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As I See It: Health care change is inevitable

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How do government mandates affect our local businesses?

I have found all government mandates, regulations and even taxes to be created with “good intentions” or “noble intentions.”

As we look further into the application and outcome of many government mandates, the results are often opposite of the desired results.

We have a serious problem with our current U.S. health care (“sick care”) model. Health insurance for the average American family (of four) now costs about the same as the average net take-home paycheck.

We are paying two to three times the cost of other developed countries for health care with worse results.

This is clearly unsustainable.

Yet the current “players” in our system are going to be very resistant to give up the status quo and the current revenue streams.

We all agree that we need more and better health coverage, so the patients who are unable to pay for services don’t “swamp” the current system and force the remaining people with coverage to pay rapidly rising rates.

Our family business carried a company-paid health insurance plan for over 33 years (covering our 40-65 employees).

We saw our annual bill go up, 20 percent a year, then 30 percent a year, and finally up an astounding 47 percent in the final year, due to state of Oregon regulations! (All with good intentions.)

Then the federal government “Obamacare” plan mandate was unveiled. (good intentions, unintended consequences) Under Obamacare our employees could get a 50 percent to 80 percent discount on health insurance IF they worked for a company with fewer than 50 employees and did not have company health insurance coverage.

As a family owned and operated company we want our employees to be able to access this incredible discount plan but even with this discount, most employees are unable or unwilling to pay the costs of the deeply discounted insurance.

The current total cost of several government mandates for companies with more than 50 employees is a staggering several hundred thousand dollars a year, more than most small companies earn.

Our import competitors do not have these costs.

Sadly, our strongest job creators are these very same small business operators who now must choose to stop creating jobs when they get more than 50 employees to avoid these costs. This is

how you create a "jobless recovery."

While not the intent, current government mandates are forcing small businesses to halt job creation over 50 employees. It is simply too expensive, encouraging small business to drop insurance and benefits.

Ironically, while these mandates and regulations are adding substantial operating burden to Oregon small business, our federal trade policies are encouraging more products from countries without these costly mandates and regulations.

Here's a better plan:

- Help job creators (small private sector companies) create more jobs through REDUCTION of costly government mandates and regulations.
- Treat the health care system more like a "public utility" rather than a "for profit" industry.
- Focus more efforts on education for healthy lifestyle choices, including diet and reducing tobacco, alcohol and drugs.
- Encourage innovation in better delivery of health care, instead of the heavy regulatory burdens on our health care providers.

Here's the "good news:" Because our current system is clearly unsustainable, change is inevitable. We have a chance to innovate a better system.

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