State Officials Should Resist Implementing ObamaCare and Advance Free, Policy Analysts Say | NetRight Daily

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By Kevin Mooney – State officials should act now to deny ObamaCare the regulatory edifice it needs to take root, instead of waiting for the U.S. Supreme Court to overturn the federal law, according to policy analysts who favor free market reforms. Already, Gov. Bobby Jindal (R-La.) has joined with Gov. Sean Parnell (R-Alaska) and Gov. Rick Scott (R-Fla.) in an effort to resist implementation.

Jindal announced last month that Louisiana would not set up the exchange system designed to accommodate new insurance regulations. The exchanges would involve state level bureaucracies that serve as a conduit for the purchase of insurance. They would create a new framework to expand coverage and to enforce federal standards for participating plans. Michael Cannon, the director of health care studies for the CATO Institute, says that elected officials across the country should follow the lead of Jindal and other governors.

"Governors, especially those who have said this law is unconstitutional, have a special obligation here to use all legal means at their disposal to protect the Constitution and they should refuse to implement this law," Cannon said. "Also, keep in mind, any money they get from feds is financed debt that we are putting on our grandchildren in order to implement a law that might ultimately be overturned by the Supreme Court. That is extremely irresponsible and it is also bad policy."

While the legal case against ObamaCare gains momentum, elected officials at the state level should take the opportunity to push for reforms built around consumer choice, Christopher Jaarda, president of the American Health Care Education Coalition (AHEC), has argued.

"Ultimately, we believe that ObamaCare will fail," Jaarda said in an interview. "It will be struck down by the Supreme Court, it will collapse of its own weight and budget impact, or Congress will repeal it. ObamaCare is attempting to get states hooked on the federal law early so that ObamaCare becomes `too big to fail.' "There are two things that states should be doing today to avoid getting dragged into an unworkable system."

"First, states should refuse to create an exchange," he continued. "Second, states should refuse to accept ObamaCare grant money. Both the exchanges and grant money will come with federal strings attached, strings that are not necessarily apparent today. These strings will give the federal government enormous power to coerce states."

There are two key health care forms Jaarda favors that would help alleviate deficiencies in the current system. He has called on policymakers to provide individuals with a tax deduction for purchasing insurance. This is an option that is already open to employers, but is unavailable to most individuals. Jaarda also supports converting Medicaid over to a form of premium support to help incentivize Medicaid eligible individuals to purchase private insurance.

"First, this would make consumers more cost conscious of premium costs and the cost of medical care (co-pays, deductibles, etc.) which would in turn lead to better consumer choices," he explained. "A consumer-driven healthcare system would be far more efficient in holding healthcare inflation in check. Look at what has happened to healthcare services that are consumer-driven, like lasik eye surgery or elective procedures, those costs are coming down while costs for other healthcare services are rising. Second, it would be the most efficient way to eliminate concerns over denial of coverage for pre-existing conditions. Once an individual had insurance, they would take it with them and continue their coverage even if they switched jobs."

These changes would also benefit people on the verge of Medicaid eligibility and would help to ensure continuity of care.

"When someone's income falls so that they move from non-eligibile to Medicaid-eligibie, they often lose access to the doctor of their choice, including many specialists, because many doctors don't accept Medicaid," he added. "By giving individuals control to buy their healthcare coverage, we could eliminate the problems associated with moving in and out of Medicaid eligibility. People would continue with the same insurance regardless of whether their incomes rises or falls."

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