

Finally: Something about Government Medical Care We Can Defend

By Richard E. Ralston

Modest progress has been made in the current Congress in the direction of restoring choices and freedoms for Americans seeking medical care. With midterm elections soon upon us, it is worth taking stock of these achievements, if only to underscore what is at stake:

The end of the “mandate” or tax to force individuals to enroll in ObamaCare will not restore the lost private insurance that President Obama falsely promised we could keep, but it has ended a gross injustice.

Another important change was the elimination of the unimplemented powers of an “Independent Payment Advisory Board” (IPAB). IPAB would have had wide and arbitrary powers over medical care not subject to review by Congress or the Courts. Now these dictatorial powers will never see the light of day.

“Right to Try” legislation now allows terminally ill patients access to new drugs which have been deemed safe but remain stuck in the government approval process. (It was important to establish “the right to live” to the previously established “right to die.”)

Meanwhile, new rules allowing Association Healthcare Plans will enable small businesses to join together to offer health insurance to their employees, increasing the affordability and availability for them more than ObamaCare ever did.

The Food and Drug Administration has acted to simplify and hasten the approval of generic drugs to more effectively compete with brand name drugs. This will reduce drug costs and save lives. Just as importantly, FDA Commissioner Dr. Scott Gottlieb has shaken up the FDA’s bureaucratic culture of preserving its own powers at all costs. He is ending the FDA’s days of serving an external ideological agenda, one in which no patient was allowed effective treatment without government permission and no

drug maker was allowed a return on investment for developing life-saving drugs and procedures.

Further, Congressional action has prompted the Veterans Affairs Department to allow veterans—who have so well earned their benefits—to have the freedom to find medical care from other sources when not promptly available from the VA. There has been resistance to implementing this, and there are still too many waiting lists ending in a military funeral.

These government reforms have encouraged developments in the real economy, such as the partnership between Chase, Amazon, and Berkshire Hathaway, which will allow for more affordable private insurance for millions of employees in the private sector. Amazon’s entry into the pharmacy business with Pill Pack likewise adds competition and efficiency.

The increased scrutiny of the obscure powers of Pharmacy Benefit Managers (PBM) warrants closer inspection and must lead to improved transparency about how that market works. We need to confirm if discounts negotiated by PBMs with government sanction are just pocketed by them or actually reduce prices paid by consumers. Particular attention needs to be given to a review of the provisions of the Federal Anti-Kickback Statute which give “safe harbor” protection for kickbacks to PBMs. We can debate the wisdom of the entire statute, but PBMs should not be given special protection when they collect and pocket kickbacks. Those receiving the medications should not have to pay for that.

Each of these developments is a step in the right direction toward greater choice and freedom in medicine. To be sure, this is incremental progress, but any progress is welcome after so many years of decline. And all such progress must be defended from emerging threats to our freedom of choice from “Medicare for All” and “single-payer” nationalized medical insurance, atrocities that would sweep away all this incremental progress in the name of monolithic government power.

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