Ethan Allen Institute

Newsletter - January 2014 (Printer Edition)

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Without your help, we couldn't do anything. So, what we're saying is we need your help. Please make your contribution to EAI and the work we all do for a freer Vermont today. Thank you!

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Top Story

A priority of the Ethan Allen Institute in 2014 will be to tell the story of Vermont's 150 year old system of school choice.

Our independent schools are under grave threat as the legislature returns this month. Outgoing Secretary of Education, Armando Vilaseca, left office with a broadside on the tuitioning/town academy, issuing a one-sided report recommending changes to the law that would destroy Vermont's choice system and the schools it supports. Rep. Joey Donovan, the chair of the House Education Committee where Vilaseca's recommendations will land, has said, "No one is more anti-school-choice that me."

These video interviews represent what Vilaseca, Donovan and their allies in Montpelier are trying to wipe out.

We will do more such videos over the course of the year. If you have a school choice story you would like to share, please contact EAI president, Rob Roper, at rob@ethanallen.org.

We will be shooting some interviews before our Manchester, VT, debate on January 14th in the early to mid-afternoon. If that time/location is convenient to tell your story, let us know ASAP to schedule. Thank you.

Commentary: Economic Freedom in North America

by John McClaughry

Since 2002 the Fraser Institute of British Columbia has published nine editions of its report on The Economic Freedom of North America. This now-widely known report assesses a composite variable called "economic freedom" in each of the fifty US states and ten Canadian provinces.

The data used to compile the index for states and provinces covers three main areas: the size of government and its spending in relation to the Gross Domestic Product (value of goods and services); tax rates and revenues; and labor market freedom. The index also includes three additional factors – the same for all states within each country: legal system and property rights, sound money, and freedom to trade internationally.

Using the world-adjusted subnational government index for overall economic freedom, Vermont falls into 55th place among the sixty states and provinces. It is followed by New York and three Canadian provinces. The "economic freedom winners" are Alberta and Saskatchewan, followed by Delaware, Texas and Nevada.

What keeps Vermont from sinking all the way to the bottom is its relatively high scores for a free credit market (competitive banking sector) and, perhaps surprisingly to some, its relatively low sales tax revenues (since 2003 a 6% rate, with exemptions for food and most clothing.)

At the subnational level – where differences in national policies are not taken into account - Vermont ranks 53rd. New Hampshire, where many Vermonters shop without paying a sales tax, ranked 11th in this index. Beneath Vermont came New York and five provinces.

At the very bottom came Quebec, the province with the most aggressive and inclusive single payer health care system. This certainly makes one wonder about Gov. Shumlin's frequent assurances that installing single payer health care here will produce an economic boom.

Big government advocates will challenge the report's methodology and findings. They tend to regard "economic freedom" not so much as the source of a society's wealth, but as an annoying nuisance requiring constant reduction in scope. The report also omits non-economic features of a society, such as quality of life, clean environment, public safety, community values, and the like. Add these into the rankings, they say, and Vermont will shoot up, which is probably true.

They will also excitedly point out that the American coauthor, Dr. Dean Stansel, is a free market economist, and the report was supported by the libertarian Charles Koch Foundation and the Searle Freedom Trust. That might account for the criteria used, but the actual data comes from public sources.

The summary observations of the report are worth reading in full, especially for policy makers and citizens in 55th ranking Vermont:

"The results of the experiments of the twentieth century should now be clear: free economies produce the greatest prosperity in human history for their citizens. Even poverty in these economically free nations would have been considered luxury in unfree economies. This lesson was reinforced by the collapse of centrally planned states and, following this, the consistent refusal of their citizens to return to central planning, regardless of the hardships on the road to freedom."

"Among developing nations, those that adopted the centrally planned model have only produced lives of misery for their citizens. Those that adopted the economics of competitive markets have begun to share with their citizens the prosperity of advanced market economies."

"Restrictions on freedom prevent people from making mutually beneficial transactions. Such free transactions are replaced by government action. This is marked by coercion in collecting taxes and lack of choice in accepting services: instead of gains for both parties arising from each transaction, citizens must pay whatever bill is demanded in taxes and accept whatever service is offered in return."

"In some ways it is surprising the debate still rages, because the evidence and theory favoring economic freedom match intuition: it makes sense that the drive and ingenuity of individuals will produce better outcomes through the mechanism of mutually beneficial exchange than the designs of a small coterie of government planners, who can hardly have knowledge of everyone's values and who, being human, are likely to consider first their own well-being and that of the constituencies they must please when making decisions for all of us."

Let us hope that over the next few years Vermont policy makers and citizens will come to appreciate that economic freedom leads to prosperity, which is something very much worth having.

Commentary: The Single Payer Healthcare Cost Nobody's Talking About

By Rob Roper

A goal of Green Mountain Care – the primary goal, according to Governor Peter Shumlin – is to control the total amount of money that Vermonters pay for health care. Back in November, an independent report by Avalere Health concluded that the official estimate of $1.6 billion in new taxes necessary to replace premiums and pay for a single payer healthcare system was too low. The real number is more likely to be in the $1.9

billion to $2.2 billion range.

This is significant because, if the Avalere numbers are correct, adopting Green Mountain Care will not save Vermonters anything. In fact, the single payer system would end up costing us even more than the current system, as messed up as the current system is. At the end of the day, the Administration and the legislature that gave us Act 48 don't have much room for error in a project that has been, so far, plagued by serious and consistent errors of both judgment and execution.

However, nobody is discussing a line item that will blow the doors off the total cost of healthcare in Vermont under Green Mountain Care. This is the cost of the supplemental insurance policies that will be necessary to "wrap around" the benefits offered under the single payer system.

Whenever supporters of single payer are challenged about the workability of a single payer system, they invariably point to Medicare. That's a single payer system that works brilliantly (forgetting for the moment that Medicare is facing some $35 trillion in unfunded liabilities). Single payer healthcare is really just "Medicare for All." But in reality, most Medicare recipients require some form of supplemental insurance coverage. According to a Kaiser Family Health report released in April 2013, 88% of Medicare recipients had some form of supplemental insurance, either a privately purchased MediGap plan, some sort of employer-based retiree plan, or through Medicaid. The average cost of a MediGap plan in 2010 was $183 per month ($2196 per year).

To put this in perspective, if Green Mountain Care is truly an "everybody in" policy (excepting 107,000 Vermonters over 65 covered by Medicare), and we apply the Kaiser statistics for supplemental coverage, we're talking about roughly another billion dollars of additional healthcare expense coming out of Vermonters' pockets. So far, this potential billion dollar tab appears to be off the citizens' radar -- and off the government's books.

But somebody will have to pay. Individuals? Businesses? Taxpayers?

Under the Medicare single payer example, 14% of users receive supplements through Medicaid and 14% through Medicare Advantage. But, under Green Mountain Care, Medicaid will be part of the single payer system, not a supplement to it, and there can be no Medicare Advantage-like program in a system with no private insurance market. 25% receive supplements through an employee retirement arrangement. But, Green Mountain Care beneficiaries are not retired, and another goal of single payer healthcare is supposedly to divorce the relationship between employment and healthcare. Nevertheless, you can expect to see serious pressure on Vermont businesses to supply "wrap around" policies for their employees, particularly if those employees are experiencing a decrease in quality of coverage under Green Mountain Care.

It's difficult to know exactly what kind of supplemental policies Vermonters will need under Green Mountain Care or what they will ultimately cost because we don't know exactly what Green Mountain Care will cover. Will dental and vision care be part of the package? Long term care? Travel outside of Vermont? We need answers to these questions, and the sooner we get them the better.

But there are some things we do know….

Dr. William Hsiao's 2011 report to the legislature specifically mentioned the need for "wrap around" policies. Governor Peter Shumlin and Anya Rader Wallack (then Chair of the Green Mountain Care Board) stated categorically that supplemental insurance policies would be available under Vermont's single payer system, so these policies are expected to be a part of the landscape.

However, if the benefits of Green Mountain Care are so comprehensive that supplementary policies are not necessary (they would have to be more generous than Medicare and more generous than, say, unionized teacher's benefits to meet that threshold), the cost of such a program would dwarf the expanded estimates of the Avalere report. Hsiao himself recommended a "basic" benefits package, because anything more comprehensive would be unaffordable for Vermont.

One thing 2013 taught us is that we can't afford to be surprised by known but unsung aspects of grand healthcare reform plans – like learning that we can't, in fact, keep our plans if we like them, or that our new "affordable" policy will cost us more than the old unaffordable on, or that the technology behind the plan doesn't work. Individuals and employers have a right to know if, in addition to the billions of dollars in new taxes Green Mountain Care will cost us, we will also likely be shelling out even more dollars for supplemental health insurance policies. The only way to find out is to ask hard questions and demand clear answers.

How's that for a New Year's resolution?

Commentary: The Long Torturous Path to the Single Payer Payroll Tax

By John McClaughry

Sooner or later the problems with Vermont Health Connect will be solved, thanks to the continual application of federal funding that so far in just this one small state has reached an astounding $170 million. The looming issue will then be finding out just how Gov. Peter Shumlin expects to finance his all-encompassing Green Mountain Care, scheduled to materialize in 2017.

Upon becoming governor in 2011, Shumlin moved aggressively to restart the single payer process stalled by Gov. Jim Douglas's 2005 veto. The first step was delivery of yet another study, this one by Dr. William Hsaio of Harvard. His report promised that single payer (his "Option 3") would produce a first-year "savings" of $590 million – provided the legislature did it precisely his way, which they naturally did not. To finance the plan Hsaio proposed a new payroll tax – 9.4% on employers and 3.1% on employees.

Act 48, signed by Shumlin in 2011, set forth the structure and sweeping powers of Green Mountain Care. It also required an administration report on how GMC would be financed. This was made due in January 2013, well after the 2012 elections.

Meanwhile the state had contracted with the University of Massachusetts Medical School to deliver another $300,000 report on GMC financing. From the emails between the Administration and UMass, Vermonters for Health Care Freedom discovered that as the January 2013 release date approached, the Administration had told UMass to withhold politically dangerous financing recommendations.

Last month a business-financed study by the Avalere Health Group found that GMC would need at least $2 billion in new tax dollars – more than three times Vermont's personal state income tax receipts. This was $400 million more than the $1.6 billion announced by the UMass study. It also closely corroborated the study by Rutland Treasurer Wendy Wilton, which the Administration reflexively dismissed (because she was a Republican candidate for Treasurer.)

Now Shumlin says that there's no need for the legislature to concern itself with this issue until 2015, after yet another election. So where are we?

Shumlin and his lieutenants expect to finance GMC by, first, using all the Medicaid funds from Washington (that require state matching money). Then, by getting Washington to deliver to Montpelier all the premium tax credits authorized by ObamaCare. Then, by turning to the Hsaio solution, a unique new payroll tax.

Some GMC advocates ardently believe that ever higher progressive income tax rates is the solution. But Shumlin, like Govs. Dean and Douglas, is aware that a top bracket income tax rate anywhere beyond ten percent is a potent economy killer (the rate is currently 8.95% of taxable income over $398,350, sixth highest in the nation).

Similarly, Democrats have always been allergic to the sales tax, and in any case even the highest sales tax in the nation wouldn't be anywhere close to producing the $2 billion needed to fill the GMC hole.

That's why Shumlin is driven to the payroll tax. The thinking is that since businesses and individuals won't be paying health insurance premiums any more, the new payroll tax will grab those "savings" to pay for GMC.

The federal government imposes payroll taxes (FICA and FUTA) for social security, Medicare, and unemployment insurance. Five states levy a payroll tax to partially pay for employee disability insurance premiums, three states use it to fund unemployment insurance benefits, and three states use it to partially fund worker's compensation insurance. Hawaii requires employees to pay up to 1.5% of their income toward their mandated health insurance premiums, with their employers picking up the remainder. No state levies a payroll tax to finance anything resembling a state-run single payer program like GMC.

How much of a payroll tax would it take? Hsaio said 12.5% for his now-abandoned plan. In July 2012 Administration Secretary Jeb Spaulding said that a 14.5% payroll tax is "a nonstarter", because it would inflict undue harm on Vermont businesses. In September 2013 Shumlin admitted that a new payroll tax would be "a major part" of GMC financing, but didn't offer a tax rate.

Is there any way GMC can be financed that doesn't wreck the health care system and the economy? If there is – highly doubtful – it would require a thin menu of "essential benefits", aggressive rationing of care, taxing self-insured ERISA companies that now cover about 100,000 employees, getting Washington to agree to hand over the ObamaCare subsidies, slashing compensation to providers (through "payment reform" so far achieved nowhere) without decimating their ranks, and levying an enormous first in the nation payroll tax on employers and employees.

As he faces these challenging facts, Shumlin may be reminded of the remark of Col. Ethan Allen upon being surrounded by British regulars and howling Indians in his ill-fated expedition to Montreal: "I saw that this would be a day of trouble, if not rebuke."

- *John McClaughry is vice president of the Ethan Allen Institute*

Events

January 10. The 2014 Vermont Economic Outlook Conference will be held Friday, from 9-2 at the Sheraton Burlington. For details and reservations: rheaps@vertmonteconomy.com (802 879 7774)

January 14. The Ethan Allen Institute and the Public Assets Institute will hold the second in a series of three debates on the proper role of government in education at the Park House Activity Room, 340 Recreation Park Rd, Manchester Center, VT from 7:00 pm – 8:30 pm. This event is free and open to the public (seating is limited), and will be moderated by Andrew McKeever, editor of the Manchester Journal.

January 16. Rob Roper presents Triumph of Liberty to the St Johnsbury Republican Town Committee. If you'd like to schedule a presentation for your organization contact rob@ethanallen.org.

January 18. "New Leaders and Activist Training" sessions with American Majority will take place at the Frank Livak Family Ballroom in the UVM Davis Center, Burlington, VT, from 9:30 am to 3:30 pm. Registration opens at 9:00 am. Cost is $20 ($10 for students) and includes lunch and all training materials. Click Here to Register: http://americanmajority.org/events/new-leader-and-activist-training-burlington-vt/

February 3: Rob Roper presents Triumph of Liberty to the Montpelier Rotary Club. If you'd like to schedule a presentation for your organization contact rob@ethanallen.org.

Calendar Note: Vermonters for Health Care Freedom will be releasing a documentary on Single Payer Health Care. Documentary will be showing in Montpelier, Rutland, Williston and St. Johnsbury starting in late Janurary and February. Please go to www.vthealthcarefreedom.org to sign up to get advance notice of dates and venues and please plan to see this important documentary in 2014.

News & Views

Oops. Property Taxes Up 7¢, Not 5¢. Tax Commissioner Mary Peterson issued a correction in December to her November memo calling for a 5¢ property tax in crease. Instead, Peterson stated, a 7¢ increase would be necessary. If the legislature approves this recommendation, rates would go up to $1.01 for homestead and $1.51 for non-residential property owners.

A Vermont Carbon Tax? The Shumlin Administration's recently released progress report on its "Total Energy Study" considers the "creation of an economy-wide carbon tax." This tax would be implemented to further the legislature's and the Administration's goal of having Vermont get 90 percent of its energy from renewable sources by 2050. If you can't beat 'em, tax 'em to death.

Vermont Revenue Finishing 2013 Weak. The Secretary of Administration reports that "General Fund revenues totaled $79.95 million for November 2013, -$3.37 million or -4.05% below the monthly target. Net Personal Income Tax Receipts for November were

$38.77 million, -$2.02 million or - 4.95% behind the monthly target of $40.79 million. Net Corporate Income Taxes receipts were recorded at -$2.14 million for the month, which represents $1.71 million decrease from the monthly target of -$0.44 million. Year to date, Net Corporate revenues were $20.69 million, -$4.26 million below the cumulative target of $24.96 million, and -$6.21 million below the same period of the prior fiscal year." Overall, however, General Fund receipts were +$17.71 million (+3.63%) ahead of the same period for the prior fiscal year (FY 2013).

http://finance.vermont.gov/sites/finance/files/November%202013%20Revenue%20Press%20Release.pdf

VT Prison Healthcare Overspending will Cost Taxpayers $4.1 million. The director of health services says the reason there was a $4.1 million worth of overspending in the inmate health care budget is lack of oversight. This number represents roughly $2000 per inmate.

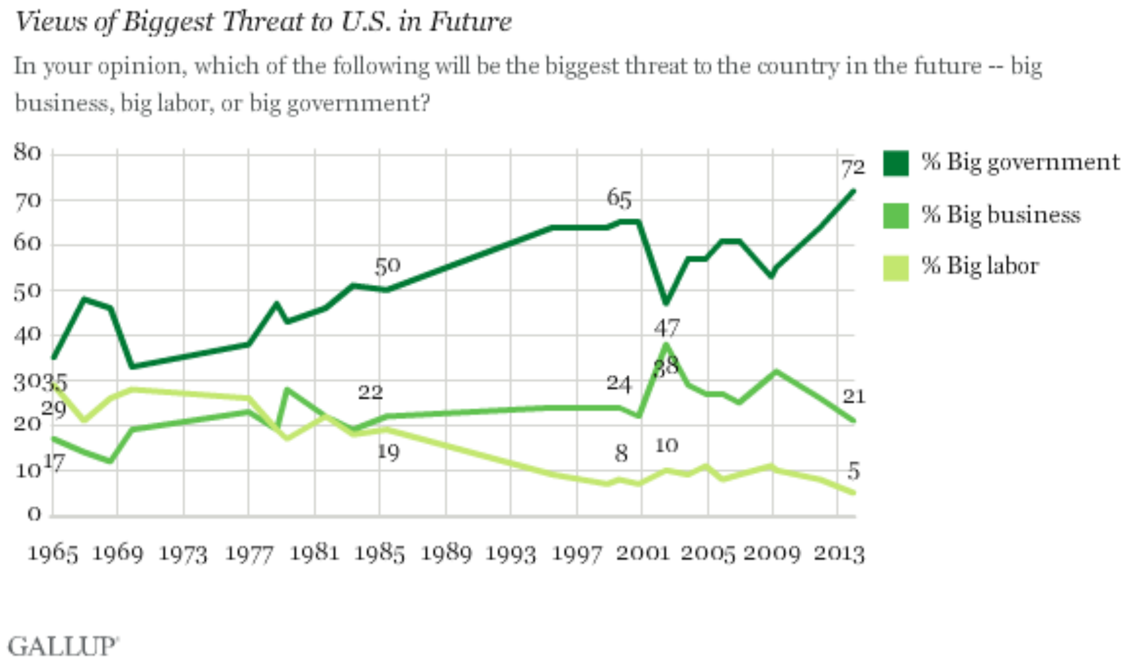
Small Business & Entrepreneurship Council rates Vermont 48th for friendliness. The Small Business & Entrepreneurship Council (SBE Council) has released its 18 th annual "Small Business Policy Index 2013: Ranking the States on Policy Measures and Costs Impacting Small Business and Entrepreneurship." The index ranks the 50 states according to 47 different policy measurements, including a wide array of tax, regulatory and government spending measures. Vermont ranked 48th. Thank God for New Jersey and California.

Kiplinger's Ten Worst States for Retirees (You Guessed it…) "No. 2: Vermont – "Prepare to pay lofty taxes if you retire in the Green Mountain State," begins the profile. Thank God for Rhode Island, which was number one. (Kiplinger's 11/20/13) http://www.kiplinger.com/slideshow/retirement/T006-S001-10-least-tax-friendly-states-for-retirees/

Fraser Institute Rates Vermont "Least Free" Place in North America. It may be time to remove the "Freedom" from Vermont's "Freedom & Unity" motto. Fraser's Freedom Index considers a number of factors, including the size of government, discriminatory taxation, general regulation, property rights, labor laws, and trade, and scores them on a scale of one to ten. Forcing somebody to purchase health insurance they don't want based on a sales pitch of lies, for example, is frowned upon. Vermont's overall score was a 5.5. Only New York, with a 5.4, had a worse score from the United States. A handful of Canadian provinces filled out the tail end of the list.
http://www.fraserinstitute.org/uploadedFiles/fraser-ca/Content/research-news/research/publications/economic-freedom-of-north-america-2013.pdf

New Sheriff in Town. "Watchdog.org is taking the fight to expose government waste, fraud, and abuse to the Green Mountain State! Our newest state bureau, Vermont Watchdog, will be staffed by Jon Street, who brings aggressive reporting chops from covering Capitol Hill in Washington, DC and doing digital work for a Fortune 500 company." Contact Watchdog with tips at jstreet@watchdog.org

Big Government in Big Trouble. According to Gallup, 72% of Americans now say big government is a greater threat to our future than big business or big labor. This a record high level of non-support.



The Difference Between Sandy Hook Elementary and Arapahoe High School. When Karl Halverson Pierson opened fire with a shotgun (he was also armed with three Molotov cocktails) at the Colorado school, an armed guard inside the school ended the incident in 80 seconds. None were killed except the gunman, who committed suicide. Pierson's one victim remains in critical, but stable condition.

Fair Share? Or More Than Fair Share? The Congressional Budget Office (CBO) released a report revealing that the "top 40 percent of households by before-tax income actually paid 106.2 percent of the nation's net income taxes in 2010…. At the same time, households in the bottom 40 percent took in an average of $18,950 in what the CBO called "government transfers" in 2010. That means those in the top quintile paid 172 times as much in taxes as those in the bottom quintile."

Fukushima Update. "'Fukushima Radiation Caused Little Damage to Health' by Andy Coghlan reports that 'So far none of the 25,000 workers at the site has become ill with radiation-related conditions. But 170 workers with exposures exceeding 100 millisieverts… will be monitored to quickly detect any radiation-related effects on their thyroid, stomach, lungs and colon." (New Scientist 6/4/13, AtE 10/13) By contrast: "In England, there were 163 wind turbine accidents that killed 14 people in 2011." (James Conca, Forbes, 9/29/13)

William Mathis on Independent School Future. "When asked if Lyndon Institute or St. Johnsbury Academy might choose to close rather than comply with all of the dictates of the Vermont Department of education, Mathis said, 'Maybe they shouldn't be in business ... There may not be any place for them.'" (Caledonian Record, 12/7/13) William J. Mathis PhD, the longtime superintendent of the Rutland Northeast SU and a Shumlin appointee to the state Board of Education.

(Note: Mathis disavowed this quote at the December 13 EAI v. PAI debate. Veteran reporter James Jardine said, "I stand by what I wrote.")

Timely Memo to System Builders: "[The 'Man of System'] seems to imagine that he can arrange the different members of a great society with as much ease as the hand arranges the different pieces upon a chessboard. He does not consider that the pieces upon the chessboard have no other principle of motion besides that which the hand impresses upon them; but that in the great chessboard of human society, every single piece has a principle of motion of its own, altogether different from that which the legislature might choose to impress upon it." – Adam Smith, Theory of Moral Sentiments (1759).

Thoughts to Consider for the New Year. "Now more than ever before, the people are responsible for the character of their Congress. If that body be ignorant, reckless and corrupt, it is because the people tolerate ignorance, recklessness and corruption. If it be intelligent, brave and pure, it is because the people demand these high qualities to represent them in the national legislature.... If the next centennial does not find us a great nation ... it will be because those who represent the enterprise, the culture, and the morality of the nation do not aid in controlling the political forces." President James Garfield, 1877

Book of the Month

I Got Schooled

The Unlikely Story of How a Moonlighting Movie Maker Learned the Five Keys to Closing America's Education Gap

by M. Night Shymalan

What's so captivating about *I Got Schooled* is the way M. Night Shylaman approaches the subject of education reform. He's not a professor, or a professional educrat. He is, like so many of us, just a person who sees a serious problem with public education in America today and wants it fixed. He's also a tremendous storyteller. (His movie, The Sixth Sense, is one of my favorites of all time.)

The problem Shymalan addresses in the book is the education gap that exists between wealthy suburban kids and poor, mostly urban kids, and he wants to find out how to close it. Who out there is succeeding in this goal? What are they doing to succeed? And, how can it be replicated across the nation?

His conclusion, after doing some exhaustive, data-driven research, is that there are five major keys to success – all of which need to be implemented simultaneously. If any one is ignored or botched, the plan as a whole won't work.

The five keys are, identifying and removing teachers who are roadblocks to student progress, transforming principals from operations managers into instructional leaders, collecting data on everything from weekly test scores to classroom technique, and feeding it back to teachers every week, and doing all of this in schools that are small enough to make all the other systems practical. The fifth key is simply spending more, quality time in school.

Where the book falls short, from this reader's perspective, is in its final conclusion. Shymalan, a self-admitted Hollywood liberal, cuts unions a little too much slack, and either ignores or forgets the critical role of parental choice and competition played in all of the schools he studies. After all, if you're plan is to regularly fire the worst performing 5-8% of teachers in the system, giving principles more power over hiring and firing and shaping classroom culture, and expanding the school year by twenty or so days, who do you think is going to be baring your way with an axe?

Shymalan states, "A strong union – one that can align its members with student achievement – can be the best possible way to improve classroom instruction." This is as true as saying if my aunt had wheels she'd be a wagon. For all his research into education data, Shymalan must never have come across United Federation of Teachers founder Albert Shanker's infamous quote, "When school children start paying union dues, that's when I'll start representing the interests of children."

If we want the kind of innovation Shymalan wants – and makes an extremely compelling case for – parents need to control how education dollars flow. If parents are in control, kids will find the best teachers with the best leadership. As families make choices, more smaller schools will be the inevitable result.

All in all, a good, quick enlightening read.

Final Thought

Ten Hard Questions about Single Payer Health Care

1. The proposed single payer system would require tax revenues to replace at least $2 billion in private out of pocket spending and premium costs. What effect would as much as $2 billion in new payroll taxes have on our family budgets? On our businesses (even after subtracting their insurance premium costs)? On their ability to compete? On their capacity for job creation? On their willingness to stay in Vermont?

2. Will the single payer system take away the high-value insurance coverage enjoyed by teachers, state and municipal employees, and other organized workers? Or will this plan create a two-tiered system, with the taxpayers financing both the gold-plated health care benefits for government workers, and a poorer system for themselves?

3. If Dartmouth-Hitchcock, Albany Medical Center and other out of state hospitals decline to accept Vermont patients at the low reimbursement rates that the single payer system offers them, will Vermonters have to pay the difference out of pocket? Or buy additional private insurance to cover care provided in another state?

4. Under the present State-run Medicaid program doctors and hospitals are significantly underpaid. To survive, they shift the cost of the underpayment to private premium payers. When the single payer plan abolishes private premiums, why won't doctors and dentists be even more underpaid whenever the government runs short of tax dollars? Why will doctors and dentists want to come to or continue to practice in Vermont?

5. With the single payer global budget forcing medical providers to ration or delay care, will aggrieved patients have any right to sue the state government for damages?

6. What happens when the Green Mountain Care's "global budget" allocation runs out of tax dollars while people are still in need of essential care? Will they have to wait until the next fiscal year?

7. How will the single payer system achieve its claimed efficiency benefits, when providers will still have to bill Medicare, insurance carriers offering privately-paid supplementary coverage, the insurance plans of non-Vermonters, and perhaps carriers of high-value insurance for teachers and municipal employees?

8. How will the Green Mountain Care Board created to make all key decisions about the proposed single payer system – a super government of powerful "stakeholders" – be held accountable?

9. What will keep chronically sick people from flocking to Vermont to become "residents" to take advantage of our "free" health care? What would an influx of such individuals do to the quality of care and waiting lines here in Vermont, and to the already high tax burden on Vermont taxpayers?

10. Government run health care in Canada has led to long waiting lines, declining quality of care, maddening bureaucracies, shabby facilities, demoralized doctors and nurses, obsolete technology, province-mandated rationing, and ever-higher taxes. How will the proposed Vermont single payer system avoid these unhappy consequences?