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For Immediate Release

Obama Public Plan Leads to Single Payer Plan

Cleveland (June 29, 2009) - Much of the current debate is centered around whether the Obama Public Plan program would lead to a Single Payer system in the USA.

Why is a Single Payer Plan such a bad thing? Basically, a single payer system is where private insurance companies no longer exist, and the government is the only payer of healthcare costs. Since the government would be a monopoly, the government would be able to tell doctors, hospitals, patients, and pharmacy companies what to do in order to get paid. Even though providers would not necessarily be employees of the state, they would be entirely dependent upon the state for their income. Canada has a Single Payer system, which constantly leads to shortages and waiting lists.

Why do people think the President's Plan will lead to Single Payer? Many of his supporters, and the author of the Public Plan, Yale University Professor, Jacob Hacker, have openly and blatantly called the Public Plan option a gateway to Single Payer. President Obama, himself, is on record supporting Single Payer and saying that "but as all of you know, we might not get there immediately."

There is a video on YouTube (http://www.youtube.com/watch?v=zZ-6ebku3_E) that shows clips of President Obama and others talking about Single Payer.

Why would the Public Plan hurt Private Insurance Companies? The Public Plan will have an unfair advantage in negotiations with providers, using Medicare subscribers as leverage. It will not have profit requirements and would be the recipient of automatic bailouts (deficit spending) for any cash shortages. The government would be involved in regulating itself, another competitive advantage.

A recent study by the Lewin group (<http://www.lewin.com/content/publications/OpeningBuyInPublicPlan.pdf>) (<http://online.wsj.com/article/SB124502127377113741.html>) said that a Public Plan would lead to between 67 million and 120 million Americans immediately enrolled in the Public Plan. The vast majority would come from those who are already insured. This will lead to a collapse of many private insurance companies.

What are some other terms for Single Payer Healthcare? Government Run, Nationalized, Government Monopoly, Un-Free Market, Non-Private, Public

Why is a free market system a better system? America is a free market, capitalist system based upon competition. Under a free market system, people can choose their own healthcare and can make changes based upon their needs, cost and quality. Free market systems lead to competition for profits, which leads to cost reduction.

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The Ohio Association of Health Underwriters (OAHU) is a trade association representing agents, brokers and other professionals concerned with health insurance. The association works for reform to provide an improved, accessible and affordable health insurance system for all Ohio consumers. In addition, OAHU supports its five local associations in promoting free-market delivery of health care insurance and the value of the professional agent.