

National Healthcare Reform
The Retlaw™ Healthcare Plan
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Walter R. Reed

Overview

Objective: Federal, State, Local and Individual debt, liabilities and budgets have been decimated from an outdated system, increased health care abilities, an aging population, uncontrolled immigration and welfare subsidies. This 'white paper'; the Retlaw Plan™ is an attempt to resolve these problems while providing superior private healthcare for all Americans, including the providing of an allotment for the transient undocumented, refugees and unforeseen mercy hardships. This plan would obviate any need or requirement for Medicaid, Medicare and electively, even State plans, such as Medical and the more local County and City healthcare plans effecting major savings for the government and taxpayer, having expanded accessible benefits for the citizen benefactor. Reading through to the end is recommended for a composite understanding and as to how the plan gets paid for.

Outsourced; State and Federal benefits would be outsourced to a trustworthy private trust, such as with the Millennial Foundation, Inc., which would then provide direct payment in a benefit debit account for such private healthcare services to each citizen's choice of private health providers and all medical care through the use of a secured payment card drawn on draft directly from an individual's benefit payment account. This trust account would allow payment to only state licensed certified care providers, but that would include the entire healthcare industry from in-patient surgery, to the Medical Doctor, preventative services (including professional Rx vitamins and herbals), Chiropractor, Herbalist, Acupuncturist, MRI, laboratory services, specialists, pharmacies, nutritional experts and yes, state licensed psychiatrists and dentists all having been certified for their respective services, and so registered by the suggested Millennial Foundation Trust for benefit payment qualification. There would be no 'deducible' amounts of the annual benefit on account for any health care service, but certain services such as food plans and supplies, retirement homes, elective cosmetic surgery and such other cosmetic services, would not be covered unless it is as a result of an accident, birth defect or other maiming event. This is a total health care benefit.

Revenue: accounting of all taxes and revenue currently collected for new universal healthcare services would be initially accounted for, tabulated by category and totaled from all burdened taxed sources related to each plan. From this total, following a two year transitional period, a government savings of approximately 20% would be initially realized, then accounting for the minimum savings of this plan which would be estimated to save in government budgets. Adjustments to this outsourced revenues savings would follow at a point of practiced experience. The government would then initially deliver the resulting 80% first revenues to the Millennial Foundation, Inc. at the beginning of each fiscal year, then being deposited in a trust account for plan benefit execution. There would be a two year phase-in of the plan for all necessary transformations of both government and individuals to adjust. Government tax assessments for coverage would be anticipated to be similar to a progressive flat tax, whereas lower income people and companies pay a smaller portion and high tax bracket individuals and organizations pay a higher amount.

Savings confirmation of all public health care burden costs and tax revenues collected by the government previous over three year period would be tabulated, accounted for and totaled and projected for the next 20 years. 'Divided by the initial three years and separately by the projected 20 year period, then by the benefit population, we would have a budget number averaged for each individual by year. The same would be analyzed for this plan. Overall government and tax savings may exceed 36% over other proposed and existing plans with such savings would be realized beginning at the conclusion of the short phase-in period while affording superior benefits to all said individuals.

Returning Healthcare Control to the Private Citizen

Each year, each legal resident person would have a deposited benefit amount to their account (cradle to grave) which is for payment to healthcare services only. 50% of any benefit amount left over at the fiscal year end, would roll-over additional to the next year's benefit. A younger person especially, would therefore have an opportunity to grow their health benefit account for any future major health issues, putting such responsibility and management back into the hands of the individual. This policy would then account for the rising costs of health care without further adjustments to the plan.

Persons having used up their individual account benefit amounts could secure additional benefit amounts from a family member or friend willing to share or assign a portion of their health account benefit for that person. The same would be true if such individuals choose to donate portions of their benefit to charitable organizations to help the disadvantaged un-documented residents. Those individuals wishing to pay additional amounts directly into their account in 'years of plenty' could also do so. Each such citizen would additionally be free to use up to 46% of such annual credited benefit funds to pay for a high-deductible major event or other health insurance policies - or any other health insurance elected, including Dental and/or supplemental Insurance. This then installs leverage into the plan and does so through private enterprise. Each benefactor would also be free to buy "Cadillac" policies at their own expense which may exceed the allotted benefit amounts. The individual will make these decisions, not the government.

Pay checks would now need to have only one line for deductions; Health Care Services, displacing all other previous relative plans and bureaucracies including Medicare and Medicaid. Those unemployed would still have to pay said taxes, even if such deposits are deducted from tax returns or carried to the next year(s) and applied for repayment against the allotted health benefit deposited to their health care account. Private IRS 1099 returns would include such deductions for premium payment. Amounts utilized by under-paid revenue amounts to their account relative to benefit amounts awarded, would be obligated to a value-return program designed by the Millennial Foundation, Inc. Effectively, these disparities are offset by types of public service, OJT trades, etc. More on this off-set benefit is available separately from Millennial Foundation, Inc. (www.millennialfoundation.org). These 'value return' measures will assure a cap and control on augmented cost benefits incurred for even extreme hardship cases.

Economic Benefits and Control

First, the Federal and optionally, State & Local Government, would defer to outsourcing the revenue and management of all health care plans to the Millennial Foundation, Inc. Trust Account, thus separating government from the historical compromising of such collected revenues and further, to eliminate large portions the bureaucracies currently and projected to be required with administration of Medicare, Medicaid and Medical in addition to projected coverage of the disadvantaged. The Veterans Administration may continue unabated by such changes, but may consider participation to control their costs. Congress and the Senate would be subject to the same plan, but may use those said allotted insurance benefits to help offset premium payments toward their exotic PPO plans which the taxpayer is currently totally liable for. Those premium amounts in excess of the plan budget allotment *would be paid out of pocket by the government employee*. Each citizen would have the same opportunity.

Secondly, this plan allows the private health care industry to continue, but with all now competing for the individual citizen's business – and hopefully across State lines for increased competition. Competition will have the effect to moderate insurance rates for all health care services. Initially, I would anticipate medical scams to flourish in order to drain individuals of their annual budgets. By having all such providers to be registered by the Millennial Foundation for any payment, this gives us a control to deny individual health providers having had numerous complaints or litigations. They would just be cut-off; a simple enforcement tool.

Litigation: Each provider would have an internet Millennial Foundation website page identification space where complaints, comments and compliments can be registered and monitored by the consumer as well as the Millennial Foundation. Current State health-care provider departments then have further complaint and resolution processes to determine frauds, misconduct, scams, malpractice and incompetence. This plan does not interfere with any of those State services. Further, any medical litigation remains a private individual choice between the individual and the health care provider – or the State in cases of felonies and/or malpractice.

Third, the bureaucracy necessary for the Millennial Foundation would be drastically lower than government, as the Foundation would essentially be managing revenue income to private benefit accounts annually, with most all other accounting tied to the health *benefit credit card* (requiring two forms of picture ID of the patient by the provider for use) debit activity, thus reducing enormous amounts of paper work, qualification criteria, means testing, and recipient qualifications, user fraud chasers and such required bureaucracies of current and other projected health plans.

Forth is the result of returning the responsibility and *benefit management to each individual who now decide how much to pay and to whom*, which services to engage with or not, which insurance offers to consider or not, and being able to go on-line for a track record of each healthcare provider, insurance policy provider or even to log experiences with prescriptions. This then, returns the healthcare responsibility to each individual thus leading increasingly to each now 'shopping' for their personal necessary services at the best value prices to optimize their benefit. Power is returned to the people. Taxes collected can be visually seen by the taxpayer and experienced as real and actualized benefits by every citizen. The private system is preserved. Insurance companies can compete for attractive policies, where they may now get more creative for coverage; but yes, they may lose their existing death monopoly grip on regional health insurance. Of course, the Millennial Foundation would get an administration fee for handling this responsibility, but not to exceed 6% of services provided. This then caps bureaucracy costs, otherwise never possible within government departments and politics. This bureaucratic reduction and subsequent cost savings is now possible by transforming the complexities of our enormous healthcare problem, largely through fixed budgeting, existing advances of software, the Internet, and secured databases

for this private outsourced (not accessible by the government) plan trust benefit administration.

Fifth: A general account is to be set up for international refugees and transient undocumented individuals then requiring identification and registration for medical care access assistance. These accounts, when activated to any such individual, would have for a limited time, the same benefit as all other benefactors. Such benefit ends within 12 calendar months where the State Department or Immigration authorities would either return such persons to their country of origin or issue a Visa, then becoming a legal resident of this country where then they would be issue a Social Security number and have established qualification for on-going healthcare benefits under this plan. This floating allotment of this general account would be established and fixed for up to 2,000,000 temporary benefactors, thus having a cap and a definitive end for each case. The controlled cost of this general 'mercenary' account would be shared across all plan participants.

Sixth: Our aging population, now estimated in 2010 to be approximately 21,462,599 persons⁽³⁾, projected to be 32,312,186 by the year 2020.

Seventh; the *Retlaw Plan*TM then sets a reasoned cap for augmenting the national affordability of realistic healthcare for all citizens while affixing predictable capped and controlled public expenditures, thus providing a reliable basis for government revenue authorities to forecast more favorable tax revenue rates towards a balanced budget reality.

Revenue: This plan anticipates that such relative tax rates would be shared between the employer and employee with overall tax assessment by a progressive rate flat tax based on individual or organizational income levels. Individual health tax would be tied to 'Adjusted Gross Income'. It would be recommended that 'for-profit organizations' would have this 'health tax bracket' tied to 'gross operating profits'. This would aide in holding costs down for small emerging businesses. The healthcare tax brackets recommended would be:

Bracket	A:	2/3 of burdened benefit cost	--	Individuals earning up to \$50,000/year
"	B:	¾ of burdened benefit cost	--	Individuals earning over \$80,000/year
	C:	100% of burdened benefit cost	--	Individuals earning over \$120,000/year
	D:	130% of burdened benefit cost	--	Individuals earning over \$220,000/year

Note A: Since this is a fully-funded plan each year, including roll-over benefits, there is the ability to phase-in the program much slower. With appropriate adjustments of benefit amounts and collected revenue, this Retlaw Plan could be applicable to replacing one national health program at a time extending or delaying the overall phase-in time frame to full operational benefit. Additionally, the same plan structure can likewise, replace State and Local public health care programs one by one.

Note B: Revenues collected for this plan are in lieu of revenues collected for public health plans obviated or replaced.

Additional Revenue Off-set Recommended: That a 2% tax be levied on all Security 'sell' Trades, including hedge funds, debt swaps of bonds and such other Securities practices. Such realized tax revenues is to be specifically directed to payment for this Retlaw health care plan annually. This would realize approximately \$2.4 +Trillion Dollars revenues annually toward cost coverage of this budgetary controlled national health care plan. Revenues in excess of public health requirements and projected requirements *would be sent to the Social Security Trust Fund* for Deposit then assisting with that problem. These monies would directly reduce participant premiums and likely increase annual benefit amounts, thus relieving both the citizen benefactor and the employer burden. As for Wall Street trading participants, et.al.; If you want to play, you pay a gate fee tax when you sell.

An additional benefit would be to dampen automated electronic trading steering such trades to longer term strategies.

Projected Economic Impact

I. Existing and/or current proposed administration Healthcare Reform:

Health Care Spending ⁽¹⁾:

Current: 2009 - \$2.5 Trillion Annual Dollars Nationally

Projected: 2019 - \$4.5 Trillion Annual Dollars Nationally; 19.3% of GDP

Current: 2010 - Public Sponsored Health Plans: \$1 Trillion Dollars Annually

Note: current public healthcare coverage is largely limited to the disadvantaged, welfare, underemployed, an elderly population of 22,600,000 persons⁽²⁾ and undocumented residents. This results in current public limited coverage variations for approximately 52,000,000 persons annually.

Projected: 2019 – \$1.7 Trillion Public Dollars Annually⁽¹⁾ – Limited benefits

Individual and family projected cost (taxes) assessed⁽³⁾:

- A. A single person with income of \$26,500 in 2016 (225 percent of the FPL) would pay a premium of about \$1,900 (*after getting a premium subsidy of 64 percent*) and could expect to pay another \$900 in cost sharing (net of federal subsidies); thus, the average payment by such a person for the premium and cost sharing combined is projected to be \$2,800, or about 11 percent of income.
- B. A family of four with income of about \$54,000 (also 225 percent of the FPL in 2016) could expect to pay about the same share of its income for premiums and cost sharing.
- C. A family of four with income of about \$54,000 (also 225 percent of the FPL in 2016) could expect to pay about the same share of its income for premiums and cost sharing.
- D. The average premium for a family policy would be \$15,000 -- \$9,500 after subsidies.
- E. A family of four making \$102,500 (four times the current federal poverty level) would pay \$15,000 a year *plus* \$5,500 in "cost sharing" (such as co-pays and percentages not covered by insurance) for a total of \$20,500 per year.
- F. With the one percent dedicated tax on all Security Sell Trades, the cost to the citizen benefactor or the employer may be close to zero.

Note: Such taxes are over and beyond current and future Income Tax assessments. Budget amounts do not include related costs on separate books, such as a mandated 16,500 new IRS agents⁽⁴⁾, to be hired for enforcement of plan compliance, fine assessments of infractions of compliance and tax collections specific to the current administrations national healthcare reform bill, new related facilities and trickle down increased government administrative staffing.

References:

(1) NHE National Healthcare Expenditure Projections, 2009-2019,
www.cms.hhs.gov/NationalHealthExpend/Data/downloads/proj2009.pdf

- (2) AOA, Administration on Aging; www.aoa.gov
- (3) AOA, Administration on Aging; www.aoa.gov.
- (4) IRS, Budgetary Projections, Internal Affairs, February 2010

II. Retlaw Plan:

Assumptions: The following economic summary initially assumes;

- 1.) an annual credited benefit amount into each said qualified individual's account of \$6,000.00 tied to the CPI index for annual adjustments on-going.
- 2.) That 50% of said benefit each year would be available to the benefactor for medical insurance premium payment, fixed relative to the annual credited benefit (\$6,000) amount.
- 3.) That all persons of all ages who may not utilize their entire benefit in any given year, that 70% of unused benefits shall roll-over adding to the following year. This is possible because this coverage is already paid for.
- 4.) That citizen's of the country, persons with current Visa's and legally document residents of the USA are assumed to be 310,000,000⁽¹⁾ persons in 2010.
- 5.) That military '*prisoners and detainees of war*' would not be covered for participation under this plan.
- 6.) Administrative cost of 6%.
- 7.) That this plan would be phased-in to full national implementation in 24 months.

Therefore:

Including above noted assumptions the national plan cost would be, after the 24 month phased-in time period and displacing said current national health programs:

Nationally: Approximately \$ 3.1 Trillion Dollars then having superior universal coverage for all expressed through private enterprise.

Individually:	<u>Employer Portion</u>	<u>Individual Portion</u>
Tax Bracket A:	\$216.45	\$216.45 /month
Tax Bracket B:	\$227.50	\$226.50 /month
Tax Bracket C:	\$325.00	\$325.00 /month
Tax Bracket D:	\$422.50	\$422.50 /month

Taxing 2% of Security 'Sell' Trades Enacted, then the 3.1 Trillion Dollar burden for business and taxpayers, would be reduced to approximately \$ 0.2 Trillion Dollars or less, a near parity with national healthcare costs.

Without the added Securities Tax cited, the resulting Citizen's premium payments would approximately \$108/month per capita as a **flat** healthcare tax for the employer *and the employee*, as averaged across of all above said tax brackets. This amount of premium cost could then also be broken down by said tax brackets of income levels.

Reference (5): U.S. Energy Information Administration, Oil Imports - http://tonto.eia.doe.gov/dnav/pet/pet_move_impcus_a2_nus_ep00_im0_mbb1_m.htm

FINIS - Also See FAQ