

GOP divided on how to replace health overhaul law

By RICARDO ALONSO-ZALDIVAR (AP) – 1 day ago

WASHINGTON — Republicans are promising to repeal and replace President Barack Obama's health care overhaul if they win control of Congress. But with what?

Not even they know.

Some have proposed major changes to workplace coverage, even turning Medicare into a voucher plan. Many prefer small steps that tiptoe around political land mines. Others want a clean start.

"During the health care debate there was just as much division within Republicans as there was between the parties," said Douglas Holtz-Eakin, a leading adviser to 2008 GOP presidential candidate John McCain. "It will be more visible now that Republicans may be in charge of one house because those divisions will come to the surface."

Republicans appear have better than even odds of winning the House. At least 75 seats are competitive, the vast majority held by Democrats, according to a recent Associated Press analysis. The GOP only has to win 40.

One of the first acts of a Republican majority would be a vote to repeal what they dismiss as "Obamacare." But they haven't said much about what would replace it.

A GOP bill rejected by the Democratic-led House last year is the closest thing to a starting point.

The Republican plan would cover an additional 3 million people by 2019, compared with nearly 33 million under the Obama health care law. It would lower premiums modestly for many small businesses and for people buying insurance directly. It wouldn't solve the nation's long-term cost and coverage problems.

"On a scale of 1 to 1,000, it's about a 5," scoffs former Senate Majority Leader Tom Daschle, a senior Democratic adviser.

Yet some Republican proposals are as far-reaching as anything Democrats have tried. A budget crisis could push them to the forefront because lowering health costs is critical to reducing record federal deficits.

Many of those ideas come from Rep. Paul Ryan, R-Wis., one of a group of younger lawmakers trying to energize the party leadership.

Along with Sen. Tom Coburn, R-Okla., Ryan sponsored legislation that would begin to wean the middle-class away from job-based coverage and replace Medicaid with private insurance for most low-income people.

The idea is to foster personal responsibility, on the theory that consumers will seek better value for their health care dollars and help drive down costs.

Their plan would make employer coverage taxable to the employee, but that would be offset with a tax credit available to all Americans. It could be used to buy coverage individually or to keep a plan at work. Some people with generous employer coverage could face higher taxes.

"We either embrace bold reform or watch our future collapse under a mountain of debt," said Coburn.

In contrast to the Democrats' health care law, there would be no federal mandate that individuals get coverage or employers help pay for it.

The plan, however, is a hard sell.

Any attempt to tamper with the tax-free status of employer health care is certain to provoke an all-out counterattack from labor unions. That hasn't deterred Ryan. He also risks antagonizing the seniors' lobby.

On his own, Ryan has proposed to convert Medicare into a voucher system. People who become eligible starting in 2021 would get a federal payment to buy private insurance. Because of the timing of the transition, most baby boomers get to keep the current government-run program.

Ryan's ambitious proposals are drawing flak from Democrats intent on preserving the health care law, and that's making some GOP leaders nervous.

In an interview, Ryan said he represents "a consensus of one person — myself," not the official GOP view. As senior Republican on the House Budget Committee, Ryan says he's trying to promote discussion, not lay down the agenda.

"Repealing Obamacare is a step in the right direction," said Ryan. "It's not enough," he added. "You have to reform health care itself."

Repeal is not a surefire proposition. Even if the Senate goes along, Obama could veto it, and Republicans aren't likely to have enough votes to override. But they have a backup plan that could work: Use the congressional power of the purse to deny the administration funds to carry out the law.

For now, it looks like Republicans are pushing hard on the repeal part of their slogan, but treading gingerly when it comes to replacing.

"There's only one (idea) I can give you for certain, and that's medical malpractice reform," said Sen. Chuck Grassley, R-Iowa, a leader on health care. "The rest is pretty much dependent on what the election does."

Aside from placing limits on jury awards in malpractice cases, two other ideas seem to have consensus support among Republicans: strengthening the prohibition against the use of federal funds to pay for abortions, and flyspeck oversight of the Obama administration's efforts to implement the health care law.

If that's all, some conservatives will be disappointed.

"Republicans won't fix health care if they just replace Obamacare with small-bore reforms," said Michael Cannon, health policy director for the libertarian Cato Institute.

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Online:

Paul Ryan's plan: <http://www.americanroadmap.org>

Coburn-Ryan plan: <http://tinyurl.com/399qz5o>

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