodman has little patience for people getting too uppity about their freedom: I am not suggesting that we give the insured complete freedom of choiceâ€¦. I am suggesting that if people were largely free to make their own treatment choices and the market were free to meet their needs, health insurance would take a major step

in the direction of the casualty model pp. In other words, return prices to medicine to fix them. Thus the whole flawed premise of the book: No matter anyway, since Goodman is not really interested in such prospects either, and no proposal in his book moves us even a single step down that road. Current Medicare enrollees would be allowed to choose the new system over the old one, but new enrollees would be forced into the new plan. For current workers, health insurance retirement accounts HIRAs would be funded by a new 4-percent tax evenly split between workers 2 percent and their employers 2 percent. Risk-adjusted premiums in the new comprehensive health plans would be covered by the government early on, but eventually HIRAs with high account balances would be taxed to pay risk-adjusted premiums for HIRA holders with low account balances pp. At retirement age, HIRA holders would be forced to choose one of three options. The second is exchanging the HIRA for an annuity paying for premiums and care. The third is keeping the HIRA to pay premiums, but being subject to an annual withdrawal ceiling set by the government p. Goodman advocates three alternatives for Medicaid p. The funniest part of the book: Goodman will not abolish Medicaid after all! The second alternative for Medicaid is to open it up to all households regardless of income. Just on its almost proud embrace 5 of statist corporatism alone, it is stunning to this writer to see that this book was published by the Independent Institute. To paraphrase what James Taranto said about his former employer The Heritage Foundation when it endorsed the individual mandate, I thought they were for freedom.

Chapter 3 : Priceless: Curing the Healthcare Crisis, by John C. Goodman

Priceless: Curing the Healthcare Crisis and millions of other books are available for Amazon Kindle. Learn more Enter your mobile number or email address below and we'll send you a link to download the free Kindle App.

Every crisis is also an opportunity, so make the most of your midlife opportunity. Instead of making an irresponsible purchase or having an affair, you can use this profoundly challenging period to branch out in new directions. Here are some proactive ideas to cure a midlife crisis before it becomes destructive. Craftwork Working with your hands is a great way to find a meaningful purpose. No matter your interests, there is some hobby waiting to fill your time. Try your hand at building furniture, restoring an old car engine, constructing plane models, whatever! The act of creation can be extremely gratifying, especially because you can always scrap one project and start another one with ease. Hit the Gym Sometimes a midlife crisis is the result of a change in your personal image. Get back in shape to regain the vitality that you took for granted as a younger man. Running, swimming, cycling, or lifting weights are great ways to get your blood flowing and inspire yourself with a new body image. Gardening Gardening is another way to get busy and create something to feel proud about. Spend some time in the outdoors and do some landscaping. Plant a new tree, rearrange your lawn with new hedging, or start a vegetable garden. Charity Giving back to the community is a great way to reclaim some of your self-esteem. The gratitude and goodwill you will receive in turn should be enough to take you out of your rut. Write a Book The creative act of writing can take you far away from yourself and let you explore a fantasy of your own. There are two routes to take to cure a midlife crisis with writing: Coach Little League Coaching a team in a youth sports league is a great way to reconnect with your younger self. Therapy The midlife crisis is sometimes a confusing jumble of regrets, disappointment and bitterness. Just talking out your problems can make a world of difference, and with an objective, professional listener, you can pick out the important facts from your messy feelings. There are many types of counseling, just like there are many causes for midlife crises. Consider personal therapy, marriage counseling, or family counseling.

Chapter 4 : Curing the Web's Identity Crisis

We are in the middle of a financial crisis, both on Wall Street and on Main Street, and amidst this time of economic uncertainty there is one key element that is missing: Accountability.

But while supplier dynamics have shifted, processing insurance assignments still requires significant time and cooperation from many parties, resulting in cash flow issues for funeral homes. The Death Claim Delay When someone passes away, the family usually assumes that if the person owned a life insurance policy there should be no issue when the time comes to plan the funeral service. More often than not, however, this is not the case. Funeral providers are frequently burdened with subsidizing the cost of funeral services until the life insurance company pays the death benefit. Hunt Funeral Home has experienced this first hand. Cash Flow Concerns Cash flow is the grease that turns the wheels of small businesses, allowing operations to run smoothly. Since products like vaults and caskets can cost thousands of dollars for a single unit, many firms have turned to credit cards with inflated interest charges to make payment on time. The potential for accruing massive debt is staggering, with shorter credit extensions that can corner directors into selling their firm or filing for bankruptcy. Currently, over 20 percent of family-owned, locally based funeral homes have been acquired by large, national conglomerates such as Service Corporation International. The financial crisis has also lead to a shift in how Americans view funerals. A rising number of cremations, decline in traditional funerals and drop in merchandise sales have contributed to the problems facing independent funeral homes. Furthermore, recent research shows that the death rate in the United States decreased by over 2 percent between and Many independent funeral homes have responded to these trends by revamping their business models, replacing full-time personnel with part-time staff or scaling back on equipment and overhead costs. With a drop in the death rate and an increase in competition from corporations, proper management and assessment of supplies is now more crucial than ever for the survival of any independent funeral home. The limitations of a shorter on-hand supply may result in lost business or past-due invoices, with directors forced to choose between turning away a family or incurring debt until the life insurance assignment is processed. Funding Solutions Several funding companies have emerged to help directors resolve their insufficient cash flow problems. Paperwork is easily accessible, and all personal information is kept private. Instead of contacting multiple insurance companies, funeral directors need only to fill out the same familiar forms. The small processing fee is included in the funeral bill without any upfront cost to the funeral home. Funds are wired or deposited immediately and directors are able to pay vendors within days, giving families more freedom during the planning process. Funeral Director William Skidd Jr.

Chapter 5 : Priceless: Curing the Healthcare Crisis

CURING the CRISIS: OPTIONS for AMERICA'S HEALTH CARE by Michael D. Reagan ï»¿ Trafton, Sarah () The Logic and Politics of Health-Care Reform Book Reviews of the LOGIC of HEALTH-CARE REFORM by Paul Starr, NO BENEFIT by Lawrence D. Weiss, CURING the CRISIS by Michael D. Reagan, and HEALTH CARE POLITICS, POLICY, and DISTRIBUTIVE JUSTICE.

It shows how that crisis is rooted in a lack of clarity about the nature of "resources" and how concepts developed during the XML Topic Maps effort can provide a solution that works not only for Topic Maps, but also for RDF and semantic web technologies in general. Biography Steve Pepper is the founder and Chief Strategy Officer of Ontopia, a company that provides topic map software, consulting, and training services. Sylvia Schwab co-founded Ontopia in She was responsible for the management and execution of projects involving document management solutions, as well as consulting projects in XML-based information process re-engineering. Introduction In an important recent article on XML. Clark points out that the concept of "identity" itself is nowhere defined and moreover is severely problematic. As Sandro Hawke points out: The heart of the matter is the question "What do URIs identify? Throughout RDF, strings like "http: Clark broadens the discussion to cover the whole issue of "What is a resource? URIs may well identify one resource each, but which one? Or, rather, if this is the case, why do developers tend to confuse or conflate resources? A URI like http: Why is this important? Because without clarity on this issue, it is impossible to solve the challenge of the Semantic Web, and it is impossible to implement scaleable Web Services. It is impossible to achieve the goals of "global knowledge federation" and impossible even to begin to enable the aggregation of information and knowledge by human and software agents on a scale large enough to control infoglut. Ontologies and taxonomies will not be reusable unless they are based on a reliable and unambiguous identification mechanism for the things about which they speak. The same applies to classifications, thesauri, registries, catalogues, and directories. Applications including agents that capture, collate or aggregate information and knowledge will not scale beyond a closely controlled environment unless the identification problem is solved. And technologies like RDF and Topic Maps that use URIs heavily to establish identity will simply not work and certainly not interoperate unless they can rely on unambiguous identifiers. A solution to the "identity crisis of the Web" is clearly essential. The purpose of this paper is to offer an explanation of the root causes of the problem and to show how concepts originally developed as part of XML Topic Maps XTM [Pepper] offer a solution that can be applied to the semantic web in general. It actually contains no fewer than eight URIs: In addition to the four URIs that are given explicitly, the four element types Person, fullName, mailbox, and personalTitle each correspond to URIs in the "contact" namespace. Any ambiguity about the identities represented by any of those URIs will cause this fragment of RDF to be misinterpreted and incorrectly processed. To illustrate the potential problem, let us focus on one of those URIs, "http: This URI actually resolves to the following information resource: The information resource at http: It would be perfectly legitimate to want to assert these facts in the form of metadata about the information resource, for example using Dublin Core vocabulary. The only way to identify the subject of these new assertions would be to use the same URI: An application that wanted to aggregate the assertions shown in these examples would end up considering the Person named Eric Miller to have been created on April 6th , because all the assertions in the three examples appear to have been made about the same subject. Because no syntactic distinction is made between these two usages, an application has no way of telling them apart and ends up getting thoroughly confused. It resolves to an information resource and therefore can be used directly as an identifier for that resource, as in Figure 3. However, many of the subjects about which we want to make assertions are not information resources; they do not have network locations and therefore cannot be addressed, or identified, directly. This indiscrimate use of URIs to identify subjects both directly and indirectly can be traced back to a lack of clarity regarding the very notion of "resource" in the Web community. Historically, in the model originally envisioned by Tim Berners-Lee, resources were simply documents information resources that had locators. Those locators turned out to be very useful as identifiers for documents - for example, when attaching

metadata to them. But as the Web matured a need arose to be able to make assertions about things that were not documents e. This in turn led to the more general notion of "resource" as defined in [RFC]: A resource can be anything that has identity. Familiar examples include an electronic document, an image, a service e. Not all resources are network "retrievable"; e. Now, with the advent of the semantic web, the shortsightedness of this approach is becoming clearly apparent. But surely the distinction between a network-retrievable information resource and "everything else" is of fundamental importance to the whole architecture of the Web? The term "resource" obscures the fact that some of the things we want to identify have locations and others do not. Using a "locator" for something that has a location makes sense; using it for something that does not is asking for trouble. This problem was recognized by TopicMaps. If the W3C were to adopt the same concept, it would both solve its own identity crisis and open the door for greater interoperability between Topic Maps and RDF. Addressable Subjects and Subject Addresses In Topic Maps, a fundamental distinction is made between subjects which are addressable and subjects which are not. They are sometimes called "addressable subjects" and "non-addressable subjects", respectively. In the case of addressable subjects i. When used in this way, the URI is called a subject address. The subject is therefore the RDF document that resides at http: This example therefore corresponds to Figure 3, where the intent is to attach Dublin Core metadata to the information resource. Non-Addressable Subjects, Subject Indicators and Subject Identifiers When a URI is used to identify a subject indirectly, it is called a subject identifier to distinguish it from subject address, a URI used to identify a subject directly. This is the case in Figure 1, which talks about the person Eric Miller. The URI references an information resource that provides some kind of compelling and unambiguous indication of the subject. A human can interpret the information resource and know what subject is being referred to. An information resource that is used in this manner is called a subject indicator. The following diagram illustrates how a subject identifier references a subject indicator for the subject Eric Miller: The subject is whatever is indicated by the RDF document that resides at http: This example therefore corresponds to Figure 1, where the intent is to make assertions about the person Eric Miller. Figures 5 and 7 show how Topic Maps recognizes the distinction between addressable and non-addressable subjects and provides a mechanism which allows URIs to be used in two distinct modes, as subject addresses or as subject identifiers. This makes it possible to avoid the ambiguity which is otherwise inherent in the use of URLs as identifiers. In addition, the duality of subject indicators and subject identifiers provides an identification mechanism that works for both humans and applications: Equipped with a subject indicator, human users should be able to know exactly what subject is being referred to. Thus, whenever applications are considered media for human transactions, subject indicators provide a common reference to human users connected through the application, and agreement on the subject indicator can be used as the external expression of agreement as to the identity of a subject. Applications, on the other hand, can simply compare subject identifiers in order to know when two sets of assertions are about the same subject. This dual identification mechanism therefore constitutes a basis for agreement on the identity of subjects throughout the network: It is confusing and costly when people use the same URI to refer to different resources i. Suppose company A uses http: Company A then buys company B, but when they try to merge their databases, they cannot due to this inconsistent usage of the URI. Hawke uses the terms "page-mode" and "subject-mode" to make exactly the same distinction as that made in Topic Maps between subject addresses and subject identifiers. For this to work, two changes are required to RDF. First of all, the RDF model indeed, the model of the Web in general must be adjusted to recognize the distinction between information resources and "things in general" i. Secondly, this change needs to be reflected in more precise syntax. Regarding the latter, there are two approaches that can be taken: Either the syntactic structure of the URI itself can indicate whether the URI is a subject address or a subject identifier; or else the syntactic context in which the URI is used can determine its role. Essentially, we used " " as a flag to show when we were talking about arbitrary things instead of web pages. The problem with this solution - indeed with any solution based on the syntactic structure of the URI - is that it disregards the fact that any URI can be used in either "mode". A URI containing a fragment identifier such as http: The alternative is to let the syntactic context decide and this is the approach used in Topic Maps. It is subject-mode identifier if and only if 1 it has a " " in it, 2 it is in the predicate role, or 3 it is in the object

role of a triple where the predicate is rdf: This hybrid approach seems unnecessarily complicated to us, and it also has the disadvantage, recognized by Hawke, that it "does not give people a way to talk, in RDF, about fragments of web pages or things which are the subject of an entire web page. Exactly how syntactic context should be established is left as an exercise for the RDF community. However, we venture here a simple and incomplete syntax proposal in order to make the point as clear as possible. Referring back to Figure 1, we see that the subject about which statements are being made is identified via an "about" attribute: This ambiguity can be resolved by the simple expedient of making the "about" attribute more precise, for example by distinguishing between "subject" and "indicator", as follows: In the following example, it is equally clear that the information resource is being used as a subject indicator in order to indirectly identify the more ineffable subject of Eric Miller: Alternative attribute names might be "address" and "identifier" for subject and indicator, respectively. Conclusion The widely recognized "identity crisis" of the Web is due to the absence of a formal distinction between information resources and subjects in general. This can be traced back to the definition of "resource" in [RFC]. Recognition of the important distinction made in Topic Maps between addressable and non-addressable subjects leads to the notion of subject indicators as an indirection mechanism for establishing the identity of subjects that cannot be addressed directly. This allows URIs to be used in two ways - as subject addresses or as subject identifiers - without ambiguity. Syntactic context can be used to determine which mode is intended in any specific instance. The concept of subject indicators also provides a powerful two-sided identification mechanism that can be used by both humans and applications. For RDF and other semantic web technologies to take advantage of this mechanism, changes are required in the underlying data model of RDF and the basic architecture of the Web. Once these are made, the foundation will have been laid for achieving the goals of the semantic web. The authors wish to acknowledge the input of members of the TC, in particular its chair, Bernard Vatant, who prepared the original draft of that document.

Chapter 6 : 7 Ways to Cure a Midlife Crisis - Mensbe

John C. Goodman, author of Priceless: Curing the Healthcare Crisis will speak and sign copies of his book on Thursday, June 27, at 6pm PDT in Portland, OR. Hosted by the Cascade Policy Institute, the event will be held at Ernesto's Italian Restaurant, SW Apple Way.

Those with serious health problems will find that they no longer have an employer who acts as a protector and defender. Their problems will be made worse by inexorable government pressure on the health plans to keep premiums from rising, so as to contain the expense of the taxpayer-funded premium subsidies. The ACA will not control costs. The Affordable Care Act is relying on dozens of pilot programs and demonstration projects to find better ways of delivering care. The results have been disappointing. And if no one is making those choices, healthcare spending will keep rising in the future with all the relentless persistence it has shown in the past. The ACA may reduce access to care for our most vulnerable populations. The 32 million newly insured will try to double their consumption of healthcare and middle- and upper-middle-income families will have more generous coverage than they have now, but there will be no increase in supply. As the rationing problems escalate, those with private coverage will surely outbid people paying Medicaid rates for doctor services and hospital beds. What would a better approach to American healthcare reform look like? A large portion of our healthcare dollars would be placed in Health Savings Accounts that we individually own and control. Patients would pay for most primary care, most chronic care, most discretionary care and extra out-of-network costs from these accounts. Doctors would advise patients on how to manage their health dollars as well as their care. They would be free to act as agents of their patients rather than of third-party payers. Employers would be free to buy individually owned insurance for their employees. They would offer a monetary contribution to be applied to the health-insurance premiums of each employee, each pay period. Patients with chronic conditions would be empowered to manage their own care, achieving results as good or better than under traditional care. They would also manage the money that pays for that care. Individuals would be allowed to insure against pre-existing conditions, so they could switch health plans without financial penalty. Health plans would have incentives to compete for all potential enrollees, regardless of health condition. Synopsis The American healthcare system is plagued with problems that arise because we are trapped. Unfortunately, conventional thinking about how to fix those problems is marred by two false beliefs. The first is the idea that to make health care accessible it must be free at the point of delivery. The second is the idea that to make health insurance fair, premiums should not reflect real risks. Both ideas are the reason no one ever faces a real price for anything in the medical marketplace. Curing the Healthcare Crisis, John C. Goodman demonstrates how these and other false beliefs eliminated normal market forces from American healthcare, making it almost impossible to solve problems the way they are solved in other markets. Relying on a common-sense understanding of how markets work, Goodman offers an unconventional diagnosis that allows him to think outside the box and propose dozens of bold reforms that would liberate patients and caregivers from the trap of a third-party payment system that stands in the way of affordable, high-quality healthcare. Like the economy as a whole, our healthcare system is far too complex to manage from above. But unlike a free market, American healthcare lacks a genuine price system, the mechanism that coordinates the actions of buyers and sellers in other markets. Instead, due to decades of government intervention, American healthcare is dominated by unwieldy third-party bureaucracies insurance companies, employers, and the government and by arbitrary payment formulas that have none of the helpful properties of market prices. Because normal market forces have been systematically suppressed, everyone in the healthcare system faces perverse incentives that make our problems worse. Since healthcare is largely free at the point of delivery, patients are encouraged to over-consume it. Doctors are in danger of becoming agents of third-party payers, rather than agents of their patients. Employers face perverse incentives to hire the healthy and avoid the unhealthy. Health insurance companies in the soon-to-be-created health insurance exchanges will face perverse incentives to over-provide care to the healthy and under-provide to the sick. Four Core Problems As in other developed countries, perverse incentives in healthcare have created problems of cost, quality, access,

and lack of real insurance, Goodman explains. Costs have escalated largely because the overwhelming bulk of payments to physicians and hospitals comes from third-party payers. This huge gap creates incentives to consume healthcare up to the point where the extra benefit is worth to patients only ten cents for every dollar paid on their behalf. In addition, healthcare providers have incentives not to search for ways to reduce prices, as producers in other markets do, but to exploit third-party payment formulas. Quality of care also suffers. By one estimate, adverse medical events kill as many as , patients each year, and non-lethal mistakes cause an estimated six million injuries per year. Quality varies considerably from provider to provider and is unrelated to what we spend. Again, the incentive structure of the third-party system is to blame. The problem of access to healthcare is widely misunderstood. Unlike casualty insurers, health insurers rarely tell potential customers that they need their product to help them in the event of a medical catastrophe. Instead they tend to advertise the services that healthy people want, such as wellness checkups, preventive care, and exercise facilities. Because the health-insurance market is an artificial market in which the product offered is not real insurance. It more resembles prepayment for the consumption of healthcare. Its individual mandates will force us to buy something whose cost is rising faster than our incomes and will eventually crowd out every other form of consumption. It also creates perverse incentives. Its health insurance exchanges, for example, give insurers incentives to over-provide to healthy enrollees and under-provide to unhealthy ones. The ACA will leave our social-safety net in tatters as the demand for medical services outstrips the supply. It will create severe problems of access to care for the elderly and the disabled as Medicare payments are cut. Which changes are needed most to turn an unworkable health reform effort into genuine health reform? Goodman also argues that the insurance mandate should be dropped. If people choose to remain uninsured, their unclaimed tax credit could go to a local safety-net institution and used when the uninsured cannot pay their medical bills. Reforms that Work Goodman also offers a host of ideas that, if adopted, would enable doctors and patients to use their intelligence and creativity to make the changes needed to create access to low-cost, high-quality healthcare. Doctors, for example, would be free to repackage and re-price their services in patient-pleasing ways, rather than conform to the dictates of third-party-payer bureaucracies. The widespread adoption of Health Savings Accounts would cut costs by 30 percent or more. Individuals would be responsible for their own primary care, most diagnostic tests, and inexpensive outpatient care. Insurers would pay for inpatient care by using a value-based purchasing approach, under which the insurer pays only the amount that will cover low-cost, high-quality care and patients pay the full extra cost if they choose to patronize other providers. Medicare could be reformed in several ways. The perverse incentives for doctors to provide care that is too costly, too risky, and inappropriate could be eliminated. We could also reduce the misallocation of medical skills that arises from Medicare overpaying for some skills and underpaying for others. Doctors should be able to get paid in different ways so long as the cost to the taxpayer falls and the quality of care increases. Ideally, Medicaid would be abolished and the savings would go to subsidize private insurance for low-income families. If that is too radical for the body politic, there are other alternatives. For example, Medicaid could get out of the business of dictating prices and instead oversee a Health Stamp program, fashioned after the Food Stamp program. Enrollees would be free to add their own money to the value of the stamps and purchase services in the larger medical marketplace. Low-income families on Medicaid could then compete on a level playing field with other patients for healthcare resources. Patient safety could be improved. One way that Goodman discusses is to create an alternative to malpractice litigation: After discussing these and many other promising reforms, Priceless concludes with a discussion of two principles that must be applied in order to significantly improve the markets for healthcare and health insurance. First, prices must be allowed to reflect marginal social costs, where possible through the operation of market competition. Second, health insurance premiums should be able to reflect real risks in a market in which people would be able to insure against the onset of pre-existing conditions. The adoption of these principles would help enormously to bring about higher quality healthcare at an affordable cost. Curing the Health Care Crisis, makes it abundantly clear why he is a source of wisdom, insight, and innovative thinking. Leavitt, former Governor of Utah; former Secretary, U. John Goodman has written a book that not only accurately describes what is happening with healthcare in our nation, it provides key solutions and answers to a problem that so desperately needs to be corrected. Priceless

is required reading on the subject. The central theme of Priceless is that patients, doctors, insurers, and employers should be freed of government encumbrances to interact in the marketplace. Patients should be able to check physician fees to choose combinations of quality, cost and amenities. Doctors should be rewarded for finding innovative ways to lower costs. Insurers should be able to charge premiums that reflect risk, to enable them to service high-risk customers. Employers should be allowed to negotiate portable insurance policies for their employees, one way to help patients with pre-existing conditions. For better solutions to this and other problems of providing affordable health care, Ryan, Obama, Romney, and Biden should all read this book. Curing the Healthcare Crisis. His prescription for fixing what ails American health care is to free American consumers to seek the health care that best suits their needs and to free physicians and hospital administrators to provide the best, lowest cost care they can by getting rid of the constraints and disincentives provided by insurance companies and public payers. Essential reading for all who have been frustrated in their search for a workable solution to our health care woes. Goodman argues, we should encourage it. In a new book, Priceless: Curing the Healthcare Crisis, Goodman offers an abundance of ways in which an unfettered market could address the problems of people with chronic medical needs. Health Savings Accounts for the chronically ill that would allow disabled patients to manage their own budgets and choose the goods and services that best meet their needs. He really was the creator of the health-savings-account model and developed that entire initiative to try to give people increased resources and increased control over their health. This book is a call to arms to do something about it. Granting that the Affordable Care Act involves some dismal economics, what is the alternative to providing affordable care? For alternatives that would move in the direction of free markets, try the recently published Priceless: Curing the Healthcare Crisis, by John C.

Chapter 7 : CURING the CRISIS: OPTIONS for AMERICA'S HEALTH CARE by Michael D. Reagan

Curing the Crisis is the book to read to get a brief but comprehensive picture of the issues - without wading through a lot of technical jargon. In a short, readable, and objective presentation, Curing the Crisis offers insight into the following questions: What has happened to the availability and cost of health care in recent years, and what.

Chapter 8 : Curing the Funeral Home Cash Flow Crisis

To cure the ailments of American healthcare we must get rid of the perverse incentives that raise costs, reduce quality, and make care hard to access. We must allow a free-market price system to emerge, so that the laws of supply and demand will work to the benefit of patients and providers alike.

Chapter 9 : Review of Priceless: Curing the Healthcare Crisis, by John C. Goodman | Mises Institute

The key to that approach was to employ peer counselors, recovering addicts who understand the trials of addiction firsthand. An month pilot study in Palm Beach County showed encouraging results.