Opinion

Is it time for a 'New Deal' in America?

GUEST VIEWPOINT
BY JAY CABLE
RETIRED MUNICIPAL JUDGE

Back in the 1930s and into the 1940s, this country was plagued by The Great Depression which impacted nearly every man, woman and child in our country — even those and beyond.

One quarter of Americans were unemployed and hungry.

Eventually, through the efforts of President Roosevelt, and his cabinet, a change known as The New Deal helped put America back on the road to recovery.

This change focused on putting people to work building an infrastructure in this country unlike any other. Highways, bridges, parks and more were built, some of which remain in use today. This change in attitude and action transformed the country and brought it out of its desperate condition and eventually into one of prosperity.

Granted, we are not now suffering from a depression, but we are just beginning to pull ourselves out of one.

Nonetheless, a New Deal is needed here in America.

While we send millions of dollars to foreign countries, here in the United States mass killings are on the rise — yet we cut funding for mental health support and treatment — seemingly because we believe incarceration is better than treatment.

I see everyday people who drive better cars than I do, using food stamps to buy candy and energy drinks and figuring out new ways to turn food EBT cards into cash to buy cigarettes, beer and drugs.

I certainly have no problem helping those in need get back on their feet and become contributing members of society — but with real food and shelter.

I look at the many issues our country faces — Disrespect for our flag and what it stands for, the need for better care for our veterans, pharmaceutical injustices, to name a few — and I wonder:

Do we need a New Deal here in America?

I believe we do.

A new spirit, a new dedication, a new attitude, a new vision — and a New Deal.

(Jay Cable is a retired municipal judge and owner of Bridgeport Market in Florence. He will also be portraying Franklin D. Roosevelt in the upcoming Last Resort Players production of the musical "Annie" in November.)

Healthcare — One tweet, one thousand cuts

GUEST VIEWPOINT
BY RAND DAWSON
RETIRED CONSUMER AND INSURANCE LAWYER

Last week, President Trump tweeted notice of his "executive order" stopping all Affordable Care Act "cost sharing reduction" subsidies, known as CSRs.

"Massive subsidy payments to their pet insurance companies has (sic) stopped...!" were his exact, if grammatically disappointing, words.

Before speculating on the impact across U.S. exchanges, including 50,000 Oregonians having CSR subsidies through "silver plans," let's revisit the state of U.S. health insurance before the Affordable Care Act (ACA) became operational in 2014.

In November 2011, the respected "Commonwealth Fund," a nonpartisan health policy organization documented a crushing premium cost trend. According to the report:

• By 2010, there were no states where average premiums were less than 14 percent of median incomes in 2010, compared with 13 states in 2003

• 62 percent of the population lived in states where total premiums amounted to 20 percent or more of middle incomes.

• There were 23 states in which the average annual premium equalled 20 percent or more of median household income for the under-65 population, compared with just one state in 2003.

"If premium trends continue ... the average premium for family coverage will rise 72 percent by 2020, to nearly $24,000.

This pre-ACA cost reality encompassed both front-end "premium" prices and growing back-end "cost-sharing" in the form of deductibles, co-pays and co-insurance.

In response, the ACA provided subsidy support for both premiums and, for certain income levels, "cost-sharing reduction subsidies" (CSRs) accessible through "silver plan" policies.

Now the irony: President Trump's CSR cuts leave the silver plan policies intact and insurance carriers obligated to issue and support policies with full CSR benefits — if carriers remain in the market.

Oregon regulatory offices just declared "those enrolled in cost-sharing reduction plans can continue to access this important type of assistance."

In short, only reimbursement payments to carriers for CSR benefits are stopped.

But — if money is fungible — are they?

All front-end premium supports remain. By raising premiums, carriers easily replace lost revenue from the cut CSR payments.

Many of those policy holders can now apply for increased premium reimbursement support. Their "net premium" costs may be less or slightly higher than before the CSR cuts.

So what about all that "wonderful" savings that come as a result of these cuts?

August estimates by the Congressional Budget Office and Joint Committee on Taxation (CBO) said CSR cuts would actually enlarge federal deficits by $194 billion dollars by 2026.

Estimated premium changes vary for the 38 states that used healthcare.gov, ranging from 9 percent in North Dakota to 27 percent in Mississippi.

Oregon "silver plan" costs were estimated to change by about 10 percent. It's reported that Pennsylvania increases could be near 30 percent, while Florida increases could range between 26 and as high as 72 percent.

In sum, new premium support payments to carriers far exceed eliminated CSR payments. One might suspect this was known, but creates wonderfully optimistic — though innacurate — political "optics" about rising premiums and collapsing Obamacare.

It begs the following questions:

Do the fake results of the President's tweet match the surreal "repeal and replace" window dressing of the last Congressional session?

Is there a need for something different to be fairly and intelligently examined?

Some claim the U.S. health-delivery system has been co-opted by investor interests, such as insurance, pharmaceuticals and bio-device manufacturers.

Perhaps we *should* consider at least some version of a "Medicare for All" system, similar to what all other developed countries have adopted.

Back in 2009, Congress and the media rejected out-of-hand any such broader discussion. A "public option" red herring was floated briefly — but no actual hearings approached the improved equities, cost-savings or administrative benefits of a single unified risk pool.

So the recent remarks of former Sen. Max Baucus merit examination. Baucus chaired the Senate Finance Committee in its two-year lead efforts, through scores of hearings, to assemble the ACA from all current market-driven, private insurance-industry options.

This September, on NBC, he said, "Back in 2009, we were not ready to address it. It would never have passed. Here we are nine years later, and I think it's time to hopefully have a very serious good-faith look at it."

Baucus was speaking about a "single risk pool," all-for-one-type of health coverage system — with a risk pool concept based on math, not optics.

(Rand Dawson is a Siltcoos Lake-area resident and retired Alaska trial attorney who represented consumers and various insurance companies.)

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