



## **Health Insurance and Our Economy**

March 30, 2004

Although the U.S. leads the world in spending on healthcare, we do not lead the world in providing healthcare to all our citizens. America is the only wealthy industrialized nation that does not ensure that all its citizens have health insurance. As a result, despite spending the most, we don't have the healthiest population in the world.

According to a recent study by the Institute of Medicine of the National Academies, 43 million people in the U.S. are uninsured. The vast majority of these people are working. Worse yet, the magnitude of this uninsured population is growing despite an array of government programs aimed at arresting this problem. Public health insurance programs targeting lower income individuals still leave millions uninsured. Furthermore, more and more employers are limiting coverage or dropping it altogether because of the cost.

This problem is particularly acute in Texas and here in Florida. More than 20 percent of Floridians lack health insurance. The growing cost of providing Medicare has become the fastest growing component of Florida's budget, consuming \$13.8 billion in this budget year alone, which is almost \$900 per Floridian whether they receive Medicare or not! So the problem is getting worse, not better, and the costs are becoming prohibitive.

We must do something as a nation and particularly something here in Florida. Ironically, the cost to provide full universal coverage is probably cheaper than the bill we are now paying. If the uninsured had coverage similar to everyone who is insured, the cost is estimated to be \$35-\$70 billion. Expensive, but not prohibitive. In fact, this is about what the combined federal and state cost is for Medicare now!

The new system would be universal and continuous. It would require co-payments on a sliding scale depending upon income to inhibit overuse of the

system. Whether or not the nation moves to universal health care insurance, it is imperative that Florida address and control its spiraling healthcare costs. It is obvious that the current approach is not working, so it is time to seriously consider moving to universal coverage, with the state as the ultimate guarantor of coverage. Finally, beyond the cost savings such a program would position Florida as the most cost competitive location to do business in the nation.

This is Hank Fishkind for 90.7 FM, WMFE News.

Fishkind and Associates, Inc.