

Economics: A Christian Worldview – Socialism & Medical Care

(TEACHER INSTRUCTIONS/KEY)

Purpose

In this activity, students analyze two short films and a quote to see the results of socialism on medical care.

Time

20-25 minutes

Instructions

1. Play “Health Care Is a Mess...But Why?” (3:55): <https://www.youtube.com/watch?v=IfLdzCt5Zc0>

2. Tell students to discuss in pairs/groups the review questions on Page 2, then discuss as a class.

When did the dramatic rise in health care costs happen, and why? *In the mid-1960s, when Medicare and Medicaid began, and when the gov’t began to require medical licenses to practice medicine. This prevented more doctors from being trained and going into medicine, so it raised the price of medical care.*

What happens when someone makes big profits doing *anything* in a free market? *Others get in on it and compete for customers, and the price decreases and quality increases.*

What about Medicaid (“free” health care for “the poor”) and Medicare (“free” health care for senior citizens) reminds you of the roads/pothole issue? *Gov’t involvement worsens it—it’s costlier and lower quality than if it were done privately.*

Does the limitation on the number of doctors and the experienced doctors from abroad beginning in 1997 sound reasonable or crazy to you? Why? *AWV, but it should sound insane to live in a “free” country and be told, “No, you’re the 110,001th person who wants to be a doctor this year, so...you’re not allowed. And the same to tell doctors from around the world, “No, you can’t practice medicine here unless you undergo this training.”*

3. Play “The Worst Thing About Health Care Is Socialism” (7:07): <https://youtu.be/fuLLeNRnjS0>

4. Tell students to discuss in pairs/groups the review questions on Page 2, then discuss as a class.

What resulted from the U.S. government’s requiring licenses for doctors? *It made becoming a doctor and therefore the cost of health care more expensive, partly because it blocked Jews, women, and African Americans from becoming doctors.*

What did the 1913 income tax amendment and the 1942 Stabilization Act do for health care in the U.S.? *Because the U.S. gov’t didn’t tax it as it did income (which began in 1913), so employers offered it as a non-taxable benefit of employment. The Stabilization Act forbade companies from offering employees more money, so employers started adding health care benefits instead. When individuals started thinking of their health care expenses as their EMPLOYERS’ expense instead of their own, they spent their money less carefully, increasing costs (like bureaucrats do when they spend taxpayer money).*

Describe Obamacare’s effects on health care quality and cost. *Obamacare forced insurance companies to sign up those with pre-existing conditions that were expensive to treat, so those companies just passed on the additional costs to younger/healthier persons, who saw their costs increase.*

5. Tell students to read the Ron Paul quote at the bottom of Page 2 and write their impressions. *AWV.*

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Short Film: “Health Care Is a Mess...But Why?”

When **did** the dramatic rise in health care costs happen, and why?

What happens when someone makes big profits doing *anything* in a free market?

What about Medicaid (“free” health care for “the poor”) and Medicare (“free” health care for senior **citizens**) reminds you of the roads/pothole issue?

Does **the** limitation on the number of doctors and the experienced doctors from abroad beginning in 1997 sound reasonable or crazy to you? Why?

Short Film: “The Worst Thing About Medical Care Is Socialism”

What resulted from the U.S. government’s requiring licenses for doctors?

What did the 1913 income tax amendment and the 1942 Stabilization Act do for health care in the U.S.?

Describe Obamacare’s effects on health care quality and cost.

From Medical Doctor/Former Congressman Ron Paul’s book *The Revolution*, page 85:

In the days before Medicare and Medicaid, for instance, the poor and elderly were admitted to hospitals at about the same rate they are now, and received good care. As a physician I never accepted Medicare or Medicaid money from the government, and instead offered cut-rate or free services to those who could not afford care. Before those programs came into existence, every physician understood that he or she had a responsibility toward the less fortunate, and free medical care for the poor was the norm. Hardly anyone is aware of this today, since it doesn’t fit into the typical, by-the-script story of government rescuing us from a predatory private sector. Laws and regulations that inflated the cost of medical services and imposed unreasonable liability standards on medical professionals even when they were acting in a volunteer capacity later made offering free care cost prohibitive, but free care for the poor was common at a time when America wasn’t so ‘governmentish’ (to borrow a word from William Penn). We have lost our belief that freedom works, because we no longer have the imagination to conceive of how a free people might solve its problems without introducing threats of violence—which is what government solutions ultimately amount to.”

Briefly describe your thoughts on this quote: