



Medicine, Market, & Care for the Poor




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Public health services



- pseudo-gratuity
- waste
- no competition
- no incentives for progress



- rationing by the queue
- occult privileges

Market based healthcare

- Out of pocket
- Health Banking
- Mutual assistance pooling
- Insurance products

Managing RISK



Market based Catastrophic Insurance

High deductibles & co-payments
=
Cost-consciousness
Individual responsibility
Affordable premiums



Mandatory Health Insurance
= cartels & monopoly
closed markets
for health financing

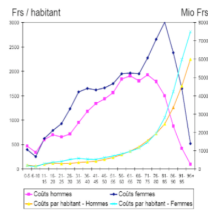
First dollar coverage or low deductibles
=
Overuse & waste
High premiums
Rationing

Providing for PREDICTABILITY



Health Saving Accounts

- Adapted to physio-chronology
- No inter-generation gridlocks
- Create healthcare capital



Health Savings Accounts



From 1984:

SINGAPORE
Medisave : 84% of Population
(+ Social insurance for high risk)

South Africa (+ Private Insurance)
1994 Covers 5% of Population

USA (+ HDHP)
1997- 2002 Test phase
2003 - 2006 Integrated to law

China ?
Urban pilot experiments since 1994

The pillars of a sustainable health care system



Health Savings Accounts
for predictable health
expenditures



Risk insurance & pooling
for catastrophic health
expenditures

**WHAT ABOUT
THE POOR?**

Management of poverty

Tax-sustained social services

- Higher administrative costs
- Stimulates fraud & abuse
- Creates dependence
- Neglects the very poor
- Stifles altruism & ethics

Private philanthropy

- Low overheads
- Tuned to integrity
- Limits dependence
- Customizes assistance
- Ensures good will & cooperation

Caring for **POVERTY**

Tax credits
Health Vouchers
Targeted public social services

Micro credit
Micro insurance

NGO's & voluntary help
Private or corporate philanthropy

The Power of Philanthropy

- Churches
- Private foundations
- Single disease associations
- Single event coalitions
 - Community
 - Family

The pillars of a sustainable health care system



Health banking
Micro health credit



Risk insurance & pooling
Micro health insurance



Charity
&
Philanthropy



The only path

Trusting the market for delivery of medical care to rich or poor is **economically sound, morally just** ... and is the **only way to long term sustainability and progress**

Private facility



"Free" facility

**Congratulations
Georgians for
opening
Private Hospitals**



... AND FOR YOUR ATTENTION



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