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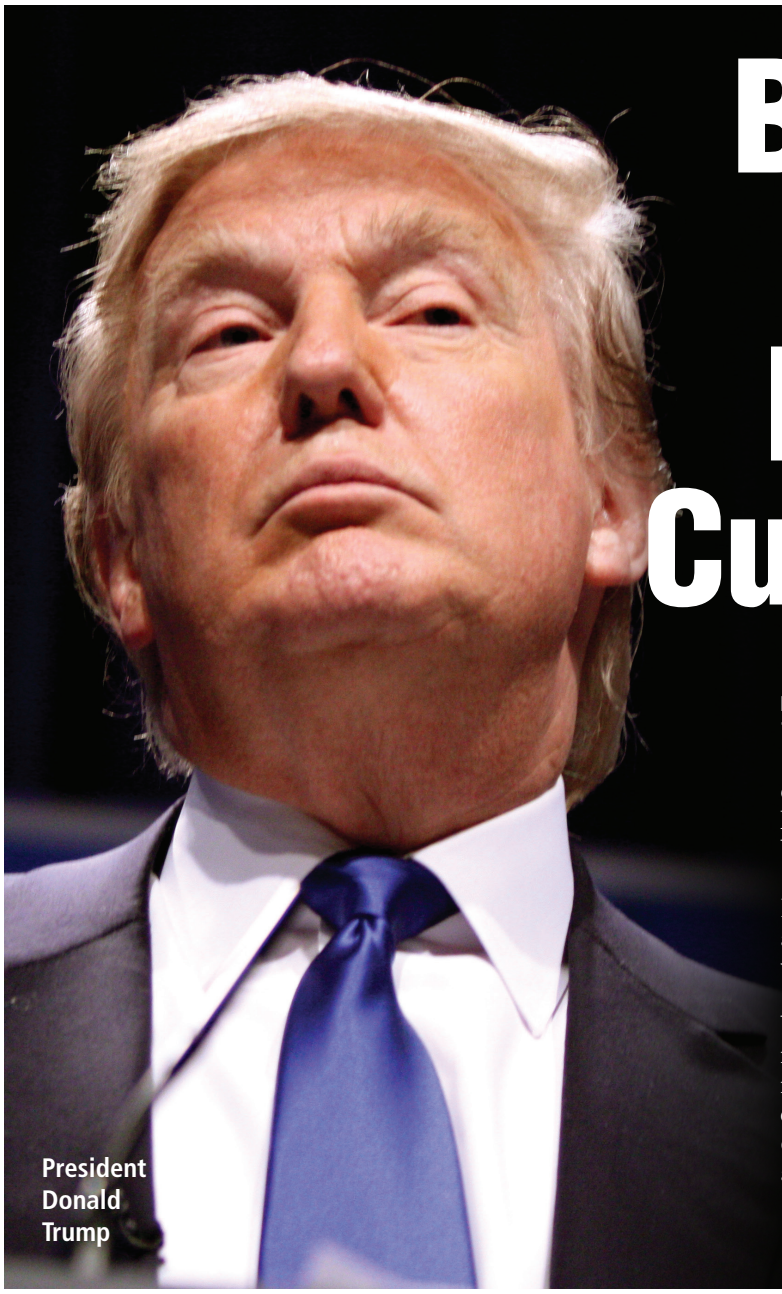
The Pulse



President Donald Trump

Big Battle Over Medicaid Cuts Looms

By Kevin Stone

With the Trump administration aiming for large cuts to the federal budget to eliminate waste, the federal portion of the Medicaid program is shaping up as a primary budgetary battleground.

Rep. Jodey Arrington (R-TX), chair of the House Budget Committee, has circulated a proposal for mandatory spending cuts to various programs, including Medicaid.

Senate Democrats immediately responded by warning their GOP colleagues in a news release "against bankrolling tax cuts for the rich by gutting Medicaid and slashing health care for children, seniors, and people with disabilities." In addition, a Democrat-aligned advocacy group, Protect Our Care, is launching

MEDICAID CUTS, p. 4

PHOTO COURTESY GAGE SKIDMORE/FLICKR.COM

Trump Withdraws U.S. from World Health Organization—Again

By AnneMarie Schieber

Hours after taking office for a second term, President Donald Trump signed an executive order withdrawing the United States from the World Health Organization (WHO).

Trump had pulled the United States out of the WHO on July 6, 2020, during his first term. Under a 1948 law, the move requires a one year notice period. Immediately after taking office in 2021, President Joe Biden reversed Trump's decision.

Trump's 2020 order stated the WHO

WHO, p. 6

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Dr. Goodman addressing The Economic Club of Indiana

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Health Savings Accounts

More than 30 million people are managing some of their own health care dollars in accounts they own and control

1

Roth IRAs

19.2 million people own $660 billion of retirement money that will never be taxed again

2

Social Security

78 million baby boomers are able to work beyond the retirement age without losing retirement benefits

3

401 (k) Plans

Because of automatic enrollment in diversified portfolios, 16 million employees are enjoying higher and safer returns

4

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Ohio Becomes First State to Require Hospitals to Publish Prices

By AnneMarie Schieber

Ohio hospitals must now comply fully with the federal price transparency rule that went into effect on January 1, 2021 but was only loosely followed by the nation's hospitals and not strongly enforced.

Gov. Mike DeWine signed H.B. 49 on January 3, legislation passed unanimously by both chambers on December 18, 2024. The new law was supported by patients besieged with five- and six-figure bills due to surprise billing, murky price schedules, and hidden fees.

"By passing this strong price transparency bill, Ohio legislators ignored special interests and stood up for Ohio healthcare consumers who for too long have been blinded to prices and forced to pay for care with a blank check," said Cynthia Fisher, chairman and founder of Patient Rights Advocate.org (PRA), in a press release.

"Something like 80 percent of hospital bills contain errors, so meaningful price transparency will give patients even more protection."

ILARIA SANTANGELO
DIRECTOR OF RESEARCH
PATIENT RIGHTS ADVOCATE

Enforces Federal Law

The Ohio law mirrors the federal law in requiring hospitals to post pricing information for at least 500 "shoppable services," services patients schedule in advance, in a "comprehensive machine-readable file" that conforms with "any template" required by the federal law and readable as "plain language without the use of software."

If Ohio hospitals don't comply, the state law prohibits them from collecting medical debt from patients or filing negative credit reports against them.

In 2022, Colorado passed legislation that stops hospitals from debt collection if they are not in compliance with the federal law. Ohio is the first state specifically codifying the federal rule into state law.

Biden Rollback

During his first administration, President Donald Trump took the initiative on hospital prices when in 2019 he issued an executive order titled "Improving Price and Quality Transparency in American Healthcare." That order led to a final rule that went into effect on January 1, 2021.

Compliance has been weak. In its latest semiannual pricing report, PRA revealed only 21 percent of hospitals nationwide were in compliance with the rule. Ohio was at 13 percent.

"Enforcement has been almost nonexistent," Ilaria Santangelo, director of research at PRA, told *Health Care News*. "During Biden's four years in office, as few as 17 hospitals were fined for noncompliance."

In July 2024, the Biden administration changed the formatting requirements, allowing hospitals to post price estimates, algorithms, and percentages instead of the actual cost of procedures and services.

"We know estimates don't work because they provide no accountability," said Santangelo. "Bills can end up being tens of thousands of dollars more than quoted."

The "pricing tool" required by the rule has also been problematic because it can exclude many costs associated with a service.

Congressional Inertia

Despite hospital price transparency getting significant attention from the public, including a "Power to the Patients" campaign started by the music artist Fat Joe, reform has been slow to gain traction in Congress.

Last fall, two bills, the Lower Cost, More Transparency Act and the Health Care PRICE Transparency Act 2.0, both failed in the lame duck session.

Hospital financial structures make it difficult to create workable transparency, says Matt Dean, coauthor of The Heartland Institute's *American Health Care Plan: State Solutions*.

"Hospital systems have struggled with the technical realities of posting prices, given the complexity of their price structure," said Dean. "Secondly, hospitals do not have a strong history of sharing the pricing arrangements they make with third-party payers, as those have been traditionally regarded as 'trade secrets.'"

Proof Positive

The Ohio law will make it difficult for hospitals to post one price and bill another.

"We were contacted by one woman who got a $5,500 estimate for a hospital service three times, and when her bill came in it was over $70,000," said Santangelo.

Posted prices prevent those situations from happening because consumers can document them.

"We helped that woman by comparing the itemized bill she received to the charges in the machine-readable file, and the hospital ended up honoring the estimate they gave her three times," said Santangelo.

Even generous health plans are no protection, because increasingly patients are billed for unanticipated charges.

"Something like 80 percent of hospital bills contain errors, so meaningful price transparency will give patients even more protection," said Santangelo.

Additional Interest

Hawaii, Oregon, Pennsylvania, and Washington are also considering bills that would codify the federal hospital price transparency rule into state law, says Santangelo.

"Legislators know there has been minimal enforcement, and they know this will go a long way with their constituents," said Santangelo.

AnneMarie Schieber (**amschieber@heartland.org**) *is the managing editor of* Health Care News.

Big Battle Over Medicaid Cuts Looms

President Donald Trump

PHOTO COURTESY GAGE SKIDMORE/FLICKR.COM

Continued from page 1

a $10 million "Hands Off Medicaid" campaign targeting key Republicans.

Republicans are focused on several areas to reduce the size of Medicaid, including block grants, reducing Obamacare Medicaid funding rates, cutting the federal match base rate to 40 percent, work requirements, and reducing continuous eligibility.

Medicaid costs skyrocketed after the Affordable Care Act (ACA) in 2010 opened eligibility to large swaths of low-income Americans above the federal poverty level and under the age of 65 who had not previously been eligible. In 2010, states paid a total of $130.9 billion for Medicaid while the federal government spent $266.5 billion. By 2023, those costs had more than doubled to $265.3 billion for states and $587.6 billion for the federal government.

"The Medicaid expansion under Obamacare has been a catastrophe and has put Medicaid on a completely unsustainable path. By getting rid of work requirements and increasing the financial threshold for those eligible for Medicaid, the Obama administration is directly responsible for the surge in Medicaid enrollees who are now putting the entire program in jeopardy."

CHRISTOPHER TALGO
EDITORIAL DIRECTOR, THE HEARTLAND INSTITUTE

Removing the Waste

Medicaid made more than $100 billion in "improper payments,"— outlays in incorrect amounts or that should not have been made at all—in 2023 alone, the Government Accountability Office (GAO) reported on April 16, 2024.

That shows Medicaid is a prime area where states can cut wasteful spending, says Christopher Talgo, a coauthor of *American Health Care Plan: State Solutions*, released in 2024 by The Heartland Institute, which co-publishes *Health Care News*.

"Since 2003, the GAO has listed Medicaid on its high-risk list due to rampant fraud and abuse," said Talgo. "Some experts estimate that up to 20 percent of Medicaid payments are fraudulent. Reducing improper payments could result in huge savings for the states as well as the federal government."

Medicare needs stronger oversight, says Gary Alexander, head of the Medicaid and Health Safety Net Initiative at the Paragon Health Institute.

"Over $100 billion in improper payments is a staggering figure and indicates systemic issues in oversight and enforcement," said Alexander. "Implementing stricter eligibility verification processes, adopting advanced fraud detection technologies, and increasing accountability measures for providers could recover billions annually.

"While addressing fraud and waste is vital, it cannot entirely offset the structural cost pressures from expanded enrollment and rising health care costs," said Alexander. "It should be viewed as one piece of a broader reform strategy."

Keeping the Unhealthy In

Although fraud and abuse are major drivers of Medicaid cost overruns, expanded eligibility under President Barack Obama's ACA has worsened the trajectory of the program's budgetary woes. The ACA encouraged states to expand the program well beyond its original intent of assisting the disabled and elderly, burdening the program beyond viability in multiple states, says Talgo.

"The Medicaid expansion under Obamacare has been a catastrophe and has put Medicaid on a completely unsustainable path," said Talgo. "By getting rid of work requirements and increasing the financial threshold for those eligible for Medicaid, the Obama administration is directly responsible for the surge in Medicaid enrollees who are now putting the entire program in jeopardy."

The ACA's funding formula lures states into expanding the program to able-bodied enrollees, says Alexander.

"The ACA provides states with a higher federal match—90 percent—for expansion enrollees compared to traditional Medicaid populations, where the federal match averages closer to 50 to 75 percent, depending on the state," said Alexander.

"This disparity creates an imbalance in resource allocation, incentivizing states to prioritize enrolling the expansion population over the traditionally eligible groups, who often have more complex and costly health needs, and encouraging states to expand benefits to a healthier, less vulnerable population while potentially underfunding services for those with severe disabilities or long-term care needs," said Alexander.

Keeping the Wealthy Out

One of Medicaid's biggest expenditures is covering long-term care (LTC) for seniors and the disabled. According to a 2022 report by the Paragon Institute, *Long-Term Care: The Problem*, 42.1 percent of the nation's $475.1 billion bill for LTC in 2020 was paid by Medicaid.

Current policy disincentivizes Americans from financial planning for LTC, says Stephen A. Moses, president of the Center for Long-Term Care Reform and author of the Paragon report.

"On the LTC side of Medicaid, the issue isn't removing current recipients from coverage but rather preventing more people from becoming dependent on the program in the future," said Moses.

"Medicaid's availability to pay catastrophic LTC costs late in life while allowing people to preserve wealth has enabled their denial of the risk early in life, leaving [people] dependent on public assistance when LTC need occurs," said Moses. "We must break that cycle so that more people plan early to save, invest, or insure privately for LTC. That will save Medicaid billions of dollars, enable the program to give better care access and quality for the genuinely needy, and prepare most Americans to receive outstanding care in the private market."

Instead of Medicaid cuts benefitting the wealthy as Democrats are claiming, it is the other way around when it comes to Medicaid LTC, says Moses.

"Our goal is to save Medicaid for those most in need by incentivizing the affluent to plan early, pay privately for LTC when they need it, and stay off Medicaid," said Moses.

Kevin Stone (**kevin.s.stone@gmail.com**) *writes from Arlington, Texas*

U.S. Supreme Court to Decide Fate of Medicaid Planned Parenthood Funding

By Harry Painter

The U.S. Supreme Court will soon decide whether states can block Medicaid eligibility from health care providers who offer abortions, such as Planned Parenthood.

The high court agreed on December 18 to hear *Kerr v. Planned Parenthood South Atlantic*, in which the regional chapter of Planned Parenthood and an individual plaintiff sued South Carolina Health and Human Services Director Robert Kerr for removing the organization from designation as an approved Medicaid provider in 2018.

On July 13, 2018, South Carolina Gov. Henry McMaster issued an executive order disqualifying abortion providers from providing services to Medicaid beneficiaries. That same day, the state notified Planned Parenthood South Atlantic it could continue as a Medicaid-designated provider only if it discontinued providing abortions, which the organization declined to agree to.

The petitioners appealing to the Supreme Court are current South Carolina DHHS Interim Director Eunice Medina, who succeeded Kerr, and Kerr's former representation in the case, the legal advocacy group Alliance Defending Freedom (ADF). The U.S. Court of Appeals for the Fourth Circuit decided in April 2024 in favor of Planned Parenthood South Atlantic.

The Court is expected to hear arguments in late March or April of 2025, according to ADF spokeswoman Bernadette Tasy.

Government, Taxpayer Choice

At issue is state authority over South Carolina's Medicaid program and the use of federal tax dollars to support abortion.

"South Carolina is a pro-life state that protects babies with a heartbeat," said Katie Glenn Daniel, director of legal affairs at Susan B. Anthony Pro-Life America. "The people of South Carolina should not be forced to subsidize the largest abortion business in the country, which performs painful late-term abortions."

In 2023, McMaster signed into law Senate Bill 474, which prohibited abortion in the state after detection of a fetal heartbeat.

"We hope this case can facilitate the will of Americans who don't want their taxpayer dollars to fund abortion businesses," Daniel said.

Few Clinics Affected

Numerous options remain for those seeking Medicaid-funded health care providers in South Carolina, says Schandevel.

"There are hundreds of health care clinics that South Carolina provides funding to, with only two Planned Parenthoods losing Medicaid funding," said ADF Senior Counsel Chris Schandevel. "ADF is proud to stand alongside South Carolina in ensuring that women receive real health care."

With so many providers to choose from, Medicaid should not force South Carolina taxpayers who oppose abortion to have their tax money given to abortion providers, says Schandevel.

"States should defund Planned Parenthood and direct taxpayer dollars to medical clinics that provide real health care," said Schandevel. "South Carolina has every right to spend its medical funding on federally qualified health care clinics that provide dozens of services and offer a continuity of care for their patients, as opposed to supporting Planned Parenthood's business model of convincing women to have abortions."

Dispute Over State Control

The underlying legal issue in the case is whether states can decide what organizations they pay to provide services under Medicaid, as well as who can legally challenge those decisions.

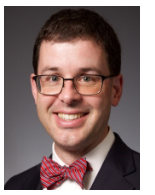
"When Congress created the Medicaid program, it asked states to administer the funds and decide which doctors, hospitals, and other medical providers were qualified to provide services," ADF Senior Counsel John Bursch said in the group's press conference announcing the Supreme Court's decision to hear the appeal.

"States often disqualify medical providers for a variety of reasons, including committing medical malpractice, disregarding safety standards, fraud, providing substandard care, abusing patients, and a failure to offer certain medical services, for example," said Bursch.

South Carolina deemed Planned Parenthood unqualified for several of those reasons, "including that Planned Parenthood was failing to prioritize women's health and safety," Bursch told the press.

Deciding Who Is Qualified

Despite the "any-qualified provider" clause in the Medicaid Act allowing Medicaid-eligible beneficiaries free choice among qualified providers, the law did not give Medicaid recipients a right to sue states over their decisions about which providers to authorize, says Bursch.



"When Congress created the Medicaid program, it asked states to administer the funds and decide which doctors, hospitals, and other medical providers were qualified to provide services."

JOHN BURSCH
SENIOR COUNSEL
ALLIANCE DEFENDING FREEDOM

"Congress did not unambiguously create a right for Medicaid recipients to drag states in to federal court to challenge those decisions, so no such right exists," said Bursch.

Harry Painter (**harry@harrypainter.com**) *writes from Oklahoma.*

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Alliance Defending Freedom, "Kerr Petition for Cert," accessed January 7, 2025: **https://adfmedialegalfiles.blob.core.windows.net/files/KerrPetitionForCert.pdf**

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Trump Withdraws U.S. from World Health Organization—Again

Continued from page 1

mishandled the COVID-19 pandemic, was too influenced by China, especially in its investigation into the origins of the COVID-19 virus, and demanded too much money from U.S. taxpayers.

Money Saver

The move will save taxpayers money. For 2022 and 2023, Americans contributed $1.28 billion to WHO, about one-fifth of the organization's budget.

The order also instructs the Secretary of State to end negotiations on the WHO Pandemic Agreement and amendments to the International Health Regulations, which dictate how governments may respond to disease outbreaks.

The WHO stated it regrets Trump's executive order and urged the United States to reconsider.

On January 9, 2023, Rep. Andy Biggs (R-AZ) introduced a bill in Congress to withdraw from the WHO and repeal the 1948 law that established U.S. membership in the organization. The bill was sent to committee and never reached a House floor vote.

Controversial Pandemic Treaty

In the final week of May 2024, Biden indicated he would support the WHO's new pandemic treaty. On May 8, attorneys general from 22 states sent Biden a letter stating the treaty would turn WHO into the "world's governor of public health." The letter questioned the constitutionality of Biden's proposed move.

"[The] federal government cannot delegate public health decisions to an international body," wrote the AGs. "The U.S. Constitution doesn't vest responsibility for public health policy with the federal government. It reserves those powers for the States. Even if the federal government had such power, Article II, Section 2 requires approval by the United States Senate."

The letter also raised concerns the treaty could create "the groundwork for a global surveillance infrastructure, ostensibly in the interest of public health, but with the inherent opportunity for control (as with Communist China's 'social credit system')."

Forty-nine U.S. senators also sent Biden a letter in May advising against the treaty.

"Some of the over 300 proposals for amendments made by member states would substantially increase the WHO's emergency powers and constitute intolerable infringements upon U.S. sovereignty," the letter stated.

House Opposition to Treaty

In September, Republicans and some Democrats in the U.S. House passed the "No W.H.O. Pandemic Preparedness Treaty Without Senate Approval Act." Bill sponsor Rep. Tom Tiffany (R-WI) read a statement to reporters at the time.

"It's deeply concerning that the Biden-Harris administration would even consider signing the World Health Organization's pandemic treaty," said Tiffany. "We cannot stand by as they attempt to surrender control of our public health system to unelected bureaucrats at the W.H.O. and the UN."

"WHO misled the world on the Wuhan lab origins of SARS-CoV-2 by providing no bio-surveillance in the years SARS-CoV-2 was being created and then rejected Admiral Brett Giroir's selection of three independent scientists to investigate in 2020. Instead, the WHO selected one of the co-conspirators, Dr. Peter Daszak, who said the virus came from anywhere but the lab after he had been there many times aiding in the project."

PETER A. MCCULLOUGH, M.D.

'Bad Advice'

"I think the U.S. should withdraw from the WHO and not continue to support this corrupt organization," said Jane Orient, M.D., executive director of the Association of American Physicians and Surgeons, in commenting on Trump's executive order.

"There was plenty of bad advice about COVID-19 from our own establishment, not just from WHO," said Orient. "Constitutionally, the U.S. cannot cede authority to a foreign entity. Any terms of a pandemic treaty would have to be enforced by our government. They could use it as a 'the devil made me do it' excuse. The Senate would supposedly have to ratify a treaty."

Lab-Leak Cover-Up

The WHO had an opportunity to prove its worth during the COVID-19 pandemic and failed, abusing its authority, wrote Peter A. McCullough, M.D. in a January 24 post on his *Courageous Discourse* blog.

"WHO misled the world on the Wuhan lab origins of SARS-CoV-2 by providing no bio-surveillance in the years SARS-CoV-2 was being created and then rejected Admiral Brett Giroir's selection of three independent scientists to investigate in 2020," wrote McCullough. "Instead, the WHO selected one of the co-conspirators, Dr. Peter Daszak, who said the virus came from anywhere but the lab after he had been there many times aiding in the project."

McCullough also stated the agency promoted useless measures such as masking, lockdowns, suppression of early therapeutics, and "unsafe, ineffective" vaccines.

The treaty the WHO tried to push through in May was an attempt to "seize global power," wrote McCullough.

U.S. Investigation

Orient says she is unsure what effect the U.S. withdrawal from the WHO will have on the continuing investigation into the origins of the COVID-19 virus.

"I don't know what authority the U.S. has to officially investigate the WHO," said Orient. "I doubt it would be very cooperative whether the U.S. is a member or not."

A Success

The WHO did have one notable achievement, the REPLACE program, which the organization referenced in its 2023 report, says McCullough.

"Thanks to the REPLACE initiative, which aims to eliminate industrially produced trans-fatty acids from the food supply, an additional 13 countries implemented best-practice policies, bringing the total to 53 countries," McCullough, a cardiologist, told *Health Care News*.

REPLACE is an acronym for review, promote, legislate, assess, create awareness, and enforce compliance. The WHO has also listed among its achievements better control of malaria, HIV, tuberculosis, tropical diseases, and tobacco use.

AnneMarie Schieber (**amschieber@heartland.org**) *is the managing editor of* Health Care News.

Gain-of-Function Research Funding Ends, EcoHealth Alliance Out

By Bonner Russell Cohen

The end of President Joe Biden's term in office and the beginning of President Donald Trump's second term brought four significant actions related to the COVID-19 pandemic and its aftermath in quick succession.

First, the Department of Health and Human Services (HHS) under President Joe Biden banned gain-of-function research and debarred EcoHealth Alliance and its former president, Peter Daszak, from receiving federal grants for five years. Second, Biden issued a "preemptive pardon" to Dr. Anthony Fauci, the public face of the federal response to the coronavirus pandemic.

Third, Trump ordered the removal of the United States from the World Health Organization (WHO), and fourth, the CIA revised its assessment of the origin of COVID-19.

EcoHealth Alliance Coverup

In 2019, EcoHealth Alliance and Daszak received a National Institutes of Health (NIH) grant for more than $4 million to conduct research titled "Understanding the Risk of Bat Coronavirus Emergence."

"The grant was initially suspended in 2020, with NIH's then-principal deputy director Lawrence Tabak revealing in October 2021 that EcoHealth Alliance had violated the terms of its grant by performing the gain-of-function research—which modified novel bat coronaviruses and made them 10,000 times more infectious for research on lab mice—and failing to report the practice to NIH," the *New York Post* reported.

The Oversight Committee's Select Subcommittee on the Coronavirus Pandemic had investigated the relationships between EcoHealth Alliance, Daszak, and the Wuhan Institute of Virology in China, recommending last May the Manhattan-based nonprofit and Daszak be debarred, the official word for banned.

The select subcommittee found EcoHealth Alliance "routinely ignored government oversight requests, failed to report dangerous gain-of-function experiments conducted at the Wuhan Institute of Virology, and produced a required research report two years late," among other offenses, the *New York Post* noted.

Fauci Pardon

Immediately before leaving office, Biden issued a "preemptive pardon" to Fauci, former director of the National Institute of Allergy and Infectious Diseases (NIAID), who spearheaded the nation's response to COVID-19 from 2020 to 2022.

Fauci's pardon covers any offenses committed from January 1, 2014 to January 19, 2025 in his service as NIAID director, as a member of the White House COVID-19 task force or response team, or as chief medical adviser to the president.

The pardon covers the time when the Fauci-led NIAID, a division of the National Institutes of Health, awarded a grant to EcoHealth Alliance for gain-of-function research in the Wuhan lab.

Fauci Criticism, WHO Withdrawal

Sen. Rand Paul, M.D. (R-KY), chairman of the Senate Homeland Security Committee, blasted the pardon. Paul had repeatedly clashed with Fauci during and after the pandemic.

"If there was ever any doubt as to who bears responsibility for the COVID-19 pandemic, Biden's pardon of Fauci forever seals the deal," Paul posted on *X*.

Paul said he would continue investigating Fauci.

"I will not rest until the entire coverup is exposed," Paul wrote in the post. "Fauci's pardon will only serve to pierce the veil of deception."

Hours after the Fauci pardon, Trump withdrew the United States from the WHO through an executive order (see related article, front page), his second attempt to do so. Trump ordered his administration to pause all U.S. funding for the agency.

CIA Wuhan Reassessment

The CIA, in a shift from its previous position, says it now favors the Wuhan lab leak theory as the most likely origin of the coronavirus pandemic.

"CIA now assesses with low confidence that a research-related origin of the COVID-19 pandemic is more likely than natural origin based on the available body of reporting," the agency said in a January 26 statement.

"Natural origin" refers to the theory the disease jumped from an infected animal to humans. This has been the prevailing view of Fauci, the CIA, the WHO, the Chinese Communist government, and much of the media. No animal or species of animal was ever identified as the origin, and the lab leak theory gradually won out.

The CIA's latest assessment was completed near the end of the Biden administration, but the agency refused to make it public, according to *The Washington Times*. New CIA Director John Ratcliffe released the assessment soon after being sworn in.

Safety First

Other than the Fauci pardon, the decisions will help make the world safer, says Jane Orient, M.D., executive director of the Association of American Physicians and Surgeons.

"It's great to see some cracks in the wall of secrecy surrounding research on potential bioweapons, in which the Department of Defense has been deeply involved," said Orient. "Investigations should not be restricted to Wuhan, China. What about U.S.-owned biological laboratories in Ukraine?"

Peter A. McCullough, M.D., M.P.H., president of the McCullough Foundation, says threats to public health lurk in laboratories elsewhere.

"With 13 biosecurity laboratories in the United States, more than 140 BSL 3 facilities, and BSL 4 facilities, it is almost a certainty there will be a lab leak of a dangerous pathogen, virus, bacteria, or fungal spore that has the potential to cause the next global pandemic," said McCullough. "The only way to protect America is to shut down these laboratories and rethink if and how such dangerous research should be conducted."

"A ban on federal funding alone is not enough, since foundations and even foreign adversaries can step in and fund lucrative research," said McCullough.

Bonner Russell Cohen, Ph.D., (**bcohen@nationalcenter.org**) *is a senior fellow at the National Center for Public Policy Research.*

"With 13 biosecurity laboratories in the United States, more than 140 BSL 3 facilities, and BLS 4 facilities, it is almost a certainty there will be a lab leak of a dangerous pathogen, either a virus, bacteria, fungal spore that has the potential to cause the next global pandemic. The only way to protect America is to shut down these laboratories and rethink if and how such dangerous research should be conducted."

PETER A. MCCULLOUGH, M.D.

Trump Targets a New 'Social Determinant of Health': Energy Costs

Immediately after being sworn in, President Donald Trump declared a National Energy Emergency in an executive order stating the nation's energy production is inadequate to meet current and future needs.

The action redirects an ineffective Biden administration health care initiative toward a more direct solution, a health care analyst told *Health Care News*.

"We need a reliable, diversified, and affordable supply of energy to drive our Nation's manufacturing, transportation, agriculture, and defense industries, and to sustain the basics of modern life and military preparedness," Trump's executive order states.

The order criticizes "harmful and shortsighted policies" of the Biden administration.

"Solar and wind are worthless when not sunny and windy. Replacing reliable, affordable, abundant energy with intermittent, weather-dependent sources worsens those unmet health-related social needs, especially for the 'marginalized' groups for which medical organizations express such concern."

JANE ORIENT, M.D.
EXECUTIVE DIRECTOR, ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS

Energy Costs and Health

In May 2024, the Centers for Disease Control and Prevention (CDC) published a document on its website titled "Social Determinants of Health," identifying social factors the agency said affect health, such as housing instability, food insecurity, transportation difficulties, race, and familial status.

States began addressing these factors by offering rent assistance to Medicaid enrollees, for example.

One area left unaddressed was rising energy prices, which affect the prices of all goods and services and subsequently people's health, says Jane Orient, M.D., executive director of the Association of American Physicians and Surgeons (AAPS).

"The elites tell you that solar and wind are cheap, but the reality is, the more solar and wind, the costlier it gets," wrote Orient on the AAPS blog on January 5. "Solar and wind are worthless when not sunny and windy. Replacing reliable, affordable, abundant energy with intermittent, weather-dependent sources worsens those unmet health-related social needs, especially for the 'marginalized' groups for which medical organizations express such concern."

Orient included a graph from *X* by political scientist Bjorn Lomborg, Ph.D. showing the countries with the highest percentage of solar and wind energy generation have the highest energy prices.

More Energy, Better Health

Multiple studies have shown a positive correlation between a nation's per-capita income and citizens' health. With that in mind, Orient told *Health Care News* she welcomes Trump's focus on developing domestic energy sources and removing regulatory obstacles.

"We need to develop our own resources and not be subject to blackmail or extortion by a hostile power," said Orient. "Additionally, we must not impoverish people and make industry unfeasible because of unreliable, weather-dependent, environmentally destructive, econ-omically unsustainable 'green,' 'clean,' or 'renewable' energy, which is none of those three."

Orient says Trump should expand this initiative.

"I wish the president would have spokesmen like John Clauser, Will Happer, or Richard Lindzen put the climate hoax to rest scientifically and stop paying the promoters," said Orient. "Kick the anti-nukes off the Nuclear Regulatory Commission and restore America's nuclear industry."

—Staff reports

Californians Face Unhealthy Air Quality After Wildfires

By Bonner Russell Cohen

In addition to the loss of life, property, livelihoods, and vegetation caused by the raging wildfires in greater Los Angeles, residents of the stricken area will have to cope with the effects of smoke-related unhealthy air, the Los Angeles County Health Department warned in a health advisory.

The lingering health effects of the area's air quality have received scant attention as firefighters battled to extinguish the blazes and people who lost their homes asked how such a calamity could have happened. Now public health officials are warning about the consequences of prolonged exposure to smoke.

"Wildfire smoke is a mixture of small particles, gases, and water vapor," the January 11, 2025 advisory states. "The primary health concern is the small particle, which can cause burning eyes, runny nose, scratchy throat, headaches, and illness (i.e. bronchitis). People at high risk, children, the elderly, those with respiratory or heart conditions, and people with compromised immune systems, may experience more severe effects such as difficulty in breathing, fatigue, and/or chest pain."

The South Coast Air Quality Management District has been providing residents with real-time air quality updates and forecasts.

Lingering Effects

The wildfires were nearly contained by January 27, but they left behind considerable ash and soot, which can weaken people's health over time.

"Predicting where ash or soot from a fire will travel, or how winds will impact air quality, is difficult, so it's important for everyone to stay aware of the air quality in your area and take action to protect your health and your family's health," Los Angeles County health officer Muntu Davis, M.D., M.P.H., said in a statement.

The advisory recommended immediate medical care for severe coughing, shortness of breath, wheezing, chest pain, palpitations, nausea, or unusual fatigue.

10-Year Study Planned

On January 31, researchers from four universities announced plans for a 10-year study on the short- and long-term health effects of the Los Angeles fires.

The Los Angeles Fire Human Exposure and Long-Term Health Study will examine the pollutants released during the fire, the levels, and what effects they are having on people's respiratory, neurological, cardiovascular, repro-ductive, and immune systems.

"By bringing together experts from across multiple institutions and disciplines, we can rigorously examine the health effects from the wildfires' toxic particles and gases that have spread hundreds of miles beyond the fire zones and provide the communities with this information in real time," said Kari Nadeau, M.D., Ph.D., chair of the Department of Environmental Health at Harvard T. H. Chan School of Public Health and a professor of medicine at Harvard Medical School, in a press release

"With this study we can supply sound science to help residents repopulate and rebuild their neighborhoods safely, and for the first time, we can learn about the long-term health effects of wildfires," said Michael Jerrett, of the UCLA Fielding School of Public Health.

In 2024, the *Annual Review of Medicine* published a study describing the dangers of exposure to wildfire smoke.

"Wildfires emit a mixture of particles and gaseous pollutants that are known to negatively impact human health, including particulate matter (PM), carbon monoxide, nitrous oxides, and volatile organic compounds," the study states. "Depending on the materials burned, heavy metals like lead and mercury can also be emitted."

Bonner Russell Cohen, Ph.D., (**bcohen@nationalcenter.org**) *is a senior fellow at the National Center for Public Policy Research.*

Wildfires Confirm 'Decades of Poor Decisions'

By Bonner Russell Cohen

Public officials in California could have greatly reduced the damage to health, lives, and property from the wildfires that broke out on January 7, says Craig Rucker, president of the Committee for a Constructive Tomorrow.

"The massive wildfires laying waste to greater Los Angeles are the result of decades of poor decisions by state and local officials," said Rucker. "Firefighters lack sufficient water with which to combat the inferno."

"California has not built a reservoir since 1978, even though its population has doubled since then," said Rucker. "The Golden State is occasionally subject to heavy rains and snowfall in the mountains. The excess water could have been stored in reservoirs for use in an emergency like today's, but nothing was done. Southern California's semi-arid, windy climate is an open invitation to the spread of wildfires."

The state government failed to clear potential fire fuel, says Rucker.

"Rather than take responsibility for their gross negligence, state officials blame 'climate change' for the calamity they helped create. California's climate has not changed in centuries. What has turned a paradise into a hellscape is the complete incompetence with which officials in Sacramento have mismanaged the state's natural resources."

CRAIG RUCKER
PRESIDENT, COMMITTEE FOR A CONSTRUCTIVE TOMORROW

"Not enough dead and diseased trees have been removed from the state's forests, and dry brush has been allowed to accumulate on rangeland," said Rucker.

California lawmakers have tried to shift the blame for the problem, says Rucker.

"Rather than take responsibility for their gross negligence, state officials blame 'climate change' for the calamity they helped create. California's climate has not changed in centuries. What has turned a paradise into a hellscape is the complete incompetence with which officials in Sacramento have mismanaged the state's natural resources."

Vape Ban Contribution

Jeff Stier, a senior fellow at the Center for Consumer Choice, suggests a little-noticed contributor to the outbreak of wildfires in California.

"One component of that stench coming out of Los Angeles is hypocrisy," said Stier. "In 2019, the Los Angeles Board of Supervisors banned the use of non-combustible cigarettes on beaches and in parks because of an unsubstantiated claim of air pollution. The feckless lawmakers only made matters worse for wildfire risk, which is a real, imminent, and predictable source of dangerous air pollution. Instead of taking responsibility, they predictably shifted it, without scientific evidence, to climate change."

By the end of January, 29 people had lost their lives in the wildfires, 17,000 structures had been destroyed, and tens of thousands of people had been forced from their homes, *NBC News* reported.

Bonner Russell Cohen, Ph.D., (**bcohen@nationalcenter.org**) *is a senior fellow at the National Center for Public Policy Research.*

Texas Medical Board Conflict Exposes Deep Problems, Legislator Says

By Joe Barnett

The departure of Medical Director Robert Bredt, M.D. from the Texas Medical Board (TMB) has not resolved a scandal according to state Rep. Brian Harrison (R-Midlothian).

"We are a pro-life state, and it is unbelievable that an executive branch agency hired a Planned Parenthood official to help regulate Texas doctors and the practice of medicine," said Harrison. "There should be an investigation to determine how this happened, and accountability for every bureaucrat involved."

Bredt resigned after information from a lawsuit revealed he also worked as a medical director for Planned Parenthood of South Texas (see article, opposite page).

The TMB's website indicated Berdt's position on the TMB staff, formally designated as deputy director I, was open for employment applications as of January 8 and was still open as of February 7.

Oversees Abortion Cases

The TMB investigates allegations of illegal abortions by physicians as part of its regulation of medical practices. The board can suspend or revoke a physician's license for violating its regulatory interpretations of state law.

"Texas law bans abortion, except when a doctor, in their 'reasonable medical judgment,' believes it is necessary to save the life or protect the health of the pregnant patient," *The Texas Tribune* reported.

On March 22, 2024, the publication reported the TMB proposed a "broad" definition for what constitutes an emergency medical exception under the state's otherwise strict abortion ban.

After complaints, the TMB adopted a "guidance" on abortion, the *Tribune* reported on June 22, 2024. "Guidance" specifies how the board would investigate allegations of illegal abortions, and it can change over time.

Joe Barnett (**JoePaulBarnett@att.net**) *writes from Arlington, Texas.*

Texas Medical Board Director Resigns After Conflict-of-Interest Surfaces

By Joe Barnett

The medical director of the Texas Medical Board (TMB) resigned after revelations he also worked for Planned Parenthood of South Texas.

Robert Bredt, M.D., a pathologist, had been employed by the TMB since 2012, while also working part-time since 2011 as medical director of the Planned Parenthood laboratory in San Antonio.

In a letter to board officials on January 7, which has since been removed from the internet, Bredt stated he felt "forced to retire/resign at this time."

"It seems a shame that political pressure from a fringe group has jeopardized that career," Bredt wrote in his resignation letter.

Two state legislators had called for Bredt's firing.

"Regarding the abusive attempts to censor Dr. Mary Talley Bowden, it is critical that we all understand that when a governmental licensing agency flexes its muscle to chill the protected free speech of a physician, it is not merely the doctor who is denied critical rights."

SCOTT JENSEN, M.D.
PHYSICIAN

Revealed in Court Filing

Bredt's work for the Planned Parenthood lab was revealed in his *curriculum vitae* when the TMB's legal staff submitted it to an administrative law judge on December 23 in a public legal filing to designate Bredt as an expert witness in a case against Mary Talley Bowden, M.D., president of Americans for Health Freedom, a group opposed to vaccine mandates.

Texas state Rep. Briscoe Cain (R-Deer Park) called on the TMB to fire Bredt, in a press release on December 30.

"Having someone with a leadership role at a criminal organization such as Planned Parenthood simultaneously serving in a prominent regulatory position erodes public trust and creates an undeniable conflict of interest," said Cain.

'Fox in the Henhouse'

On December 31, state Rep. Brian Harrison (R-Midlothian) wrote to Gov. Greg Abbott, who appoints the TMB board members, stating, "This fox must be removed from guardianship of the henhouse." (See related article, opposite page.)

"I also ask that you direct all state agencies to ensure there are no other Planned Parenthood officials employed by any state agency, including in advisory roles," Harrison wrote to Abbott.

Bredt received an annual salary of $185,000 in his TMB position.

"There's some real irony here in that in their zeal to prosecute a doctor, they had to make public that the medical director … is literally also a Planned Parenthood employee," Harrison told *The Texas Tribune*, an Austin news outlet, for a story on January 7.

News Outlet Investigates

The Dallas Express (*DX*), which covered Bowden's case, had previously "obtained emails showing that numerous figures inside the organization had been watching Bowden since she first rose to national prominence in 2021 for criticizing COVID-19 policy, including COVID-19 vaccine mandates," the web-based news outlet reported on January 15.

DX obtained board emails from 2021 that showed how the board pursued complaints against Bowden for prescribing ivermectin to treat infections and for failing to establish what the board defined as a proper doctor/patient relationship with individuals when she advised them through social media on alternatives to the COVID-19 vaccines.

Strange Coincidence

In an allegedly separate action, Bowden received a notice stating the TMB was conducting a random audit of her continuing medical education (CME) hours, on October 17, 2024, nine days after she was deposed by TMB attorneys.

"I've never been audited before, and it's hard for me to believe this happened randomly," Bowden told *The Dallas Express* in mid-October 2024.

Using the state's public information act, *DX* sought TMB records and determined the likelihood of a CME audit for a doctor was less than 0.25 percent. The TMB told *DX* the audit was proper.

To verify that claim, *DX* filed a request for more documents. After paying TMB $150 to access the records, TMB had not fulfilled the request after three weeks, on January 15.

DX said it would report the TMB to the Texas Attorney General's office in its article on January 15. There has been no updated report.

States Versus Doctors

Bowden is one of several physicians who have been pursued by medical regulators in several states, including California and Minnesota, for exercising their freedom of speech and medical judgment during and after the COVID-19 pandemic.

Scott Jenson, M.D., a Minnesota physician who successfully fended off five attacks on his medical license by the state's medical regulator, says such attempts to stifle doctors harm patients.

"Regarding the abusive attempts to censor Dr. Mary Talley Bowden, it is critical that we all understand that when a governmental licensing agency flexes its muscle to chill the protected free speech of a physician, it is not merely the doctor who is denied critical rights," Jensen told *Health Care News*. "When people all over the world are denied the opportunity to learn from questions and comments a physician is able to provide regarding matters of scientific disagreement and emerging hypotheses, something is terribly wrong with those overreaching governmental agencies."

Those dissenting from medical establishment views have been vindicated by subsequent disclosures, says Jensen.

"Dr. Mary Bowden has tenaciously stood in the arena of public debate despite being demonized and persecuted," said Jensen. "And repeatedly, it has been demonstrated that her voice was one of reason and correct analyses."

The TMB dismissed the first case against Bowden in May 2024. The second case is scheduled for late April or early May, according to Bowden.

Provider-Patient Relationship

If states want to improve health care for their residents, letting doctors be doctors and honoring informed consent is a direct way to do it, states a September 2024 report by The Heartland Institute, co-publisher of *Health Care News*.

"As doctors come under attack by state attorneys general, licensing boards, and the courts for simply trying to take care of patients, physicians are increasingly being overruled and sometimes threatened for treating their patient," wrote the authors of "The American Health Care Plan: State Solutions."

Joe Barnett (**JoePaulBarnett@att.net**) *writes from Arlington, Texas.*

INTERNET INFO

S. T. Karnick, Matt Dean, and Chris Talgo, "The American Health Care Plan: State Solutions," The Heartland Institute, September 2024: **https://heartland.org/wp-content/uploads/2024/09/Sep-24-AHCP2.pdf**

Trump Blocks Gender Treatments for Children

By Ashley Bateman

President Donald Trump signed an executive order (EO) blocking gender treatment for children in the United States.

The January 28 order, "Protecting Children from Chemical and Surgical Mutilation," defunds government research and grants involving "chemical and surgical mutilation of children," authorizes action against Medicare or Medicaid providers who participate in such treatments, stops the Department of Defense TRICARE and the federal government workers' health care program from covering such procedures, protects whistleblowers, and prioritizes investigations into misleading claims about the treatments and "sanctuary" states interfering with parental rights to promote the treatments.

All affected agencies have 60 days to report their progress in following the order.

President Donald Trump

"The EO encourages Congress to enact a new private right of action for children and their parents against medical professionals who perform transgender surgeries," said Schlafly. "This EO urges a long statute of limitations, which would enable children to sue over this after they become adults."

ANDREW SCHLAFLY
GENERAL COUNSEL
ASSOCIATION OF AMERICAN PHYSICIANS AND SURGEONS

'Stain' on the Nation

The order defines children as those less than 19-years-old, and the phrase "chemical and surgical mutilation" to include puberty blockers, sex hormones, and surgical procedures that "transform an individual's physical appearance to align with an identity that differs from his or her sex or that attempt to alter or remove an individual's sexual organs to minimize or destroy their natural biological functions."

The EO is a major shift from the Biden administration's unabated support of what it termed "gender-affirming care."

"Across the country today, medical professionals are maiming and sterilizing a growing number of impressionable children under the radical and false claim that adults can change a child's sex through a series of irreversible medical interventions," the order states. "This dangerous trend will be a stain on our Nation's history, and it must end."

Praise for Trump

Medical groups and child advocacy organizations welcomed the order.

"We applaud President Trump for fulfilling his promise to America's families and taking these critical steps to protect children from harmful, experimental, and often irreversible medical procedures," said Matt Sharp, senior counsel for the Alliance Defending Freedom. "The president's order affirms that the federal government is standing with de-transitioners and families hurt by gender transition drugs and surgeries."

"The importance of President Trump's executive order reestablishing the objective truth that there are only two sexes cannot be underestimated," said Dr. Tim Millea, chair of the Catholic Medical Association's Health Care Policy Committee. "In addition, that this action took place on the first day of his administration highlights its importance."

Reversal of Biden Rule

The order directs the Secretary of the Department of Health and Human Services (HHS) to "promptly withdraw" HHS's March 2, 2022 guidance document on gender-affirming care, civil rights, and patient privacy.

The Biden administration document stated, "attempts to restrict, challenge, or falsely characterize gender affirming care as abuse is [sic] dangerous and blocks parents from making critical health care decisions for their children, creates a chilling effect on health care providers who are necessary to provide care for these youth, and ultimately negatively impacts the health and well-being of transgender and gender nonconforming youth."

Trump's EO is a "refreshing return to sanity," said Sharp. "Not a single dollar should be spent to facilitate or push vulnerable kids towards experimental, often irreversible drugs and surgeries."

Aligning with Science

The order criticizes the primary source used by supporters of child trans treatments, the World Professional Association for Transgender Health (WPATH), as lacking "scientific integrity." The order states "agencies shall rescind or amend all policies that rely on WPATH guidance, including WPATH's Standards of Care Version 8."

The EO also orders the HHS secretary to "publish a review of the existing literature on best practices for promoting the health of children who assert gender dysphoria, rapid-onset gender dysphoria, or other identity-based confusion."

Trump's order aligns the United States with other countries on the issue, says Sharp.

"Instead of being a global outlier, America will now 'follow the science,' like the U.K. and other European countries have done, to ensure that we are identifying safe and effective ways to help kids who experience distress over their biological sex," Sharp said. "That includes supporting a legal remedy for those who have suffered at the hands of doctors who have pushed junk science on vulnerable kids."

The practice of medicine should be guided by scientific facts in an objective and evidence-based process, says Millea.

"The rapidly growing data from multiple countries clearly demonstrates the lifelong harms of transgender interventions, particularly with children and adolescents," said Millea. "It is past time for American organizations like the American Medical Association and American Academy of Pediatrics to end their ideological promotion of these misguided methods."

'Do Something for Them'

The Catholic Medical Association commended the president's return to defining biological sex as female or male. The definition of biological sex is far-reaching, and Trump's decision will increase compassionate care for those suffering from gender dysphoria, says Millea.

"Rather than subjecting American youth to the permanent damages of 'gender transition,' the emphasis should be on counseling and attention to mental health needs," said Millea. "It is time to do something for them and stop doing something to them."

Help for States

Trump's order supports ongoing efforts in several states to enforce laws against invasive gender procedures for children, says Andrew Schlafly, general counsel for the Association of American Physicians and Surgeons.

"The EO encourages Congress to enact a new private right of action for children and their parents against medical professionals who perform transgender surgeries," said Schlafly. "This EO urges a long statute of limitations, which would enable children to sue over this after they become adults."

Ashley Bateman (**bateman.ae@googlemail.com**) *writes from Virginia.*

Company Offers Supplemental Health Insurance for Direct Primary Care

By Ashley Bateman

A new company is offering supplemental health insurance that resembles traditional indemnity coverage, for people who use direct primary care (DPC).

Atlas Direct launched on December 3 and is now available in 13 states: Alabama, Arizona, Connecticut, Georgia, Hawaii, Iowa, Massachusetts, Michigan, Nebraska, New Jersey, Rhode Island, Tennessee, and Wisconsin.

"We've been thrilled with the response from doctors and patients across the country," Atlas Direct CEO and cofounder Josh Umbehr, M.D. told *Health Care News*. "We were fortunate enough to be interviewed on national radio that first week and had hundreds of calls, texts, emails, and live chats from interested patients."

A Simple Plan

The company has one plan available at present, with a maximum payout of $100,000 per calendar year per covered person. The insurance can be paired with primary-care arrangements and other supplemental plans.

As a supplemental insurance plan, Atlas Direct requires medical underwriting and places limits on eligibility. The most common question consumers ask is, "When will you get to our state?" said Umbehr.

Indemnity-style plans, like Atlas Direct and those offered by Aflac and other insurers, pay a cash benefit in the event of hospitalization, surgery, or injury, supplementing major medical insurance. The plans act as a contract between individuals and their insurance company, with an agreement to pay a set amount.

DPC Compatibility

A unique aspect of Atlas' plan is the requirement that buyers enroll with a direct primary care (DPC) practice and pay $1 per month for membership in the Direct Care Foundation.

This provision protects Atlas Direct and policyholders against an array of government insurance regulations, because the plan can be viewed as a membership benefit. Promoting DPC fits well with the model, says Umbehr, who is a DPC physician.

"It feels counterintuitive that the answer to more affordable insurance is to use or have less insurance, but the goal of direct primary care models is to make 80 to 90 percent of care too cheap to insure, which opens the door for making health insurance 80 percent more affordable," said Umbehr. "Now we're actually combining an indemnity model of care, for large things, with the direct care model, which is maximizing affordability of care."

Direct primary care typically offers unlimited visits, no copays, wholesale pricing, and free procedures such as imaging and labs. DPC can provide discounted generic drugs and large savings on more complex lab work.

Not a 'Health Plan'

Indemnity insurance pairs well with DPC because it resembles true insurance, says Twila Brase, R.N., president and co-founder of the Citizens' Council for Health Freedom.

"It's meant to pay for a limited set of services in which the costs are not covered by the DPC contract or other coverage,' said Brase. "As Atlas notes, it's supplemental; it's not primary.

"Before health plans existed, indemnity insurance was the primary form of health insurance," said Brase. "It was a contract to pay defined benefits, like Atlas, but much more comprehensive."

Companies such as Blue Cross, UnitedHealthcare, and Cigna had offered indemnity plans, but the Affordable Care Act (ACA) changed that in 2010.

"Currently, the ACA does not allow for catastrophic coverage, or indemnity-style policies, and requires most Americans to sign up for 'health plans' with high deductibles and premiums," said Brase. "The Atlas policy is likely filling a hole that many Americans face in the aftermath of the unaffordable ACA."

Keeping Middlemen Out

Indemnity policies can address many of the common health care complaints heard today, says Brase.

"When there were indemnity plans, there was no quibbling, no prior authorization, no post-treatment denials of payment, and no corporate protocols controlling physicians and medical decisions," said Brase. "Many people forget what real health insurance is and how inexpensive it used to be."

Obamacare has increased insurance companies' control over medical decisions, says Chad Savage, M.D., the founder of YourChoice Direct Care and a policy advisor to The Heartland Institute, which co-publishes *Health Care News*.

"Unlike today's health plans, which pay doctors and hospitals directly for care, enmeshing insurers in the details and control of patient care, indemnity insurance reimburses the patient directly for the direct and associated costs of care for covered medical events," said Savage. "This leaves the choices in care to the doctor and patient without enthralling insurance middlemen in the decision-making about the care that is being provided."

"I really think Atlas is on the right track. It is very inexpensive as far as insurance goes, and at least conceptually it could be combined with DPC to provide high levels of financial protection at minimal cost."

CHAD SAVAGE, M.D.
FOUNDER
YOURCHOICE DIRECT CARE

Reforms in the Wings

Government policies that support expanded options such as the Atlas model may be on the horizon, says Savage.

"The new administration is already demonstrating 'out of the box' thinking regarding numerous challenges, and health care is not likely to be an exception," said Savage. "We also see movement from legislators, such as [Rep.] Chip Roy of Texas, who introduced the Healthcare Freedom Act, which would free HSAs to be used with direct primary care practices."

In its newly updated American Health Care Plan, The Heartland Institute, which co-publishes *Health Care News*, recommends states define DPC as "not insurance," to encourage more physicians to offer direct-pay practices.

Brase says the cash approach is best.

"To cut care and coverage costs requires a return to the cash-paying major medical indemnity policies of old**,** which is real insurance for catastrophic and insurable events," Brase said. "Only cash and cost-sensitive patients will restore market-based prices, competition, and patient-centered quality of care."

"I really think Atlas is on the right track," said Savage. "It is very inexpensive as far as insurance goes, and at least conceptually it could be combined with DPC to provide high levels of financial protection at minimal cost."

Ashley Bateman (**bateman.ae@googlemail.com**) *writes from Virginia.*

Australian Doctors Pledge to Oppose Future Pandemic Crackdowns

By Ashley Bateman

Health care professionals across the globe are expanding grassroots efforts to end censorship in the practice of medicine.

In Australia, freedom-seeking physicians and health care professionals formed the Cape Byron Lighthouse Declaration in response to what they characterize as tyrannical measures in the name of disease control, such as those implemented during the COVID-19 pandemic.

To date, 17,000 people have signed the declaration, with the founders also forming multiple global partnerships.

World's Lockdown Capitol

Few countries exceeded the draconian measures that Australia took after the World Health Organization (WHO) declared COVID-19 a pandemic. Melbourne, Australia surpassed Buenos Aires, Argentina for the world's longest big-city lockdown.

Physicians Paul Oosterhuis and Robert Brennan, and Ros Nealon-Cook, a psychologist, were working as health professionals when their licenses were suspended for publicly questioning lockdown measures.

"All of us of the Lighthouse Declaration were very early anti-lockdown dissidents," said Brennan. "One of the frightening things about the COVID-19 response was just how global and swift the lockdowns came down. Different countries had different flavors of lockdown, with Australia being one of the worst."

"Until checks are placed on the power of the U.S. CDC [Centers for Disease Control and Prevention] and whatever might replace the WHO, how can Americans feel safe? It's worth noting that Australia is hedging its bets, both setting up its own CDC on American lines whilst remaining a loyal member of the WHO. Australia will probably get the worst of both worlds."

ROBERT BRENNAN
PHYSICIANS

'The Horror Stories Were Endless'

Curfews in the state of Victoria gained worldwide attention when the government restricted residents to their homes for all but one hour of the day. Travel was limited to within a few miles of one's home.

"The mandates and government controls in Australia were among the most authoritarian in the world," said Oosterhuis. "I called it 'medical martial law.'"

Brennan says police subjected his wife to violence over lockdown resistance.

"In my own city, Gold Coast, my wife was violently arrested and spent a few hours in a police station for violating lockdown," said Brennan. "We were prohibited from public gatherings at all or visiting venues without a QR code and vaccine passport.

"For essentially 18 months, international travel was near-impossible," said Brennan. "Long before the vaccine rollout, our governments made clear the un-jabbed would be last to be permitted travel, if ever. The horror stories were endless."

Suspended for Facebook Posts

Oosterhuis, a senior specialist in anesthesiology and critical care medicine for 32 years, was the first Australian doctor to have his license suspended for speaking out.

"I was subjected to an emergency suspension hearing in September 2021 on the claimed basis that my Facebook posts breached a March 2021 gag order by [the Australian Health Practitioner Regulation Agency] on speech critical of the COVID-19 jabs and government policies," said Oosterhuis. "At the emergency suspension hearing, I defended my speech and used it as an opportunity to get my views on the public record."

Ending censorship, upholding informed consent, stopping mandates and other unethical forms of coercion, and protecting bodily autonomy were central points of Oosterhuis' testimony to Australia's medical council and formed the basis for the Cape Byron tenets.

"The four points were agreed on because they are something every health professional should be 100 percent aligned with by virtue of their codes of ethics," said Nealon-Cook.

A series of interviews on the Cape Byron website further expands on those points.

Global Outreach

The Lighthouse Declaration founders have created a list of "Lighthouse Keepers"—physicians and other health professionals who suffered professional retaliation for questioning government pandemic policy.

American physician Peter McCullough, M.D. is one of the newest keepers. McCullough's medical specialty board tried to revoke his certification after he testified to state and federal legislators on his skepticism about the safety, efficacy, and longevity of the COVID-19 jabs.

"I joined Cape Byron Lighthouse because, like the founders, I too suffered from professional reprisals for my best efforts in saving lives from the infection and mitigating damage from vaccination," said McCullough.

"Never did I ever think I would be punished for abiding by the Hippocratic Oath," said McCullough. "I vowed to fight disease, preserve life, and above all do no harm. The Lighthouse symbolizes light over darkness and the eventuality of true vindication."

Reform Push

The organization's founders say they are now focused on building a strong coalition to protect medical integrity, creating a library of evidence-based resources, and conducting roundtable discussions on key issues.

"Any rebuilding of trust with the public needs to have the bedrock of transparency and the core ethical principles described in the declaration," said Oosterhuis. "I would like to see a constitutional amendment [in Australia] protecting medical freedom, and I hope to be of service in guiding the discussions of the future of health care."

"Until checks are placed on the power of the U.S. CDC [Centers for Disease Control and Prevention] and whatever might replace the WHO, how can Americans feel safe?" said Brennan. "It's worth noting that Australia is hedging its bets, both setting up its own CDC on American lines whilst remaining a loyal member of the WHO. Australia will probably get the worst of both worlds."

Nealon-Cook says she is waiting to see what steps the Trump administration will take to stop medical tyranny and will focus on communication and the bigger picture until then.

"The last years, however brutal, have given us an incredible opportunity for healing the collective consciousness and raising awareness," said Nealon-Cook. "That requires a really deep understanding of how we ended up here in the first place."

Ashley Bateman (**bateman.ae@googlemail.com**) *writes from Virginia.*

Software Tool Helps Parents, Patients Navigate Immunization Maze

By Ashley Bateman

A software developer has enhanced an online platform to help parents make more personalized decisions about vaccines for their children.

Software designer Chris Downey introduced VaxCalc in November 2023, and this February he incorporated AI into the service with a tool he calls VaxBot. VaxCalc promises to "simplify vaccine decisions with tools you can trust," states the website.

VaxBot answers questions through the platform's extensive vaccine-risk knowledge base, designed to provide "clear, personalized responses to complex vaccine questions," said Downey. "Over time, as more of this research is integrated, VaxBot will evolve into an even more powerful tool for answering complex vaccine-related questions with clarity and confidence."

The complexity of vaccination decisions facing parents today motivated Downey to develop the software.

"I created VaxCalc because parents deserve more than one-size-fits-all vaccine recommendations," said Downey. "Too often, the conversation is dominated by blanket statements rather than real, individualized risk-benefit analysis. My goal is to provide families with the tools, research, and confidence to make informed decisions that align with their unique health priorities, without pressure, bias, or fear."

"Freedom isn't a free-for-all; it depends on a delicate balance of rights and responsibilities, tradition, and constitutional principles. This balance is exactly what VaxCalc aims to protect. Parents should have access to high-quality, actionable information to make informed choices for their children."

CHRIS DOWNEY
SOFTWARE DESIGNER

Multiple Info Sources

VaxCalc offers visitors the option to join an email list for daily insights, research updates, and vaccine guidance. This is an initial step most visitors complete to familiarize themselves with the service, says Downey.

The VaxCalc Research Platform (VRP) draws on a broad spectrum of sources, including Food and Drug Administration (FDA) package inserts, studies, and internal presentations; Centers for Disease Control and Prevention (CDC) toxicology reports; research reports; open data projects; independent research into vaccine ingredients; scientific journals; the Vaccine Adverse Event Reporting System data; and the Comparative Toxicogenomics Database.

Downey also pulls from the work of scientists such as Christopher Exley and Paul Thomas, considered renegades in their field; award-winning media investigations; and vaccine injury testimony from real families.

The platform is based on open-source technology, to incorporate the latest research and user feedback and allow continuous improvement and refinement.

A one-month subscription costs $19.86, and an annual plan includes two months free and the VaxBot update.

Emphasis on Reliability

The best-known source of vaccine information is the CDC, which issues a vaccine schedule used by schools and other institutions for admission. The mandates for COVID-19 shots, approved under emergency authorization with a limited record of safety and effectiveness, left many Americans skeptical about the CDC's recommendations.

"All technology, all institutions, and all medical systems carry the biases of their creators," said Downey.

VaxCalc takes no position on vaccination, instead working to enable informed consent.

"Freedom isn't a free-for-all; it depends on a delicate balance of rights and responsibilities, tradition, and constitutional principles," said Downey. "This balance is exactly what VaxCalc aims to protect. Parents should have access to high-quality, actionable information to make informed choices for their children."

Return to Traditional Principles

Finding reliable and trustworthy information is not easy, says Downey, which is why VaxCalc starts from the "simple but radical assumption" that the absence of evidence of harm does not prove safety.

"[That] aligns with the founding principles of American medicine before it was taken over by centralized bureaucracy," said Downey. "It is the responsibility of those recommending a procedure to prove it is safe, not the responsibility of parents to prove harm after the fact."

Push for Scientific Integrity

Concern about vaccine mandates is far from a fringe idea, says Downey.

"Forward-thinking scientists have been warning about this since the mid-1970s," said Downey. "Currently, doctors pushing full vaccination have nothing to lose if your child is harmed."

Medical practices may receive compliance bonuses from third parties for vaccinating patients.

"Parents are right to be vaccine-hesitant," said Downey. "Not because vaccines are inherently bad, but because every medical intervention should be rigorously examined, not blindly trusted. I see parenthood as a sacred duty, and that includes protecting children from the risks of over-vaccination, which has quietly become a form of institutionalized medical malpractice through routine 'well visits.'"

Working for Parents' Rights

Jane Orient, M.D., executive director of the Association of American Physicians and Surgeons, says the current system compromises scientific integrity.

"CDC officials can collect money on products they are supposed to evaluate," said Orient. "There's a revolving door between the FDA and Big Pharma. Journals and researchers are heavily dependent on pharmaceutical funding."

Parents are responsible for their children, and must have the authority to fulfill that responsibility, says Orient.

"If the child is injured, who will care for that child 24 hours a day, seven days a week, 365 days a year?" said Orient. "It won't be the experimenters or the government agency. They don't even know his name. They don't suffer with him. They don't celebrate the child's first steps, or graduations, or birthdays. [Parental rights] should be obvious."

Beyond the Mandates

VaxCalc and VaxBot are meant to arm parents with information so no one can unfairly bias their choices.

"There are many ways to bypass government-run school vaccine mandates, and most parents don't realize they have options," said Downey.

A key challenge is that doctors routinely go beyond what the law requires in pushing vaccines, says Downey.

"Government mandates almost always require fewer vaccines than the full CDC schedule," said Downey. "The problem is that most pediatricians have become enforcers of full compliance with the CDC schedule, pressuring families beyond what the law requires."

Ashley Bateman (**bateman.ae@googlemail.com**) *writes from Virginia.*

California Nurse Practitioners Fight Practice Restrictions

By Bonner Russell Cohen

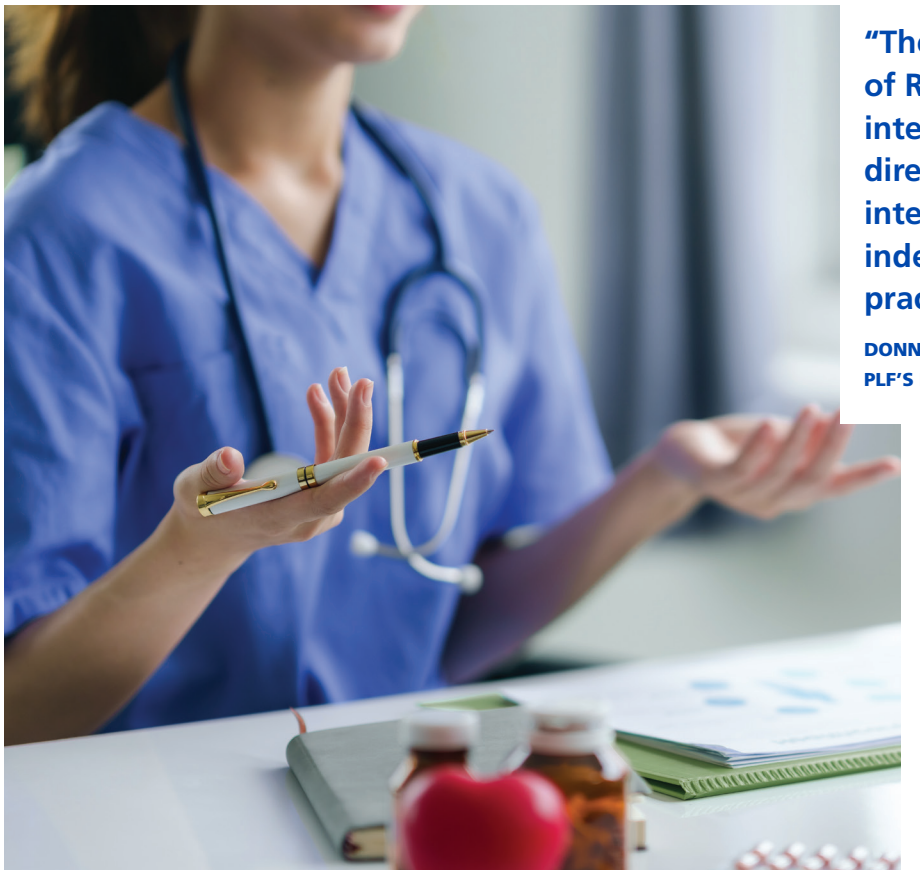
The California Board of Registered Nursing is construing a five-year-old state licensing law for nurse practitioners (NPs) in a way that violates the law's original intent, say attorneys for NPs challenging the law.

Gov. Gavin Newsom signed Assembly Bill (AB) 890 in 2020 to encourage more people to become nurse practitioners by protecting opportunities for them to practice independently. The law established two new nurse practitioner categories, "103 NP" and "104 NP."

The 103 group of NPs are allowed to work in medical group settings without a physician supervisory agreement, provided they have completed at least 4,600 "transition to practice" hours (three full-time-equivalent years). The 104 group can work independently in any setting, including private practice, having qualified as 103 NPs and gaining an additional three years of work experience "in good standing."

"Ignoring the text and intent of the law (expand access to independent practice for NPs), the California Board of Registered Nursing has interpreted AB 890 to require 104 NPs must practice as 103 MPs in a group setting for three years," states the Pacific Legal Foundation (PLF) in a blog post.

The PLF is representing pro bono two experienced California NPs—Kerstin Helgason and Jamie Sorenson—who argue the board has exceeded its authority by impeding nurse practitioners' path to independent practice, contrary to legislative intent.



"The California Board of Registered Nursing's interpretation of AB 890 directly contradicts the law's intent to expand access to independent practice by nurse practitioners"

DONNA MATIAS
PLF'S LEAD ATTORNEY

Interrupted Careers, Care

The PLF filed *Kerstin Helgason and Jamie Sorenson v. Loretta Melby and the California Board of Registered Nursing* on January 6 in the Superior Court of California, County of San Diego.

Among the consequences of the board's action, "Kerstin and Jamie must abandon their existing practices—and patients—and spend three years spinning their wheels in work settings where they'd learn nothing new about running an independent practice," the PLF post states. "Only then can they return to doing what they have been doing for years: running their own private practices."

"Far worse would be the disruption in care for their patients—many of whom are very vulnerable and struggle with trauma and mental health challenges," the PLF states. "… Neither they nor their patients can afford to abandon this care for three years to satisfy the Board's requirement for individual practice."

'Handout to Physicians'

California's pre-AB 890 regulation of NPs was not without its flaws, the PLF says.

"Until recently, California's nurse practitioners could operate in private practice only if supervised by a collaborating physician," the PLF post states.

"This mandate forces NPs to pay supervising physicians fees—often topping $6,000 a year—with many physicians charging more than twice that," states the PLF. "Despite these exorbitant costs, the state does not dictate the health or safety standards in the collaborative agreements; physicians are not required to actively oversee NPs in any meaningful way. It's simply a required handout to physicians."

The legislature intended the law to address the situation, and the board's interpretation of the law created the problems, the PLF says.

"The Board's wrong-headed interpretation of state law not only exceeds its legal authority but also unconstitutionally discriminates against private practice nurse practitioners, as only 103 NPs can ever achieve independent practice authority," the PLF post states.

Barrier to Entry

The board created arbitrary regulatory barriers that undermine the professional prospects of nurse practitioners and harm patients in need of care, says Donna Matias, PLF's lead attorney on the case.

"The California Board of Registered Nursing's interpretation of AB 890 directly contradicts the law's intent to expand access to independent practice by nurse practitioners," Matias told *Health Care News*. "By forcing experienced professionals like Kerstin and Jamie to spend three years in group settings where they won't gain relevant experience, the board is unnecessarily disrupting their careers and putting vulnerable patients at risk."

Bureau Buddies

Licensing laws are one reason for the nationwide health care provider shortage, says Merrill Matthews, Ph.D., a resident fellow at the Institute for Policy Innovation.

"State licensing bureaus have long used their power to reduce access to needed services," said Matthews. "And few guilds have used that power more effectively than in the medical profession. States across the country are looking for ways to increase access to mental health professionals, rather than reducing access by imposing more barriers as the California Board of Registered Nursing appears to be doing."

There are additional actions states can take to improve provider access, says Matthews.

"Such actions can include increasing access to mental health hotlines, expanding telehealth options, and participating in interstate compacts that allow mental health professionals from other states to see patients," said Matthews.

"Some states are even encouraging medical students to serve in underserved mental health areas, such as jails and youth detention centers," said Matthews. "California took steps to address its mental health professional shortage. Unless there is clear evidence that the system wasn't working for patients, additional requirements should not be added by those who benefit from restricting participation."

Prescription Authority

Another challenge facing NPs is whether they can legally prescribe drugs.

"State laws to determine NPs' prescriptive authority differ considerably," wrote Phillip Zhang and Preeti Patel in a 2023 paper published on the National Library of Medicine website. "Some states allow the full practice of NPs where they may prescribe medications with a level of autonomy comparable to physicians. On the other hand, many states restrict NP prescriptive authority and require physician supervision."

NPs have prescriptive authority similar to that of medical doctors in 22 states, the report states.

Bonner Russell Cohen, Ph.D., (**bcohen@nationalcenter.org**) *is a senior fellow at the National Center for Public Policy Research.*

INTERVIEW

State Licenses for Lactation Consultants

Despite wide agreement on the benefits of breastfeeding, state governments are making it harder for mothers by trying to force licenses on the people who are trying to help them. In December, Cato Institute Health Policy Studies Senior Fellow Jeffrey A. Singer released a briefing paper he coauthored, which reviews current state licensing policies. New Mexico, Oregon, and Rhode Island have passed licensing bills that award monopoly status to International Board Certified Lactation Consultants (IBCLC), restricting the term "lactation consultant" to them. Massachusetts has a similar bill in the works. Georgia enacted a law disallowing lactation support services without IBCLC certification.

The Georgia Supreme Court ruled the law is unconstitutional. In an interview with Health Care News *writer Harry Painter, Singer explains how this licensing can harm mothers instead of protecting them.*

Health Care News: In most states, is there any need for or benefit to IBCLC certification?

Singer: One should keep in mind that the IBCLC is not the only lactation consultant certification organization. It is the largest and oldest, but there are several others.

Most states have found no need for lactation consultants to obtain certification. In fact, two separate "sunrise reports" on proposed legislation to require certification—one by the Washington State Department of Health and the other by the Georgia Occupational Review Council—determined that there was no evidence of harm to the public due to the lack of certification.

Health Care News: What have been the results so far in states that have implemented certification laws?

Singer: Our study found, "No pattern of improving six-month exclusive breastfeeding rates has yet emerged among states that have enacted laws preventing lactation service providers from referring to themselves as lactation consultants."

Health Care News: What is leading states to enact these laws?

Singer: The Lactation Consultants Association has taken the position that "the depiction of equivalency between IBCLCs and [non-IBCLC] counselors/educators poses a significant risk to the public." However, much of the motivation behind such organizations lobbying legislatures to require

lactation consultants to become IBCLCs is likely economic.

As we wrote in our paper, "Federal law requires Medicaid and insurance companies to pay for breastfeeding support, but only if licensed professionals perform these services. In effect, Congress encourages lactation support professionals to agitate for licensing by offering subsidies if they convince state lawmakers to restrict entry into the profession."

Health Care News: Why is it just now that the profession is trying to implement licensing when other fields have long had compulsory licensing?

Singer: It began organically in the 1950s with La Leche League, a group of mothers in Chicago who perceived the need for mother-to-mother breastfeeding support. They developed training programs and accreditation criteria for other programs. By the 1970s, the enterprising mothers around the country similarly developed lactation consultant professions.

In 1985, with a loan from La Leche League, several of these groups convened to create the International Board of Lactation Consultant Examiners to establish practice standards and the first private lactation consultant certification program, granting the title of "International Board Certified Lactation Consultant." Other private, voluntary certification organizations arose during the same period.

For example, in 1999 some mothers established the Academy of Lactation Policy and Practice, which offers three different levels of certification for scopes of practice. Notably, this is the same way the various medical specialty and specialty certification organizations developed. Initially, groups of physicians with a special interest in a particular aspect of medicine formed organizations that met regularly, shared expertise, established best-practice criteria, and eventually developed certification programs.

Health Care News: Is licensing just about restricting competition and creating a protected class, or are there more aboveboard reasons to do it?

Singer: As mentioned above, part of it concerns restricting competition and creating a protected class. However, the federal government also encourages lactation support professionals to push for licensing through Medicaid's policy of not paying for lactation support services unless the providers are licensed by the state.

Health Care News: Massachusetts lawmakers are calling their bill "An Act to Increase Access to Lactation Care and Services." Does creating a barrier to entry increase access?

Singer: They can't plausibly claim that making it more difficult and costly for people to enter the lactation care profession will increase access. The evidence from the few states with licensed lactation support professionals fails to demonstrate that licensing has improved access.

Health Care News: Will licensing drive up costs, discourage breastfeeding, or otherwise lead to negative outcomes?

Singer: Licensing lactation support professionals could limit access, especially in rural or underserved areas, by imposing costly education and training mandates. Studies show that strict licensing can reduce practitioner supply and create service bottlenecks.

Restricting supply and adding fees and education expenses could raise lactation support costs. Licensing also stifles innovation by favoring standardization over flexible training and service expansion.

Health Care News: What is the best way for policymakers to encourage breastfeeding and the lactation support field?

Singer: This field developed and matured organically in response to a perceived need. The government was not involved. There was no central plan. If policymakers want to see the field continue to grow and flourish, they should reject proposals to license the profession.

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COMMENTARY

Gig Workers Deserve HSAs, Too

By Joel White, David A. Hyman, and Ge Bai

Approximately 59 million Americans currently participate in the gig economy.

For most, this is a part-time way to make money, but 17 million people derive all their income from contracted opportunities.

Gig workers are found in various industries, including transportation (for example, Uber, DoorDash, and InstaCart), freelancing (Upwork), e-commerce (eBay and Etsy), and more traditional contract work such as architects, project managers, construction workers, and lawyers.

There are more gig workers in construction (carpenters, electricians, plumbers, installers) than in any other industry. The trend toward gig work is growing as more Americans seek the flexibility and rewards that come with it. An expected 86 million people will be in the gig workforce by 2027.

"Congress should reform the 20-year-old rules that set minimum HSA deductibles ($1,600 for single coverage and $3,200 for family coverage in 2024) by decoupling HSAs from the high-deductible health plan requirement. Instead, Congress should allow HSAs, regardless of the dollar value of the deductible."

Health Care Challenges

Most American workers—about 55 percent, according to the Census Bureau—are covered by employer-sponsored health insurance. Gig workers, however, are not employees of their contracting companies, which do not provide access to employer-sponsored health insurance under the current legal framework.

Full-time workers pay their premiums with tax-free dollars, but gig workers do not receive those tax benefits. They sometimes must use after-tax dollars to pay for their premiums for health coverage they must purchase on their own, often on the individual market.

Limited Coverage Choices

Low-income gig workers can be eligible for Medicaid. However, as with other Medicaid beneficiaries, their access to care, especially to physicians and specialists, is worse than private coverage and in many areas can be minimal and restricted.

Gig workers can purchase individual insurance plans through the Affordable Care Act (ACA) marketplace, and some may be eligible for subsidies. However, most plans in the individual marketplace come with high deductibles that average twice as much as an average health savings account (HSA) deductible, exposing gig workers to substantial financial risks.

Although these risks can be mitigated by the use of HSAs, gig workers typically do not receive contributions from their contracting companies as full-time employees do, even if they already have an HSA. ACA plans also have narrower provider networks than most HSAs and employer plans, limiting access to care.

These challenges leave gig workers and their contracting companies unsatisfied. Almost one-third, 31 percent, of gig workers are uninsured, and 48 percent believe their work status has negatively affected their ability to get health insurance. On the other hand, companies that employ gig workers are looking for new ways to provide benefits that reward the most effective gig workers.

Big HSA Advantages

The most straightforward way to improve gig workers' access to affordable health care is to improve the availability of HSAs. These plans require people to secure insurance coverage with a minimum deductible, currently $1,600 for an individual or $3,200 for a family. Individuals can then set up an HSA account to fill in plan cost-sharing, such as the deductible or copayments for drugs or doctors, and to pay for services not covered by the insurance plan.

Contributions to the HSA offer account holders triple tax benefits: they are tax-deductible, funds grow tax-free, and withdrawals to pay for qualified medical expenses, including cash-based transactions, deductibles, copayments, and coinsurance, are not taxable.

With substantial flexibility and financial benefits, HSAs have been steadily gaining in popularity, according to the KFF research organization.

Solid Reform Options

Congress can use HSAs to address the challenges in the gig economy by expanding gig workers' access to more-affordable health care options (widening access to care) while providing employers with new benefit tools to attract, retain, and reward high-performing gig workers.

None of these solutions would require additional administrative complexities or new government bureaucracies.

First, Congress should allow multiple companies to contribute tax-deductible funds to gig workers' HSAs. This action would directly benefit gig workers who would otherwise opt out of insurance entirely because they are deterred by the prospect of high out-of-pocket spending for marketplace plans.

Second, Congress should clarify that a contribution to a gig worker's HSA does not make the worker an employee of the contributor. This clarification would incentivize companies to contribute to gig workers' HSAs because they would not have to worry that such contributions would give gig workers additional rights, such as claims for retirement and other benefits.

Third, Congress should require that HSAs be used exclusively for medical expenses and allow HSA balances to be passed on or transferred to other individuals. That would prevent HSAs from being used as a tax-favored way to pay for nonmedical expenses, create a way to address medical debt, and promote philanthropy.

Health-Plan Decoupling

Currently, one cannot contribute to an HSA unless one has a high-deductible health plan that covers certain preventive services before the deductible, limiting HSA access for low-income populations enrolled in Obamacare, Medicare, and Medicaid plans.

Congress should reform the 20-year-old rules that set minimum HSA deductibles ($1,600 for single coverage and $3,200 for family coverage in 2024) by decoupling HSAs from the high-deductible health plan requirement. Instead, Congress should allow HSAs, regardless of the dollar value of the deductible.

Additionally, HSA funds now may not be used to pay premiums, limiting their utility for gig workers and discouraging them from seeking insurance coverage. Removing these restrictions would incentivize insurance coverage, expand insurance choices, and reduce financial exposure for gig workers.

Joel White (**joel.white@cahc.net**) *is president of the Council for Affordable Health Coverage, David A. Hyman, M.D., J.D., is a professor at Georgetown University Law Center, and Ge Bai is an accounting professor at Johns Hopkins Bloomberg School of Public Health.* *A version of this article was published in* HealthAffairs. Reprinted with permission.

Congressman Proposes Cure for U.S. Health Care System

By Elizabeth Troutman Mitchell

Rep. Chip Roy (R-TX) issued a diagnosis for America's broken health care system, and the congressman says the problem isn't what people think.

America's health crisis doesn't come from health insurance, Big Pharma, or food additives, Roy says.

"It's the fact that politicians, bureaucrats, and corporations are all benefitting from a broken, cronyistic system that lets them put profits over patients with impunity," Roy told *The Daily Signal*.

In Roy's new report, "The Case for Healthcare Freedom," the House Freedom Caucus member says Congress can make America healthy again by promoting expansion of health savings accounts in the upcoming budget reconciliation process. Health savings accounts allow individuals and families to save money, earn interest on it, and spend it tax-free on health care expenses.

"Giving the same actors more power and money won't work; if we want to Make America Healthy Again, the answer is health care freedom," Roy said in a news release. "If we want to control our budgets and health care spending, the answer is health care freedom."

Not Free, Not Competitive

The report, first shared with *The Daily Signal* on January 22, says our current health care system is neither free nor competitive.

"It is government-regulated, government-funded, Big Insurance-managed 'care' resulting in a broken system on the brink of fully government-run health care," the report states. "Half measures by Republicans will not save us from this disaster."

The rising costs of health care have reduced choices, and the complexity of the system has led to calls for more government control, but this perspective ignores the true culprit, Roy said.

"What they will fail to notice is that it is the very government they are willing to give control of the health care system [to] that destroyed our health care system," the report states.

Though the United States spends more on health care than any other developed country, America has the lowest life expectancy at birth, the highest proportion of people with multiple chronic diseases, and one of the highest obesity rates among wealthy countries.

"America is the center of medical innovation in the world," the report states. "It is not something we should take for granted. This role as a world leader does not mean that we need a drug for everything. Especially things that could be mitigated by eating a balanced diet, sleeping more, and exercising."

Conflicts of Interest

Instead of "free-market" health care, America has "textbook crony capitalism" to the "detriment of the patient and providers," the report states.

"Our 'health' focused government agencies are littered with conflicts of interest," the report states. "And unsurprisingly, American health is impacted. Indeed, chronic food illness kills up to 678,000 Americans per year."

"Our system is run by government and insurance bureaucrats and is 'private' in name only," the report states. "Health care special interests spend $750 million annually lobbying to keep the racket going," the report states.

The average annual premium for employer-sponsored family health insurance is close to $25,000, according to the Kaiser Family Foundation.

American health care is "hostile" to innovation as the "regulations and restrictions that have been placed on the health care system claiming to 'protect patients' have only led to the opposite," Roy said in his release.

Subsidies for Health Damage

The federal government will probably spend $250 billion on junk food over the next 10 years through the Supplemental Nutrition Assistance Program, more commonly known as food stamps, Roy's report states. In addition, much of America's health care spending—$4.9 trillion in 2023—pays for drugs instead of addressing the root causes of illness and obesity.

Novo Nordisk, the drug maker behind the weight-loss drugs Wegovy, Saxenda, and Ozempic, has spent $25.8 million over the past decade promoting its obesity drugs, the report states.

Food-related chronic diseases such as Type 2 diabetes, obesity, and heart disease are caused or strongly affected by unhealthy diets.

"As a share of the nation's gross domestic product (GDP), health spending accounted for 17.6 percent, and costs are growing around one percent faster than the annual GDP," states the report. "If conservatives care about a strong national defense and low taxes, these trends have to be reversed."

Elizabeth Troutman Mitchell (**elizabeth.mitchell@dailysignal.org**) *is a reporter for* The Daily Signal*, where a version of this article was published. Reprinted with permission.*

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REPORT

HSAs 'Too Restrictive,' Should Be Expanded

In his new report on "The Case for Healthcare Freedom," Rep. Chip Roy (R-TX) argues Congress should make health savings accounts available to more people, raise the contribution limits, and reduce restrictions on what the money in the accounts can be used for.

"Until Americans control more of their healthcare spending and middlemen like employers, insurers, and hospitals lose their grip, all proposed healthcare 'solutions' are smoke and mirrors," states the report.

Major Reforms Proposed

Roy's report, released on January 22, proposes increasing the annual contribution limits from $4,300 to $12,000 for individuals and from $8,550 to $24,000 for families, increasing catch-up contribution limits for those aged 55-65 from $1,000 to $5,000, and eliminating other restrictions, such as decoupling the plans from high-deductible health insurance and allowing HSAs to purchase plans based on "innovative healthcare models."

A similar proposal (see opposite page) by health care analysts Joel White, David A. Hyman, and Ge Bai recommends making HSAs easier for gig workers to open and allowing HSAs to be used on direct primary care arrangements. The writers also recommend raising contribution limits below what Roy proposes in his plan.

"Increasing the contribution limit is important, but we need to expand the existing, more-narrow universe of account holders," White told *Health Care News*.

Both proposals follow The Heartland Institute's *American Health Care Plan: State Solutions* paper in advising states to declare clearly that direct primary care is not insurance, which would open the door for membership fees to qualify as a medical expense in an HSA.

—Staff reports

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COMMENTARY

AI Needs Continuing Education, Too

By Devon Herrick

Humans aren't the only health care providers requiring continuing education to maintain their competency.

Artificial intelligence (AI) also needs a regular reboot.

This is a factor many people overlook when they get excited about AI, especially after the announcement of the $500 billion investment in Project Stargate and President Donald Trump's Removing Barriers to American Leadership in Artificial Intelligence executive order.

Tech titans such as Oracle's Larry Ellison are publicly discussing "designer vaccines" to stop cancer, and Google announced AI-designed drugs would head to trial by the end of this year.

Helping Doctors

AI is already being used widely in health care. If you have had a mammogram in the past few years, an algorithm probably assisted the radiologist in interpreting the scan. There are AI-powered chatbots for mental-health counseling.

In hospital settings, AI is often used to predict how patients will respond to treatment, going so far as to provide probabilities of death. The technology even prompts physicians to have difficult conversations with patients to manage expectations and even discuss with patients whether to forgo treatment.

Constant Monitoring

AI, however, is not a "set-it-and-forget-it tool," notes a recent report in *KFF Health News*. AI requires "expensive humans" to make sure it stays sharp. In other words, AI requires "continuing education," just like humans.

The article gave an example based on a 2022 study.

"A routine tech checkup revealed the algorithm decayed during the covid-19 pandemic, getting 7 percentage points worse at predicting who would die, according to a 2022 study," the article states.

Many physicians use a large-language-model AI program that documents the doctor's visit and files the information in the medical record. Stanford University researchers found that in the best case, AI tools like Chat GPT models summarizing a patient's medical history had a 35 percent error rate compared to what a physician might write, the KFF article reported.

Physicians' time is too valuable for them to manually write all the information discussed during an exam, but the visit is less beneficial if the information in the medical record is inaccurate.

Doesn't Age Well

The idea that AI can degrade and fail over time is easy to understand when you realize the algorithm's dataset is constantly evolving. The hope is that this will make it more accurate, of course, but the opposite can also occur.

Process and learn from a bad batch of data, and the results begin to degrade, often giving inconsistent answers.

At the very least, any algorithm should give the same answer to the same question when asked repeatedly in quick succession.

Sandy Aronson, a tech executive at Mass General Brigham's personalized medicine program in Boston, said when his team tested an application meant to help genetic counselors locate relevant literature about DNA variants, the product suffered "non-determinism": when asked the same question multiple times in a short period, it gave varying answers.

Compounding Errors

That is why humans must monitor AI, not just when it's being developed but during all phases of use. AI is continually learning, and that means unknown factors can degrade its accuracy.

I've seen numerous advertisements online for companies selling ineffective snake oil products and bogus elixirs for questionable medical treatments. Recent news reports have even highlighted academic journal articles with questionable findings and doctored data.

Imagine the outcome if an AI training process consumes this erroneous, new-age information and incorporates it as medical science. Experts report that once AI learns something incorrect, it is very difficult to make the system unlearn the inaccurate data. Now, for a scary thought: imagine that advertisers figure out how to influence clinical AI to bias the results in favor of their products.

"Evaluating whether these products work is challenging," notes KFF. "Evaluating whether they continue to work—or have developed the software equivalent of a blown gasket or leaky engine—is even trickier."

Continual Reevaluation

The human cost of monitoring AI is enormous but necessary. Algorithms must be validated not just before releasing a product but throughout use. That's something few hospitals may be prepared to do.

Results from Microsoft Edge's AI Copilot typically identifies its sources. Something like that would be useful in retraining AI to ignore inaccurate information, which is something AI developers should certainly consider.

Devon Herrick (**devonherrick@sbcglobal.net**) *is a health care economist and policy advisor to The Heartland Institute. A version of this article appeared on the* Goodman Institute Health Blog. *Reprinted with permission.*

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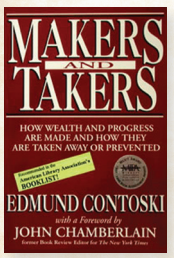

"If you buy only one book this year, if you read only one book this year, this is the one. It is meticulously researched. It is beautifully written. It is fantastic!" –Ed Flynn, host of *Talk of the Town* radio program.

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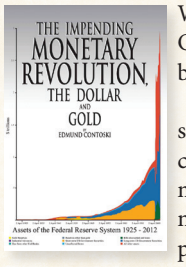

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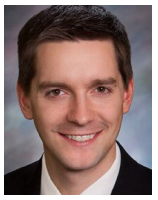

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