

Written by

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CHICAGO (*jGLi*) – A former Filipino-American Republican mayor of a Michigan city and a Certified Financial Planner is reaching out to President Barack Obama to help his government save more than \$30-billion over the next five years in his health care program.

J. Owen Diaz, former mayor of Milan City, Michigan, has sent a letter to the White House last January but he is still waiting for that call.

Mr. Diaz, whose wife is a medical doctor, based his estimate on the “net average Medicare savings to the United States government and the American taxpayers if (his) proposal were implemented (at) \$6,740 per individual Foreign Born Retiree (FBR) in 2011 among Mexicans, Chinese, Filipinos, Indians, El Salvadorans, Vietnamese, and Koreans.”

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The 64-year-old native of San Carlos City, Pangasinan in the Philippines, who helped “address a budget deficit and implemented reduction in the property tax” when he was mayor of Milan for four years (2004-2008), said, “More savings from this proposal can be realized by private insurers and other private funds that provide secondary medical insurances and Medigaps.

“If only an estimated 10-15% of the 65 – and-over FBRs take advantage of this opportunity, the estimated total Medicare savings from this proposal, according to the statistical inference for the said seven referenced countries in the year 2011 alone, is between \$2,787,414,620 and \$4,181,118,560 (See Table 1). Over five years, this savings increases to between 22-billion and 30-billion dollars.”

MORE SAVINGS FOR “END-OF-LIFE” HEALTH CARE COST

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M r. Diaz, who is administrator for an Urgent Care Clinic and presently managing a Mental Health Clinic, said, “The estimated overall savings can be much more, if we use the figures applying the relative medical procedure costs reflected in Table 2 (shown in a separate article published also in this section), and further considering the enormous "end-of-life" health care cost, the estimated overall savings could be even significantly greater if the proposal were to be extended to non-FBRs who elected to live abroad in the cited countries or in other countries that may qualify to have Medicare attachés in the future.”

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Citing the Congressional Budget Office, Mr. Diaz said, in June 2010, the federal budget deficit is “going to get much worse and become unsustainable because of cost increases in Medicare and Medicaid. This proposal can bring about a net savings of an estimated 50% per FBR beneficiary, as compared with the Medicare costs for beneficiaries living in the United States .”

Most medical procedures in the United States, he said, can be performed in other countries, such as the Philippines, at less than half the cost. This coverage proposal calls for, in certain limited circumstances, the allowance of Medicare payments to medical providers outside of the United States , of up to 50% of the customary reimbursement fees afforded to medical providers within the United States .

The proposed adjustment in benefit coverage takes into consideration the logistical and administrative costs of providing coverage to FBRs, while providing significant savings to the United States government.

The bottom line is, that with the passing of the healthcare reform legislation, which seeks to increase access to medical care by more covered people, this proposal will serve to “relieve pressure on our limited health care providers in the United States, restrain costs and, most importantly, provide relief to the tax-payers of the United States.”

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BABY BOOMERS RETIRING

As the so-called baby boomers (born in 1946 onwards) start to retire and become Medicare eligible, Medicare expenditures will increase significantly, which will require increased funding. This increase in funding ultimately is borne by the American taxpayers. A significant number of these boomers are foreign-born residents who immigrated to the U.S. in the 70's and early 80's. Some of these retirees, an estimated ten to fifteen percent would like to return to their country of origin, on a full or part time basis, where they will stay and spend much and perhaps most of their retirement years.

With their American pensions or Social Security and other income, they can live comfortably, (perhaps even affording maids and personal drivers) in tropical countries, content in the familiarity of their culture, and free of the hassles of winter weather.

Unfortunately, they currently elect to remain in the United States because their primary source of medical coverage – Medicare does not cover medical services outside of the United States except Guam and in limited circumstances such as medical emergencies while traveling or passing through foreign countries.

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This proposed Medicare coverage would only be available in countries where a Medicare attaché will be present. A Medicare/medical attaché's office would be recommended for countries that have or are expected to have a significant number of retirees who are Medicare beneficiaries as a result of this proposed coverage adjustment. In order for countries to qualify for a Medicare attaché, they must have a certain number of FBRs (or perhaps non-FBRs¹) to provide sufficient Medicare savings to justify the expense of the attaché.

MEDICARE ATTACHES GATEKEEPERS OF FRAUD

There are seven identified countries that currently would be expected to receive approximately about fifty three percent (53%) of these FBRs who currently are living in the United States. The funding of Medicare attachés offices in these countries, (which is estimated to cost an amount approximating 1% of the estimated savings of this proposal, thus would be economically justifiable. (See Note #1 and Table 1, as published in a separate article in this section).

There have been several requests by certain ethnic and other groups to extend Medicare/medical coverage to U.S. citizen retirees wanting to live, or currently living, in other countries. However, their requests have not to date been fruitful. Understandably, the provision of such coverage raises questions of logistics and expenses, not to mention the control of fraud. This proposal addresses these concerns through the presence of Medicare attachés, who will function as gatekeepers, doing medical procedure predetermination of appropriate medical services, credentialing of medical providers, and controlling fraud.

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According to the U.S. Census Bureau, in 2011, there will be 4,135,626 FBRs 65 and over, from Mexico (2,636,044), China (259,861), Philippines (327,556), India (290,121), El Salvador (212,131), Vietnam (211,507), and Korea (198,405) for a total of 4,135,626.

If 10% of these FBRs will return to their country of origin, the U.S. Medicare savings will be \$2.9-billion and if 15%, savings will be \$4.1-billion. # # #

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