



High-risk pools ease transition: Opposing view

Michael F. Cannon

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High-risk pools can help transition to a system that makes high-quality medical care affordable and secure for patients with high-cost conditions. Obamacare is utterly failing in this regard. And while congressional Republicans are eyeing state-run high-risk pools, their approach is also woefully inadequate.

Government is not the solution to the problem of pre-existing conditions. Government is the problem.

Congress bestows favorable tax treatment on employer-sponsored health insurance, a type of coverage that disappears for no good reason when workers change jobs, lose jobs or retire; for kids when they turn 18 or 26; and for spouses following a divorce or the worker's death. Only government could push 160 million Americans into health insurance that's as reliable as a faulty parachute.

Too often, employer coverage disappears after workers or their loved ones develop expensive medical conditions. Government thus turns what would be insured conditions into pre-existing conditions.

Fixing this problem requires repealing Obamacare and replacing it with expanded health savings accounts. Workers could control the \$700 billion employers spend on health benefits each year, using it to buy secure, portable coverage.

During the transition, high-risk pools could subsidize those with uninsurable pre-existing conditions. The result would be fewer patients falling through the cracks.

Obamacare's "solution" is to force insurers to cover pre-existing conditions, which will leave many sick and healthy patients alike uninsured. Obamacare is in a "death spiral," according to Princeton economist Uwe Reinhardt. Some 43,000 Tennesseans may have no way to buy coverage in 2018.

Republicans are planning to subsidize pre-existing conditions in separate high-risk pools. But since their evolving plan would neither fully repeal Obamacare nor let workers control that \$700 billion, it won't make coverage more secure for the sick. No amount of government Band-Aids will stop the bleeding from this government-inflicted wound.

Michael F. Cannon is the Cato Institute's director of health policy studies. Cannon has been described as "an influential health-care wonk" (Washington Post), "ObamaCare's single most relentless antagonist" (New Republic), "ObamaCare's fiercest critic" (The Week), and "the intellectual father" of King v. Burwell (Modern Healthcare). He has appeared on ABC, BBC, CBS, CNN, CNBC, C-SPAN, Fox News Channel, and NPR.