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OPINION

## Crackpot Co-Ops

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**Reform:** The White House has suggested it would settle for health care cooperatives instead of the public option. Don't drink the Kool-Aid. This arrangement will be nothing more than the public option in disguise.

It seems to have dawned on the administration that the public isn't happy with the Democrats' plans to revise health care. This summer's historic resistance from voters has forced the White House into a position from which it must compromise. Or at least appear to.

The form of the "compromise" might consist of exchanging the public-option provision of health care legislation to one that would establish nonprofit health insurance cooperatives. It sounds less intrusive than a federally run public option funded by taxpayers that would supposedly compete against private insurers and, in the president's words, "keep them honest."

The White House is betting that when voters hear about plans to replace the public option with co-ops, their minds will drift to idyllic dairy cooperatives with white picket fences out front.

Or that they'll think of the co-ops that have for decades provided electric power and telephone service in rural areas. In those arrangements, the customers are members, or shareholders, and they run the business.

In reality, there would be little difference between Washington's co-ops and the public option.

Michael Tanner, a longtime health care analyst, says co-ops are "a poor alternative to the public option plan." He explains in the Cato Institute's "@ Liberty" blog that "the health care 'co-op' approach now embraced by the Obama administration will still give the federal government control over one-sixth of the U.S. economy, with a government-appointed board, taxpayer funding, and with bureaucrats setting premiums, benefits and operating rules."

While the administration would like the public to believe it is taking a novel approach, health insurance cooperatives are not new.

They go back at least as far as the Depression. Though their history of success is mixed, some have thrived, including Group Health based in Seattle and Health Partners of Minneapolis. Together they serve millions of members.

Given that it's been shown that health care cooperatives in private hands can work, why, then, must Washington get involved?

Because the proponents of government-run health care need a benign-appearing vehicle that would give them control over the health care system — backdoor nationalization.

White House press secretary Robert Gibbs said Tuesday that despite indications to the contrary, the administration is not backing off the public option. That would be mistake No. 2, the initial error being the Democrats' attempt to "reform" health care in the first place. The third mistake would be the pursuit of legislation that establishes medical care insurance co-ops.

The mistakes can be corrected, though. All Washington has to do is abandon its mad rush to take over health care and pass laws that will let the market — meaning the decisions freely made by the people — improve the delivery of medicine in America.

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