

## The Health of America

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### **WE ARE ENDOWED BY OUR CREATOR WITH CERTAIN UNALIANABLE RIGHTS AMONG THESE ARE LIFE, LIBERTY, AND THE PURSUIT OF HAPPINESS.**

This declaration is the cornerstone on which our Republic was built.

God bestows individual rights, not the government. This fact will be our guide through the evaluation of the health care bill passed by Congress in 2010. Without life, there can be no liberty or pursuit of happiness. Thus, understanding the various perspectives of life and the value placed upon it is crucial to understanding how philosophical differences arise as it relates to health care. When reviewing these perspectives, we will examine whether the individual or the collective is considered to be paramount. The two choices are diametrically opposed...individual choice versus a collective determination.

#### **The Value of Life**

Our historical tour begins with a look at two men with very different worldviews, Hippocrates and Plato. Hippocrates of Kos was ancient Greek physician who is considered to be the father of Western medicine.<sup>1</sup> His belief was underpinned by the "laws of god". This means that it was not incumbent upon man to determine the outcome of life, but that of a higher being. The Hippocratic Oath which dates back to the time of his teachings and has been taken as a pledge to practice medicine ethically for over 2300 years, in part states, "I will neither give a deadly drug to anybody if asked for it, nor will I make a suggestion to this effect. Similarly, I will not give to a woman an abortive remedy. In purity and holiness I will guard my life and my art."<sup>2</sup> This statement reflects a view that individuals were to be the center of the treatment plan and that life was valued.

Plato was a Classical Greek philosopher who, along with Aristotle and Socrates, is thought by many to have helped to lay the foundation for Western civilization.<sup>3</sup> He describes in his Socratic dialogue, *The Republic*, a society that is divided into three strata: 1) guardians (philosopher-king), 2) auxiliaries, and 3) producers. The guardians were the rulers; the auxiliaries were the enforcers; the producer produced for the city-state or collective. The view in this dialogue illustrates that the individual was replaceable, a cog in the wheel. To further illustrate this, Plato states, "If a man was not able to live in an ordinary way, the physician had no business to cure him: for such a cure would have been no use to himself or the state."<sup>4</sup> Also in the Republic, "A woman is to bear children for the city from the age of twenty o the age of forty.", but if the woman over 40 years of age were to become pregnant, "they should be very careful not to let a single fetus see the light of day, but if one is conceived and forces its

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<sup>1</sup> *Useful Known and Unknown Views of the Father of Modern Medicine, Hippocrates and His Teacher Democritus*, U.S. National Library of Medicine.

<sup>2</sup> "The Hippocratic Oath" Translated by Michael North, National Library of medicine, National Institutes of Health.

<sup>3</sup> "Plato". *Encyclopedia Britannica*, 2002

<sup>4</sup> Plato. *The Republic: Book III*, 460 BC.

way to the light, they must deal with it in the knowledge that no nurture is available for it. That's certainly sensible."<sup>5</sup>

Which view shows life is precious? Alexis de Tocqueville, a French philosopher and historian, is best known for writing *Democracy in America* in which he introduces the concept of a "soft tyranny".<sup>6</sup> Even when the government is a benevolent government, taking care of everyone's needs will lead to a society of complicated bureaucracy that oppresses innovation and individualism. America is comprised of fluid socioeconomic strata. Our society is born in rugged individualism which encapsulates individual responsibility. This expressed itself in past generations in the form of self-sufficiency and also in the form of charity and generosity with how neighbor took care of neighbor in times of distress. With God's law at the center of one's worldview, charity follows suit. The Golden rule, honoring God and treating your neighbor as yourself, is an expression of this. Without this worldview as a foundation, certain elitists and social engineers will not draw the same conclusion that free exchange of products and services leads to more prosperity and freedom.

### **The Value of Liberty**

As Benjamin Franklin stated, "Those who would give up essential liberty to purchase a little temporary safety deserve neither liberty nor safety."<sup>7</sup> In all endeavors and responsibility occupy the same house. A wave of thinking that supports the collective "good" and does so under the banner of social justice and equality uses accountability as a weapon against the constructs of individual freedom. But it does so by suggesting repeatedly that you are not responsible for the "ills" that befall you. You are a victim and the "benevolent" government, as warned by Tocqueville, would love to right the wrong and absolve you of your responsibility to suffer the consequences of poor choices, thereby creating an entitlement which will care for us from the womb to the tomb. Let us never forget, that in America, the government gets its limited powers from the "we the people". They are given 18 functions. The government does not produce anything. It takes from the fruits of the laborer at the consent of the laborer for the sole purpose of exercising these expressed functions in our Constitution.

When we as Americans look to our government to manage the affairs of our health, we are in effect, absolving ourselves of the freedoms that true liberty entails. Rather than being empowered, we are empowering the government in our stead. Thus, as we look at the issue of health care in America, there are several questions we want to try to address:

- Is health care in America broken? If so, how?
- Why are health care costs what they are?
- What's in the health care bill that was recently passed?
- What has been our prior experience with government involvement in health care?
- Is a health care bill Constitutional?

*Is health care in America broken?*

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<sup>5</sup> Plato. *The Republic*: Book V, 460 BC.

<sup>6</sup> Alexis de Tocqueville, *Democracy in America*. New York: Bantam Books, 2000

<sup>7</sup> Benjamin Franklin. *Memories of the Life and Writings of Benjamin Franklin*. Edited by William Franklin. Philadelphia: T.S. Manning, 1818.

Ronald Reagan stated, “Now in our country under our free enterprise system, we have seen medicine reach the greatest heights that it has in any country in the world. Today the relationship between patient and doctor in this country is something to be envied anyplace.”<sup>8</sup> Since 1961, when Reagan made this statement speaking out against socialized medicine, it has only improved. Today health care costs 17.3% of GDP.<sup>9</sup> Who is to say that 17.3% is too high a cost? Some bureaucrat? Who should be the one to put a price on a life?

Dr. Donald Berwick, head of the Medicare and Medicaid agency stated in an essay published in *Health Affairs* in 2008, “Any health-care funding plan that is just, equitable, civilized and humane must, must redistribute wealth from the richer to the poorer and the less to the less fortunate.” He went on to say, “Excellent health care is by definition redistributive.”<sup>10</sup> I call that Socialism.

Let’s look at the health care systems of other western countries. According to *The Truth About Obamacare*, written by Sally C. Pipes, the model most advocates of socialized medicine look to, Canada, had 694,161 patients in 2009 who were waiting for surgery and necessary treatment. The average wait time was 16.1 weeks to see a specialist. 25% to 30% of their medical equipment is greater than 10 years of age (In America, medical equipment averages less than 5 years of age).<sup>11</sup> But what really matters is the treatment of disease. A study published in *Lancet Oncology* in 2008 pointed out that America had a better survival rate of five years after diagnosis for 13 out of 18 of the most prevalent cancers when compared to those same health systems in Europe and Canada that are heralded as being so exceptional.<sup>12</sup> The life expectancy in America, when you eliminate car accidents and homicide, is the highest in the world. This is significant given that we are one of the few countries in the world that follows the exact protocol of what a live birth is according to the World Health Organization (WHO). For example, some countries artificially increase their life expectancy rates when they do not count premature births (France and Belgium) or births until the baby has reached a certain weight or length (Switzerland).<sup>13</sup>

*Why are health care costs what they are?*

Interestingly enough, the current costs of health care can be traced back to government intervention, where government did not allow free market forces to manage costs. The FDR administration imposed wage and price controls in the early 1940’s in a failed effort to help the costs of World War II. Because of this, companies competing for good labor used benefits as an enticement when hiring employees since they were not longer allowed to increase wages. October 26<sup>th</sup>, 1943 an IRS tax ruling confirmed that health benefits paid by employers were tax exempt. That ruling formalized the third-party payer system.<sup>14</sup> Then, in 1965, we got Medicare and Medicaid, a government-run third-party payer. What did all of this do? It increased prices. The economics of this scenario illustrate that anytime a third party gets between the producer and the recipient of the goods and/or services, prices

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<sup>8</sup> Ronald Reagan. *Coffee Cup Campaign Against Socialized Medicine*. 1961

<sup>9</sup> Truffer, CJ. (2010 March) Health Spending Projections Through 2019: The Recession’s Impact Continues. *Health Affairs* 29:3522-529.

<sup>10</sup> Berwick, Donald M. and Kaplan, M. (2008 January) “What’s The Ethics of That? “A Conversation with Thomas O. Pyle”. *Health Affairs* 27:1143-150.

<sup>11</sup> Pipes, Sally C. (2010). *The Truth About Obamacare*. Washington, DC: Regnery Publishing

<sup>12</sup> Ibid

<sup>13</sup> Ibid.

<sup>14</sup> Gratzner, David. (2006) *The Cure: How Capitalism Can Save American Health Care*. New York: Encounter Books.

go up. The market forces of best cost-benefit for services rendered are no longer allowed to play out between the provider and the consumer and rapid price escalation ensues. Why would the consumer care about the cost when he or she no longer was accountable for the bill? In an attempt to offset these rapidly increasing costs, the third-party payer resorts to decreasing access to services and/or providers of series. Certainly, this does not resonate with the declaration of "pursuit of happiness". So, now the government that caused the problem in the first place, wants to fix it.

*What's in the health care bill that recently passed?*

To start, we have the following<sup>15</sup>:

- 159 new agencies and boards
- Taxes
  - Medicaid tax increase of 1.45% to 2.35%
  - Unearned Income tax increase of 3.8%
  - Tax to insurance company-\$14.3 billion/year
  - Taxes to pharma-2.8 billion/year
  - Medical devices-2.9% tax
- A \$529 billion cut in Medicare
- Costs are \$2.3 trillion
- CATO Institute states that if it were scored the same as the Clinton health care plan was scored in 1994, it would be \$7 trillion

But what actually helps with health care? Perhaps the following:

- 10,500 IRS agents at a cost of \$16.5 billion
- Regulations on gold and silver coins
- 1099s on every small business transaction over \$600
- Government control of student loans
- Regulations on fields of medicine-50% of graduates to go into family practice or general surgery

This does not count the special deals to get the bill passed such as the Nebraska kickback, the Louisiana purchase, etc. To emphasize the redistribution of wealth aspect, families making more than \$348,000 a year will have an additional \$52,000 a year in additional taxes and reduced benefits.<sup>16</sup> Those earning \$18,000 to \$55,000 a year will have a net increase of \$2,000 a year.<sup>17</sup> Yes, this really helps health care. It helps so much that 222 organizations as of today, mainly unions, have asked for and received

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<sup>15</sup> Tanner, Michael D. (2010). *Bad Medicine: A Guide to the Real Costs and Consequences of the New Health Care Law*. Washington, DC: The Cato Institute.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

exemptions.<sup>18</sup> Many of these are the same organizations that were so adamantly in favor of this legislation.

As mandates on individuals, employers, and insurance companies, there are many. Can you keep your own insurance if you want. No. If there are any changes to your current plan, it is revoked. In reality, what these mandates do is to remove people from private insurance and add them to government insurance (i.e. Medicaid). The Heritage Foundation estimated that 17.2 million people will be affected by this.<sup>19</sup>

*What has been our prior experience with government involvement in health care?*

The government has tried to predict costs in the past, but has failed miserably. The 1965 cost predictions, as of 2009, were off 917% for Medicare and 1700% for Medicaid.<sup>20</sup> What if our government predictors are off on their predictions for the current health care bill by 10 fold? The resulting error could range from \$20 to \$40 trillion. This is before all of our other unfunded liabilities which are already over \$111 trillion dollars.<sup>21</sup> The world's current money supply is the equivalent of about \$60 trillion.<sup>22</sup> Are you beginning to see the futility of our entitlement programs/ What will the value of our currency be in order to print enough to fund our debts?

*Is the health care bill Constitutional?*

Article 1 Section 8 states eighteen enumerated functions for the limited government. We must look at the Constitution in its historical time to see what the Founding Fathers meant when they drafted these. **Article 1 Section 8 Clause 1** states:

*"The Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defense and general welfare of the United States; but all duties, imposts and excises shall be uniform throughout the United States;"*

This does not mean "welfare state". How does one know? We simply look to the words of the men who drafted them. We were never a socialized state. Here are a few quotes from our Founders:

*"If Congress can do whatever in their discretion can be done by money, and will promote the general welfare, the government is no longer a limited one, possessing enumerated powers, but an indefinite one subject to particular exceptions."<sup>23</sup>*

**-James Madison, 1792 letter to Edmund Pendleton**

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<sup>18</sup> Department of Health and Human Services:

[http://www.hhs.gov/ocilo/regulations/approved\\_applications\\_for\\_waiver.html](http://www.hhs.gov/ocilo/regulations/approved_applications_for_waiver.html). Retrieved December 29, 2010.

<sup>19</sup> Obamacare in Pictures: Center for Health Policy Studies. (2010 fall). The Heritage Foundation Slide 7.

<http://www.heritage.org/research/projects/obamacare/obamacare-in-pictures>. Retrieved December 29, 2010.

<sup>20</sup> Brownback, Sen. Sam. (2009 July). Are Health Care Reform Cost Estimates Reliable? Joint Economic Committee. [http://www.iec.senate.gov/republican/public/?=Files.Serve&File\\_id=5802c84c-e827-4ab3-baeb-793f3ae2e036](http://www.iec.senate.gov/republican/public/?=Files.Serve&File_id=5802c84c-e827-4ab3-baeb-793f3ae2e036). Retrieved December 29, 2010.

<sup>21</sup> US Debt Clock. <http://www.usdebtclock.org>. Retrieved January 1, 2011.

<sup>22</sup> Hewitt, Mike and Petrov PH.D., K. DollarDaze.com. [http://www.dollardaze.org/blog/?page\\_id=00014](http://www.dollardaze.org/blog/?page_id=00014). Retrieved on January 1, 2011.

<sup>23</sup> James Madison. *Letters and Other Writings of James Madison*. University of Michigan Library, 2009.

*“Our tenant ever was, and, indeed, it is almost landmark which divides the federalist from republicans that congress has not unlimited powers to provide for the general welfare, but were to those specifically enumerated; and that as if it were never meant they should raise money for purposes which the enumeration did not place under their action. Consequently, that the specification of powers is a limitation of the purposes for which they may raise money.”<sup>24</sup>*

#### **-Thomas Jefferson, 1817 letter to Albert Gallatin**

*“(T)he government of the United States is a definite government, confined to specified objects. It is not like the state governments, whose powers are more general. Charity is no part of the legislative duty of the government.”<sup>25</sup>*

#### **-James Madison, 1794 speech in the House of Representatives**

The Founders put an exclamation point on this with the 10<sup>th</sup> Amendment to the Constitution which states:

*“The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.”*

“General welfare” means you can raise taxes to fund the eighteen functions only. If it did not mean this, then why were we not a socialized country from the beginning? All three branches of government must be held accountable to the standard of the Constitution.

*“If in the opinion of the people, the distribution of modification of the Constitutional powers be in any particular wrong, let it be corrected by an amendment in the way the Constitution designates. But let there be no change by usurpation...the customary weapon by which free governments are destroyed.”<sup>26</sup>*

#### **-George Washington**

Our elected officials and judiciary branch have taken an oath to defend the Constitution. It’s time that we hold them accountable not just to their words, but to their actions as well. We the people must never forget that we have consented to be governed by our elected officials, but only through the limited enumerated powers we bestowed upon them via the Constitution.

#### **The Value of Pursuing Happiness**

*What can be done to improve the best health care system in the world?*

The answer to this question is simple...free markets. Free markets are the very embodiment of the “pursuit of happiness”.

**Article 1 Section 8 Clause 3**, the “Commerce Clause” states that Congress shall have the power...

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<sup>24</sup> Thomas Jefferson. Letter to Albert Gallatin, 1817. Library of Congress.

<sup>25</sup> Elliot, Jonathan. *The Debates in the Several State Conventions On the Adoption of the Federal Constitution, As Recommended by the General Convention at Philadelphia in 1787*. Nabu Press, 2010.

<sup>26</sup> **George Washington’s Farewell Address**. 1796

*“To regulate commerce with foreign nations, and among the several states, and with the Indian tribes.”*

In the 18<sup>th</sup> century, the definition to regulate meant to make regular free trade across state lines (i.e. to have no tariffs between states). That is one of the enumerated functions. For instance, with about 267 health insurance carriers nationwide, wouldn't it make sense that more open competition would reduce costs and increase quality?<sup>27</sup> By stifling consumer choice, the government denies access to potentially lower cost, better-quality insurers and allows complacent, entrenched insurers to maintain a strangle-hold on the individual. This restricts the pursuit of happiness rather than promoting it.

We do not need a regulatory bureaucracy at any government level or third party payer to dictate the providers' costs. Rather, it should be the people whom health care providers serve via the free market. Social engineers do not trust the individual, but our Founders did.

*“To take form one because it is thought that his own industry and that of his father's has acquired too much in order to spare to others, who, or whose fathers, have not exercised equal industry and skill, is to violate arbitrarily the first principle of association-the guarantee to every one of a free exercise of his industry and the fruits acquired by it.”<sup>28</sup>*

**-Thomas Jefferson, 1816 Letter to Joseph Milligan**

## **Conclusion**

The health care bill has nothing to do with the improvement of health care, but with the centralized control of the individual's life. It forms a structural bureaucracy to control the people from the womb to end of life. This is evidenced by the fact that those who put these laws in place are exempt from many aspects of the very laws they have passed.

*“The House of Representatives...can make no law which will not have its full operation on themselves and on their friends as well as the great mass of society. This has always been deemed one of the strongest bonds by which human policy can connect the rulers and the people together. It creates between them that communion of interest, and sympathy of sentience, of which few governments have furnished examples; but without every government degenerates into tyranny.”<sup>29</sup>*

**-James Madison, Federalist No. 57, 1788**

I implore us in the battlefield of ideas to fight for liberty and freedom and the responsibility which comes from that victory. History has shown the free exchange of ideas has always led to more freedom and prosperity, but that large centralized bureaucracies have always led to fewer freedoms, less quality, fewer choices, and more control of the individual. Let history be our guide with respect our decisions to retain or release control of our health management.

With a bill that is so large and so ill-conceived, it is quite easy to find fault. However, one cannot argue that the primary purpose of this health care bill has been achieved. That is, to take control of the

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<sup>27</sup> America's Health Insurance Plans. <http://www.ahip.org>. Retrieved on December 29, 2010.

<sup>28</sup> West, Thomas G. (2001). *Vindicating the Founders*. Rowman & Littlefield Publisher, Inc.

<sup>29</sup> James Madison, Federalist No. 57, 1788

individual's life, liberty, and pursuit of happiness. We asked at the beginning who is paramount, the collective or the individual. It is obvious from thorough evaluation of this behemoth of centralized government healthcare control, that this has nothing to do with health care. Rather this uses healthcare to advance the welfare of the collective at the expense of the individual.

Ultimately, it comes down to principles and not policy. These policies, while misguided, are even more misaligned with the founding principles of our country where the rights of the individual are paramount and the government is restricted from encroaching upon the liberties of the people, even when doing so under the most altruistic of intents.

*"The American Republic will endure until the day Congress discovers that it can bribe the public with the public's money."*<sup>30</sup>

**-Alexis de Tocqueville**

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<sup>30</sup> Alexis de Tocqueville, *Democracy in America*. New York: Bantam Books, 2000.