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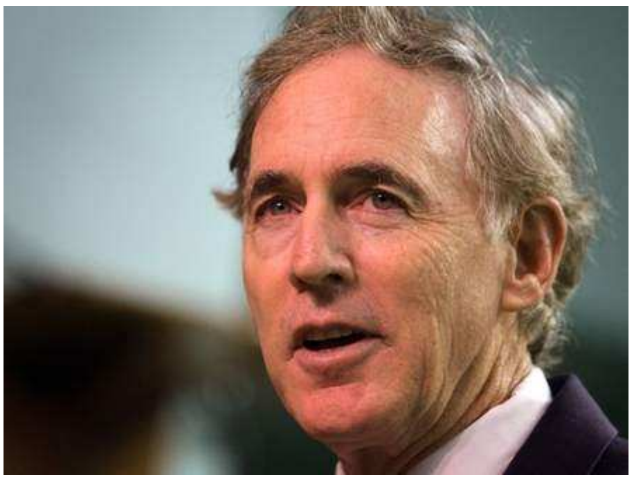
Stearns' health care record questioned



A 1994 critique of U.S. Rep. Cliff Stearns' health care plan was resurrected this week, as the Supreme Court took up the Florida-led case against the Affordable Care Act.

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It's a fierce criticism of the federal government's health care plan.

"(C)ompulsory universal insurance coverage," the author writes, "undermines the traditional principles of personal liberty and individual responsibility that provide essential bulwarks against all-intrusive governmental control of health care."

Furthermore, supporting "government-defined universal insurance coverage," under which all Americans must purchase minimal health care benefits, "opens the door wide to extensive political interference in private health care decisions," he adds.

Such remarks echo a common refrain among conservative critics of President Barack Obama's health care reform law, whose key provision — the constitutionality of the government requiring individuals to buy health care coverage — was contested during three days of hearings by the U.S. Supreme Court that wrapped up on Wednesday.

Yet the above quotes were not written this week, this month, or even within the past two years since the law was enacted.

They appeared in a 22-page report, published in June 1994 by the Cato Institute, in which Tom Miller, senior policy analyst for the Competitive Enterprise Institute, a conservative Washington-based think tank, scolded a proposal for universal health care coverage offered by U.S. Rep. Cliff Stearns, R-Ocala.

Proponents of Obama's plan have recently trumpeted the fact that the concept of the so-called "individual mandate" was an idea first advocated by conservative Republicans, who in large part sought to empower consumers and prevent the uninsured from getting a free ride.

On Wednesday, Stearns rejected the idea that his plan — the Consumer Choice Health Security Act, unveiled in November 1993 and widely considered as the main alternative to the sweeping health care overhaul offered by then-President Bill Clinton — resembled Obama's in any fashion.

"The goal of the plan I proposed 20 years ago was to create a free market health care system based upon personal ownership of the plan that individuals or families wanted," Stearns said in an email.

"Unlike Obamacare, which represents a federal take over of health care with the Department of Health and Human Services empowered to mandate what coverage must be provided, my proposal empowered individuals to secure their own coverage and allowed for diversity of plans and coverages through tax incentives."

In 1994, Miller, writing for the Cato Institute, a libertarian think tank, didn't quite see it that way.

"The most troubling aspect," he wrote of Stearns' measure, "is the mandate that it imposes on all Americans to purchase a standard package of health insurance benefits."

Stearns promoted the 1993 plan as a way to offer average Americans the same process and breadth of choices enjoyed by lawmakers on Capitol Hill.

The concept was to break the back of the employer-funded insurance system and shift the responsibility to purchase coverage to workers, thus giving consumers more direct control over their health care consumption.

Stearns adopted the Heritage Foundation's overarching theme that tax breaks were the appropriate way to help insure every American.

Stearns' bill, as originally proposed, would have forced workers to buy a federally approved health package, or herded those who didn't into state-managed systems set up by Washington.

At a minimum, according to Miller's report, the coverage would have included inpatient and outpatient doctors' services, emergency room visits, alternatives to hospitalization and prescription drugs.

The bill also ordered insurers to cover pre-existing conditions, accept caps on patient deductibles and curtail their ability to set costs based on the health and risk factors of their customers, Miller noted.

As Miller observed in his report, compliance hinged on the tax break. Once enrolled, workers could qualify for income-tax credits of between 25 percent and 75 percent of their out-of-pocket medical costs not covered by insurance.

The legislation sought to accomplish that — and to pay for workers' tax credits — by ending a tax-exempt provision on employer-provided health plans. Those who did not enroll would not qualify for the tax credit.

But they also, by extension, would pay a penalty in the form of a tax hike because the wages that previously went for health insurance would have been additional taxable income.

Miller found many aspects of Stearns' bill that he liked.

The best part, he argued, was that it was not Clinton's plan, which featured a significant mandate on employers, a big bureaucracy to administer it and price controls on insurers.

He also applauded the fact that with Stearns' bill health coverage would become portable as workers changed jobs and that consumers would be able to retain insurance if they lost their jobs.

He called it "well intentioned," but still argued that it was in dire need of "corrective surgery."

Miller considered the proposal significantly flawed beyond the individual mandate and advocacy of "compulsory" universal coverage.

He suggested that Stearns' plan would spike taxes on millions of American households and soak the rich to fund care for low-income Americans, do little to contain health care costs, embolden

Washington politicians and bureaucrats to meddle in individual health matters and perhaps even create what Obama's contemporary critics have labeled "death panels," by inviting insurers to spend less on patients who were sicker or greater health risks than most Americans.

Miller's critique was resurrected this week, as the Supreme Court took up the Florida-led case against the Affordable Care Act.

The liberal group Think Progress drew attention to it in including Stearns on a list of 51 prominent Republicans who in recent years have supported the concept of a federal mandate for individual health insurance.

Besides Stearns, that group — satirically dubbed "Republicans for Mandating Coverage" — included GOP presidential candidates Mitt Romney and Newt Gingrich as well as former President George H.W. Bush.

Stearns took exception to any comparisons between his plan 19 years ago and Obama's signature reform.

He noted in the email that his plan promoted tax-deferred savings accounts that allow people to save money for medical expenses — such as today's Health Savings Accounts — and also contained provisions designed to prevent health care fraud and abuse activities and to offer "meaningful" tort reform.

His proposal, he maintained, "would not have coerced people into purchasing health insurance, but rather incentivized the purchase of minimum health insurance. This is completely different from Obamacare's penalties for failing to buy medical insurance."