

This Single Mom Was Told to Raise \$10k for a Heart Transplant and People Are Outraged. They Shouldn't Be

During the course of my workday I came across [the sad story](#) of Hedda Martin, a single mom who was recently informed by a Michigan health clinic that she was not a candidate for a heart transplant “due to needing [a] more secure financial plan for immunosuppressive medication coverage.”

The hospital group, Specter Health Richard Devos Heart and Lung Transplant Clinic, reportedly recommended “a fundraising effort of \$10,000” to [finance](#) the operation.

Everything Costs Something

Martin apparently shared the clinic committee’s recommendation on social media, and the story went viral after it was [tweeted](#) by Rep.-elect Alexandria Ocasio-Cortez, who used the clinic’s letter as an opportunity to plug the virtue of a single-payer system.

“Insurance groups are recommending GoFundMe as official policy where customers can die if they can’t raise the goal in time – but sure, single payer healthcare is unreasonable,” Ocasio-Cortez wrote. (For the record, it wasn’t an insurance group, and GoFundMe was never mentioned.)

Naturally, the tweet provoked a wave of outrage and indignation that a clinic would encourage a patient to raise money to pay for a heart transplant. ([Read a sample](#) of the tweets.)

– Alexandria Ocasio-Cortez (@Ocasio2018) [November 24, 2018](#)

Why readers assume something as complicated as a heart transplant could possibly be “free” is anyone’s guess. But I suspect the problem stems from a lack of understanding of basic economic principles.

In economics, [scarcity](#) is the dilemma of having seemingly unlimited human desires and needs in a world of finite resources. In a market economy, prices play a key role in deciding where and by whom these limited resources are used. But it’s important to understand that prices do not *cause* scarcity; it would exist even in the absence of prices, which merely assist in the efficient allocation of scarce resources.

You Can’t Hide from Economic Reality

Politicians like Ocasio-Cortez can set prices and promise voters entitlements, but they cannot solve the problem of scarcity. Economist Thomas Sowell explained the concept effectively in his classic book, [Basic Economics](#):

If the government were to come up with a “plan” for “universal access” to beach-front homes and put “caps” on the prices that could be charged for such property, that would not change the underlying reality of the high ratio of people to beach-front land. With a given population and a given amount of beach-front property, rationing without prices would now have to take place by bureaucratic fiat, political favoritism or random chance—but the rationing would still have to take place. Even if the government were to decree that beach-front homes were a “basic right” of all citizens, that would still not change the underlying reality in the slightest.

It’s true that prices in the US health care system, perhaps the most heavily regulated sector in America’s economy, [do not](#)

[work as well as they should](#). (When was the last time you asked what an operation or treatment would cost?) Yet the presence of a pricing system, even a poor one, has helped Americans avoid the full-scale rationing witnessed in [the UK](#) and [China](#).

Economics aside, critics of Spectrum Health miss the fact that the clinic actually gave Martin sound advice. Heart transplants are not free, and the clinic's committee determined a \$10,000 fundraising effort would put Martin on a more secure financial path for securing immunosuppressive medication coverage. And it appears she'll have the funding she needs.

As of this writing, Martin has secured \$30,000 for her heart transplant through [GoFundMe](#), three times the amount Spectrum Health had recommended, putting her on a path to a new heart. (Had Martin been in a single-payer system with a bureaucrat determining her fate, she might [not have been so fortunate](#).)

Martin's fundraising effort no doubt was aided by those who brought attention to her story in an effort to depict the horrors of capitalism ([not that you can call](#) the US health care system a free market). What they succeeded in doing was showing that a system that allows prices to operate will always be superior to systems that rely on central planning and coercion.

It's not complicated stuff. Yet the fact that outrage ensued after a clinic merely asked an individual to pay for a service, in contrast to a government that seizes resources through the threat of force, shows that champions of liberty have a lot of work ahead.

—

This [article](#) has been republished with permission from The Foundation for Economic Education.