

Health Care Costs Go Up, Up and Away

By [The Mogambo Guru](#)

11/01/10 Tampa, Florida – A lot of the “news” lately is about the upcoming election and how the absurd, childish Democrats are expected to be ousted by the voters, replaced by the evil, adult Republicans. As a disclaimer, I, with great relief, now happily identify with the Tea Party, although I seem to be one of the few whose Screaming Tea Party Outrage (STPO) is directed at the politicians because they allowed the Federal Reserve to create so much money – so, so much money, for so, so long – that the monstrous monetary inflation spilled over into inflations in stock prices, and inflations in bond prices, and inflations in house prices, inflations in the massive, cancerous growth of government itself, and the financing of the immeasurably-massive derivatives market, which is, basically, astronomical levels of money placed in highly-leveraged bets!

One of the topics of conversation is, of course, the ObamaCare health insurance takeover, with the unintended consequence of forcing the Supreme Court to decide if Congress has the authority under the Constitution to force everyone to buy a private-sector insurance product, or else pay a fine, which is another whole issue.

One of the things not usually mentioned is the total projected costs of the new health insurance monstrosity. Some people have written to me about this, and I have read the few emails that start out with the expected fawning and groveling, like the one that read “Dear Handsome And Fabulous Mogambo (HAFM), How come you don’t do some actual work for a change, and maybe get a handle on the true costs of this health insurance boondoggle, instead of just sitting around doing nothing except whining and complaining about how the damnable Federal Reserve is creating so much money that ‘We’re Freaking Doomed (WFD)’ to suffer an economic collapse and a giant inflation in the prices of things demanded around the world (like food and fuel), and a giant deflation in paper assets and properties that are of no use to the rest of the world (like overpriced, low-quality homes, businesses and fixed assets)? Or are you really just a lazy, worthless bum like everyone says? I heard a rumor that your own mother noticed it from the start, and I can still remember when you were growing up that I said to your dad, ‘Our son is one stupid, lazy kid.’“

It was signed “Total Stranger” but from the tone of it, I suspect that is not quite true. I can’t put my finger on who it could be, though.

Nevertheless, my Official Mogambo Reply (OMR) was, “Dear Stranger, If you heard I was lazy, then what in the hell do you expect from me, ya moron?”

“Furthermore, the work of how much ObamaCare is going to cost has been done by Michael Tanner of the Cato Institute, who notes (by way of introduction) that the bill was initially 477,920 words, or about \$1.2 million per word.”

Of course, this was before the “reconciliation package, which added 153 pages and 34,000 words” and all to establish the staggering horror of “99 new boards and commissions and agencies,” although this is just a simplistic, low-ball underestimate, as a report from the Congressional Research Service “found that it is impossible to estimate how many boards, commissions, and agencies will be created, because in many places they’re authorized to create more agencies and commissions and boards; a sort of infinitely expanding federal bureaucracy”! Yikes!

Mr. Tanner’s calculations of the cost of ObamaCare take up in 2014, when the actual program gets started, which calculates out that ten years of implementation of the economic disaster popularly known as ObamaCare will cost a stunning \$2.7 trillion over the period, which is a staggering, terrifying amount of money!

This is (I gulp to say) \$270 billion a year, and which will (and easy-as-pie to predict) rise, rise, rise in cost from this “modest” level, more than the rise in consumer-staples inflation, which itself will be blazing exponentially upwards, rocketing like (as the Simpsons say) “a rocket with a rocket up its butt,” sizzling up and up towards the eventual hyperinflation and total destruction of buying power of the currency and the economy that is always, always, always the tragic end-result of constantly creating too much money.

Interestingly, Mr. Tanner also says that Medicare is scheduled to get cut by \$600 billion, which is a lot of money, in one regard, but a 0.6% pittance in another, which is that, as he says, Medicare is “\$100 trillion in debt”! Already! Right now! While the \$600 billion cut, even if implemented, is spread over 10 years? Hahaha! We’re freaking doomed!

And when I mean “doomed,” I mean it in a relative sense, of course, as most people will be disastrously wiped out, of course, and they will glumly refer to this period of time with some clever variant of the Great Depression, while the people who buy gold, silver and oil now, at these cheap prices, will refer forever refer to it as, “When the family fortune was made!”

You gotta agree: Whee! This investing stuff is easy!