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## Down the Health Care Wormhole

### How ObamaPelosiCare will saddle future generations with a public policy disaster

Terry Michael | April 19, 2010

If we can put a man on the moon, we can re-write the basic laws of supply and demand and get more quality health care, dispensed by fewer providers per patient, at lower prices for all Americans. Sure we can. Just like we ended poverty with the Great Society, and like we'll impose liberal democracy on the corrupt oligarchy ruling a collection of tribes known as Afghanistan.

Landing humans on the lunar surface looks like an easily do-able dream when set beside many of the ideologically and anecdotally driven social, economic, and foreign policy nightmares cooked up by public officials in the last half-century of big government. That truth is explored in the appropriately titled book, *If We Can Put a Man on the Moon...: Getting Big Things Done in Government* (though, it should be noted, the book doesn't advocate getting big things done by big government).

Published last year, it was co-authored by former Reason Foundation privatization analysts John O'Leary and William D. Eggers. Together, the authors bring experienced insight about how good, bad, and really awful public policy ideas are generated, and then how those ideas should be tested in terms of design, adoption, implementation, achievement of intended results, and periodic review.

And after deconstructing health care "reform" via the O'Leary-Eggers model, you'd have to be moonstruck to believe that ObamaPelosiCare is headed for anything but a crash landing.

When the Supreme Court was trying to define pornography in order to judge certain anti-obscenity statutes, Justice Potter Stewart famously said, "I know it when I see it." Therein lies the fatal flaw in trying to

reform a sixth or seventh of the economy related to personal health. So-called health care reform fails at the very first stage posited by Eggers and O’Leary, *ideation*, because—like beauty and porn—reform is in the eyes of the beholder.

In the left-liberal imagination, health care reform means getting the greedy bad guys in private enterprise out of health care delivery and securing the “right” to health care with a “single payer” system. That euphemism, like most verbal obfuscations, is a tacit admission that there’s nothing remotely close to public consensus about changing health care delivery. In the free-market conservative imagination, reform would mean buying health care in the same way we purchase milk, whiskey, or a new Lexus, linking consideration of price to unlimited desire for stuff.

Of course, we already have both free-market and government-run health care, which is the other great obstacle to reform. We have the worst of both worlds, with government Medicare and Medicaid providing a big pile of increasingly deficit-financed dollars sitting aside another mountain of cash generated by mostly tax exempt, employer-provided insurance coverage. Both of these mounds of free moolah discourage any consideration of price while they encourage demand. Doctors, hospitals, and Big Pharma do their best to Hoover suck billions from both piles. And politicians facilitate the process by pandering to a 40-million-strong lobby of greedy geezers (“the folks who built this great nation”) and a free lunch-seeking middle class.

For the sake of argument, let us hallucinate that reform was a big idea whose time had come. Then let’s subject it to the second phase of the O’Leary-Eggers construct: *design*.

ObamaPelosiCare was most certainly *not* designed by Barack Obama or Nancy Pelosi or any other leader. In fact, it wasn’t designed by anybody. It was a Rube Goldberg contraption of bells, whistles, and trap doors tossed together by K Street representatives of insurers and providers, colluding with their congressional clients. In a lobbying orgy, they mostly succeeded in getting bigger pieces of what promised to be a hugely expanding pie, bringing millions into the private (though massively subsidized by the government) insurance pool, with largely unfunded mandates against insurance exclusion for pre-existing conditions, and deficit-funded new “services” like even more free drugs for old people.

By the summer of 2009, with the president of the United States engaging in sloganeering and finger-pointing at the enemy *du jour*

(insurers and Big Pharma, mostly), an angry citizenry emerged to flail away at the Big Idea. Yet there wasn't even a clear definition of what reform actually meant, which left the specifics up to the imagination. This in turn produced much angry howling and congressional town hall meetings and helped stimulate the amorphous, citizen-directed tea party movement.

By year's end, reform seemed doomed, until Commanders Barack Obama and Nancy Pelosi rammed it through the wormhole of Stargate, as O'Leary and Eggers metaphorically label the *adoption* stage of their construct. The Stargate is the sci-fi gateway from our apparently real world to parallel universes with alternate forms of reality, popularized in the military science fiction movie and TV series of the same name. Without a trace of bipartisan consensus, and with the opposition from the center of the electorate bordering on fury, Pelosi and her allies used brute political force to hurl "reform" cosmic distances ahead into the regulation-writing hands of future bureaucrats, who will have to square liberal hallucinations with real-economy conditions sometime far, far away.

It isn't often a landmark law makes it though the Stargate given the fortunate Madisonian obstacle course that thwarts change. But when paradigm shifting legislation has cleared those hurdles, there almost always has been significant consensus—or at least some modicum of bipartisan cooperation. Not so with ObamaPelosiCare.

It doesn't take much imagination to see the pitfalls that will occur when bureaucrats attempt to enter the implementation stage of an undesigned, unpopular public policy creation. The results are likely to be even worse than the *1000 percent error* made in projecting eventual Medicare costs when that program was adopted in the 1960s. Today, Medicare is eating tax dollars like some hungry Godzilla. In a few years, ObamaPelosiCare will make that monster look like a little lizard.

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**Bonus Reason.tv video:** *If We Can Put a Man on the Moon...* authors William D. Eggers and John O'Leary discuss why large-scale government projects typically go so wrong—and how to change a culture that almost demands such failure.

