

# The Star-Ledger

## A good piece on the entirely predictable chaos of Obamacare

Paul Mulshine

December 27, 2013

It's undebatable: Mitt Romney was pushing the individual mandate for years before Barack Obama took his advice and implemented it. (Win McNamee/Getty Images)

I'm getting a little tired of all these tea-party types who have suddenly discovered that Obamacare is "socialized medicine."

Where were they when Mitt Romney was inventing it?

I'm talking about the individual mandate to buy insurance, which is the linchpin of Obamacare - and Romneycare before it.

Most of these characters were nodding their heads in approval during the 2008 Republican presidential primaries when party leaders like Romney and Newt Gingrich were embracing the mandate.

They bought into the silly argument that the mandate was necessary because of the need [to prevent "free riders"](#) from taking advantage of the system.

Ridiculous. The government has the legitimate power to compel people to pay their bills. But how they them is up to the individual. From a cost-control standpoint, we'd be a lot better off if everyone simply paid for service rather than having it provided through insurance.

And of course the market is now so distorted by government interference that it's impossible to find a true market-based price for any service.

The New York Times recently ran [an article about how a person can be charged \\$500](#) for a single stitch at a hospital. That's not the true cost. It's the cost of covering all those other patients who underpay thanks to government programs like Medicare.

Oh yes, Medicare. Let us not forget that the reason the tea-party people first objected to Obamacare was the prospect that it would cut spending for Medicare. Or in other words, the tea parties were

fighting to preserve a socialized medicine program. So it's a little silly to hear them now claiming to oppose Obamacare because it's socialized medicine.

They are a confused crowd. They must have been too busy partying to notice that this debate has been going on for 20 years, ever since Hillary Clinton tried to impose Hillarycare on us.

The real debate has always been about the individual mandate. As I've noted, it began with the Heritage Foundation. And it has always been opposed by the Cato Institute.

Cato won that fight. And the biggest winner is Michael Cannon. Here's [a piece he did on his Forbes blog](#) pointing out why the collapse of Obamacare was inevitable:

The president argued before the Supreme Court that ObamaCare's regulatory scheme cannot work without the individual mandate. Yet he has now exempted millions of the very people he most needs to comply with it. This exemption siphons good risks out of the Exchanges and destabilizes the risk pools for both the standard ObamaCare plans and the catastrophic plans. Participating carriers set the rates for their Exchange plans with the expectation that these folks would be purchasing bronze, silver, gold, and platinum plans through the Exchanges. But the healthiest members of this now-exempt group are the most likely to go uninsured or purchase a catastrophic plan. So Obama's blanket exemption makes those risk pools older and sicker.

This blanket exemption also destabilizes the risk pools for the catastrophic plans. It opens those pools to lots of people over age 30, who have higher health expenses than people under age 30, and whom the insurers were not expecting to buy catastrophic plans when they set those rates.

Read the whole thing. And then think deep thoughts on why the Republican Party leaders thought it was a good idea to choose for the 2012 presidential nominee the one guy who could not logically object to the linchpin of the president's failed health-care plan.