

Most everyone agrees that health care in the United States has major problems, the biggest problems relating to skyrocketing costs. No one doubts the system is in need of reform. However, too many in Washington see tighter government controls as the solution.

In fact, the problems are rooted in past government controls that created more problems than they solved.

Ironically, laws and policies in the 1970's promoting Health Maintenance Organizations (HMOs) resulted from desperate attempts to control spiraling costs. However, instead of promoting an efficient health care system, HMOs took far too much control away from patients and physicians and gave it to the insurers.

This excessive reliance on third-party payers instead removed incentives for insured patients to economize on health care costs, and allowed the problem to snowball.

Furthermore, the third-party payer system created a two-tier health care system where people whose employers could afford to offer "Cadillac" plans have access to top quality health care, while others face financial obstacles in obtaining quality health care.

For these and other reasons, I introduced the Private Option Health Care Act last week. This bill places individuals back in control of health care by replacing the recently passed tax-spend-and-regulate health care law with reforms designed to restore a free market health care system.

First, the bill would provide all Americans with a tax credit for 100 percent of health care expenses. This tax credit is fully refundable against both income and payroll taxes. It would also allow individuals to roll over unused amounts in cafeteria plans and Flexible Savings Accounts (FSAs).

Next, it would provide a tax credit for premiums for high-deductible insurance policies connected with a Health Savings Account (HSAs) and allow seniors to use funds in HSAs to pay for medigap policies.

In addition, it would repeal the 7.5 percent threshold for the deduction of medical expenses, and thus would make all medical expenses tax deductible.

This bill would also create a competitive market in health insurance by exercising Congress's Constitutional authority under the Commerce Clause to allow individuals to purchase health insurance across state lines. Ending these state-imposed bans would create a competitive national marketplace in health insurance.

The Private Option Health Care Act would also ensure that people harmed during medical treatment receive fair compensation while simultaneously reducing the burden of costly malpractice litigation on the health care system. The bill achieves this by providing a tax credit for negative outcomes insurance purchased before medical treatment. This type of insurance would provide compensation for any negative outcomes without having to go through lengthy litigation or giving huge sums to trial lawyers.

Finally, the Private Option Health Care Act would lower the prices of prescription drugs by reducing barriers to the importation of Food and Drug Administration (FDA)-approved pharmaceuticals. Under my bill, anyone wishing to import a drug simply submits an application to the FDA, which then must approve it unless it is either not approved for use in the United

States or is adulterated or misbranded.

The Private Option Health Care Act allows Congress to correct the mistake it made last month by replacing the new health care law with health care measures that give control to individuals, instead of the federal government and corporations. Our health is too vital to allow for the typical results of government interference and “fixes”.