Health Care Debate Ignores Dramatic Growth in Medical Welfare

By George Runner

Now that Donald Trump has assumed the presidency, debate around the Affordable Care Act (ACA) is more robust than ever. Pundits and politicos are analyzing the potential ramifications of repealing the controversial healthcare law, popularly known as Obamacare.

Most arguments, including some made by California newspaper editorial boards, have centered on the number of people who would be left without health insurance should the law be repealed. Some estimates say up to five million Californians would be left without coverage.

It’s an alarming number, but focusing solely on the number of people who could lose coverage does a disservice to the poor and needy. That may sound counterintuitive, but let’s pause for a moment and consider why so many Californians need medical welfare in the first place.

Established by Congress in 1965, Medicaid uses state and federal tax dollars to provide health coverage to poor people. Medi-Cal is California’s version of the federal Medicaid program.

The primary way Obamacare expanded health insurance coverage to more Californians was by dramatically growing Medi-Cal enrollment, from about seven million during the Great Recession to more than 13 million today.

The price tag has grown too. Governor Jerry Brown’s budget proposes $102.6 billion in total Medi-Cal spending, an amount greater than the entire state budget just 20 years ago.

Medical welfare isn’t new. What’s new is that one in three Californians are now dependent on it.

What does that say about our state?

Some argue it’s good that millions more people have taxpayer-funded health coverage, because it’s better than having no coverage at all. Others argue that safety net programs like food stamps and medical welfare should be reserved for the truly destitute among us.

Relegating people to substandard government healthcare and telling them to like it is condescending. Most people want and deserve the dignity of paying their own way and choosing a doctor who is right for them and their family.

The problems with Medi-Cal are well-documented.

Medi-Cal recipients quickly learn there aren’t enough doctors who will accept their insurance; instead they must travel great distances or experience long waits to find adequate healthcare. Doctors, who have a right to make a reasonable living, complain that state reimbursement rates aren’t competitive enough for them to run a business.

Clearly, health insurance and healthcare are two very different things.
After Obamacare was enacted, many Americans found out the hard way they wouldn’t be able to keep their existing health plans and that insurance costs would double. The financial reality forced many to change doctors or put their kids—if not themselves—on Medi-Cal. By those metrics, Obamacare did little to truly reform healthcare.

Given these issues, why not focus on fixing the root causes of poverty? Why not create a better job climate and a less expensive California?

When you factor in cost of living, our state has the highest real poverty rate in the nation. Excessive regulation and strict environmental laws hinder development and create housing shortages forcing Californians to spend more on rents and mortgages. Even gas costs more than every other state outside Hawaii.

It’s all money that could be saved to buy affordable private health insurance.

Sadly, government, though well-intentioned, often creates more problems than it solves. California’s liberal leaders and editorial boards may fret about what’s going on in Washington, D.C., but it’s their policies that gave us California’s high poverty and medical welfare rates.

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