



Click to Print

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)[Home](#) » [Blogs](#) » [News and Opinion Blogs](#) [News and Opinion Blogs](#)[Right On](#)

Columnist Patrick McIlheran, generally a right-wing guy, offers commentary and links to good reading on the Web

## It wouldn't\* be government\*-run!

By [Patrick McIlheran](#) of the Journal Sentinel

Jun. 24, 2009

[Cato's Michael Tanner wrote the other day](#) about the latest twist on governmentizing health care – that this “public option” would really be merely non-profit co-ops offering health coverage in competition with private insurers.

Well, that would be an innovative twist, right?

Not quite:

“States already have the power to charter co-ops, including health insurance co-ops. In fact, health care co-ops already exist. Health Partners, Inc. in Minneapolis has 660,000 members and provides health care, health insurance and HMO coverage. The Group Health Cooperative in Seattle provides health coverage for 10 percent of Washington State residents. PacAdvantage, a California co-op, covers 147,000 people. By all accounts the people insured through these co-ops are happy with their choice. But there is no evidence that they are significantly less expensive or more efficient than other insurers.”

One might point out, as well, some Wisconsin examples, such as [Group Health](#) in Madison and [Group Health Cooperative](#) in Eau Claire. They are by most accounts fine organizations. Back to Tanner:

“The new co-ops would presumably have to advertise like other insurance companies, build physician networks, pay competitive reimbursement rates, and in general act like, well, every other insurance company. It is suggested that the new federal co-ops would be nonprofits, and therefore would offer better service and lower costs. But many insurance companies, including ‘mutual’ insurers and many ‘Blues,’ are already nonprofit companies. If the new co-ops operate under the same rules as other nonprofit insurers, why bother?”

“And there's the rub. Supporters of government-run health care have no intention of letting the co-ops be independent enterprises that operate by the same rules as other insurers. This is not really about creating more choices and competition. In fact, Sen. Charles Schumer (D-N.Y.) makes it clear, for example, that the co-op's officers and directors would be appointed by the president and Congress. He insists that there be a single national co-op. And Congress would set the rules under which it operates.”

Profit or non-profit isn't the issue for those pushing the “public option.” National political control is. Concludes Tanner, “If a “co-op” is run by the federal government under rules imposed by the federal government with funding provided by the federal government, it's simply government-run health insurance by another name.”

*Meanwhile*, [Shannon Love at ChicagoBoyz wonders](#) how a public option (or, worse, single-payer) will work if the feds can't make their existing public option work. That would be the military health care system.

“The military system has all the advantages that proponents claim for politically-managed health care. The military system is huge and can buy medicines and technology in giant bulk discounts. Military health care personnel work for far less than the market rate. (In addition, they are under military discipline something no civil system can ever match.) The military has an integrated and uniform computerized records system. The military studies treatments for effectiveness and standardizes treatments based on those studies.”

And yet the military people she knows tell of botched care and bureaucratic rigamarole, stories backed up by news accounts. If, with all those advantages on a special population, the feds can't make a public option work, how will they make it work for everyone else?

*And Reason's Shikha Dalmia* takes on the notion that a public option would merely compete with private operators. “Why stop with health care?” she writes. “If forcing the private sector to compete with the government can lower costs in health care, why not float a ‘public option’ in food, housing, clothing, computers, plumbing, landscaping services (I really could use a cheaper landscaper) you name it?”

Hey, careful: Some people appear eager to suggest just that. But, she points out, it's been tried. One example:

“Isn't that what Fabian Socialism tried to do in countries like India, where I grew up? Didn't it create government companies in steel, iron and other industries allegedly too vital to be left entirely in private hands? I recall that it didn't work out too well. India was the economic basket-case of the world for half a century, thanks to a corrupt and inefficient public sector corrupt and a private industry strangled in the crib. It only began to lose this distinction two decades ago after it began the extricating its economy from government tentacles.”

[Post a Comment](#)

Comments (8) [View Comments »](#)

Tags: [Health care](#)

[Permalink](#) | [Email This Blog](#)

Comments

KebAndMe

[» Report abuse](#)

Wednesday Jun 24, 2009 5:29 PM

I doubt that anyone made it through this long-winded and largely irrelevant blog. The real question is, have you thought about chiming in on the Mark Sanford revelation? I keep wondering how the party of family values can keep producing hypocrites like this.

tjoy099

[» Report abuse](#)

Wednesday Jun 24, 2009 5:29 PM

yes we can yes we can YES WE CAN maybe we ought to believe millions already do are you a conservative like the governor of south carolina or the senator from the west. maybe you are gay maybe alot of things this is all make believe how do you lose faith when those of your thinking are messing up

tjoy099

[» Report abuse](#)

Wednesday Jun 24, 2009 5:32 PM

yes we can yes we can YES WE CAN maybe we ought to believe millions already do are you a conservative like the governor of south carolina or the senator from the west. maybe you are gay maybe alot of things this is all make believe how do you keep faith when those of your thinking are messing up

Brew Cityzen

[» Report abuse](#)

Wednesday Jun 24, 2009 5:33 PM

Shannon Love, Megan McArdle, and now you, all either willfully or ignorantly confuse the military healthcare you're criticizing--i.e. the healthcare that caused Walter Reed and led to the resignation of the Secretary of the ARMY--with the better-than-average healthcare provided to VETERANS and overseen by the Secretary of VETERANS AFFAIRS. There's a reason that the ARMY Secretary and not the VETERANS AFFAIRS Secretary resigned as a result of Walter Reed.

You're also lying or expressing ignorance when talking about "government-run" healthcare--that is, a system in which all health care providers are employed by the government--and a "government-administered healthcare plan," which is the "public option" that the Obama administration supports. Surely you understand the difference between actual provision of medical services and being the entity the party that provides for health INSURANCE.

In other words, your entire post is a conflation of issues with the effect of criticizing a made-up amalgamated all-encompassing healthcare system that no one is advocating for.

Why can't you ever debate anything with substantive honesty? Why the consistent resort to lies and willful misdescriptions? Or do you just not understand the debate?

Either you're a liar or you're too lazy to bother to understand the substance. Which is it?

Smooth Jimmy Apollo

[» Report abuse](#)

Thursday Jun 25, 2009 8:45 AM

"Either you're a liar or you're too lazy to bother to understand the substance. Which is it?"

Brew, why does it have to be one or the other?

DelawarePackerFan

[» Report abuse](#)

Thursday Jun 25, 2009 11:10 AM

I knew this dude would be all over the "public option" idea. I think he has to write one article/post about every plank in the republican platform each year to keep his membership in the Heritage Foundation or something.

Regarding the public plan though: I don't see why people have any issues with it. It has to compete in a free market like all other plans. If its a lousy plan nobody will choose it and it'll go away rather quickly. If its a good plan then everybody will choose it and the insurance companies will go away rather quickly. If that's the case who cares? They're insurance companies ie middle men. They add exactly nothing to the GDP of this country and they leave us with the most expensive healthcare in the world. If their job can be done more efficiently by a government entity, then let the government do it. And if the government uses its size to get good prices on care then so what? The insurance companies do the same thing. Does anybody here not think Blue Cross or Aetna is negotiating better prices on care than some smaller insurer? I mean good God, those insurance companies are huge and have bigger budgets than many government agencies. We aren't talking about small businesses here. I guess if the government plan got big enough doctors could argue against it with antitrust law, but it would be pretty ironic having the AMA (who severely restricts the amount of physicians we're educating in this country) suing the government for having a healthcare monopoly - especially a monopoly that was won through superior service.

Brew Cityzen

[» Report abuse](#)

Thursday Jun 25, 2009 6:04 PM

The other point, of course, is that there is no "free market" in health insurance right now like there is for plumbers, landscapers, clothing, computers, or food providers. Pat, how many choices did you have in choosing your health insurance plan through the Journal Sentinel?

The problem with health insurance as it stands now is that there's a market FAILURE because there's really just a handful of massive companies who can extract unnecessarily high premiums because there isn't enough competition for you and i to choose from. By inserting a new, not-for-profit competitor into the mix, premium costs really are likely to go down. THAT's how market economics works.

harleyultra

[» Report abuse](#)

Thursday Jun 25, 2009 10:36 PM

What is the downside to government health care?? I just got off the phone with a relative that is all for government care. But when I asked what the downside was, she could not give me any answers (and got angry when I wouldnt let her off the hook). It has been my experience that when someone cannot tell me what the downside of doing something is (there is always a trade off, nothing is perfect) they either have not thought things through or are trying to sell me a bill of goods. I know what the downside (from experience) of private insurance is, so what will be the downside of government care? If you dont know, at least, have the guts to say so. That I can respect.

Post a Comment

Please [login](#) or [register](#) to post a comment.

[Discussion Guidelines](#)

Screen Name:  
required

Your URL:

optional

Your Comment:

required

[Send Your Comment](#)[Reset](#)

**Find this article at:**

<http://www.jsonline.com/blogs/news/49036046.html>

 [Click to Print](#)

[SAVE THIS](#) | [EMAIL THIS](#) | [Close](#)

Check the box to include the list of links referenced in the article.