



[<http://www.blogged.com/directory/society/environment/global-warming>]

[<http://www.nationalcenter.org/Blog.html>]



[<http://www.nationalcenter.org/Blog.html>]

MONDAY, AUGUST 17, 2009

IS OBAMA REALLY DROPPING THE SO-CALLED PUBLIC OPTION? NOT A CHANCE

The media is making much of the Obama Administration's hints that the President will no longer insist on a so-called "public option" in a health care bill he signs, but the idea of a government-started "co-op" alternative to private health insurance has not been abandoned.

What we have here is the left, finding a block on a road heading left, choosing another read, also heading left.

And heading to government-run health care.

Michael D. Tanner of the Cato Institute [http://www.cato.org/pub_display.php?pub_id=10306] wrote instructively about the co-op "alternative" in June:

A closer look suggests that the only thing intriguing about the co-op alternative is whether it is a completely meaningless construct or simply camouflage for the "Public Plan" option...

...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. As Sen. Max Baucus (D-Mont.) says, "It's got to be written in a way that accomplishes the objectives of a public option."

If it looks like a duck, walks like a duck, and quacks like a duck, it's probably a duck.

Moreover, several previous attempts by governments to set up co-ops have, in fact, failed. Perhaps the largest such failure was the Florida Community Health Purchasing Alliance, which was set up by the State of Florida in 1993, and at one time covered 98,000 people. It was unable to attract small business customers and ultimately went out of business in 2000. Does anyone really believe that a Congress that is busy bailing out banks and automobile companies because they are "too big to fail" is going to sit idly by while one of these new co-ops suffers a similar fate?

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. Opponents of a government takeover of the health care system should not be fooled. A single national co-op with officers and director appointed by the President and Congress and set up to accomplish the objectives of a public option.

Sounds exactly like government-run health care to me.


E-mail any comments to the National Center for Public Policy Research at info@nationalcenter.org [mailto:info@nationalcenter.org?SUBJECT=Blog Comment]. | Subscribe to this blog's feed [<http://feeds.feedburner.com/nationalcenter/blog>]. | Follow [<http://twitter.com/NationalCenter>] on Twitter.

Labels: Congress [<http://www.nationalcenter.org/labels/Congress.html>], Government Health Care [<http://www.nationalcenter.org/labels/Government%20Health%20Care.html>], Health Care

[<http://www.nationalcenter.org/labels/Health%20Care.html>], Liberals

[<http://www.nationalcenter.org/labels/Liberals.html>], White House

[<http://www.nationalcenter.org/labels/White%20House.html>]

 [\[http://feeds.feedburner.com/nationalcenter/blog\]](http://feeds.feedburner.com/nationalcenter/blog)

[<http://feeds.feedburner.com/nationalcenter/blog>]

[<http://www.facebook.com/share.php?u=<url>>] ShareThis

[[javascript:void\(0\)](javascript:void(0))]

Copyright 2003-2009 National Center for Public Policy Research

[<http://www.sitemeter.com/stats.asp?site=sm9nation>]