

● ● ● *Moral Hazard*

Too many people spend insurance dollars as if it were their own cash. This abuse of the system results in both higher costs for care and higher premiums for everyone.

The insurance-abuser either does not realize or does not care that insurance is a shared-cost system. While he doesn't mind a \$10 co-pay for an MRI to diagnose a headache, the rest of us do! To compensate for overspending, insurance companies must premiums on everyone! We should not expect the greatest miracles in medicine to come at Wal-Mart prices.

It is in the consumers advantage to manage use health benefits wisely. Careful restraint can slow the rising cost of insurance, allowing more Americans to be covered for real emergencies.

● ● ● *Ineffective Tort Law*

To defend themselves from being sued, many doctors have taken to practicing defensive medicine and buying malpractice insurance. This results in:

- More expensive tests and procedures
- Raises in prices to cover the doctors insurance.

Most of the money in a malpractice suit goes to the lawyer anyhow. By limiting jury rewards, we can reduce the number of frivolous cases. Some estimate that this will save consumers at least sixty billion dollars annually!

The Ailing Health Care System



*And what you
can do about it. . .*

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● ● ● *Introduction*

Americans enjoy the reputation the greatest health care in the world. Injuries and illnesses that not long ago condemned their victims to permanent disability or death are now able to be cured and healed. Recent market trends however, show clearly that quality health care is becoming more difficult to afford. The cost of care is rising at a rate five times faster than that of inflation. At this rate it demands that action be taken to avoid the collapse of an already crumbling system.

There are four areas that we feel need particular attention in order to make care more affordable and accessible to Americans:

1. **Moral Hazard.**
2. **Ineffective Tort Law.**
3. **Bad Prescription Drugs Patent Laws .**
4. **A Lack of Personal Responsibility.**



● ● ● *Bad Prescription Drug Patent Laws*

Prescription drugs are, like all inventions, protected by patent laws which allow the inventor to have exclusive rights. No one else can duplicate that product for twenty years. But while patent laws provide incentives to develop new and better medicines, the consumer pays a high price until a drug's patent expires and generics become available. Some prescription drug manufacturers are particularly guilty of taking advantage of legal loopholes.

Take AstraZeneca, the developers of Prilosec (omeprazole), for example. Before the patent on Prilosec expired, they released a new version of the drug and marketed it under the name Nexium (esomeprazole). In the meantime, AstraZeneca pushed to have Prilosec available without a prescription, eliminating the incentive for other drug companies to produce a generic equivalent for Prilosec because consumers insurance would no longer cover it. They will, however, cover Nexium. The public misses out on the benefits of a generic equivalent to Prilosec.

Some parts of prescription patent laws must be changed to allow more generic drugs on the market. We recommend that legislators consider limiting the patent length to seven years. Considering that the pharmaceutical industry outstripped all of the Fortune 500 businesses by nearly four times, they can afford to tighten their belts a little bit.

● ● ● *A Lack of Personal Responsibility*

Obviously many changes need to be made by legislatures, insurance providers, physicians, and medical administrations. But we cannot forget that the most important changes to be made in health must be made by individuals – you and me. We can work more closely with our doctors, be more informed about the drugs we take, and ask lots of questions. We can learn first aid measures in case of emergencies. We can practice safety at home, work, and school. We can eat more healthily and exercise more. We cannot expect others to take care of what we could do ourselves.