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Romney Defends State Health Plan He Championed

By JONATHAN WEISMAN

ANN ARBOR, Mich.—Former Massachusetts Gov. Mitt Romney delivered Thursday an unequivocal defense of the health-care plan he championed as governor. The legislation has succeeded in covering the uninsured at a "modest" cost, he said, and was the right approach for the people who elected him in Massachusetts.

At the same time, he sharply criticized the national health-care law that President Barack Obama has said was modeled on Mr. Romney's state law, calling it a federal "power grab" and a "government takeover of health care."



Getty Images

Former Massachusetts Governor Mitt Romney delivers his address on health care reform.

The speech, one of the few Mr. Romney has publicly delivered since launching his campaign for the presidency, was designed to put behind him what has become the biggest political impediment to the Republican nomination—the Bay State health plan that conservatives liken to the federal law they disparage as "ObamaCare."

Working without a written text, Mr. Romney showed his roots in the management consulting world of Boston Consulting Group and Bain & Company, laying out his case with a 25-slide PowerPoint presentation.

"I had half-million people who I was elected to serve who were frightened because they did not have insurance," Mr. Romney

said. Now, 98% of state residents have insurance coverage, he said.

He acknowledged conservative critics who have advised him to repudiate the plan as "a boneheaded mistake." But to do so, he said, "wouldn't be honest. I in fact did what I believe was right for the people of my state."

Aides had said Mr. Romney would address criticism of the Massachusetts plan but would quickly move to present a more conservative health-care proposal that he would pursue if elected president. But the presentation dwelled at length on his Bay State defense.

Even as he criticized the president's national plan, Mr. Romney's comments about the Massachusetts law broadly echoed the arguments Mr. Obama has made for his own health policy. Both men have said a government mandate that individuals buy insurance was necessary to prevent "free riders"—people who can afford to buy insurance but instead count on the free care of hospitals that by law cannot turn the sick away.

Both men say their plans did not create "government insurance" but facilitated the purchase of private insurance policies. Both men said a compassionate nation cannot tolerate hundreds of thousands of people without health insurance.

But Mr. Romney drew distinctions. His Massachusetts law did not raise or create new taxes, as Mr. Obama's does, he said, nor did it cut coverage for seniors. The president's plan cut funds for Medicare to help finance subsidies for private health plans.

But his main defense was constitutional. Under the 10th Amendment to the Constitution, the states have the power to experiment the way Massachusetts did, he said. Quoting former Supreme Court Justice Louis Brandeis, he called states "the laboratories of democracy" where such experiments drive innovation.

"I'm convinced, however, that the Obama administration fundamentally does not believe in that experiment," he said.

Mr. Romney has been in a predicament because Mr. Obama's law is so disliked by the core voters who tend to cast ballots in Republican presidential primaries. Critics on the political left and right made clear Thursday they were not going to let Mr. Romney's health care quandary slide.

On his right flank, Mr. Romney took fire from Michael Cannon, director of health policy at the libertarian Cato Institute, who charged that Mr. Romney "bears as much responsibility for ObamaCare as any Democrat, and all the Republican health policy boilerplate in the world won't change that fact."

Richard Quinn, a South Carolina organizer for former Utah Gov. Jon Huntsman Jr., a possible White House candidate, said: "South Carolinians would like to know, is there anything Mitt Romney did as governor that he's actually proud of?"

Before the former governor had fired up his PowerPoint presentation, the Democratic National Committee had mocked what it said was Mr. Romney's evolution to free-market conservative on health care.

A new, liberal health-care group, Protect Your Care, posted Internet advertisements linking the Massachusetts health plan to Mr. Obama's, saying both contain an individual mandate to purchase health insurance, subsidize policy purchases, establish exchanges for insurers to sell their plans and establish standard benefit packages.

The reception was a testament to how far the health care debate has moved to the right in the past 15 years. The idea of exchanges where individuals could purchase subsidized, private health plans first surfaced as a moderate Republican alternative to President Bill Clinton's national health plan in 1993. The mandated purchase of private plans was to substitute for expanded federal insurance, said Jonathan Gruber, a Massachusetts Institute of Technology health economist who helped design both the Romney and Obama health laws.

But conservatives say the mindset has been wrong from the start. They say that once the government—whether state or federal—begins requiring people to buy insurance and facilitating and subsidizing the sale of health policies, then greater government controls of cost and coverage are inevitable.

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