The Daily Dish

A Good News Change of Pace in Health Care

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This Eakinomics is not about tariffs – just trying to swim against the media tide. Instead, it will flag two recent pieces of writing on U.S. health care that are in the spirit of AAF's Reality Check-up. The first, by S.T. Karnick, is a focused review of direct primary care (DPC). He notes that:

> *Primary care includes routine and preventative services such as annual check-ups, urgent care, management of chronic conditions, medications, and diagnostic tests, imaging, and labs—all for a low, monthly fee. The patient pays a membership fee of $50 to $100 a month that allows unlimited access to a doctor, often same-day or next-day appointments, and big discounts on tests, prescriptions, and other services.*

These practices have grown from roughly 100 in 2009 to more than 2,500 this year and are now available in 48 states.

With DPC there is no insurance company, so DPC providers can devote their time to care for the patient. (As an aside, Karnick quotes Rep. Chip Roy (R-TX) in his *The Case for Healthcare Freedom* report released in January 2025: "According to the *Medical Economics* 89th Annual Physician Report, when asked about the main problem facing primary care today, 70% of physicians tagged 'third-party interference' as the biggest challenge.") Moreover, the incentives are for DPC to provide better outcomes because return visits to the doctor do not increase DPC revenue.

From a policy perspective, the major issues to resolve are to clarify that DPC is not health insurance and that DPC subscriptions are eligible to be paid by health savings accounts.

DPC represents an innovative entry into the health care market and added competition to

existing practice patterns. Entry and competition are central to competitive market dynamics and, thus, a promising development. Certainly, this could never happen (literally) in a single-payer system.

The second piece is by Robert Moffit and flags a number of areas of U.S. excellence in health care research and delivery, while acknowledging some problems as well. In light of the recent array of assaults on medical innovation – reduced intellectual property rights protections, price-fixing for drugs in Medicare, reductions in federal research budgets, and promised tariffs on pharmaceuticals (damn, how did that sneak in there?), what really stood out was the U.S. record on medical science:

> *Since World War II, 74 Americans have won Nobel prizes in physiology and medicine. American achievements have included breakthroughs like the discovery of streptomycin to treat tuberculosis successfully, the discovery of tumor-generating viruses, and research into how cell and organ transplantation can improve disease treatment.*
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> *Our Nobel Prize winners have also pioneered breakthroughs in our understanding of genetics, immunology, and virology. In 1988, the U.S. National Academy of Sciences outlined a successful research program to map the human genome, thus ushering in a new age of biomedical research that holds enormous potential to improve and extend human life.*
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> *With the ability to isolate the genetic predisposition to disease, the field for future innovation is wide open, including the potential of regenerative medicine such as ethicalstem cell or cellular transplants.*

Both articles are worth reading. Both are important reminders of strengths of U.S. health care on which further success can be built.