The Cure for the American Healthcare Malady

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I. Dedication

To my family
James DeGerome

Giovanni Paterno  Carolina (Trivigno) Paterno

Paterno Castle
The Cure for the American Healthcare Malady

375 Riverside Drive
Ralph Ciluzzi, Builder

230 Riverside Dr.

Prof. James H. deGirolamo

Theresa Paterno Ciluzzi
Ralph J. Ciluzzi
The Paterno Brothers

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The Cure for the American Healthcare Malady

"THE COUSINS"

Dr. Albert Hardy, Dr. Harry deGirolamo, Dr. Nelson Barletta, Dr. James DeGerome, Dr. Theodore Renna, Dr. Sandro Renna, James deGirolamo (CEO Orion Trading)
“There is a tide in the affairs of men
Which, taken at the flood, leads on to fortune;
Omitted, all the voyage of their life is bound
in shallows and in miseries.”

Wm. Shakespeare
(Julius Caesar, Act III, Scene II)

My great-grandmother arrived at the city docks on the east side of New York after four months at sea. She had four kids with her, and my great-grandfather, John Paterno, met her with great joy. She was already a celebrity in Manhattan because John had been noted by the New York press for praying on his knees each morning during the long months he awaited her arrival, fearing that Carolina and the children had been lost at sea. They lived in a row house on 181st Street, which must have been quite a bewildering experience for Carolina and John, having been raised in a small mountain village of Italy. New York City in the 1880s, with its horse-drawn trolleys, gas-lit street lamps, and dingy, cold-water flats was a marked contrast to their homeland. Nonetheless, she took in boarders and he worked construction. He built up a reputation for quality building. Their eldest son, Charles, graduated from Cornell Medical School, but unfortunately, my great-grandfather died on his graduation day. By then, there were “ten little Indians,” as my grandmother related. Great-grandmother was a strict disciplinarian. Left with ten kids, she convinced Charles to finish a half-completed building begun by his dad. Charles began, at that point, the famous Paterno Brothers Company which eventually built “skyscraper” apartment buildings with names like “The Colosseum,” “The Sanford,” “The Luxonia,”
“The Regnor,” “The Arizona,” and many others along Park Avenue, Riverside Drive, and in quality locations on the east and west side of Manhattan. While raising ten children, great-grandmother helped direct phases of construction, often on horseback. She realized that the city was expanding northward from what is now midtown, so she began to purchase “pie pieces” off the master plan of the city, allowing the Paterno brothers to control all construction on entire city blocks. The Paternos would build your building in exchange for the property rights. In her lifetime, she became hugely financially successful. Charles built the famous “Paterno Castle” and Castle Village. The walls remain and the village is still a prominent New York City address. My grandfather, Ralph Joseph Ciluzzi, came to this country alone at the age of twelve. He ran away from the home of his aunt and uncle a few years later and managed to work and obtain a pharmacy degree from the University of Buffalo. He met and married Theresa, one of the “ten little Indians,” and sold his five drugstores in the metro area when he was invited to join the Paterno Brothers Company. He developed many large apartment buildings on Riverside Drive and West End Avenue, to name a few locations.

These immigrants, all born in Italy, great-grandmother and my grandfather, became millionaires in their lifetime. Charles was recognized as a “Creator of New York City,” along with his brothers and dignitaries, such as Robert Moses. You can understand their genes include DNA for “street sense,” “hard work,” and “self-reliance,” as well as a strong sense of family superimposed on old-fashioned, Christian-based, Italian values. Today, the family is widespread and religiously diverse, but family tradition remains at its bedrock. My other grandfather and grandmother were Roman and Neapolitan; nonetheless, they shared the same family and religious principles. My father’s father was a professor of romance languages at New York University, and his eight children became doctors, dentists or earned advanced degrees for the most part (see “The Cousins”). Family get-togethers each Sunday afternoon
at my grandparents’ house in West Orange, New Jersey were a wonderful mix of literary and medical discussions, often with poetry or other writings recited during the three-hour meals. The last family gathering of a few years ago, on Christmas Eve, included over 150 relatives, all successful graduates of American schools. The basic successes of all these folks can be traced to a love for each other. My aunt kept an apartment in Brooklyn so her two brothers could obtain medical and college degrees during the depression. They had a love for education and a drive to be successful. They never, ever spoke of what the government needed to do for them, despite times of economic depression unimaginable to me. Everyone, without overtly realizing it, was self-reliant, hard working, and principled. “Laissez faire” government was justly suited to each person’s personality. I never heard any family member criticize the government for not providing incentives for them. That would have been utterly unthinkable. They saw in America, from a little mountain town of central, southern Italy, the great opportunities of a free American society. They felt some of the stings of prejudice, but truly there was no prejudice big enough in this free society to prevent them in their industriousness from succeeding. In my life, I was taught by their examples that any goal whatsoever was achievable. The love of this country and its governing principles in these people is obvious and runs quite deep. Our family fought bravely in World War II, the Vietnam War, and other major conflicts. No one ever thought to avoid military service despite fighting, in some cases, against the armies of their ancestors.

The Paternos, Ciluzzis, de Girolamos, Staraces, and many others just like them, believed deeply that this free American society would allow them to succeed. They were anxious to escape the restrictive shackles of the government of their Italian homeland and to gamble fulfillment of their potential in the context of American freedom.
I recount this tale of my genealogy so you can appreciate why the slogans, “less government,” “low taxes,” “strong defense of family and country,” and most importantly, “self-reliance” are ingrained in the character and belief of my family and myself. This background data may help you, my friends and neighbors, to understand why I mistrust socialism and all its welfare statist variants: Fascism, Nazism, Communism, and the evil of Egalitarianism. (see Reference of Interest 1 & 2)
II. Introduction

Originally, it was not my intention to do anything other than illustrate, based on my personal experience, the fatal flaws of socialized medicine; i.e., total government monopoly of a country’s healthcare system. However, in order to prevent this disastrous consequence in the United States, fair, “cost-effective” alternative solutions were reviewed and recommended. I practiced medicine for four years in the United States Air Force socialized healthcare system, trained for two years in the Veterans Administration Hospital governmental system, and practiced thirty-five years in private practice in Florida. All the while, I visited often the doctors and hospitals of the Italian and British socialized systems; interviewed the doctors and administrators; and did rounds on the patients. My professional opinion, based on these experiences, most especially because of my active participation in a socialized healthcare delivery system, is that total government control of our whole healthcare system, “socialized medicine,” will absolutely NOT provide coverage for all with higher quality care at a lower cost. Please TRUST ME, I have seen, categorized, and even been part of the “fatal flaws” of these systems.

As part of an immigrant family truly distrustful of intrusive, socialist-type governments that rob the citizenry of opportunities to fulfill their potential, you can understand my innate skepticism regarding socialism and socialistic programs that find support among politicians and bureaucrats who would profit by their enactment. Beside factual evidence which quantifies the vast superiority of our current competitive, open-market system of healthcare delivery, I have included actual personal experiences of patients to humanistically illustrate this fact. The evidence clearly reveals how and why the average person is unfairly underserved by a “czarist” system wherein government bureaucrats
make your healthcare decisions as if they know best what you need. You will read of persons needing to escape their country’s healthcare system in order to obtain the essential care from which they were banned from getting at home. You will read of persons forced to accept inadequate care and of lives lost in that process. These anecdotes are shocking, and I can assure you actual, real, and honest-to-God experiences of the victims illustrating the statistical facts in a way that the numbers alone cannot accomplish.

What then is the best solution for our uniquely American healthcare problem? Provision of varied healthcare policies containing varied options suited to individuals and families at varied costs available to all American citizens. Certainly, U.S. healthcare must be more affordable. This problem affects all Americans, not just folks with incomes between Medicaid eligible and 200 percent of the federal poverty level (FPL). There are four basic groups of Americans that need to be included in our healthcare system:

1. Americans whose income falls between Medicaid and 200 percent above the FPL who cannot afford basic coverage; 12 million people.
2. Americans who are presumably young and healthy and whose income is at or above 300 percent FPL, but who refuse to spend even nominal amounts of money on healthcare policies for themselves or for their families, 19 percent of the uninsured: 8 million people.
3. Americans who are eligible for Medicaid and/or State-Federal Children’s Health Insurance Plan (SCHIP) who simply don’t know how to access the government-sponsored healthcare system, 25 percent of the uninsured: 10 million.
4. Illegal aliens (approximately 10,000,000-plus people) who access their healthcare through use of our emergency rooms and hospitals, paid for by taxation of American working people and through raising health policy premiums.

Common-sense organizations similar to the one run by Magic Johnson, AETNA and the U.S. government itself, need
to publicize the available programs and sign up those 10 million folks who are eligible for Medicaid and/or SCHIP and have not opted to participate.

The illegal alien group, another 10 million -plus people, need to come forward and be identified so they can be, in effect, green card or guest-worker, tax-paying citizens. Once identified and paying taxes, they would be eligible for Medicaid or other low-cost programs described in “The Cure,” section VIII of this book.

The group of people and families with incomes between Medicaid and 200 percent of the federal poverty level need to be able to obtain affordable healthcare. This problem is a solvable problem. It does not require major government intervention. There are state and county programs and three acceptable federal tax reform program alternatives being considered. Each could achieve the goal of providing a good basic healthcare policy for this group. Again, these are reviewed in “The Cure,” section VIII of this book.

The most difficult group to lure into our healthcare system, hopefully without the need to require them by law to obtain health insurance, is the so-called, “uncompensated pool” of individuals and families with incomes at or above 300 percent of the federal poverty level who do not want to spend any money on healthcare. These are usually the young and healthy that use emergency rooms and local hospitals for their healthcare, paid for by the taxes of their fellow citizens. Again, less complex interventions than total government control of all healthcare in the United States, I truly believe, can succeed in engaging this group in our healthcare system.

Over my lifetime, having visited the healthcare systems of other countries and having been an “eyewitness” as a medical professional, as well as a patient, I have developed certain beliefs:

- Certainly, most folks are very patriotic and will not, under any circumstance, freely offer criticism of their country or its programs.
• Most people in Canada, France, the United Kingdom, and Italy have no idea of how efficient and timely our truly excellent paramedics and emergency medical services function here in the United States.

• Most Americans and Europeans are not aware of the vast difference in availability of advanced medical technology and outpatient medical services, as in our ambulatory surgery centers that are considered commonplace in the United States that are so rare in the socialist healthcare systems abroad.

• Americans complain about affordability of excellent healthcare and fail to consider that Canadians pay twice and Frenchmen pay four times more in income tax for government-run, state healthcare systems that most Americans would not tolerate.

• We Americans, as patients, are very, very spoiled and would be very anxious to get home for our medical care after a major healthcare encounter elsewhere, believe me.

• Remember that people with means do not suffer the inconsistencies and vagaries of their home healthcare system. Many Canadians, Frenchmen, and Italians, in addition to paying two to four times higher personal income taxes, mostly for state-run healthcare, also have private insurance policies that average folks in their homelands do not have. We Americans believe in one standard of care, and our physicians are legally held to practice at the highest level of care for all, whereas the French and Italians clearly have a two-tiered system with a higher level of care for the policyholders, while the Canadians, currently allowing sale of “supplemental” healthcare policies, are developing “two-tiers” nowadays and have always treated the wealthiest patients deferentially.

Lastly, the United States has over 300 million-plus people with large, medically and socially unique sub-groups that have distinctive, genetic differences. These preclude “one-to-one” comparisons of Americans to Italian, French, Canadian, and
British citizens. Native Americans, for example, who have diabetes, gallbladder disease, or addiction diseases, African-Americans with diabetes and hypertension and cancer of the prostate problems, etc., etc. create a genetic medical nightmare scenario, making it virtually impossible to create uniform, socialist-type healthcare systems responsive to their individual needs. For example, a healthcare policy required by state mandate to cover substance abuse treatment is more expensive than a policy without that coverage. Families with no substance abuse problems are currently paying higher policy premiums to cover addiction treatment of their peers and would pay much less (1 to 5% for each unneeded mandate) if allowed to choose, individually, a policy tailored to their specific needs. This ability to choose a policy with coverage limited to individual need with lower cost to the individual would be impossible with only one national healthcare policy. Can you imagine the cost to our government covering all the special interest mandates of each legislator?

The varied perspectives of genetically distinct groups require the development of a broad range of healthcare solutions. Consumers should be able to tailor their healthcare policy to their individual needs. I ask you, the interested citizen, to carefully and honestly assess our American healthcare problem on the basis of the realization that every individual and/or family is distinct medically and would be best served by choosing their own healthcare policy from a nationwide menu. Hopefully, you will agree with me that this goal is relatively easily achievable without formation of a large, government bureaucracy painting the healthcare picture with one brush.

Please look at our healthcare system in a fair, international perspective. Consider my statistics and personal experiences carefully before you reach your own conclusion regarding how to lower our healthcare costs. I believe that after you have read my denunciation of socialized healthcare systems and my review of the available consumer-driven, competitive marketplace solutions, you will strongly support the basic reforms outlined in “The Cure.”
III. Socialism: A Failed Doctrine

American people are the most individualistic, self-reliant people on the face of the earth: ambitious, hard-working, always setting higher goals for themselves so that their resultant society is constantly in the forefront of technological and social advancement. There is, in the American character, little indebtedness to cumbersome, obstructive bureaucracy. By nature, Americans are resentful of the tyranny of large, intrusive government and should be repulsed by socialism. Socialism, and its inevitable welfare-statist variants, Nazism, Fascism, and Communism, based on the evil principle of collectivism, have been a total, complete, and utter failure throughout history. The theory that the government should own all of the property and should provide all of the needs of all the citizens all of the time, without any personal ownership and responsibility, is undeniably alluring to some. However, reliance on big government for high-quality, cost-effective service is a tenuous situation at best, and as we have seen historically and will reveal here, as it exists today in socialist healthcare delivery systems, socialist programs are intrinsically flawed and are doomed to failure. Socialism is akin to the apple in the Garden of Eden: very tempting, but once consumed, apocalyptic forces are unleashed.

In our own Plymouth Plantation, the Pilgrims were starving because the less productive families were allowed to take the same amount of food from the communal store as their more productive counterparts. Colonel William Bradford (1), in order
to save the colony, gave each family an equal plot of land and required them to pay or barter what they produced with their goods and services. The lazy and less-productive families took to the fields. The colony then prospered.

In our time, the problems of modern-day Belgium reflect the same fatal flaws noted by Colonel Bradford. The Northern Flemish, sixty percent of the population, generates seventy percent of Belgium’s gross domestic product (GDP). The Southern Walloons, socialistic, less ambitious, and with double the unemployment rate of the Flemish, receive a disproportionate dole from the government entitlement programs. The Walloon politicians adamantly block capitalist reforms, so the enraged Flemish refuse to participate any longer in the government. The Flemish want the Walloons to be annexed by France (2). However, France is beset with its own socialist problem. The French have created a “socialistically emasculated” society of workers who take tenured government “do-nothing” jobs because they work only thirty-five hours per week because they cannot be fired and are pensioned after twenty-some years. The system is a disincentive to the public to obtain higher levels of training and education in order to attain higher level, more productive careers. Currently in France, the GDP is forty percent government and among the top ten lowest in the industrialized world (see Table 1). (6) This is also true of their unemployment level, which exceeds ten percent, with no relief in sight.

In summary, socialism fails because it fails to deal with a basic fact of human nature; that is, in a sense, all men are not equal. Sooner or later, the self-reliant, harder working, and more productive citizens tire of paying for their non-productive, self-satisfied, fellow citizens. As the latter group inevitably expands in numbers over time, there are not enough tax revenues to fulfill all their needs through ever-growing, bloated, “big government” entitlement programs.
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Lowest GDP Growth Countries—World—2006 (%)

Source: euroekonom.com

Table 1

Axiom Regarding Taxation

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