



Written by [Thomas Sowell](#) on November 5, 2013

## An Old “New” Program

Like so many things that seem new, ObamaCare is in many ways old wine in new bottles.

For example, when confronted with the fact that millions of Americans stand to lose their existing medical insurance, as a result of ObamaCare, defenders of ObamaCare say that this is true only when those people have “substandard” insurance.

Who decides what is “substandard”? What is older than the idea that some exalted elite know what is good for us better than we know ourselves? Obama uses the rhetoric of going “forward,” but he is in fact going backward to an age when despots told everybody what they had better do and better not do.

ObamaCare is old in yet another way. One of the fundamental reasons why private medical insurance has gotten so expensive is that politicians in state after state have mandated what this insurance must cover, regardless of what individuals want.

Insurance covering everything from baldness treatments to sex-change operations is a lot more expensive than insurance covering only major illnesses that can drain your life’s savings. Now these mandates have moved up from the state to the federal level.

Insurance is an institution for dealing with risks. It is a costly and counterproductive way to pay for things that are not risks — such as annual checkups, which are known in advance to occur every year.

Your annual checkup does not cost any less because it is covered by insurance. In fact it costs more, because the person who is insured must pay premiums that cover not only the cost of the checkup itself, but also the costs of insurance company paperwork.

If automobile insurance covered the cost of paying for your oil changes, would that make oil changes cheaper or more expensive? Obviously more expensive, since additional people would have to be paid to become involved in handling the transaction, instead of your simply paying directly out of your own pocket to the people who changed your oil.

Different people have different risks and different willingness to take care of risks themselves, instead of paying to have them transferred to an insurance company. But politicians in state after state have mandated what must be covered by insurance, regardless of what policy-holders and insurance companies might agree on if left free to make their own choices.

That has made it impossible to get less expensive insurance that covers only costly but rare medical problems.

Politicians love to play Santa Claus by handing out favors to voters, while depicting insurance





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companies as Scrooge when they raise insurance premiums to cover the costs of government mandates.

This kind of political game has been played for generations in other areas besides insurance.

Municipal transit used to be privately owned and run, but politicians would not allow the fares to be raised to a level that would cover costs. The net result was that private companies were driven out of business and local governments took over, saddling the taxpayers with the costs that fares don't cover.

That is what "single payer" means in any context — a government monopoly that virtually guarantees worse service. Why would anyone want that for something as crucial as medical care?

One reason, of course, is the ever seductive illusion of something for nothing, an illusion spread by glib politicians, posing as saviors of the public against villains in the private sector.

Yet another way in which ObamaCare is an old political story is that it began as supposedly a way to deal with the problem of a segment of the population — those without health insurance.

But, instead of directly helping those particular people to get insurance, the "solution" was to expand the government's power over everybody, including people who already had health insurance that they wanted to keep.

Since there has never been a society of human beings without at least some segment with some problem, this is a formula for a never-ending expansion of government power. Barack Obama, Nancy Pelosi, and Harry Reid are all on record as believing in a "single payer" system — that is, a government monopoly able to impose its own will on everybody. Even the current and future problems of ObamaCare can help them to reach that goal.

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