“Home Rule” Healthcare and Insurance

A Risk Management’ cure for Obamacare

By Rich Woldt – CEO

The Risk Management Learning Center

“It is by coming together that we grow, joining together that we make progress, and working together that we succeed.”

Thomas Jefferson said,
“To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.”

England’s Prime Minister Margaret Thatcher warned, “The problem with European Socialism is eventually you run out of other people’s money.”

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During operational period #1 we tap into the wisdom of our fore fathers, lay the groundworks for a unified public-to-private partnership, and begin to mobilize the world credit union movement.

Ch#1 A message from our Founding Fathers – “They’re rolling over in their graves.”

CH#2 A message for Congress – “It’s a challenge you can handle.”

CH#3 An update for our International Credit Union Risk Managers. “We’re all in this together.”

CH#4 Credit Unions History and Traditions – “They provide us with a roadmap to cost effective and affordable health insurance.”

CH#5 The government’s role in private sector health insurance industry.
SECTION II
Operational Period #2
“Back to basics”

During operational period #2 we “grow” forward answering frequently asked questions about managing the risk we create living in a free, democratic, constitutional republic.

Ch#6 Back to Basics – With answers to the most frequently asked questions.

We’ve all heard, “The only dumb question is the one that wasn’t asked?” In this section, we answer the Risk Management and Insurance Management questions most frequently asked:

1. **What do they mean when they say “Risk Management is a method of management?”**
   Let’s test your memory, to see how much you remember from Risk Management # 101 and “Management of Insurance Enterprises;” two courses taught at the University of Wisconsin since 1935.

2. **Does Obamacare meet our needs according to Maslow’s Hierarchy of Needs?**
   Absolutely not! In fact Obamacare has put stress on family budgets, thereby threatening our physiological needs. It deprives us access to our family doctors, thereby frustrating our belongingness needs. And, it gives us all the eerie sense we’ve lost control over our healthcare decisions, not to mention access to affordable health insurance contracts.
3. **Where did the Obamacare law go wrong?**
   From the moment it was passed, it’s threatened our freedom and restricted our liberty. As long as Congress is controlled by those willing to pass legislation they haven’t read, we’ll never regain the trust we need in those elected to serve.

4. **If we passed the Obamacare law, why can’t we just repeal it?** We can, but we need to make sure we safeguard those already insured.

5. **How does the “Law of Large Numbers” help reduce the cost of our health insurance, while improving the quality of our healthcare?** Absolutely! We need to group market and then spread risk through reinsuring agreements, until the “Law of Large Numbers” kicks in. We also need to merge and consolidate and better manage assets at brick and mortar public and private hospitals.

6. **Can we afford to insure pre-existing conditions?** We can’t afford not to.

7. **How do we safeguard insurance companies from going broke underwriting pre-existing conditions.** Our strategy includes setting up a national network of reinsuring agreements,

8. **What’s an underwriter, and how do they impact the premiums we pay?** To know them is to love them.

9. **Why are we better off when we’re regulated**
by our state government (a democracy), than when we’re regulated by our federal government (a constitutional republic)? It has everything to do with having our voices heard.

10. How will we benefit from the Incident Command System (ICS) and the National Incident Management System (NIMS) going forward? While our mission may be clear, we need a “unified command” that’ll automatically adjust to our changing healthcare needs as we “grow” forward.

11. How does competition factor into the cost of insurance and the quality of our healthcare? In a free market, capitalist economy, competition brings the fight to the frontlines and holds the focus on our target, all while it raises the performance standards in our hospitals and quality of education in our schools. All while it drives our cost of doing business with drug companies and the health insurance industry.

12. Why are our Veteran Administration (VA) hospitals and clinics so important to our national health and well-being? The answer has everything to do with Maslow’s Hierarchy of Needs.

13. Why do credit unions provide the ideal business model we need to follow, if we’re going to deliver cost effective and affordable healthcare and insurance? A
short course in credit union’ marketing, financial planning, money management, and insurance.

14. **Should we repeal and replace the Obamacare law and keep the contract?**

Absolutely! In a free and democratic republic, laws and their requisite rules and regulations should secure our freedom, while holding us responsible for our actions and accountable for our failures. Ronald Reagan nailed it when he said, “Government exists to protect us from each other. Where government has gone beyond its limits is in deciding to protect us from ourselves.” The law needs to be repealed and replaced, in order to free us from being forced to purchase only the Obamacare contract, thereby being forced to indirectly fund abortions. The contract should be kept as is. Insureds will abandon the Obamacare contract, once it’s exposed to professionally underwritten, actuarially sound, more cost effective and affordable contracts offered in our free market economy.

15. **If the Obamacare contract is so flawed from an underwriting, risk management, and actuarial science standpoint, why keep it?**

Too many fear that if the contract is replaced, they’ll not have access to coverage for abortions. Too many still hope the false promises made by the Obama administration can be kept. While they can’t and won’t be kept, we can’t in good conscience abandon
those already covered by the contract.

16. **What role does the credit union’s “common bond” or “field of membership” play in our search for affordable healthcare and insurance, rebuilding our infrastructure, and pulling our poor out of poverty?** The credit union’s “common bond” or “field of membership” keeps our mission focus on the physiological, i.e. financial and economic needs of the insured, while at the same time rebuilding the local and regional economy on which our national infrastructure depends.

17. **How does Obamacare help fund the terrorist’ war chests?** There’s little doubt Al-Qaeda is phishing and pharming off less than secure, government’ websites. **Pharming** is a hacker’s attack that redirects a website’s traffic to a site they control. Ironically, servers successfully pharmed are referred to as being “poisoned.” **Phishing** refers to “social engineering” to obtain access credentials such as user names, passwords, social security numbers, zip codes, etc.

Both phishing and pharming are used in identity theft, funding scams, marketing ploys, and extortions. Both are tactics used to extort, bribe, and coheres employees holding sensitive positions within our government, or trusted jobs within our private sector.

18. **What’s Workers Compensation insurance?**
   
   Good question!
19. **Before we move into Operational Period III, can you offer a general overview of our mission?** Good idea!

20. **Who’s cares about the cost of healthcare, if North Korea attacks the west coast?** Put all your eggs in one basket and we’ll be blown out of the sky!

### SECTION III
Operational Period #3
“Let’s get ready to Rumble”

*During Operational Period III, we deploy a mission to nail down cost effective and affordable healthcare and insurance.*

**Mission Statement:** We’ll promote a federal law that requires all U.S. citizens to have access to a nationally recognized, actuarially sound, state regulated, cost effective and affordable health insurance contract. We'll use the U.S. credit union movement to “blanket” market the Obamacare contract, along with a nationally acceptable “Home-rule” health insurance contract that uses exclusions and endorsements to customize cover as requested by the insured.

**Note:** *The major differences between Obamacare and Home-rule healthcare are: Home-rule health insurance replaces abortion coverage with adoption coverage, and it provides coverage from the moment of conception, until after natural death.*
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United we succeed! Divided we fail! P101

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DEDICATION

I dedicate the risk management “home-rule” cure for Obamacare, to my fellow University of Wisconsin risk management alumni and the world network of credit union’ risk managers with whom I’ve had the privilege to work over the past 50 plus years.
ACKNOWLEDGMENTS

Considering I’ve never been the brightest lightbulb in the credit union movement, it’s only fitting I acknowledge those who’ve shared their wisdom and shed their light on the path I recommend we take to cost effective and affordable healthcare and insurance.

So here are those I’d like to acknowledge: No one on earth has shed more light on a faith-based cure for Obamacare than Jesus Christ of Nazareth. He continues to be more than disappointed by the abortions we’ve authorized in the name of the Obamacare law. He reminded me, if He can cure the blind, and make the lame walk, we don’t have to sell our souls to find a cure for cancer.

Coming back to earth, I give a lot of credit to three savvy businessmen who taught us to accept responsibility for our own financial wellbeing, and to hold ourselves accountable for the debts we create, and the mistakes we make. They include Germany’s Friedrich Wilhelm Raiffeisen, consider to be the founding father of the world credit union movement. In 1848, he realized the only way the poor could get out of poverty, would be if they consolidated their savings and made loans to each other based first on their character, then on their capacity to repay, and only as a last resort on a co-signature or collateral. Raiffeisen’s theory became known as the three C’s in lending for financial cooperatives. If his theory could pull us out of the Great
Depression, it’s a safe bet, it can bring affordable healthcare to the poorest segment of our society.

Along with Raiffeisen, I salute Alphonse Desjardin, who brought the credit union movement to Canada in 1900, and Edward A Filene, who brought the movement to the United States in 1908.

I also salute all credit union volunteers, but in particular the thousands of frontline, street smart credit union risk managers with whom I’ve had the privilege to work over the past forty five plus years of my teaching career. It is they who’ve positioned us better than any other country, anywhere in the world, anytime in history to deliver quality, and I emphasize quality, affordable healthcare and insurance.

I daft my hat to those who’ve unknowingly awakened our country to the pains inflicted by Obamacare; fore as Japan’s Admiral Yamamoto, the man who planned the attack on Pearl Harbor said, when he saw what his air force had done, “I fear we’ve awakened a sleeping giant and filled him with terrible resolve.”

I give credit to my boy scout leader, Chief Roy Oshkosh (Tschekatch’Ake’Mau III). He taught us, if we give someone a loaf of bread we feed them for one meal, but if we teach them how to plant wheat, we can feed them until they’re eaten by a bear.

He also taught my dad to lock his car while at ship-yard. He’d say, “Fritz, be sure you lock your car, there are a lot of white men in Door County.”
I give credit to our neighbor Curly Lambeau for telling us to always:

- “Act like champions,
  - Practice like champions,
  - Play like champions, and
  - We’d be champions.

He also taught us that our best defense was a good offence, and not to trust anyone from Chicago.

I tip my hat to cousin George. He taught me how to shoot from the hip, defend our fort, and never ignore a bear hiding in the bushes.

Growing older, he taught me how weld, roll a ’49 Ford, and to never ever bring a knife to a gun fight.
I salute Ronald Reagan for warning us our freedom and independence are never more than one generation away from extinction, and Donald Trump for reawakening our pride in America, our willingness to dream big, and for revitalizing our American’ spirit.

Finally, I thank God for His love, patience, and understanding. Fore, as He said (John 3:18-19), “Let us not love with words or speeches, but with actions and in truth. This is how we know that we belong to the truth and how we set our hearts at rest in his presence.”
Forward

I originally wrote this as a “white paper” for US credit unions worried about the financial impact Obamacare was going to have on their members, sponsors, chapters, state and national affiliates. The target audience was credit union board members, Presidents and CEOs, Chief Financial Officers, and state league directors of education and field service.

Our hope was, if the credit union movement could guide the world through two world wars and out of the Great Depression we’d have little trouble rescuing credit union members and their sponsors from the mismanagement and false promises inherent in government run healthcare.

Most credit unions felt Obamacare, a law passed without being read, had shook the financial foundation of most households in their field of membership. Many considered the law one big academic mistake for America, cynically referring to it as another OBAMA.

The risks now obvious are only the tip of the iceberg. The mismanagement and the not-vetted navigators who uploaded our health history and financial records to unsecured servers, have created enormous fraud, scam, and identity theft risks, not to mention a growing exposure to bribery, blackmail, and the extortion of those who’ve violate the trust of those they were duly elected to serve.

The cure I propose for Obamacare isn’t rocket science. It simply takes us back to proven risk management principles and practices on which our country has been built. It takes us back to a reengineered, free market, private sector health insurance industry that’s served us for centuries, long before Obamacare became a big academic mistake for America.
Introduction

Relax! We're not going to throw the baby out with the bathwater; the Obamacare contract out with the law. Rather, for those who prefer Obamacare, we'll do our best to slow its skyrocketing deductibles, co-pays, and premiums, while we develop competitive, free market, cost effective and affordable alternative contracts to consider.

Thomas Jefferson nailed it, when he said: “To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.” Yet that’s precisely what the Obamacare law has done. It’s the law, not the contract that forced us to purchase the only health insurance contract approved by our federal government, subsequently forcing us to fund abortions. It’s the law, not the contract that deprives us the freedom to choose our own doctors, and the right to rule over our own healthcare decisions. It’s the law, not the contract that imposed the largest tax increase in US history, turning 1/6 of our economy over to the whims of Washington. And, it’s the law, not the contract, that underscores the pitfalls of “socialized” medicine.

The longer the Obamacare law is on our books, the deeper we'll drive ourselves in debt, mortgaging the future for generations yet to be born. The longer we allow the Obamacare law to threaten our freedom, limit our independence, and dampen our liberty, the faster we'll be pushed down the slipper slide toward Socialism.

Obamacare has proven to be a big mistake for America. It fails to adhere to even the most basic risk management principles, ignores sound underwriting practices, and violates virtually every law of actuarial science we’ve used to guide our insurance industries for centuries. Consequently, if it’s not quickly cured, it’ll continue to create enormous risk for every man, women and child in America, erode the quality of our heathcare, and eventually bankrupt our economy.

Equally frustrating, it’s destroyed our trust in those we sent to Washington, because seasoned politicians turned what would be a
simple accademic challenge for our private sector insurance industry into a Washington style political nightmare.

Obamacare was doomed from the beginning. It was passed soley by the left side of the isle, without being read, nor given the time needed to realize the enormous risks they were about to create, the damage they were doing to our healthcare system, or the disruption they were about to cause in our free market health insurance industry.

It only became law after the Supreme Court ruled it the largest tax increase in US history, thereby turning 1/6th of our national economy over to the whims of the White House. It only survived efforts to repeal it, because a Democrat’ controled Senate imposed the “neuclear option” to block any oposition. They than launched a rash of wavers, delayed mandates, extentions, and executive orders to delay any negative impact until after the 2016’ elections. Fortunately, that didn’t work!

It’s time we wake up and fight back! We’ve been lied to, cooersed, and deceived by those in Washington who have neither the courage nore the will-power to restore our freedom of choice.

Are all hands on both sides of the isle clean? Absolutely not. Far too many on both side have lacked the courage to reign in spending, cap our national debt, or make the tough calls necessary to right our economy, ensure our independence, and reclaim our right to “home-rule.” Far too many have bent to the intimidation of union bosses rather than fight for what’s in the best interest of union memebers.

It’s time, no it’s past the time we forgo the political correctness that’s stiffeing our independence, while convincing far too many to accept a future of appathectic mediocraty.

The “home-rule” healthcare and insurance I propose takes us back to our future, reaffirms our commitment to the Home-rule doctrine, and pledges our allegiance to proven risk management methods, sound underwriting guidelines, actuarially sound
contracts, cost efficient and effective group marketing, while spreading our healthcare risks and rewards through a network of national and international reinsuring agreements.

Where to begin? Students of Credit Union Risk Management” should review the history and evolution of the world credit union movement. That'll give you a course outline for “Home-rule Healthcare and Insurance – A Risk Management Cure for Obamacare.” Allow me to start you with a short review of what you learned at CUNA Management Schools, chapter risk management workshops, and risk management presentations at league annual meetings.

Credit unions are non-profit, volunteer financial cooperatives chartered to serve a defined “field of membership.” We have credit union charters to serve our police and fire departments, unions, teachers, churches, postal works, and each branch of the service. Navy Federal is one of the largest. By the 1980’s the number in the US credit unions had grown to over 23,000. From the beginning, they’ve provided risk management training through local chapters, state leagues, national associations and the World Council of Credit Unions (WOCCU). Since the 80’s US credit unions have been going through mergers and consolidations in order to keep up with competition in the financial services industry. In the US, after forming the Credit Union National Association (CUNA Inc.), credit union leagues in the US chartered the Credit Union Insurance Society (CUMIS Inc.) to provide blanket fidelity bonds featuring no deductibles and at premiums based on asset size.

In the US, the Credit Union National Association (CUNA Inc.), chartered in 1934, launched CUNA Mutual (1935), a life and health insurance company to provide Loan Protection (LP) and Life Savings (LS) insurance for any credit union member in the United States. In the beginning, the credit union paid all premiums. When a member died, Loan Protection insurance paid off all outstanding loans, giving rise to the slogan, “The Debt Shall Die with the Debtor.” All Life Savings (LS) premiums were also
paid by the credit union. When a member died, Life Savings insurance matched what the member had in their savings account. In 1960, CUNA Mutual formed CUMIS, a fidelity bond company in order to provide limited deductible blanket bonds for all state and federal chartered credit unions in the US. In that credit union board, supervisory, and credit committee members are all volunteers, CUMIS fidelity bond premiums were paid for by the credit union.

I share this because it underscores why, the US credit union movement is positioned better than any other organization, anywhere in the world, to be a role model in business ethics, as well as a business model as we move back to the private sector in search of long term cost affective and affordable healthcare and health insurance.
SECTION I
Operational Period #1
“Experience is our greatest teacher”

CHAPTER ONE

A Message from our Founding Fathers

“They’re rolling over in their graves”

It was Ronald Reagan who said, “Government exists to protect us from each other. Where government has gone beyond its limits is in deciding to protect us from ourselves.”

He also warned, “Freedom is never more than one generation away from extinctions.” How much have we lost in the past eight years?

If our founding fathers could talk, there’s little doubt they’d consider Obamacare a government overreach and a symptom of a more serious national crises than a simple gas pain or hick-up, punctuating a moment in our history. They’d consider Obamacare more than a wrong turn toward Socialism, or just another government run disaster. They’d consider it a setback for our democracy, a flaw in our nation’s character, and a threat to our freedom and independence for generations to come.

If they could talk, they’d alert us to a fork in the road we’re going to have to take, recommending we either bend right and repeal the law, take control over our healthcare, reengineer our health insurance, and free ourselves from the clutches of government rule. Or, be forced deeper and deeper in debt and increasing more subservient to a larger and more intrusive federal government.

They’d remind us that we came to America in search of religious freedom, the right to chart our own destiny, not to mention freedom from taxation without trustworthy representation.
They’d be more than disappointed to learn we’re now forcing Christians to fund abortions, we’re no longer allowed to buy or sell the health insurance we prefer, and we’re sending elected officials to Washington, who are willing to pass legislation they haven’t read. Then, once passed and reelected, impose the largest tax increase in US history.

They’d remind us our search for quality healthcare and “cost effective/affordable” health insurance started long before the first pilgrim shot himself in the foot, first blacksmith burned his hand on a forge, or first cook poisoned settlers at Plymouth Rock. They’d remind us our search started well before the American Revolution, during the time when the British government controlled our healthcare, doled out what care they chose to provide, imposed taxes we couldn’t afford to pay, and to add insult to injury (pun intended), invaded our privacy, dominated our lives, violated our trust, and inflicted fines, penalties, and punishment on anyone who dared to resist, or refused to be lured by the false promises of socialism. Lured back to a life of mediocrity, government handouts, and service to the King.

Our founding fathers would caution us that socialism sneaks up on all societies willing to live off government welfare, subsidies, bailouts, and bribes. They’d warn us that history does repeat itself. They’d tell us, if we have any doubts, we need only consider the dire state of our union, our weakening national economy, and the pain, let alone the shame, Obamacare has brought to the shores of America.

They’d tell us to look back, learn from our mistakes, and remember the price we’ve paid for our freedom and independence. While they’d encourage us to get along, they’d caution us not to bury our heads in the sand just to keep the peace. We’d be asked to pray harder, forgive more often, and always trust in our God!

General Washington would once again remind us, “It’s impossible to rightly govern a nation without God and the Bible close at
hand.” He’d call us to arms and caution us not to shoot-to-kill those with whom we disagree, fore once the reality of Obamacare hits home, we’ll be once again fighting for our freedom and independence. He’d remind us to adhere to the values on which our country has been built, to always seek and hold the highest moral and ethical ground, keep our eyes wide open, ears to the ground, and never again allow ourselves to be deceived by political rhetoric or the false promises of socialism.

Veterans from our past would tell us to always be brave in battle, fore battles are not won by those who abandon their comrades, lie to save face, lay down our arms to keep the peace, or retreat from battles before they’re won.

If our founding fathers could talk, they’d bost, not appologize for being fearsly independent, brave in battle and willing to fight and die to preserve our constitution while defending our right to life, liberty, and the pursuist of happyness.

Obamacare is, without a doubt, a symptom of a more serious national crisis. We fought the American revolution to free ourseelve from the British monarcy, and two world wars to free ourselves from Natzis agression, Communists domiation, the overreach of Faschists, and the advocates of Socialism, Stalinism, Leninism, and Marxism.

While it takes only the common sense passed down through generations to recognize the false promises of socialized medicine, it takes American’ knowhow, ingenuity, and independence to deliver cost effective healthcare and affordable health insurance for every US citizen from the moment they’re conceived until their natural death.

It’s time we step up to the plate, reclaim our freedom, and return our country to quality home-rule healthcare and affordable health insurance.
CHAPTER TWO

A message for Congress

“It’s a challenge you can handle.”

Don’t be discouraged, the search for affordable healthcare has always been and will always be the goal of every American and a pipe dream of every elected official. However, it’s ironic, the farther we venture from home and the more we forgo our right to rule our lives, the more expensive our healthcare becomes until, as Margaret Thatcher warned, we run out of other people’s money.

While skyrocketing premiums, increasing co-pays and escalating deductibles are stressing family budgets, ill-conceived executive orders, taxpayer subsidies, and corporate bailouts are only prolonging our agony, slowing our recovery, and driving us deeper and deeper in debt.

Obamacare is a huge mistake that’s traumatizing our country, eroding our healthcare, while restricting our access to trusted medical care. If you’re looking for an omen of where Obamacare is taking our country, you need only consider where our failed veteran’s administration has taken the care given veterans over the past thirty years. While my personal experience with Wisconsin’s VA hospitals has been first class and timely, the stories told by my fellow vets is downright heartbreaking. Unfortunately, those who’ve turned a blind eye to the ills of Obamacare are the same elected officials who’ve turned a deaf ear to our veterans in Wisconsin.

From a risk management standpoint, our VA system has a distinct advantage. Veterans are a homogenous group, all exposed to common perils, representing predictable loss experience both in frequency and severity. With Obamacare, we’re pooling all health risks into a limited number of pools, thereby blurring the concentration of risks to a point that makes it impossible to cost
effectively identify, measure or control any of the risks pooled with any degree of actuarial certainty. Consequently, we’re destined to be pouring good money after bad for generations to come.

I titled my cure for Obamacare “Home-Rule Healthcare and Insurance (HRHC-I),” because it preserves the “Home-rule” principle on which our country has been built, returns our US healthcare system and health insurance industry to the private sector, and adopts the same “Unified” Incident Command System (ICS) we’ve used in both public and private sectors to recover from our history of man-made and national disasters.

Home-Rule Healthcare and Insurance promotes the same grassroots, “people helping people,” philosophy used by the US credit union movement to pull our country out of the Great Depression and through two world wars. Health risks and insurance premiums become increasingly more manageable, because risks are spread through the same network of credit unions into chapters into leagues, and national associations that made blanket bonding possible it the 1960s.

Marketing health insurance through the credit union movement as well as other homogeneous groups will increase our ability to manage risks, lower marketing costs and lead to better underwriting and claim adjusting. Mass marketing through state regulated financials will not only drive down the cost of marketing, but provide insureds with pay role deduction options, as well as creative ways to loan finance premiums when needed.

With Home-Rule Healthcare and Insurance, we’ll not be throwing the baby out with the bathwater. Rather, we'll salvage some of our taxpayer' investment in internet technology while reengineering key underwriting,’ claim adjusting, and reinsuring' roles best left to the private sector, and leaving regulatory roles for federal, state and local governments.

A word of caution! If you think the woes of Obamacare will end once all your constituents are on board, just wait until it’s time to
renew contracts, adjust claims, audit for fraud, or enforce co-pays and deductibles. My best advice for politicians who don’t vote to repeal Obamacare is to skip town before your constituents have you tarred and feathered. And rightly so, I might add.

HRHC-I provides cost effective healthcare and affordable health insurance for every US citizen from conception until after death. From conception, because premiums are retro-billed to the offspring’s father, going back to the moment of conception. And, after death, because by using endorsements similar to loan protection/life savings insurance, equity lost through reverse mortgages can be returned to the insured’s estate.

Our country was built on our faith in God and the trust we place in our elected officials. Unfortunately, there’s a growing denial of God in our government, and a significant loss of trust in those who’ve been willing to vote for bills they haven’t read nor taken the time to understand. Consequently, unintended risks have been created that if not properly managed will eventually bankrupt our economy and corrupt our already vulnerable culture.

None of us have all the right answers, nor are we immune from making mistakes or being misguided by false hope and promises. We’re all human and we all make mistakes. Maybe that’s why we’ve all been traumatized to some degree. Maybe that’s why we all feel guilty for allowing Obamacare to go as far as it has. Maybe that’s why we all fear we’ll never again get the quality care we’ve had in the past from trusted family doctors. We’re all reeling from the reality that our government is fast growing out of control. It’s time we stop the train wreck, rescue our healthcare system, and rebuild our private sector health insurance industry.

In closing, I leave you with a few reminders. It was Ronald Reagan who said our freedom is never more than one generation away from extinction.” He also said, “The difference between democrats and republicans is, when we’re buried in a tunnel of debt, republicans dig toward daylight, while democrats dig longer tunnels. Obamacare has dug us far too deep in debt.
It’s can’t be sustained without endless government bailouts, and adding trillions to our national debt. If we’re going to avoid an ongoing fiscal crisis, healthcare in our republic must be returned to the private sector.

**Take no offence**, but most moves toward government run healthcare i.e. “socialized medicine” usually turns out to be a move toward socialism. If you remember, we were moving toward socialism leading up to WWII. We just haven’t learned.

**Remember? Norman Mattoon Thomas (1884-1968)** was a leading American socialist, pacifist, and six-time presidential candidate for the Socialist Party of America. In 1944 he said, “The American people will never knowingly adopt Socialism. But, under the name of “Liberalism,” they will adopt every fragment of the socialist program; Until one day America will be a Socialist nation, without knowing how it happened. He went on to say: “I no longer need to run as a Presidential Candidate for the Socialist Party. The Democrat Party has adopted our platform. But it gets worse.

Most alarming, in our recent past, is the well documented affinity between President Barack Obama and Chicago’s community organizer Saul David Alinsky. Google, “the Obama Alinsky connection” and judge for yourselves.

It’s because of that affinity that I urge Congress to “benchmark” where the Obama’ administration has brought our country over the past eight years. Read Alinsky’s rules for radicals, you be the judge!

**Rules for Radicals: By Saul David Alinsky**

1) Healthcare – Control healthcare and you control the people.

2) Poverty – Increase the Poverty level as high as possible, poor people are easier to control and will not fight back if you are providing everything for them to live.

3) Debt – Increase the debt to an unsustainable level. That way
you are able to increase taxes, and this will produce more poverty.

4) Gun Control – Remove the ability to defend themselves from the Government. That way you are able to create a police state.

5) Welfare – Take control of every aspect of their lives (Food, Housing, and Income)

6) Education – Take control of what people read and listen to – take control of what children learn in school.

7) Religion – Remove the belief in the God from the Government and schools

8) Class Warfare – Divide the people into the wealthy and the poor. This will cause more discontent and it will be easier to take (Tax) the wealthy with the support of the poor.

Thomas Jefferson said, “My reading of history convinces me that most bad government results from too much government.”

It’s time to downsize our federal government and return our healthcare system and health insurance industry to the free market private sector. Please consider Home-rule Healthcare and Insurance – A cure for Obamacare a step in the right direction.
CHAPTER THREE

An update for our international Credit Union Risk Managers

“We’re all in this together”

“Obamacare,” for Risk Managers reading this outside the U.S., is the latest attempt in the U.S. to impose government run healthcare on U.S. citizens. Once again, it’s degrading our healthcare system, violating our constitution, and demoralizing every man, women, and child, born and unborn, in the U.S. The role I propose for WOCCU members include, spreading insured healthcare risks via a series of international reinsurance contracts.

Every US President since the Great Depression has tried and failed to merge our free market healthcare and health insurance industries into government run healthcare. This time it took our Supreme Court to rule Obamacare the largest tax in U.S. history, for it to become a law. Obamacare is destined to fail, because it ignores virtually every Risk Management (RM) principle and practice. It fails to identify, let alone manage the enormous fraud and dishonesty risks it created. Thousands of underwriters, actuaries, and marketing professionals have been laid off while thousands of IRS agents have been hired to enforce the law. Obamacare, in no small way is leading to the destruction of our U.S. healthcare system and the implosion of our U.S. health insurance industry.

FYI, Obamacare was quickly passed without being read, turning 1/6th of the U.S. economy over to the whims of the Obama administration.

Obamacare was dubbed a “train wreck” from the beginning, and it’s now touted on bumper sticker in the U.S. as: “One Big Ass Mistake for America!” Sooner than later, God willing, it will be repealed.

There’s little doubt terrorist’ organizations are phishing and pharming on the less than secure, government’ websites.
Pharming is a hacker’s attack that redirects a website’s traffic to a site they control. Ironically, servers successfully pharmed are referred to as being “poisoned.” Phishing refers to “social engineering” to obtain access credentials such as user names, passwords, social security numbers, zip codes, etc. Both phishing and pharming are used in identity theft, funding scams, marketing ploys, and extortions. Both are tactics used to extort, bribe, and coheres employees holding sensitive positions within our government, or trusted jobs within our private sector.

The only sure way to avoid risks created by Obamacare is to repeal it in its entirety. Unfortunately, stopping Obamacare dead on the tracks will harm too many already onboard. We can’t and won’t allow that to happen!
Credit Union History and Traditions

“Both offer a roadmap to cost effective and affordable health insurance. Fore if we remember from where we’ve come, we’ll have no problem getting to where we’re going.”

(Authors note) I originally wrote this in 1971 when WOCCU was first being organized. I updated it in 2002, after I launched my Risk Management Learning Center. Students of CU history should go to WOCCU, CUNA Inc. and CUNA Mutual Group web sites for the latest historical developments. Talk with the volunteer Board of Directors, Supervisory/Audit Committees, and Credit Committees. Find out when your credit union was chartered, its field of membership and sponsor group, and who sat on the original board of directors. Talk with local credit union chapter, state league, and national trade association leaders. Why? Credit unions represent the world’s most successful financial cooperative movement. The credit union movement offers us both a role model and road map we can follow as we search for “home-ruled,” cost effective and affordable healthcare and insurance.

Talk to credit union risk managers. Ask them what they’re doing to reduce the risk of future terrorist attacks, specifically those that will be using chemical and biological weapons. It’s estimated, that if terrorists successfully plant a disease in two of our major stock yards, they’ll shut down our food supply. It’s take a trench ten feet deep and wide from the west coast to the Mississippi to safely bury the dead animals. Ask if they’re familiar with the latest pandemic guidelines issued by the Federal Financial Institutions Examination Council. Study the guidelines. Ask, who in your community will take command and control during a major health crisis.

The U.S. credit union movement has pulled us through two world wars and the Great Depression. We’d be well advised to review their history and use their grassroots movement as a guide moving forward.
Credit Union Risk Management Principles and Practices

Credit Union Risk Management (CURM) is not just a program or presentation, it's a "method of management" designed to identify, measure and control risks created by credit unions striving to create economic opportunities for their members. There are two "types" of risk, pure and speculative. Pure risks (burglary, robbery, fire, disasters, etc.) result only in loss, never gains. Speculative risks hold out the possibility for gain as well as loss. For example, speculative risks include any new policy, procedure or law. You hope for gain when laws are passed, but as proven by Obamacare, you can suffer major losses passing a law you haven’t read.

There are five risk management control tools used to manage every risk (Avoid, Reduce, Spread, Assume, and Transfer). Remember! It's important to use them in order so you first avoid risks that can be avoided, reduce those you can reduce, spread exposures so they're not all lost during a single event, assume what you can afford to lose, and finally you transfer the remaining risk into an actuarially sound pool of insurance, through a hold harmless agreement, or some other risk transferring method.

Credit Union Risk Management has been around since Friedrich Wilhelm Raiffeisen, considered the founder of the credit union movement, launched his first lending society in 1849 and his first truly "cooperative credit society" in Heddesdorf, Germany in 1869.

Raiffeisen saw an immobile class structure in which exploitative capitalists dominated the poor. Bankers had one approach to managing consumer lending risks: Their position at the time was; "If you want credit, you had better come up with an equal amount of collateral." Raiffeisen speculated that if he formed a financial cooperative, run by volunteers from the cooperative's field of membership, loans could be approved based first on a member's character, then upon their capacity or ability to repay, and only as a last resort, on collateral. It worked! The movement adopted the "3-C" slogan; Character first, Capacity second, and Collateral last.

Credit union cooperatives spread from Germany to England, France and Italy and then to Canada; thanks to a Canadian journalist, Alphonse Desjardins, who was promoting a form of
credit associations in Quebec called caisses populaires (people's banks). The first credit union in North America was organized at Levis, Quebec on December 1, 1900. As luck would have it, in 1908, Desjardins was invited to speak to a group of Boston businessmen about the feasibility of credit unions in the US. Edward A. Filene was in his audience.

The Evolution of the US Credit Union Movement

Edward A. Filene is considered the founder of the US credit union movement. A successful merchant in Boston (Filene Stores), he was willing to put up his own money when needed to help his employees stabilize their financial future and create for them economic opportunities. Filene, enlisted the help of a young lawyer, Roy F. Bergengren, and together they set out to organize credit unions, form chapters, promote State leagues and finally, in August of 1934, Filene assembled U.S. credit union leagues in Estes Park, Colorado to form the "Credit Union National Extension Bureau which later became the Credit Union National Association (CUNA Inc.).

CUNA Mutual - "The Debt Shall Die with the Debtor"

Small fledgling credit unions of the 1930s all faced the risk they'd loan too much to one person and go insolvent if that person died before the loan was repaid. Therefore, in 1935 State Credit Union Leagues, represented by CUNA, Inc. returned to Estes Park and formed CUNA Mutual Insurance Society to provide credit union members with Loan Protection and Life Savings insurance. This allowed the movement to adopted the motto, "The Debt Shall Die with the Debtor." Roy F. Bergengren became the first Managing Director of the CUNA Mutual Insurance Society (1935-1945).

So started the evolution of what today is the CUNA Mutual Group (CMG) is the “Transfer” tool. Risks credit unions can't avoid, reduce, spread, or assume get transferred through insurance or bond products created by CUNA Mutual Group. I recommend you obtain a copy of "The Debt Shall Die with the Debtor - The Story of CUNA Mutual Insurance Society."
CUMIS - The Credit Union's Bonding Company

In the early 1960s, CUNA Mutual, supported by CUNA Inc. and State Leagues, formed a property and casualty company (CUMIS) to provide the movement with fidelity bond products. Over the years, CUMIS bonds have evolved to fit the special needs of credit unions around the world. By 1968, the society was serving credit unions in thirty-five countries.

The Credit Union Risk Management Department

To underscore the importance of Risk Management methods, CUNA Mutual and CUMIS jointly funded a Credit Union Risk Management Department starting in the 1960s. The program was offered as a service of CUNA Inc. and US Credit Union Leagues. Credit union leaders adopted Risk Management standards focused on building a strong movement from the "grass roots." Executives such as J. Orrin Shipe, Herb G. Wegner and Ralph Swabota from CUNA Inc., and CUNA Mutual Presidents Charles F. Eikel, Jr. (1964 - 1973) and Robert L. Curry (1973 - 1988) all advocated Credit Union Risk Management methods to control losses and grow a strong grassroots movement. Risk Management programs were driven from the beginning by a young college professor of Risk Management at the University of Wisconsin, Madison, Wisconsin, Doctor Richard M. Heins. Dick Heins became President and Chief Executive Officer of the CUNA Mutual Insurance Society in 1988. That same risk management program, born in the 1960s is still working with credit unions on a daily basis throughout the US. I encourage you to visit CUNA Mutual's web site and CUNA and Affiliates web site for the latest and most current risk management handouts.

CUNA International - The World Council of Credit Unions

In 1970 the World Council of Credit Unions (WOCCU) replaced CUNA International as the governing body of the world credit union movement. WOCCU has carried risk management methods, principles, and standards to the world movement. Thanks to WOCCU, credit unions from Wisconsin to Sydney to Dublin to Kingston to Montreal to Asia and to Eastern Europe have joined forces to combat losses and strengthen our global community.
Thanks again to the vision of Doctor Richard M. Heins, the Filene Research Institute was launched in September 1989. The purpose of the Institute is to perform theoretical investigations and research on consumer behavior, financial service needs, and organizational behavior, as well as, study the relationships credit unions have to others in the financial services industry. David Chatfield, at this writing was President/CEO of the California Credit Union League, was the first Executive Director of the Institute, which is now being directed by the highly respected Robert "Bob" Hoel.

A Multitude of Credit Union Associations

There is a multitude of professional credit union associations focused on the best interest of the movement. You'll find a link to most at our Risk Management Learning Center web site: www.RMLearningCenter.com, at www.COPs007.com, and www.RichWoldt.com. If you're going to succeed as a credit union risk manager, join and support as many of these associations as you can. "For it is by coming together that we grow, joining together that we make progress, and working together that we succeed."

Government’s Role in Private Sector Health Insurance

State vs. Federal Regulations

The extent to which state and federal governments should be involved in our lives is debatable. When it comes to making our healthcare decisions or deciding on what insurance contracts to purchase, the farther we venture from home, the less likely it’ll be we’ll get good advice. Growing government to solve any problem has never been a good idea. Remember, it was Thomas Jefferson who said, “My reading of history convinces me that most bad government results from too much government.”

(Authors note) I offer the following purely as talking points for
those who know a lot more about this subject than I ever will know. In my opinion, either our state or federal governments, or both working together, should be limited to auditing the honesty and capital adequacy of companies licensed to operate in the private sector. I pulled much of the following from white papers I’ve written on the governing of U.S financial cooperatives, i.e. credit unions. Rich Woldt

**Duel Charter/Licensing:** Credit unions in the U.S. have a choice of either being chartered by the Federal government and regulated by the National Credit Union Administration, or chartered by the State in which their home office is domiciled and be regulated by the State banking department.

The role of government, whether regulating financials or insurance companies, should be limited to licensing and regulating as it relates to capital adequacy. For the most part, all health insurance companies should be state regulated, however, the federal government should become involved once pre-existing and catastrophic risks are spread through regional and national reinsurance agreements.

**In my opinion,** all licensed U.S. health insurance companies should share in the “high risk/catastrophic-preexisting risk pools. For example, they might underwrite risks proportionate to their gross premium income or the tax credit their insured’s claim on their #1099s. Or, they might share risks through a “reinsurance” agreement, that effectively transfers the risk between what’s assumed by the insured’s deductible and what’s considered excess or catastrophic, needing to be underwritten by the government.

In that our federal government gives research grants to drug companies, hospitals, and universities, etc. It only seems logical that at some point healthcare for victims of catastrophic injuries or illnesses should be able to receive cost effective healthcare, subsidized by drug companies, hospitals, and universities who’ve taken advantage of government grants. For example, cancer patients who’s blown through their deductible and private health insurance, should be able to receive the balance of their care compliments of the companies who’ve benefited from government grants and subsidies.
Basic government funding should be limited to one annual tax credit per tax payer that’s reported on their #1099 along with the name of their health insurance company and their health insurance contract number. This could then be audited by the IRS to identify U.S. citizens who either choose not to carry or didn’t have access to affordable health insurance. For example, allowing every taxpayer a one-time $1,200 income tax credit, if they can prove they’re carrying at least a basic, nationally recognized health insurance policy, will help identify those who need to be contacted. The IRS could then turn over a list of those needing insurance to the NHI-RMAB.

What’s the NHI-RMAB? The Federal government should fund and oversee a bonded, National Health Insurance Risk Management Advisory Board (NHI-RMAB) that’s required to meet monthly over the internet and annually in person. The NHI-RMAB should be empowered to fulfill two primary missions. First, to identify, measure, and recommend risk transfer tools that should be created in the private sector for U.S. health risks created during the year. Second, to identify any U.S. citizen who’s either has chosen not to or because they failed to find access to health insurance.

This “private sector” Risk Management Advisory Board” should conduct an annual “Healthcare - Risk Management Analysis (H-RMA)” and submit a written report to the U.S. President and Congress. (Note: This adopts the Risk Management (RM) concept of two Credit Union Risk Managers from each credit union, chapter, and State association/League.)
SECTION II
Operational Period #2
“Back to basics”

During operational period #2: We “grow” forward answering frequently asked questions about risks we create living in a free, democratic, constitutional republic.

Back to School – Back to Basics

“Answers to the most frequently asked questions.”

#1) What do we mean when we say “Risk Management is a method of management? Let’s test your memory, to see how much you remember from Risk Management # 101 and “Management of Insurance Enterprises;” two courses taught at the University of Wisconsin since 1935.

Answer the following questions: What is a risk? How many types of risk are there? What are the three steps used to manage risks? How are risks identified and measured? Name five risk control tools? In what order are the five risk controls used? Who’s responsible for managing the risks you create or choose to take?

How did you do? Here are a few basic answers: Risks are the uncertainty of loss.” There are two types of risks, “pure” risks and “speculative” risks.” Pure risks result only in loss, while Speculative risks hold out the possibility for both gain and loss. Managing risks involve three steps (Identify, Measure, and Control). Risks are measured by their frequency and severity. Once all risks have been identified and measured, five tools are used to control each risk (Avoid, Reduce, Spread, Assume, and Transfer). We are all responsible for managing the risks we create.

Risk controls are used in the following order: First, ask yourself if you can or want to “Avoid” the risk. For example, don’t go ice fishing on a warm spring day. Next, you need to “Reduce” the risk as much as possible. For example, build a floatation device inside
your shanty. Third, “Spread” the risk. For example, put your ice fishing shanties on different lakes so a fire in one won’t burn down the others, or if one sinks the others may survive. Fourth, “Assume” that part of the risk you can afford to lose. Examples include, accepting a $50 deductible on your shanty’s fire policy, and paying a deductible when you land in the hospital. Finally, and I emphasize finally, “Transfer” the remaining risk into an actuarially sound pool of insurance, through a hold harmless agreement, or a binding legal contract. For example, credit unions that handle large amounts of currency purchase a fidelity bond to cover robbery losses, Workers Compensation insurance to indemnify employees shot during a robbery, and hire armored car services to effectively transfer the risks associated with a robbery to a properly trained and well equipped armored car carrier.

So what’s wrong with Obamacare, or for that matter all forms of socialized healthcare? It holds taxpayers primarily responsible for the risk taking behavior of all US citizens. To make it worse, it now appears, our taxpayers liability isn’t stopping at the border. Those undocumented residents in sanctuary cities are afforded the same Obamacare benefits as our documented taxpayers.

There are many reasons why Obamacare is and will always be an abysmal failure or what many consider “a train wreck waiting to happen.” It’s fundamentally impossible to make any pool of insurance cost effective, when no one in the pool is required to do anything to avoid, reduce or spread the health risks they choose to take. They can only be forced to assume more of the risk through higher deductibles, escalating co-pays, and skyrocketing premiums. Under Obamacare, if we choose not to be insured, we face the wrath of the IRS, not to mention their fine, penalties, and endless roles of red tape and piles of paper work.

Obamacare advocates assume the threat of being forced to pay skyrocketing premiums and accept escalating deductibles, along with being denied medical attention when hospitals are forced out of their exchange, not to mention the threat of being denied medical attention based on our age or financial status, will be
enough incentive for us to roll over and accept government run healthcare and insurance.

It’s time for “Home Rule Healthcare and Insurance.” A private sector healthcare program you’ll be happy to sell your kids the next time they come to dinner.

(Author’s note: If you didn’t get it, that’s a pimp on the commercials AARP ran over Thanksgiving 2013. Parents were asked to talk to their kids about health insurance while at dinner on Thanksgiving Day. AARP and the company underwriting Obamacare will someday wake up to what they’re doing. We can only hope it’s sooner than later.

As long as Congress is controlled by those willing to pass legislation they haven’t read, we’ll never regain the trust we need in those elected to serve.

#2) Does Obamacare meet our needs according to Maslow’s Hierarchy of Needs? Absolutely not! In fact it’s put stress on family budgets, which threatens our physiological needs, it deprives us access to our family doctors, which angers our belongingness needs, all while it gives us the eerie sense we’ve lost control over our healthcare decisions.

Abraham Maslow, a Psychology Professor at the University of Wisconsin in the 1940’s, wrote about the hierarchy of needs we have when facing a life threatening disaster or life altering injury or illness.

Maslow’s theory on “Hierarchy of Needs” says: “When disaster strikes, or when we’re confronted with a life threatening injury or illness, victims first focus on their ”physiological” needs, then their need to belong, and finally their need to get back to normal. move forward. for medical attention, a safe shelter, food, water, and stable employment on which to rebuild our lives.
Only after our physiological needs are met (our need for medical attention, safe shelter, food, water and stable employment), are we willing to focus on our need to belong (our need to seek out our family and family doctors, our trusted neighbors, our clergy and those with whom we share our faith).

Only after our belongingness needs have been met, are we ready to “self-actualize” or worry about our self-esteem (Get back to work, climb the proverbial corporate ladder, socialize, and move on with our lives).

In no small way, Obamacare fails to meet our physiological needs when it takes away insurance policies we prefer, and it fails to meet our belongingness needs when it took away insurance contracts we’ve relied on for years and doctors we’ve relied on for a lifetime. In no small way, Obamacare has destroyed our confidence when it destroyed our trust in our Federal government. Remember, at no less than 36 campaign rallies in 2012 we heard, “If you like your doctor and hospital, you can keep your doctor and hospital.”

In no small way, Obamacare has ignored the relationships built over years that, in and of themselves, could mean the difference between giving up or fighting through to recovery.

If we judge Obamacare according to Maslow’s Hierarchy of Needs, it’s an abysmal failure that’s causing more harm than good, while providing more obstacles then help for those in need of quality healthcare.
#3) Where did the Obamacare law go wrong? From the moment it was passed, Obamacare has threatened our freedom and restricted our liberty. As long as Congress is controlled by those willing to pass legislation they haven't read, we'll never regain the trust we need in those elected to serve.

The short answer is, whenever you force feed anything to anyone in a free society, eventually they get sick and die. It’s that simple. However, the fundamental risk management flaw in Obamacare is, it transfers 100% of health risks into a single pool, relying on premiums collected and taxpayer subsidies to cover all administrative costs, marketing expenses, and claim settlements.

To add injury to illness (pun intended), Obamacare’ empowers panels of questionably qualified political operatives to decide who has access to healthcare, what reimbursement should be paid to doctors and hospitals, as well as what companies, specialty clinics, and hospitals are allowed into their federal exchange.

To add further insult to injury, while Obamacare might authorize your General practitioner, there are no guarantees it’ll allow you to choose University Hospitals or medical facilities that specialize in healthcare research and development (R&D).

In addition, the IRS is empowered to oversee Obamacare and will dictate who qualifies for tax subsidies and who is exempt from the law. Adding to the taxpayers burden, unions and corporate supporters of the Obama administration have already received compliance extensions and guaranteed subsidies.

Economists agree, as Obamacare negatively impacts the profit margins of hospitals and doctors, the quality of our healthcare will suffer as hospitals are pressured to do abortions, ignore welfare fraud, and accept ever changing government reimbursements. Additional administration costs will force many private practices to either fold or be merged into larger less personable medical bureaucracies.
The Federal and State exchanges are a bogus effort to spread the risk. They’ll only force more of the lower middle class to either file false tax returns or accept larger deductibles and co-pays in order to pay what are bound to become increasingly higher premiums.

Indemnification, that’s being put back to where you were prior to the loss, will require ever increasing subsidies from taxpayers. It’s estimated that 44% of taxpayer revenue in Canada goes to subsidize their healthcare system.

Let’s never forget, the only reason our Supreme Court authorized Obamacare to move forward was, one Justice considered it a tax. Unfortunately, it’s proving to be the largest tax increase in U.S. history.
#4) If we passed the Obamacare law, why can’t we just repeal it? We can, but we need to make sure we safeguard those already insured.

The answers are, we can, we must, and we will. We must however, meet all the risk management challenges, which include: Repealing the law, while safeguarding the insurable interest of those already insured, creating actuarially sound pools of insurance, regional underwriting, as well as, utilizing cost effective group marketing, and internet based claim settlement strategies.

It’s time, actually it’s past the time we should have repealed the Obamacare law, returned our healthcare system to the private sector, and reengineered our private sector health insurance industry.

It’s time we recommitted to internationally recognized Risk Management (RM) principles, and launch a truly affordable healthcare system, inspired by God, built by the grassroots, and anchored to our longstanding home-rule traditions. To paraphrase Abe at Gettysburg, “If our mission is under God, we shall have a new birth of freedom – a government of the people, by the people, and for the people.”
#5) How does the “Law of Large Numbers” help reduce the cost of our health insurance, while improving the quality of our healthcare? Absolutely! We need to group market and then spread risk through reinsuring agreements, until the “Law of Large Numbers” kicks in. We also need to merge and consolidate and better manage assets at brick and mortar public and private hospitals.

The more bodies in a “pool” of insurable risks, the easier it is to predict the number of claims that might be made and the total losses that might occur.

Risks are measured according to their “frequency,” or how often they’ll occur, and their “severity,” or how severe each loss might be. For example, while a cold may not kill you, catch one every time you go outside and eventually the cost of your cough drops will add up to the loan payment for your house. Similarly, your sunburn might not kill you, but if it turns into a melanoma, it could be your kiss of death.

Using the law of large numbers, actuaries are better able to calculate just how much premium income is needed to pay claims (indemnity the insured), cover administration expenses, make a profit, and have something left over to reinvest in risk management strategies that’ll reduce the frequency and severity of future losses.

The problem with Obamacare is it dumps all the sunburn victims from Florida in with the frostbite victim in Wisconsin, offers little or no incentive to reduce future losses, so by default, the only options it has left are to raise premiums, deductibles, and co-pays that in turn require larger and larger government subsidies. That’s the Obamacare plague in a nutshell.
#6) Can we afford to insure pre-existing conditions? We can’t afford not to! Ignoring they exist only frustrates our moral conscious, runs counter to our national character, and erodes our national honor.

The question isn’t can we, but how do we insure pre-existing conditions. While we can’t recoup the investment made in to push the Obamacare rope up-hill, we can place pre-existing conditions in a separate pool and underwrite them by endorsement.

During operational period III, I recommend repealing the law and replacing it with a law that require all citizens to be insured, not unlike how we require all licensed vehicle owners to carry liability insurance. Simply, the law requires us to insure the losses we can’t afford to pay ourselves.

#7) How do we safeguard insurance companies from going broke underwriting pre-existing conditions. Our strategy includes underwriting pre-existing conditions in separate pools offered as an endorsement. Separating risks into pools, allows actuaries to more accurately predict loss frequency and severity, and subsequently compute premiums needed to indemnify insured. Reaching out to a network of reinsuring companies, first regionally east to west, then north to south, and finally into a national pool underwritten by taxpayers, allows us to cost effectively spread risks, which in turn helps reduce premium, co-pays, and deductibles. . .

An insurance company consortium would act as both a reinsurer of contracts that reached their 80% cap, and a coordinated “central” for spreading catastrophic losses, conducting R&D, and exploring a global network of companies offering reinsurance.

I have little or no sympathy for those who wait until they’re sick to purchase health insurance. It’s akin to waiting until you have an accident to purchase collision coverage. Historically, we guard against that mentality, with laws requiring all licensed vehicles to
carry at least a minimum limit of liability insurance. We also, safeguard against that mentality by offering uninsured and underinsured collision coverage.

With luck, and I mean pure luck, the law of large numbers should kick in within the first two years and the need to offer cover for pre-existing conditions should if not go away, at least be reduced to an insurable level. At that point, losses from pre-existing conditions should be absorbed. At that time, not unlike how two-year suicide exclusions are used when underwriting life insurance contracts, actuaries should be able to phase in some cover for pre-existing conditions buried in the initial premiums.
#8) What is an underwriter? “They deserve more than a shot and a beer.”

Do you know where underwriters got their name? The title was coined in a London bar early one morning back in the 15th century, when ten not too sober sailors decided they’d set sail early the next day for the “New World.” Each owned a ship and cargo worth roughly $1,000. Each was equally skilled at sailing, and each promised not to drink until they were all back on dry land. All, however, realized at least one might be lost at sea. At the end of the bar was a gambler, speculating that one out of the ten would sink and the rest of the ships and cargo would all make it safely to the New World.

The gambler bid them all to bring the ship owner to the bar early the next day with ship’ titles in hand and an inventory of their cargo. He agreed that if they all sailed sober and with adequate crew he’d insure their cargo for only $105 each. Early the next morning, all ship owners showed up and after inspecting each ship and crew, the gambler wrote his name under the ship owner’s name on the title, collected his $1,050 premium and bid them all safe journey.

By signing his name under the name of the ship owner, he became known as London’s first insurance “Underwriter.” One of the ten ships sunk so after paying off the owner $1,000 for his lost ship and cargo, the businessman was able to settle his $49 bar bill and leave the bar with a buck profit in his pocket.

The underwriter went on to organize hundreds of other ship owners into “pools” based on types of cargo and style of ship. Eventually, by applying “the law of large numbers” to each pool, he was able to insure not only their cargo and ships but once he convinced the captains and crews to give up drinking he was not only able to offer better coverage at increasingly lower premiums.

It didn’t take long, and he was able to offer all ship owners and crew both individual and group “Life” and “Health” insurance at an
increasingly lower premium with limited deductibles and no co-pays.

By separating crew into insurance pools based on age, occupation, and their willingness to accept responsibility for their health habits and lifestyle choices, he was better able to predict how frequent and how severe his potential losses might be. The more members there were in each pool, the easier it was to predict his ratio of losses to profit. The easier it was to predict his profit and losses, the more he was able to reinvested to promote healthier life styles and longer lives, which again lead to lower deductibles and premiums for all. Eventually, every ship, captain and crew setting sail for the New World had more than affordable property, casualty and health insurance.

The glaring problems with Obamacare and for that matter all government run healthcare programs include, not only is it poorly underwritten, there are no incentives to chart a safer course through life, stay healthy, or accept responsibility for ourselves. No matter how we prop-up this train wreck, eventually it’ll drain taxpayers dry, add trillions to our national debt, and leave us all no choice but to raise the debt ceiling, and drive generations yet to be born deeper and deeper in debt.

Obamacare, by forcing doctors and hospitals to accept lowered reimbursements is bound to discourage doctors from joining the profession, which in turn will decrease the number of doctors per patient, increase the waiting time for care, and in the end increase the risk we’ll not receive the care we need before we die. Obamacare gives new meaning to, “Give me liberty or give me death.”
#9) Why is it better to have our health insurance industry regulated by our state, a true democracy, rather than our federal government, a constitutional republic?

Village, Town, and State governments are as close to true democracies as we can get in 2017. Every legal citizen of voting age has one vote i.e. one voice in the election of our town and village boards, as well as our governors and state representatives. We therefore have the most control over our state government, because it’s a true democracy.

Our federal government is a “representative” constitutional republic. Meaning each state elects representatives, who in-turn go to Washington to speak for the residents of their state. They and we are all bound by a constitution that, when there is a disagreement, it’s enforced by our Supreme Court.

All this is fine, but when it comes to having control over the laws that govern our lives, not to mention the rules and regulations that restrict our freedom and limit our liberty, we’re often forced to accept the views of those living their lives on the political extreme. Such is the case with Obamacare. Once the Supreme Court ruled it a tax, it only took a stroke of the Presidents pen to dictate what insurance we had to buy, what doctors we had to choose, and adding insult to injury, indirectly, Christians were forced to ignore church teaching and fund abortions on demand.

Yes, at the federal level, we pledge our allegiance to the flag and to the republic for which it stands. But, our founding fathers agreed to unite our states only so we could better defend our freedom, preserve our liberty, and pursue our happiness, speaking with one voice when it came conducting commerce overseas. While our founding fathers disagreed regarding the role of our republic, none sought to build a pure democracy.
Alexander Hamilton said: "We are now forming a republican government. Real liberty is neither found in despotism or the extremes of democracy, but in moderate governments."

James Madison said: ""It is, that in a democracy, the people meet and exercise the government in person: in a republic, they assemble and administer it by their representatives and agents. A democracy, consequently, must be confined to a small spot. A republic may be extended over a large region."

From a risk management standpoint, risks are easier to identify and measure, contracts are more accurately underwritten, and health insurance pools will become more actuarially sound, once the Obamacare law is repealed, and the governing of our health insurance industry is returned to the states.

The simple fact is, the sooner we return our healthcare and health insurance industries to the states, the sooner we’ll find truly cost effective and affordable healthcare and insurance.

#10) How do we benefit from the Incident Command System (ICS) and the National Incident Management System (NIMS) going forward?

While our mission, to lock down cost effective and affordable health insurance, is clear. We could easily be blown out of the water if we can’t adjust to “scope creep” during a large scale crises such as a pandemic, chemical or biological warfare, or natural disaster.

Both the Incident Command System (ICS) and the National Incident Management System (NIMS) were designed to take control over and reduce the trauma caused by life threatening events.

We can act as brave as we want when under duress, but no one is immune to the trauma created, when we’re confronted by a
sudden and unexpected injury or illness. Most of us feel we should have done something to avoid our situation. We worry about what’s coming next. And, even when we’re well trained, properly equipped, and combat ready, we sense we’ve lost control over what lies ahead.

Considering the ICS and the NIMS are required teaching in the public sector (law enforcement, fire fighters, emergency governments, and homeland security personnel). It stands to reason, we’d be well advised to use the same systems when asked to deploy a “unified” command in the private sector.

Ask any veteran, what two things they most like to hear, and they’ll tell you it’s “We have your back” and “Welcome home!”
Both the ICS and NIMS send a clear message that we have the backs of law enforcement, fire fighters, first responders, and homeland security professionals.

The Incident Management System was introduced in the 1940s as an “Incident Command System” to fight forest fires on the West coast. As responding agencies specialized and communities signed mutual aid agreements the Incident Command System evolved into the “National Incident Management System or NIMS.”
It’s now required training for all law enforcement, fire departments, emergency governments and Homeland Security personnel. Soon it will be required training for schools and hospital administrators and well as those in the food, transportation, medical, utilities, and other industries. The private sector through business and trade associations will be encouraged to have at least a basic Adapting Incident Command to Financial Cooperatives:

The Incident Command System (ICS) has basically seven key accountabilities overseen by the Incident Commander (IC). Use the following diagram as a template. Remember, the ICS is designed to expand and contract (concertina effect) as needed so while each will vary depending on the type of incident and scope, all unified commands will include the following seven
accountabilities (Safety, Information/Communications, Liaison, Operations, Planning, Logistics, and Finance).

Incident Command System – It’s a Public and Private Sector’ Partnerships

One of life’s fundamental principles is; “We are all ultimately responsible for our own safety, security, and well-being.” Period! If we choose to ride out a hurricane or tornado when we've been given fair warning, we’re going to have to accept the consequences. Another fact-of-life is the first person at the scene will be whoever might be near and that will usually be a friend, family member or neighbor. This means to be rescued you might want to be on good terms with those close bye and do what you can to prepare them to come to your aid until the professional “public” responders have arrived.

Challenges grow as the scope of the incident becomes a community wide event. The scope can be immediate such as when a tornado touches down or a terrorist attacks, or it can be caused by “Scope Creep” such as when a hurricane intensifies and just keeps on going or a wild fire burns out of control. It can also be when a minor health issue turns into a pandemic.

Preparing for, responding to, and recovering from large scale natural disasters and terrorist attacks requires a coordinated response from both the public and private sectors. Public to
private partnerships need to be formed so as public resources are depleted a private sector response moves in to reinforce recovery efforts.

From a public sector standpoint, responsibility for citizen safety starts at the local level and moves out based on requests for aide and assistance. In the US and around the world aide must first be requested and is usually governed by a pre-approved “mutual aid” agreement. That is why in the US and in most countries it’s the local fire chief who takes command during a disaster and why, at the end of the crisis, it’s the local government who’ll be held responsible for picking up the tab. In most countries it’s called “Home Rule.” That is, in a Democracy, elected local governments rule and therefore are held accountable for the costs of recovery. This underscores why the Chief of Finance in the Incident Command System must keep accurate records of all responding assets.

We learned much and will continue to learn from Katrina. For example, she proved that coordination of responding resources, flexibility in execution, and the ability to adjust when under fire were the three most important factors leading to mission success or failure. She also proved hurricanes trigger an increase in Pure Risks (burglaries, robberies, looting, vandalism, forgery, embezzlement, gang reprisals, kidnapping, etc.) and Speculative Risks (extortion, fraud, scams, and embezzlement in disaster relief programs). At the end of the day, she validated the credit unions approach to Disaster Recovery, Business Continuity, and Contingency Planning. And, she gave us a wake-up call telling us to refocus on event planning, incident management, and forming public to private partnerships.

It was the best of times – it was the worst of times!

Anyone in their right mind would not consider going through a hurricane as “the best of times.” Yet, any experience that brings out the best in us can’t be all bad. In addition to Maslow’s theory
on the “Hierarchy of Needs” (Refer to my white papers) he said, “Satisfaction is the alleviation of anxiety.” Therefore the threat of disaster offers us an opportunity before to plan with a satisfaction in a plan well written, respond during with the satisfaction in a plan well executed, and after with a satisfaction in a job well done.

For examples of his theory, I recommend you read the Best Practices – Disaster Recovery Lessons Learned published by Credit Union Magazine and Florence Roger’s white paper (Florence was the CEO of the Federal Employees CU during the Oklahoma City bombing. She continues to be one of my most treasured RM mentors, a lady of great wisdom and experience).

Learning is one thing, remembering, sharing, and implementing best practices will be the real challenge. Surveys indicate the half-life of education (the time it takes to forget ½ of what we learned) is something less than six months especially when it comes to lesions that traumatized or shattered our confidence. Consequently, we need to adopt a Risk Management “Strategic Action Plan” that accurately documents what we’ve learned, reduces it to a language we all understand, and systematically shares appropriate response protocols community, region, country, and world-wide. The credit union movement is ideally positioned to execute such a plan through its Chapter meetings, League training programs, National and International associations and financial cooperative regulators. Credit unions have and will continue to live up to their fiduciary and philosophical duties under any circumstance no matter what the crisis.

Yet it’s not just organizational structure that positions credit unions for success, it’s our philosophy. Call it sharing, networking, or just people helping people. Credit unions have demonstrated throughout history that they can respond without hesitation to the physiological, belongingness, and self-actualization needs of hurricane, tsunami, earthquake, and wildfire victims. At the heart of our soul is our “Not for profit, Not for charity, But for service” traditions. Thanks to the Internet, we’re now even better equipped
to share best practices, respond more quickly, and act more
decisively than in the past.

Lessons and “best practices” learned from Hurricanes Katrina,
Rita, Wilma, Ivan and other large scale, community wide
disasters:

Two primary lessons are taught during every community wide
disaster. First, it is imperative to have a well-tested “disaster
recovery” plan to ensure your survival, and second, it’s imperative
to have public to private “business continuity” partnerships in
place to support the recovery process. Katrina tested and in most
cases reaffirmed the credit union’ evolution from disaster recovery
planning in the 70s, to business continuity planning in the 80s,
contingency planning in the 90s and event planning/Incident
Command training since Y2K. The credit unions that had tested
branch banking, joint service center, and mutual-aid agreements
in place prior to Katrina, responded more efficient and effectively
and recovered more quickly than those who relied on traditional
disaster recovery protocols.

And second, if we’re going to effectively identify, measure, and
control healthcare risks in the “United” States, and if we’re going
to once and for all underwrite affordable health insurance
contracts, it’s going to take a grassroots, public-to-private
partnership, driven by individuals, supported by their credit unions,
local chapters, state leagues, affiliates, and national associations.

#11) How does competition factor into the cost of insurance
and the quality of our healthcare? In a free market, capitalist
economy, competition brings the fight to the frontlines and holds
the focus on our target, all while it raises the performance
standards in our hospitals and quality of education in our schools.

If you doubt the benefits of competition in a free market economy,
you only need to consider the role competition plays in our college
and national football leagues. It’s the rivalry and fan support that
pumps billions into local economies, while driving the quality of “player care” and the performance standards of team doctors to new heights. It’s the competition that pushes the team toward the Super Bowl.

It’s the feeling that we belong to something greater than ourselves that drives veterans forward under enemy fire. Just consider the healing that’s occurred since our Landing-zone (LZ) Lambeau – “Welcome Home” celebration. All we have to do, no, what we’re going to do is bring that same competitive focus to our search for cost effective and affordable healthcare and insurance. Lookout drug companies, we have your inflated costs of care in our cross-hairs.

#12) Why are our Veteran Administration (VA) hospitals and clinics so important to our national health and well-being? The answer has everything to do with Maslow’s Hierarchy of Needs.

(I wrote the following to our US Congressman Mike Gallagher after privatization of our VA hospitals, became a hot topic of discussion at my VFW Post 8337, American Legion Post 527, and AMVET Post 51 monthly meetings)
TO: Congressman Mike Gallagher

Sir: As a marine, I'm sure you know where we're coming from, when it comes to the privatization of our VA hospitals and clinics. Ask any veteran, what are the most important words they need to hear, and they'll tell you, “Welcome home – We've got your back.”

Yesterday, at our Veteran Service Council and again last night at our VFW monthly meeting, healing the VA hospitals was the hottest topic on our agenda. Specifically, should we privatize the hospitals and turn the administration over to the private sector.

To say the topic drew fire is an understatement. While none of us knew exactly why, we all were more than mission ready to shoot the idea out of the sky. While we all know deep down that it'll take the private sector to clean up the mess left behind by Obamacare, we also know without our VA hospitals and clinics, under the command and control of seasoned combat vets, we're never going to heal the wounds of war, nor cure the nagging guilt, nor erase the memory of what had to be done to defend our freedom.

Understand, I couldn’t tell if the fire was coming from the Army, Navy, Coast Guard, Air Force, or Marines. They were all in the room. All I know is, if Washington thinks turning our VA hospitals over to the private sector, i.e. anyone who’s never served is a good idea, they’re blowing the heart, soul, and trust of our veterans out of the water before they have a chance to heal.

Ref: Maslow’s Hierarchy of Needs: While any hospital can meet our physiological needs, it'll take a VA hospital or clinic, under the command and control of seasoned veterans to deliver our need to belong and the council on which we must depend. Please visit a website I run in memory of five fellow vets who were KIA while serving with me in Vietnam. Go to www.DoorCountyVeterans.com and consider the impact LZ Lambeau had on our healing. Ride with me next year in the Pearly Gates Ride in Green Bay the Saturday after the 4th of July and you'll see how important
belonging to our VA system is to our healing.

Ref: The Incident Command System (ICS): You’re a combat marine. You know the importance of going into combat under a “unified” command. It’s no different for those of us who have to heal from the wounds of war or those who have to stand mission ready to respond to a biological or chemical terrorist attack. We need a VA hospital and clinic system pre-positioned across the country that’s mission ready to respond not only to the physical wounds, but the psychological wounds left after the in-coming ends and the night sweats begin.
#13) Why do credit unions provide the ideal business model we need to follow, if we’re going to deliver cost effective and affordable healthcare and insurance? “A short course in credit union’ marketing, financial planning, money management and insurance.”

Think about it. Credit unions are financial cooperatives focused on bringing stability to family budgets, while creating economic opportunities for their members, sponsors, and everyone living or working within their field of membership.

Credit unions are best positioned to identify, measure, and control both the common and unique health risks within their field of membership. They’re also well positioned to underwrite, group market, settle claims, and collect premiums via payroll deductions, direct deposits, not to mention offer gap loans, and reverse mortgages that can be paid by term and whole-life contracts at time of death.

I used the evolution of the US credit union movement as a business model, when I wrote the strategic action plan for Home-rule Healthcare and Insurance. Why? Credit unions used group marketing when they delivered the CUMIS Blanket Bond in the 60’s. Dating back to the 30’s, credit union have been blanket marketing Loan Protection (LP) and Life Savings (LS) insurance so debts die with the debtor, while share-savings accounts were matched by insurance, giving families a nest-egg they could use to move on. .

Another example. Credit unions designed healthcare savings accounts, gap-loans during periods of unemployment, reverse mortgages, as well as term and whole-life contracts to ensure debts incurred during life died with the debtor.

Credit unions helped pull the US economy out of the Great Depression, through two World Wars, and fend off the false promises of communism, socialism, fascism, and all the other isms that have threatened our freedom and independence. There’s no doubt, credit unions will have little trouble guiding their members and sponsors along a path toward cost effective and
affordable healthcare and insurance..

Unlike the architects of Obamacare, credit unions are in an ideally position to quickly identify the healthcare risks hidden within their field of membership, not to mention predict both the frequency and severity of losses they’re bound to incur.

The advocates of Obamacare refuse to admit we’re heading for the preverbal economic cliff. Conservative economists on both sides of the isle, estimate our 30 year total projected deficit spending will exceed $127 trillion. Considering total “private sector” US assets are estimated to be $106 trillion, insurance actuaries predict we’re facing a fifteen to thirty percent annual increase in Obamacare premiums until sometime after 2020 (Note: I wrote this in 2012).

Talk to any head of the household, and you’ll learn Obamacare has shaken the financial foundation of families, communities, and subsequently our entire US economy. Most Americans now consider it “One Big Academic Mistake for America,” or what both sides of the isle are cynically calling an “OBAMA.”

But, let’s put the economic risks we’ve created aside. Credit union risks created range from fraud and dishonesty, internet scams, identity theft linked to not-vetted navigators uploading personal and confidential data to unsecured websites; to policies being canceled for failure to pay, access to doctors being denied, and terrorists phishing the internet to recruit and fund their war chests. Add government dictating what can be sold and what must be bought, to the invasion of the IRS into our lives, and Obamacare quickly becomes more than a risk management nightmare.

Government run healthcare has been tried many time before, all around the world. It eventually leads the rationing of poor quality healthcare at an unaffordable cost for most insureds. The only sure way to avoid the risks created by Obamacare is to repeal the law and move the contract into a competitive free market economy.

The strategy I propose will work, because, like the US credit union
movement, it’s built from the grassroots up, not from top down, it honors our “Home-Rule principles, adheres to Maslow’s Hierarchy of Needs, and embodies our people helping people, not-for-profit, not-for-charity, but-for-service credit union philosophy. It works because it relies heavily on the character of the individual, reinforces their work ethic, and only as a last resort depends on others to help finance premiums, co-pays, and deductibles.

Equally important, the home-rule healthcare I propose holds the individual responsible for managing their own health risks, promotes sound underwriting practices, cost effective claim adjusting, which in turn creates actuarially sound pools of insurance that can be spread around the world via well negotiated reinsurance contract.

Credit unions are either state or federally chartered and organized around a “common bond” to provide economic stability within their field of membership. Faith based, postal, police, fire, military, union, and school district credit unions were some of the first organized.

From the 1930’s through the 80’s the number of US credit union grew to well over 22,000. Since then, they’ve been merged and consolidated in order to keep up with changing technologies, member services, and the benefits that come with the economy of size and scale.

A credit union’s primary purpose is to provide economic stability for all within their field of membership. Consequently, credit unions are well positioned to underwrite and blanket market “field of membership” appropriate health insurance to everyone within the common bond, while at the same time providing payroll deduction, auto pay, or similar programs that’ll help reduce administration costs and policy premiums.

The mission, should the US credit union movement choose to accept it, is to mobilize the grassroots, and work through its local chapters, state leagues, and national associations to once and for all deliver cost effective and affordable healthcare and insurance for every man, women, born and unborn child in America.
We'll succeed if we reaffirm the “people helping people,” not-for-profit, not-for-charity, but for service philosophy that pulled us out of the Great Depression. We'll succeed if we use the same “blanket bond” strategy we used to provide fidelity bonds to every credit union during the 60’s, and the same blanket Loan Protection (LP) and Life Savings (LS) insurance strategies that paid off outstanding loans so debts died with the debtor.

#14) Should we repeal and replace the Obamacare law, and keep the Obamacare contract? Absolutely! Regrettably, the Obamacare law has infringed on our freedom and threatened our independence. That’s not acceptable in a democratic republic and shouldn’t be tolerated in a free market economy. Insureds will abandon the contract, once the Obamacare contract is exposed to professionally underwritten, actuarially sound, more cost effective and affordable competition in the free market place.

It was the Obamacare law, not the contract, that forced our free market health insurance industry under the control of the federal government, forced Christians to indirectly fund abortions, and empowered the IRS to punish US citizens who are unwilling to purchase only the insurance dictated by the federal government.

It is because of the law, not the contract, we’re no longer free to keep our doctors, or seek treatment when and where we prefer. And, it was because of the law, we were forced to turn our personal and confidential information over to not-vetted strangers, 1/6th of our national economy over to the whims of Washington, and accept the largest tax increase in US history.

Ronald Reagan was talking about the Obamacare law, not the contract, when he said: “Government exists to protect us from each other. Where government has gone beyond its limits is in deciding to protect us from ourselves.” I suspect, Thomas Jefferson was talking about Obamacare, when he said “My reading of history convinces me that most bad government results from too much government.”
#15) If the Obamacare contract is so flawed from an underwriting, risk management, and actuarial science standpoint, why keep it? Far too many still hope the promises made by the Obama administration can be kept. While they can’t and won’t be, we can’t in good conscience abandon those already insured.

#16) What role does the credit union’s “common bond” or “field of membership” play in our search for affordable healthcare and insurance, rebuilding our infrastructure, and pulling our poor out of poverty? The credit union’s “common bond” or “field of membership” keeps our mission focus on the physiological, i.e. financial and economic needs of the insured, while at the same time rebuilding the local and regional economy on which our national infrastructure depends.

A credit union is organized around a “common bonds” that’s shared by all those living and working within their “field of membership.” When I joined the credit union movement in 1971, credit unions were, what many considered, the world’s best kept secret. By the mid 1980’s we had organized over 23,000 small credit unions all across the country, each focused on creating economic opportunities from the grassroots up. The credit union motto was, and still is, “Not for profit, Not for charity, but for service. Consumer credit of provided first based on the character of the individual, than their capacity to repay, i.e. were they employed, and finally what collateral they might offer to secure their loan.

There are credit unions organized to serve our postal workers, schools, teachers, churches, unions, branches of our military, agricultural co-ops, company employees, and those living or working in a designated community. Credit unions have been organized to serve large families, those licensed to pursue a specific career such as doctors, dentists, steel workers, and electricians. We even tried to organize prostitutes working in Nevada. We organized the Door County Community Credit Union
to serve anyone living or working in Door County, Wisconsin. Our original board of directors, supervisory committee, and credit committee was elected from law enforcement, our tourist industry, works at Bay Shipyard, members of the Door County Co-op, and those working in our real estate and insurance industry.

As the number of credit unions grew, many of the smaller credit unions formed services centers so they could hire paid professionals to expand credit union services, such as offering commercial and real estate loans. FYI, there are banks in the Caribbean who’ve organized credit unions to serve the special needs of those living in poverty and those living in high crime neighborhood.

I remember organizing a credit union in Boston’s inner city, in a neighborhood known for frequent burglaries, drug buys, and bank robberies. Vandals immediately stole the credit union’s sign and vandalized their property, that is until their parents sat them down and explained the difference between a credit union, i.e. a financial cooperative owned and operated by its members, and a bank. Not only did the vandalism stop, one gang brought back the sign and offered to paint out the graffiti. CUMIS, their fidelity bonding company, and my employer at the time got their money back. The credit union is now one of the largest and most successful credit unions on the east coast.

The point I make, is in America, we might need laws to hold ourselves accountable, but we don’t need laws that dictate what it means to be responsible. We might need laws to hold parents accountable for their child’s wellbeing, but we don’t need laws that dictate what it means to be responsible.

With the advent of the internet, new technologies and the need for increased member services, many credit unions needed to be merged and consolidated into larger, better capitalized financial institutions. For example, we merged our Door County Community Credit Union into the Pioneer Credit Union and now into the
Capital Credit union to better serve its members. FYI, CUNA Credit Union was organized in the 1930’s to serve credit union’ officials who were not allowed to receive loans from their own credit union. Remember the credit union motto? “Not for profit, not for charity, but for service. Credit unions have gone that extra step to avoid any conflict of interest.

FYI, the original CUNA Credit Union has been merged many times, now being part of the Summit Credit Union, with headquarters in Madison Wisconsin, which is the home office and headquarters of the world credit union movement (The Credit Union National Association (CUNA Inc.). CUNA Mutual and Affiliates, and the World Council of Credit Unions (WOCCU).

If our mission is to create the long term meaningful employment that’ll stabilize family budgets, advance the quality and skills of our healthcare providers, and deliver cost effective, and affordable healthcare at the grassroots level, we’d be well advised to promote a shop America and buy local business strategy throughout the US credit union movement.

If our mission is to reduce premiums, co-pays and deductibles over the long haul, we’d be well advise to use the US credit union movement as a vehicle to blanket market, settle claims, and spread risks across the country and around the world.

#17) How does Obamacare helps fund the terrorist’ war chests?

**Background: Al-Qaeda** is a global militant Islamist and takfiri organization founded by Osama bin Laden in Peshawar, Pakistan,[15] at some point between August 1988[16] and late 1989,[17] with its origins being traceable to the Soviet War in Afghanistan.[18] It operates as a network comprising both a multinational, stateless army[19] and a radical Sunni Muslim
movement calling for global Jihad and strict interpretation of sharia law. Al-Qaeda has attacked civilian and military targets in various countries, including the September 11 attacks, 1998 U.S. embassy bombings and the 2002 Bali bombings. The U.S. government responded to the September 11 attacks by launching the War on Terror. Learn more

Chatter in terrorist’ chat-rooms, refer to Barack Obama as “The Sheppard” and his supporters “Sheep willing to be lead to the slaughter.” There’s little doubt Al-Qaeda is phishing and pharming off less than secure, government' websites. Pharming is a hacker’s attack that redirects a website’s traffic to a site they control. Ironically, servers successfully pharmed are referred to as being “poisoned.” Phishing refers to “social engineering” to obtain access credentials such as user names, passwords, social security numbers, zip codes, etc. Both phishing and pharming are used in identity theft, funding scams, marketing ploys, and extortions. Both are tactics used to extort, bribe, and coheres employees holding sensitive positions within our government, or trusted jobs within our private sector.

During recall campaigns in 2010, it was a safe bet that Al-Qaeda operatives were downloading signed petitions from our public records, linking names, zip codes, and signatures to social media accounts, and then phishing recruits from families of the disgruntled on both sides of the isle. For example, during the Wisconsin recalls there is little doubt they were uploading signed petitions posted by the folks at “Verify the Vote. It’s frightening to think how many college graduates seeking employment in companies holding government contracts were targets of Jihadist advocates. Statistically, those most duped by political rhetoric were the first to be targeted by Al-Qaeda.

The only sure way to avoid risks created by Obamacare is to repeal it in its entirety. Unfortunately, stopping Obamacare dead
on the tracks will harm many already onboard. We can’t allow that to happen! **The Home-Rule Healthcare and Insurance strategy I propose**, systematically transfers already insured risks back to the private sector while a consortium of State’ regulated health insurance companies establish actuarially sound risk pools capable of spreading catastrophic losses through a global network of reinsurers.

**While all health risks, including pre-existing conditions can be cost effectively insured**, the risks government run healthcare poses to our national security can only be avoided if we repeal Obamacare and make sure those who voted it into law never again violate our trust.

**#18) What’s Workers Compensation (WC) insurance?**

Let me explain WC insurance this way. Prior to WC, when employees were injured on the job, they often hid the injury fearing they’d be fired, or laid off. Employers often refused to pick up any doctor or hospital bills fearing they’d be setting a precedent that would force them to pay for other employee injuries in the future. Enter WC insurance. The premiums paid by the employer are based on so many cents per $100 of payroll paid to the employee. It’s a win-win for both employee and the employer. The employee gets compensated for their injury or illness cause by their employment, and the employer get protected from setting a precedent. Note: From an underwriting standpoint, employees are categorized according to how dangerous their job might be. For example, clerical employees are classified 8810, while janitors are classified 9015. The premium for an 8810 employee is less per $100 in payroll than it is for an employee who’s classified 9015.

So how might WC insurance help underwriters lower the premiums paid for other health insurance contracts? Considering how much of our lives are spent at work, it stands to reason, when the WC carrier is on the hook, other health insurance carriers experience lower losses. Lower loss, lower administration costs,
and lower claim settlement expenses, all help lower premiums on all health insurance policies involved. Considering we’re just entering an age when most if not all policy administration is being done electronically, it’s safe to assume, we’re going to experience lower and lower and lower costs and expenses when it comes to tracking fraud and dishonesty, or for that matter, managing risks yet to be created.

#19) Before we move into Operational Period III, can you offer a general overview of our mission? OK!

I named the replacement for Obamacare “Home-Rule Healthcare and Insurance,” because every healthcare decision and every decision to purchase health insurance, is made by the head of the household. If we’re going to once and for all find cost affective and affable healthcare and insurance, we’re going to have to:

- Repeal and replace the law. The new law should focus on a requirement that all citizens be insured, all insurance representatives by licensed and bonded, all insuring companies be adequately capitalized, and all contracts be actuarially sound and financially profitable

- Launch a “Home Rule Healthcare and Insurance,” initiative that’s controlled by the grass roots, driven by the US credit union movement, and regulated by state, and governed by our constitution

- Deploy healthcare’ missions immune to political sabotage, supported by pre-approved mission’ statements, and launched to serve the healthcare needs of those most vulnerable to financial ruin.

- Return to our future with a reengineering of our health insurance industry, a renewed commitment to our veterans, and a positive attitude
• Launch a unified command focused on rooting out fraud, dishonesty, and frivolous law suits from our U.S. healthcare system and health insurance industry.

• Teach the Incident Command System (ICS) and launch three operational periods following Maslow’s Hierarchy of Needs. The first operational period should focus on physiological and belongingness needs, the second on recovery, and the third on long-range reconstruction of our U.S. healthcare and insurance industries.

  o Operational Period I (first three months): Focused on managing the trauma created by Obamacare and indemnifying, i.e. putting U.S. citizens/victims of Obamacare back in the same or similar position they were prior to the law. This period allows time for insurance companies to rehire personnel, file and reissue policies, and honor claims filed during the Obamacare gap. Note: Government subsidized reinsurance should be used when reinstated policy loss ratios exceed 85% of revenue earned.

  o Operational Period II (First six months): Focused on salvaging Obamacare assets, to include taxpayer investments in the government website. And, reengineering the website to be a brokerage site
navigating the uninsured to licensed agents in the private sector.

- During Operational Period II, We’d create a consortium of U.S. chartered banks, credit unions, and health insurance companies to focus on “spreading” and “transferring” healthcare risks into an international reinsurance pool.

- Each State should be represented by two “experienced” risk managers, two health insurance underwriters, and two experienced actuaries, required to meet annually to benchmark the U.S. healthcare and insurance industry’s goals and objectives.

  (Their primary goal is to provide affordable healthcare to every U.S. citizen from conception until death. Written benchmark reports should be submitted to Congress annually; accompanied by Strategic Action Plans (SAP), written to influence U.S. healthcare and health insurance mission statements for the coming year.)

  o Operational Period III (First 24 months):

  o Note: The goal is to create actuarially sound pools featuring reasonable deductibles and caps geared to losses paid from the pools. While the pool may need government subsidies in the beginning, over time consortium goals should be to make reinsurance pools actuarially sound and supported exclusively by the private sector.
20) Who’s cares about the cost of healthcare, if North Korea attacks the west coast? *Put all your eggs in one basket and we'll be blown out of the sky!*

In 2005, I was hired to assess the risks threatening Korean Credit Cooperatives in South Korea, as well as the concentration of risks insured by Cuna Mutual Group on the peninsula. Cuna Mutual and the Korean Cooperatives worried about the impact instant peace would have on the South Korean economy. The economic disparage between South and North Korea was estimated to be 13 to 1. Meaning the South Korean economy was thirteen times more stable than the economy in North Korea. FYI: The economic disparage between West and East Germany was 5 to 1 when the wall came down. The economy of East Germany collapsed with the wall resulting in increased frauds, identity thefts, plastic and internet crimes, etc. Labor unions in Poland were especially hard hit and consequently concerned.

Korea is a beautiful country with mountains covering 75% of the land mass leaving 25% of the land mass for 100% of the population. At the time I did the risk assessment, Seoul was home to roughly 25% of their population. Seoul is roughly 120 miles from North Korea. Studies indicate the KPA (Korean Peoples’ Army) could destroy or at least disable Seoul in a matter of hours. Considering a simultaneous attack on our west coast will overwhelm the majority of our combat assets west of the Mississippi, we’d be well advised to expedite our efforts to secure quality healthcare and insurance for our entire population, especially those living in our inner cities, no matter socioeconomic status might be.
FYI: The Department of Homeland security is promoting a national standard in the US that requires companies to have contingency plans that allow them to stand alone (provide their own security and support for their employee groups) for at least 72 hours. That would allow national and municipal resources to be deployed to protect our national infra-structure. I recommended a similar standard be set for community credit cooperatives in Korea.

Unfortunately, instant war or peace is not the only risk we face. There is little doubt, ISIS has embedded terrorists not only deep within our infrastructure, but they now have domestic terrorists are well positioned to take out our population concentrated on the east coast while they poison much of our unprotected food chain centered in our southwest.

The action taken during and immediate action after any major life threatening incident such as massive flood, an out of control forest fire or terrorist attack will limit the damages and reduce our losses. FYI: more vital records are lost due to mold than fire and more lives are lost due to our failure to provide appropriate first aide and quality healthcare to the affected population.
SECTION III
Operational Period #3
“Let’s get ready to Rumble”

During Operational Period #1, we listened to our Founding Fathers, and sent pointed messages to leaders of the free world and members of the US credit union movement. During Operational Period #2, we went back to school and answered questions critical to the success of our mission. Now, during Operational Period #3, we chart a course to truly cost effective and affordable healthcare and insurance.

Note: It’s called the “concertina” effect. In order to adjust to “scope-creep,” our mission statements expand and contract as we move through our mission. New statements are made as units arrive and leave staging areas and when they pause to benchmark their progress.

Mission Statement

- We’ll identify our critical healthcare risks and target our worst case scenarios.
- We’ll lock down cost effective and affordable healthcare and insurance.
- We’ll adopt a Strategic Action Plan (SAP) based on traditional Risk Management (RM) principles, tested RM practices and proven RM methods.
- We’ll promote the “Home-rule” doctrine, while taking command and control over our healthcare and risk management decisions.
- We’ll free ourselves from our federal government and reaffirm our allegiance to our State regulated health insurance industry. The laws we recommend will empower the policy holder while regulating the policy provider.
laws we recommend will encourage insureds to purchase insurance, while encouraging insurance companies to underwrite a variety of creative cost effective and affordable policy options.

- We'll propose a federal laws that requires all U.S. citizens to have access to a nationally recognized, actuarially sound, state regulated, cost effective and affordable health insurance contract.

- We'll use the U.S. credit union movement’s “common bond” as a business model to “blanket” market all nationally recognized health insurance contracts, including the reengineered Obamacare contract. All contracts will be “home-ruled,” professionally underwritten, actuarially sound, and when appropriate, offered by endorsement to ensure they’re cost effective, and affordable.

- We'll establish performance standards for risk managers and insurance companies, to which they’ll be benchmarked during a worst case scenario, such as a life threatening illness, pandemic, natural disaster, or terrorist attack, involving chemical or biological warfare, dirty bombs and anthrax, or God forbid a nuclear attack.

- We'll adopt rules and regulations that require 80% of earned premiums to be returned in benefits to the insured.

- We'll recommend strategies to spread risks across state lines via regional and national reinsurance agreements, and adopt an underwriting strategy to handle pre-existing injuries and illnesses.

- We'll use the Incident Command System (ICS) to mobilize the US credit union movement, and form unified commands at the chapter, league and national levels. A unified global command is on the drawing board.
• We'll focus first on Maslow’s Hierarchy of Needs, making sure the insureds “physiological” needs are met so premiums, co-pays, and deductibles, don’t bankrupt family budgets.

• We'll then focus on the insureds need to belong, making sure the insured has ready access to trusted family doctors, as well as, reliable VA hospitals and clinics.

• We'll establish “unified” commands at every level of the US credit union movement.

• Finally, the contracts we propose will cover the insured from conception until all last illness expenses have been paid in full.

Note: The major differences between Obamacare and Home-rule health insurance are: Home-rule health insurance replaces abortion coverage with adoption coverage, offering abortion coverage by endorsement. Home-rule health insurance provides coverage from the moment of conception, until after natural death, and coverage for pre-existing conditions by endorsement. Pre-existing conditions are underwritten via a series of catastrophic reinsurance contracts that at some point are transferred to a reinsurance contract backed by our federal government.
We’ve been there! Done that!

Every U.S. President since the Great Depression has tried and failed to merge our U.S. free market health insurance industry into a government run form of socialized medicine.

Their efforts eventually fail, because the waste and inefficiency in one-size fits all, socialized medicine can’t compete in a dynamic free market, capitalist, society. England’s Prime Minister Margaret Thatcher nailed it when she said, “The problem with European Socialism is eventually you run out of other people’s money.” Obamacare once again proved our taxpayer pockets have never been, nor will they ever be deep enough to keep government run healthcare afloat.

Socialized medicine fails because there’s little or no meaningful underwriting, while it ignores virtually all Risk Management (RM) principles and practices. Obamacare, for example, dumps everyone into one large national risk’ pool, assuming everyone needs let alone wants to be insured. In the real world, older women seldom need or want maternity coverage, most Christians will refuse to pay for abortions, and faith-healers know they'll never need to see a doctor. Obamacare advocates assume, that by forcing everyone on board, eventually the law of large numbers will kick in and their ends will justify their means. That’s just not how it works in our free democratic republic.

To add insult to injury, Obamacare failed to identify let alone manage the enormous fraud, dishonesty, internet scam, and identity theft risks created by their not-vetted navigators entering confidential financial information into their government’ exchange.

During Operational Period III, I’ll propose a simplified healthcare law, an underwriting strategy for pre-existing conditions, a strategy for spreading risks via reinsuring agreements, a blanket marketing strategy, and a strategic plan for reducing all marketing, underwriting, and claim adjusting expenses. Government
involvement at the state level will be focused on licensing, regulating, and ensuring the capital adequacy of insurance companies, while our federal government will work to ensure our VA hospitals, clinics, and staff are mission ready to join any unified command formed to during a we're confronted by a large scale, regional, national, or international healthcare crisis. In my proposal, the federal government becomes the final reinsurer of catastrophic losses, and guarantor of unpaid pre-existing claims.

It’s time to lock and load, secure our perimeter, take aim on our targets, and move out. If for any reason you doubt our mission, go back to Operational Period #1 and listen to our Founding Fathers. If for any reason you question your ability to move out, go back to Operational Period #2 and review the lessons you’ve learned from experience.

For those who worry we’re going to throw Obamacare out with the bathwater, take heart. I assure you, none of us have all the right answers. We going to learn from our mistakes, fine-tune the contract, and offer it as a viable alternative going forward.

For those who worry we’re going to struggle and fail, if we don’t have lengthy laws, complex regulations going forward, relax! The law I’ll recommend will identify who’s responsible for securing at least one nationally recognized health insurance contract, while the regulations I’ll recommend will be limited to holding the under-insureds accountable if they don’t.

Trivial litigation is a leading cause of high cost healthcare and insurance. We need a healthcare law that looks out for the best interest of the insured, while discouraging frivolous law suits filed simply to intimidate good doctors and hospitals into settling out of court. The healthcare laws we pass should focus on significant consequences for those filing frivolous, often bogus, law suits against doctors and hospitals acting in the best interest of their patients.
Ready on the left? Ready on the right?

Answer the following basic training risk management questions:

What’s a risk? How many types of risk are there? What are the three steps used to manage health risks? How are risks identified and measured? Name five risk control tools? Who’s responsible for managing the risks you created and choose to take? What’s the fifth and final tool used to control your health risks?

Answers: Risks are the uncertainty of loss.” There are two type; “Pure” and “Speculative.” Pure risks result only in loss, while Speculative risks hold out the possibility for both gain and loss. Managing risks involve three steps (Identify, Measure, and Control). Risks are measured by their frequency and severity. Once all risks have been identified and measured, five tools are used to control each risk (Avoid, Reduce, Spread, Assume, and Transfer). Everyone is responsible for managing the risks they take or create. Risk controls are used in the following order: First, ask yourself if you can or want to “Avoid” the risk. For example, run away from the gun fight you know you can’t win. Next, “Reduce” the risk. For example, carry a gun and learn to shoot. Third, “Spread” the risk. For example, put your ice fishing shanties on different lakes so a fire in one won’t burn down the others. Fourth, “Assume” that part of the risk you can afford. For example, taking the $100 deductible on your auto insurance, knowing you can afford to pay for a scratched fender. Finally, and I emphasis finally, “Transfer” the remaining risk into a pool of insurance, through a hold harmless agreement, or a binding legal contract. For example, credit unions that handle large amounts of currency on and off premise purchase a fidelity bond to cover robbery losses, Workers Compensation to indemnify injured messengers, and hire armored car services to effectively transfer the risk of robbery to a qualified carrier.
Following is a Special Operations briefing for Credit Union Risk Managers, to include: Credit Union Presidents, Boards of Directors, State League Personnel, League Presidents, Directors of Education and Field Services, and CUNA Mutual Group, CUNA Inc. and their Affiliate’ board members, staff and management.

**Answer the following questions:** Can you articulate the difference between a credit union or financial cooperative, and a bank? How will you use deductibles and co-pays to drive down the cost of insurance? Can you explain how we can use reinsurance to transfer risks and cap catastrophic losses? Can you explain how to underwrite pre-existing conditions by endorsement to hold down premiums for most insureds? Do you still consider premiums, co-pays, and deductibles an expense? Or, do you consider premiums an investment in our future? Do you understand and can you articulate the merits of the 80% rule as it relates to benefits paid back to the insured? Can you articulate the difference between earned and unearned premiums? Are you prepared to create new member’ services such as: Health Savings Accounts, Reverse Mortgages, Payroll Deduction and Premium Auto Pay programs? Are you ready to blanket market all nationally recognized healthcare and health insurance products requested and/or preferred by anyone in your field of membership?
Credit Union Risk Managers! Listen up!

The difference between a credit union and a bank is, a credit union is a not-for-profit financial cooperatives, owned and operated by its members. Members of the Board of Directors, Credit Committee, and Supervisory/Audit Committee are all volunteers, elected from the credit union’s field of membership. The field of membership are all those who share a “common bond.” To join a credit union you open a “share savings account.” In most credit unions, every $5 in your share account gives you one share ownership in the credit union. Your shares earn dividends, usually declared once a year. The Credit Committee approves consumer loans based first on the applicants character, than capacity to repay i.e. do they have a job, and finally, if needed, on collateral. The credit union motto is, not-for-profit, not-for-charity, but-for-service. Credit unions believe, once you’re a member, you’re always a member.

Deductibles and co-pays are important, because when you don’t have any “skin in the game,” the odds are you’re not going to do anything significant to reduce your risks or subsequent losses. Both deductibles and co-pays force the insured to pick up some of the cost for their care.

Reinsurance is how insurance companies transfer risks they can’t afford to assume, over to another insurance company. Reinsuring agreements are used by all insurance companies, but most often by companies selling crop insurance. For example, a company carrying all the crop insurance on cherries grown in Door County, may reinsure their book of business with a company insuring all the grapes grown in California. The odds of a major crop loss in both states are reasonable low. In the fidelity bond and property casualty business, companies will reinsured overseas safeguarding against natural disasters such as a hurricane or tsunami.
Attitudes are everything. We’d all be well advised to consider premiums, co-pays, and deductibles our investment in good risk management, rather than an expense we’d prefer not to pay.

The 80% rule is what insurance companies are required to pay back in benefits to the insured. It’s usually 80% of earned premiums. So what are “earned premiums?” If you pay monthly premiums or 1/12 of your premiums each month, you’re insurance company considers they’ve earned 1/12th of your annual premium on January 31st. Consequently, 80% of your January premium should be paid back to the insured as some sort of benefit. It could be membership at the “Y”, a paid claim, a visit to their doctor, etc.

Credit unions helped pull the US through two world wars and the Great Depression. How did they do it? They formed local chapters, state leagues, and national association and hired teachers to teach money management skills in some of the poorest communities in our country. They formed a mutual life and health insurance company and created products such as Loan Protection (LP) and Life Savings (LS) insurance so debts died with the debtor and share savings accounts were matched by a like amount of insurance when the insured went to the big hunting grounds in the sky. Credit unions launched schools, CUNA Management Schools for example, and created money management tools such as payroll deduction, Christmas savings accounts to get ready for Santa, and automatic bill paying services for members struggling with balancing their budgets.

It is my hope that the US credit union movement will put their collective arms around our mission to lock down truly long-term, high quality, cost effective, and affordable healthcare and insurance.
Let’s pray! Let’s SPAR!

When I joined the credit union movement in 1971, every meeting at the credit union, chapter, league, national and international level started with a prayer. They were particularly long prayers at church, school, union, military, and company affiliated credit unions. Unfortunately, as credit unions merged and consolidated into community based charters, prayers became a less obvious part of larger gatherings.

So I introduced a “moment to SPAR during all my risk management workshops. SPAR stands for, Stop for a moment of silence, Pause for a moment of reflection. Assure yourself you’ve heard all sides of the argument. And, now let’s get ready to Roll. There are no atheists in a fox-hole. I strongly recommend you get God covering your back, before you move out.

It’s painfully obvious, Obamaare has been one big academic mistake for America from the beginning. It failed to adhere to even the most basic risk management principles, it ignores virtually all established underwriting practices, and violates just about every law of actuarial science promulgated since the birth of Christ.

Consequently, it’s creating enormous moral and economic risks for every man, woman and child in America, while eroding our heathcare, and driving generations yet unborn deeper and deeper in debt. If the law isn’t repealed and private sector health insurance options underwritten, obamacare will bankrupt our economy and lead our country a slippery slope toward socialism. It’s time we wake up, smell the rotting promises, and return to a reengineered, private sector health insurance industry. Taxpayer pockets never have been, nor will they ever be deep enough to support the inevitable unslaught of government subsidies, escallating deductables, and skyrocking premiums.

We’ve endured a congress that passed legislation they hadn’t read, let alone took the time to recognize the threat their actions
were to our religious freedom and right to rule over our own healthcare decisions. With one stroke of the presidential pen our free market health insurance industry fell under the control of our federal government, Christians were forced to turn their backs on church teachings, and the IRS was empowered to punish US citizens for being unwilling to purchase the health insurance prescribed by our government.

Since the Obamacare law was passed, we no longer are free to keep the doctors we prefer or seek the treatment of our choice. It add insult to injury, we were forced to turn personal and confidential information over to not-vetted employees of Planned Parenthood, 1/6th of our national economy over to the whims of Washington, and accept the largest tax increase in US history.

If Obamacare hasn’t already made you sick, wait for your increased taxes, the IRS audit of your reported income, the growing welfare fraud, and the inevitable law suits we’ll have to fight to restore our religious freedom, reclaim our independence, and rebuild our faltering economy.

The “home-rule” healthcare and insurance I propose guarantees access to cost effective and affordable healthcare and insurance from conception until your natural death, while death benefits help ensure remaining debts die with the debtor. Both the healthcare and insurance I recommend, restore our control over the decisions we make, while returning responsibility for actuarially sound underwriting and cost effect indemnification (claim settlements) to a reengineered private sector, state regulated, health-insurance industry.

Let me make it perfectly clear! Administration expenses are reduced because contracts are underwritten to provide blanket cover for all members of a common bond or “field of membership,” similar to how blanket fidelity bonds were issued to US chartered credit unions in the 1960’s. Preexisting illnesses are underwritten in high risk pools that focus more on curing and caring than
adjusting claims to avoid going to court. In addition to lowering administration expenses, blanket marketing through financial cooperatives create cost effective options for collecting premiums such as pay role deduction, as well as premium financing options such as signature, collateral, reverse mortgage, and home equity lending.

Think about it! We formed financial cooperatives (credit unions) to stabilize the local workforce, family budgets, and economy within a “field of membership.” By pooling paychecks and loaning their own money to fellow members based on the member’s character and capacity to repay, jobs were created and communities flourished.

Rather than sending our taxes (premiums) off to Washington to be squandered, mismanage, and redistributed, would we not be wise to pool our taxes, create jobs and grow our economy, while we pool our health risks to stabilize our local workforce and economy, not to mention the moral fiber and character on which our country has been built.

To ensure a constant focus on cost effective marketing, actuarially sound underwriting, and affordable premiums, I propose forming a regional consortium of state licensed and regulated health insurance companies, along with an international network of reinsurers tiered to spread losses across the country and around the world. I recommend regularly benchmarking insuring companies to ensure 80% of earned premiums collected provide direct benefits for the insureds.

To help balance family budgets, I propose a five year premium guarantee be built into each contract, tax credits, discounted payroll deduction options, health savings accounts, and reverse real estate mortgage options to carry insureds while unemployed or through a slowdown in our economy.

To more effectively manage the enormous welfare and insurance
fraud risks created by Obamacare, only properly vetted, well trained, and bonded personnel should have access to an insured’s personal, private, confidential, or top secret information. And, there should be stiff, enforceable penalties for anyone who mishandles our records or violates our trust.

Let’s Benchmark!

Benchmarking of Obamacare in 2013:

Yogi Berra said, "You’ve got to be very careful if you don’t know where you’re going, because you might not get there."

While some might laugh at “Yogi-isms,” we can’t laugh at those who allowed the Obamacare law to be passed without being read, nor those who allowed it to be rolled out October 1, 2013 totally unaware it wasn’t ready for prime time. Consequently, risks went unmanaged, targets were missed, and those relying on promises made where left “hanging out to dry.”

On December 19, 2009, the Congressional Budget Office (CBO) estimated the IRS would need “between $5 billion and $10 billion over 10 years to enforce Obamacare.” Since 2009, the estimated number of IRS agents that’ll be needed to enforce Obamacare has risen from 6,700 to 16,000. Obamacare has fast become the largest tax increase in US history.

The cost of the Obamacare website ($678,000) is dwarfed by the financial havoc raised in the US health insurance industry. Millions if not billions have been spent by insurance companies who’ve bought into the Obamacare actuarial nightmare, while companies dropping out of the marketplace are laying off underwriters, actuaries, and marketing personnel; all while faithbased hospitals, clinics, and doctors are downsizing. Ironically, taxpayers now are paying for both sides of lawsuits launched by churches, unions, and those defending assaults against rights guaranteed by our constitution.
As US taxpayers went to bed New Years worried they’d not wake up insured, President Obama ordered a staff member to sign him up online, while boarding Air Force 1,

**Let’s target our worst case scenarios!**

Our mission is to locate, lockdown, and link every man, women, and child in America to affordable healthcare, and insurance. We’ll focus on four worst case scenarios, one in each of four geographical areas of quadrants in the US.

In the northeast and southwest, we’ll target health risks resulting from a chemical or biological terrorist attack. In New York, terrorists placed anthrax in Time Square and financial district. In Arizona, we’ll target variant Creutzfeldt-Jakob disease, the human-affecting form of mad cow disease (The loss of muscle control, intensifying memory problems and muscle spasms) indicating terrorists have successfully infected one of our southwestern stockyards with mad cow disease. In West Virginia, we’ll target coal workers’ pneumoconiosis (CWP), also known as black lung disease or black lung, caused by long exposure to coal dust. And in Wisconsin, hundreds of nude ice fishermen, and women, are suffering from Pneumococcal disease caused by *Streptococcus pneumoniae* (pneumococcus). A Pneumococcal bacteria that’s resistant to antibiotics.

By dividing the country into four distinct geographical areas, we’re better able to quickly identify, measure, and hopefully control the health risks most important to the population living and working in each community or common bond. Equally important, underwriters are better able to cost effectively pool risks into actuarially sound policies. And, subsequently, 80% of earned premiums can be focused back into the common bond, or “field of membership to hopefully reduce future health risks, as well as lower premiums, co-pays, and deductibles paid by the insured.”
So let’s benchmark our progress toward locking down cost effective and affordable healthcare and insurance. We’ve improved our ability to identify, measure, and focus our risk management efforts. We’ve also been able to redirect 80% of earned premiums back to the insured where they can best be used to reduce future health risks.

Now let’s transfer the excess health risks insurance companies can’t afford to carry through a series of “reinsurance” agreements. Remember, we use reinsuring agreements to cap losses in each “book of business” by transferring excess risk, that’s the risk a company can’t afford to take, to another pool if similar excess risks.

This is where pooling health risks into geographical pools will also help reduce some administrative expenses. Why? Underwriters north of the 45th parallel will be better at underwriting the exposures brought into the pool by the nude fisherman, than underwriters south of the 45th. Similarly, loss experience has taught us, underwriters west of the Mississippi have unique underwriting expertise not shared by their cohorts east of the Mississippi, and vice versa.

It stands to reason, that if we first transfer health risks through regional reinsuring contracts, and then into a national pool, both underwriting and claim settlement expenses, not to mention other administration expenses should be significantly less than going direct to a national pool. It’s also easier to measure both loss frequency and severity in a region, as opposed to nationwide.
which in turn helps actuaries set lower premiums, co-pays, and deductibles, and risk managers focus their efforts to reduce future losses.

At some point, especially when underwriting pre-existing conditions, the end will not justify the means, no matter how high premiums, co-pays, and deductible are set. At some point, risks that blow through the family budget, and policy limits will have to be transferred to a government backed pool of insurance.

Now, considering we taxpayers have provided billions of dollars in grants, loans, and subsidies to drug companies, hospitals, and those doing the research and development of healthcare “for profit” products, shouldn’t we have the right to demand a return on our investment? It stands to reason, if we’re going to take a significant chunk out of the cost of our healthcare, it’s time we negotiate a better price for the drugs we’ve paid to create.

But wait! Dumping the bill back on the taxpayers is not the end of the story. It’s only a catalyst for the next phase of our operation (pun intended).

Remember, the home-rule healthcare and insurance I recommend is driven from the grassroots up, supported by roughly 23,000 credit unions, all representing a “common bond” or “field of membership.” And remember I said, credit unions are positioned better than any other organization, anywhere in the world, anytime in history to grow the economy, create employment opportunities, stabilized family budgets, and identify the healthcare risks that are unique to their field of membership. Equally important, remember our mission to lockdown and deliver cost effective and affordable health insurance to every man, women, and child in America is never ending. So let’s move on!
Why and how do we underwrite pre-existing conditions!

Underwriting pre-existing conditions is not unlike underwriting a boat with a hole in its bottom. No matter how much you charge, the boats bound to sink before it reaches its destination. So why are we going to do it? We can’t afford not to. Ignoring those with pre-existing conditions will only frustrate our moral conscious, run counter to our national character erode our prestige, and taint our honor.

So, how do we underwrite those who'll wait until they're diagnosed with a terminal illness, or involved in a life threatening accident to purchase health insurance? I recommend they be handled similar to how life underwriters handle those planning their own suicide. FYI, there's a standard two year suicide exclusion in all life insurance contracts.

I recommend three options for the insured coming to the underwriter with pre-existing conditions. For at least the next two to four years, I'd recommend those with pre-existing conditions buy into the Obamacare contract, as it covers pre-existing conditions for the same premium paid by all other insureds. However, by doing that, they’ll be locked into the escalating premiums, co-pays, and deductibles for at least two years, while we get the “Home-rule Health Insurance contracts up and running.

Note, I said contracts as I'll be recommending four home-rule contracts. One will replicate Obamacare, with the exception adoption coverage is included, while abortion coverage is offered by endorsement or rider. “Endorsement” is the terminology in property/casualty insurance, while “rider” is usually used when underwriting life and health policies. Both are underwritten separate from the base contract so premiums charged more accurately reflect the risks placed into the pool of pre-existing conditions.

So we now have two contracts. The Obamacare contract and the
Home-rule Health Insurance contract. Right? To further reduce premiums, co-pays, and deductibles, I recommend three other contracts, customized to meet the needs of low, middle, and high income segments of society. One contract would offer basic health insurance with regionally acceptable caps on most healthcare services such as hospital stays, follow-up visits to the doctor, etc.

Another would be customized to meet the insurance needs of middle and high income insureds. Insureds who can afford to pay more for larger caps and higher limits. The fifth contract I recommend would cover catastrophic losses, such as those that have blown through the limits covered by other insurance policies. Note, For now, I’m recommending our national health insurance program be limited to five nationally recognized policies. I’ll explain later.

So that gives us five “nationally recognized” health insurance contracts from which to choose. Right? A nationally recognized contract is one our federal government considers will meet the “affordable” healthcare needs of all citizens in the USA.

All five contracts provide basic adoption coverage from conception until the child is fully adopted and all healthcare concerns have been addressed. Also, all five contracts offer abortion coverage and coverage for pre-existing conditions by endorsements/riders. The primary cost saving benefit to the insureds is, they only pay a premium for the coverage they choose to carry.

So, how do we roll pre-existing condition coverage into all nationally recognized contracts? I’m glad you asked. Remember how the two-year suicide exclusion guarded against what’s called the “moral hazard” in insurance underwriting? Well, by underwriting pre-existing conditions as a separate endorsement/rider, or contract, and charging an appropriate premium for two years, that should help safeguard the five contracts from those purchasing insurance just to get someone else to pay for their care.
Once the insured is covered for two years by any of the five nationally recognized contracts, they can move into any of the five without losing any coverage for pre-existing conditions. In other words, once our national healthcare and insurance program is in place, and once everyone is insured from the moment of conceptions, there will be no such thing as a pre-existing condition.

What I’m suggesting is, once the five Home-rule insurance contracts have been in place for two to five years, insured now underwritten by Obamacare should be able to save money moving over to one of the other five contracts.
Let’s SPAR!

Throughout our mission, we stop what we’re doing and pause to assure ourselves we’re all rolling in the right direction. So, here goes:

Our mission is to lockdown and link every man, women, and child in America to cost effective and affordable healthcare and insurance. All healthcare and insurance purchasing decisions need to be home-ruled and all responsibility and accountability rests squarely on the shoulders of the insured.

All Home-rule healthcare and insurance is controlled 100% by the insured, run 100% by the “private sector,” regulated 100% by State governments, and backed 100% by the full faith and honor of the Federal government.

All agents representing the private sector must be licensed, bonded, and regularly vetted to verify their credentials. Two experienced and credentialed actuaries, appointed by fifty

All State Insurance Commissioners, will be charged with regulating health insurance companies within their respective states, and maintaining a list of “nationally recognized” health insurance contracts. State Insurance Commissioners will also be responsible for overseeing a national reinsurance consortium; empowered to create regional, national, and international reinsuring agreements capable of reinsuring health risks that can’t be safely assumed by another health insurance company. Excess risks include, but are not limited to pre-existing conditions and catastrophic injuries and illnesses. The consortium should also be empowered to establish inter-State, intra-State, and International Marketing/Reinsurance agreements to spread healthcare risks across State boundaries and international borders.
Hear Ye! Hear Ye!

A cure for the Obamacare Law

Louis D. Brandeis, Associate Justice of the Supreme Court said, “If we desire respect for the law, we must first make the law respectable.”

So, how can we respect a law passed by one side of the isle without being read? A law made law only after the Supreme Court ruled it the largest tax increase in US history. A law that needed the Nuclear Option to block any opposition. A law that turned 1/6 of our economy over to the whims of Washington, forcing Christians to fund abortions, and threatening enforcement by the IRS. The Obamacare law must be repealed and replaced by a law we can respect.

President Ronald Reagan nailed it, when he said, “Our government exists to protect us from each other. Where government has gone beyond its limits is in deciding to protect us from ourselves.”

The primary reason the Obamacare law was passed was to kick in the law of large numbers, falsely assuming, when everyone was on board, premiums would drop to an affordable level. Let’s remember:

**Barack Obama said,** “I can make a firm pledge, under my plan, no family making less than $250,000 a year will see any form of tax increase. Not your income tax, not your payroll tax, not your capital gains taxes, not any of your taxes.”

**Barack Obama said,** “I will cut taxes - cut taxes - for 95 percent of all working families, because, in an economy like this, the last thing we should do is raise taxes on the middle class.”

Yet, Obamacare is the largest tax increase in US history!

I’m not totally convinced we need a law to sell most Americans an insurance policy that covers their healthcare costs. Especially a policy that doesn’t meet their coverage needs, nor ability to afford.
There is an old insurance sales saying that says, “Features tell, but benefits sell.”

In other words, when you’re selling a car, you can point out the car has tires, a steering wheel, brakes, and an exhaust system, but until you convince the buyer the brakes are dependable, the tires are trustworthy, the exhaust makes the car safe, and the driver will look younger and smarter behind the wheel, the car won’t sell.

While the law we pass needs to require every citizen to purchase health insurance, the insured must be convinced the policy will pick up all the healthcare costs they can’t afford to pay. In addition, the healthcare law should empower insureds to take command of their lives and control over their healthcare decisions, encourage taking a job as opposed to accepting welfare, and send a message that, if and when the insured suffers a loss, they’ll be indemnified (put back in a similar economic state they were before the loss). And, if and when the insured suffers a catastrophic loss, the federal government will have their back.

The nationally recognized contracts are an investment or cost of doing business and living in a free, democratic, capitalistic, socioeconomic divers United States of America. After all, by design, 80% of earned premiums are returned to the insured, either in the form of claim payments, or invested in risk management controls to reduce future losses.
There are many reasons why Obamacare failed to deliver cost effective and affordable healthcare and insurance. The top six reasons include: The contract wasn't properly underwritten, it dumped all risks, including pre-existing conditions into one national pool, few God fearing Christians were willing to indirectly fund abortions, fewer under 30 were convinced they needed insurance, too many regretted losing their family doctors, and last but not least, most Americans are fiercely independent and will never forgo their freedom for the false promises of socialized healthcare.

I recommend leaving the Obamacare contract in place, as is, until the following five alternative contracts are in place, at which time, insureds can, if they chose, safely migrate out of the Obamacare contract.

**Contract #1: Home-rule Health Insurance (HRHI)**

Home-rule health insurance is designed for those who want to avoid paying for pre-existing conditions, or funding abortions. The contract is similar to the Obamacare contract, with a few important differences. First, adoption cover replaces abortion coverage. Abortion coverage can be added as an endorsement or rider for an additional premium. Second, pre-existing conditions are not covered, however they can be underwritten in a separate nationally recognized contract (Contract #4).

**Contract #2: Basic Home-rule Health Insurance (B-HRHI)**

Basic home-rule health insurance is designed for the young at heart and those fresh out of their parent basement. It’ll be particularly attractive to insureds just joining the labor market.

To make the contract more affordable, claim losses can be
capped, and coverage limits intentionally lowered at the insureds discretions. Premiums, co-pays, and deductibles, can also be adjusted to more accurately reflect the loss frequency and severity in their quartile of the country. I’ll explain “quartile covered” latter. Pre-existing conditions are excluded, but can be covered either under the Obamacare contract or an optional, nationally recognized pre-existing condition contract (Contract #4).

**Contract #3: Middle America Home-rule Health Insurance (MA-HRHI)**

I call this contract my “Middle America” middle of the road contract, designed to meet the needs of those in the “middle income” bracket. Whatever that means. The contract is identical to the B-HRHI contract, only loss caps and coverage limits are raised to reflect the insured’s exposures. Co-pays and deductibles in group policies can also be adjusted to lower premiums. Pre-existing conditions are excluded, but can be covered either under the Obamacare contract or an optional, nationally recognized pre-existing condition contract (Contract #5).

**Contract #4) Catastrophic Home-rule Health Insurance (C-HRHI).**

The Catastrophic Home-rule Health Insurance contract is no different than any other contract covers a catastrophic event effecting our health and wellbeing, whether it’s a terminal illness or life altering accident. The only difference is this contract is written to compliment any one or all of the nationally recognized health insurance contracts.

For example, C-HRHI also excludes pre-existing conditions, but it does require 80% of earned premiums to be returned to the insured in claims paid or risk management methods designed to reduce future losses.
Contract #5: Pre-existing Conditions Home-rule Health Insurance (PC-HRHI)

Those with pre-existing conditions will have two options. They can purchase the Obamacare and ride the premium, co-pays, and deductible up for as long as they can afford to pay. Or, purchase this PC-HRHI contract. I honestly don’t know what the premiums, co-pays, and deductibles might be going forward. We’ll have to let the actuaries figure out how they’ll be able to take in $100 in premium and pay out a $10,000 hospital bill the next day, and still make it work.

Fortunately, I see this contact filling a need for only the next two to five years. As long as the Obamacare contract is out there, most insureds with pre-existing conditions might be well advised to purchase the Obamacare contract.

But, allow me to hypothetically explain how a pre-existing condition contract might be made actuarially sound at a reasonable premium and a little help from Uncle Sam.

I suggest it be underwritten like we underwrite term life insurance. Let’s take all the pre-existing conditions nationwide, including those now insured under the Obamacare contract and dump them into one national pool. Assuming 100% of premiums will be paid out in claims, calculate a premium based on the insured’s average age and life expectancy.

All things being considered, set a reasonable premium most insured’s can pay and just go with it. At some point the government will have to step in and pick up the tab.

On the bright side, after two or three years, pre-existing conditions will be a thing of the past for those covered by any one of the nationally recognized policies. Why, each policy has a guaranteed insurable option, meaning at the end of the policy term, the insured can automatically move to any one of the nationally recognized contracts.
So without hundreds of IRS agents and threats of fines and penalties, how does the government audit compliance with the new Affordable Healthcare Law?

It’s all done electronically. On January 1st each year, the insurance company sends the insured a confirmation of coverage that includes the insured’s name, and social security number, along with their company name, the name of the policy, the policy number, and a statement as to whether or not premium payments are current and the policy is inforce.

Whether or not premiums can be held out of the insured’s tax returns can be debated. I recommend they not be withheld. Rather, I recommend this be handled as a “teaching moment.” Instead of withholding money needed by the insured, I recommend some of the 80% earned premium be invested in community wide financial counseling.
Field of Dreams #101

A message for Credit Union Board of Directors, Supervisory/Audit Committees, and Credit Committees.

You were taught it in CUNA Management School. “Build it and they shall come.”

“Affordable” is a relative term. Affordable anything, to include home-rule health insurance depends heavily on the insureds ability to pay their premiums, co-pays, and deductibles.

Their ability to pay depends heavily on whether or not they’re employed and what their budget priorities might be when the bill arrives. The last thing they need is a bill collector at the door, let alone the IRS ready to levy fines and penalties.

Instead, they need their credit union to mobilize and focus the local credit union chapter on getting to the heart of the problem.

For example, in the Caribbean credit union movement they sponsor financial management classes in low income neighborhoods, offer signature and co-maker loans to struggling parents (based on the three Cs of consumer lending), and encourage companies to create alternative short term employment, to include overtime to help members fight off bill collectors.

Premiums, co-pays, and deductibles, whether they’re viewed as
an expense, or an investment tend to be a low priority when it comes to putting a roof over their heads or food on the table. This is particularly true in low income neighborhoods.

FYI: The disparage in economies between east and west German was 5 to 1, when the wall came down, which created economic havoc in West Germany. It’s estimated to be worse than 12 to 1 between North and South Korea. The credit union movements in Poland and South Korea have launched programs to teach financial management skills through family members on both sides of the border. The moral of the story? Fine them and they’ll go bankruptcy. Offer them a helping hand, and they’ll be able to afford their premiums for a lifetime.

Let’s benchmark! Let’s quarter up the country!

Throughout our mission, we stop what we’re doing and pause to assure ourselves we’re on target and moving in the right direction.

So far we wrote a mission statement, reviewed basic risk management principles and practices, targeted four worst case scenarios, suggested a replacement for the law, and five nationally recognized contracts designed to reduce the future cost of health insurance.

We’ll now adopt the same Incident Command System (ICS) used by law enforcement, fire departments, and emergency governments to the grassroots credit union movement. Our goal is to more cost effectively identify, measure and control any and all health risks we face in the future.

Note: While all nationally recognized, home-rule health insurance contracts cover the same pure and speculative health risks, I recommend they be underwritten in four separate quadrants of the country. For example, dividing the country north and south of the 45th parallel and east and west of the Mississippi would allow
underwriters and actuaries to focus on the health risks unique to each quadrant.

I recommend involving the Center for Disease Control (CDC) in a unified command to help identify, measure and control health risks in each quadrant, as well as the Department of Health and Human Service and the Department of Education to keep the public informed during any national healthcare crisis.
United we succeed! Divided we fail!

The quicker we identify, measure, and control life threatening risks, the lower will be our losses and subsequently the lower will be the cost of our healthcare and insurance.

Let’s role play an anthrax scare in Time Square, and a terrorist targeting our stockyards in Arizona to explain how the Incident Command System (ICS) works at every level of the grassroots credit union movement.

First let’s role play a “single” command. You just arrived at work and you see a suspicious oil stained, package with what looks like baby powder in an attached envelope just outside your office.

What would you do? In a loud voice you say “I take command,” you evacuate the area, call the police and stay on the line, while you go outside and wait for the police to arrive. You’ve just carried out your first “single” command. You took command and executed a maneuver to ensure everyone in the area was safe. You then informed the police, staying in contact until they arrived at the scene.
Now let’s role play a “unified” command. You’re a supervisor working at a large southwestern stockyard when you notice two a suspicious men imbedded with stockyard employees. One is feeding what appears to be contaminated feed to the cattle. The other is branding and giving some type of shot to the calves. If you don’t act quickly, potentially infected cattle will be mixed with lots ready to be shipped to the slaughter house. If that happens there’s a better than even chance thousands of cattle will have to be put down.

What would you do? You’d take command, designate a safety, information and liaison officer, as well as a chief of operations, planning, logistics, and finance. Refer to our RMLC library for more information.
In summary, The Obamacare contract should be left as is for at least two to five years, so those with pre-existing conditions have a home, and those objecting to Obamacare have time to migrate into one of five nationally recognized contracts.

The five home-rule contracts we recommend should meet the health insurance needs of every US citizen, to include the young, aging, poor or economically challenged, those with pre-existing conditions, and those who’ll never need or will never want to seek the help of a licensed medical professional.

Using the US credit union movement as a business model, we laid out a strategic blanket marketing plan that ensures every citizen from conception to death has access to affordable healthcare and insurance.

We outlined a law that frees us to choose, not only the policy or doctor we prefer, but equally important, the coverage that best serves our business ethics and moral conscience.

I picked up something in church today. In many ways, we’ve moved from running our lives based on the Old Testament to managing our health based on the New. In the Old Testament, we were governed by the Commandments. In the New, we’re guiding our lives influenced by the Beatitudes. We’ve gone from “Thou Shalt Not live without health insurance, to Blessed are those who do!

God Bless both sides of the isle. Full speed ahead and damn the torpedoes.

Rich Woldt CEO The Risk Management Learning Center
Home-Rule Healthcare – Free Market Health Insurance

The Risk Management’ cure for the Obamacare

Thomas Jefferson said, “To compel a man to furnish funds for the propagation of ideas he disbelieves and abhors is sinful and tyrannical.”

England’s Prime Minister Margaret Thatcher warned, “The problem with European Socialism is eventually you run out of other people’s money.”

Obamacare is a case in point!

Rich Woldt CEO the RMLC

(Bio)

About the Author

Rich Woldt, is the founder and CEO of the Risk Management Learning Center he started in 2001 shortly after the 9-11-01 terrorist attacks at the World Trade Center in NYC. He refers to himself as “a recovering liberal,” having lived and worked on the Isthmos of Madison while attending the University of Wisconsin. He received his BBA in Risk Management, Insurance and Marketing from the UW-Madison in 1968, is a CPP (Certified Protection Professional), retired CFE (Certified Forensic Examiner), licensed Private Detective, and an active member of PAWLI (Professional Association of Wisconsin Licensed Investigators). He’s a charter member of the UW Risk Management and Insurance Alumni Association, and a life time member of the VFW, AMVETS, and Wisconsin’s FORCE (Wisconsin Firearm Owners, Ranges, Clubs, & Educators, Inc.). He’s on the board of MPI (Midwest Protection Incorporated), and charter member of many credit unions across the US, including
the Door County Community Credit Union (DCCU) that he now admits was run out of the trunk of his ‘65 Chevy SS for most of its first six months. DCCU has now been merged first into the Pioneer CU and now into the Capitol Credit Union.

During his more liberal life, he campaigned and voted for JFK and LBJ, as well as Democrats Russ Fiengold and Paul Soglin. He was a union member for 28 of his 30 year career teaching Risk Management throughout the world credit union movement. He’s a Vietnam vet, Catholic, and now a registered Republican.

He says he leans farther right everytime Obama makes another campaign promise, he carries concealed, and vows to oppose any government that attempts to by-pass our constitution, violate our right to “home-rule,” weakens our nationals defense, drives us deeper in debt, turns or country into a “nanny” state, or moves the US toward Socialism, two steps closer to Communisms, or a giant step closer to Fastism.

As a Risk Manager, he believes in smaller government and less bureaucracy, more freedom and less government regulations. He believes local governments should have more power than state and state government more power than federal. He believes federal government should focus primarily on our national defense and leave healthcare, education, law enforcement and emergency government to the states.

Finally, he believes the war on terror is not over, now’s not the time to be placate our enemies or retreating from combat. Downgrading our military only makes us less able to discourage the next attack and more vulnerable when it inevitably happens.

The primary focus of our federal government should be on securing our borders and defending our freedom. Until they get it right, we’d be best advised to leave overseeing of our healthcare systems and insurance industry to the wisdom of our states.