

This week the Supreme Court is expected to issue its long-awaited decision regarding the constitutionality of the "Obamacare" law. I [recently discussed](#) absurd legal arguments by Obamacare advocates that Congress can compel the purchase of health insurance, and the dismal record of federal courts applying so-called "judicial review" in protecting liberty. It is obvious that Obamacare's legal apologists either are wholly ignorant of constitutional principles, or wholly lawless in their blatant disregard for those principles.

Likewise, supporters of Obamacare are willfully ignorant of basic economics. The fundamental problem with health care costs in America is that the doctor-patient relationship has been profoundly altered by third party interference. Third parties, either government agencies themselves or nominally private insurance companies virtually forced upon us by government policies, have not only destroyed doctor-patient confidentiality. They also inescapably drive up costs because basic market disciplines-- supply and demand, price sensitivity, and profit signals-- are destroyed.

Obamacare, via its insurance mandate, is more of the same misdiagnosis.

Gabriel Vidal, Chief Operating Officer of a U.S. hospital system, sees this problem squarely in his daily work. [As he explains](#) , Obamacare will only make matters worse because it fails to recognize that "costs are out of control because they do not reflect prices created by the voluntary exchange between patients and providers... like every well-functioning industry."

Instead, "health costs reflect the distortions that government regulators have introduced through reimbursement mechanisms created by command-and-control bureaucracies at federal and state levels," he continues. "But it is theoretically and practically impossible for a bureaucrat- no matter how accurate the cost data, how well-intentioned and how sophisticated his computer program- to come up with the correct and just price. The (doctor-patient) relationship... has been corrupted by the intrusion of government and its intermediaries (HMOs, for example) to such an extent that we can no longer speak of a relationship that can produce meaningful pricing information."

Absent such pricing information, our system increasingly resembles socialist systems with centralized price setting, shortages, rationing, apathy, and declining quality of care. As the situation deteriorates, fewer bright young people want to practice medicine and fewer foreign

doctors seek to immigrate.

The problem is acute and worsening. Obamacare's third party insurance mandate is only the first step toward what the political left really wants: a single payer government healthcare system.

Meanwhile, conservatives seem resigned to a third party insurance system and therefore fail to present a viable alternative to the American people. They continue to speak in terms of saving the healthcare "system," when in fact what America needs is a rejection of all government systems in favor of free market mechanisms.

In a free market, most Americans would pay cash for basic services and maintain inexpensive high-deductible insurance for catastrophic injury or illnesses only. Health insurance would be decoupled from employment, which would unleash entrepreneurs who now fear quitting their jobs and losing their health insurance. Costs would plummet due to real competition among doctors, price sensitivity among patients, and elimination of enormous paperwork costs. Doctors would be happier, spending their time treating patients rather than managing their practices.

Congress needs to let markets work by aggressively repealing healthcare laws, including: the HMO Act of 1973; the Medicare Part D prescription drug benefit passed in 2003; and the Obamacare bill passed in 2010. Furthermore, we must begin scaling back Medicare coverage altogether for younger generations so they will not rely on a system that cannot remain solvent in future decades. Only by taking these steps now can we begin to undo the harm done by government to the once noble field of medicine.