

## ObamaCare: A FAIL from sea to shining sea

posted at 7:47 am on October 7, 2009 by Karl

[regular view](#)

The story of large-scale government takeovers of healthcare in America is the story of consistent failure.

Don't take my word for it. Take the word of ObamaCare cheerleader [Ezra Klein](#), who wrote in 2007 about how state attempts at government-controlled health care failed time and again — in [Washington state](#), Hawaii, [Tennessee](#) and [Oregon](#) (I have added links for more detailed looks at some of these failures). While differing in the details, the stories shared common elements — skyrocketing premiums, driving out private insurers, “unexpected” floods of people into the public system, and ultimately rationing and benefit cuts.

Klein missed similar tales from [Maine \(x2\)](#), [South Dakota and Kentucky](#), where mandates drove almost all insurers out of their respective states (something to remember when liberals complain about the lack of competition in health insurance markets).

Klein also missed [the failure of insurance exchanges in Texas, Florida, North Carolina and California](#). Cappy McGarr, the chairman of the Texas Insurance Purchasing Alliance from 1993-95, writes:

If Congress now creates new exchanges, as seems increasingly likely, it must prevent this phenomenon by setting two national rules: Insurers have to accept everyone and have to charge everyone the same rates regardless of health status.

Such rules would force insurers to spread risk. But enforcement would also be difficult. **Every aspect of health insurance — from the rules for underwriting and setting premiums to the marketing of policies — would need to be monitored stringently** to prevent companies from steering all bad risks to the exchanges. (Emphasis added.)

Requiring insurers to accept everyone (“guaranteed issue”) and charge the same rates (“community rating”) will cause [insurance premiums to skyrocket](#), perhaps double. For all of the Democratic rhetoric about how ObamaCare will promote choice, it is clear that the point of the exchanges is to reduce choice. [Jon Kingsdale](#), who runs the Massachusetts exchange, is more honest about the need for the exchanges to reduce choice.

Speaking of Massachusetts, Klein's 2007 piece was excited about the then-new government takeover there, but noted that the state might be a special case because it had one of the lowest uninsured populations in the country, a wealthier-than-average population, and a pre-existing tax to fund it. Those exceptional factors would seem to make it a bad model for ObamaCare, even if worked — but of course, it does not work as advertised. In 2009, we discover a program ripped by everyone from the [CATO Institute](#) to the left-wing [Institute for America's Future](#). Average health care premiums in the state are rising faster than the national average, people are choosing to pay the fines instead, wait times for care are rising, and even 13% of the insured have to forego care because it is so expensive. As in Oregon, [the government is already headed toward rationing care](#).

Yet analysts agree that the proposals now crawling through Congress are close to those already increasing costs and decreasing quality care in the Bay State.

The liberal response to this record of failure has been to claim that it shows that the government takeover of healthcare must be national in scope — a “no exit” approach that again flies in the face of Democratic claims about preserving choice and competition. The fact that Medicare and Medicaid are in sad financial straits themselves bothers them no more than the failure of all their other healthcare efforts.

Stranger still, the politicians considering voting for ObamaCare miss some of the obvious political lessons to be drawn from these failures. For example, in Washington state, following a citizen’s revolt, control of the state House switched from 65 Democrats and 33 Republicans to 61 Republicans and 37 Democrats, and Democrats were reduced to a one seat margin in the state Senate. Democrats from Washington state also lost the most seats in the US Congress in 1994, including House Speaker Tom Foley. In Tennessee, a tax revolt over funding TennCare ended at least 16 years of GOP control of the governorship. Previously, when Congress passed the Medicare Catastrophic Coverage Act in 1988, a [citizen’s revolt](#) forced Congress to repeal the law by huge margins before it went into effect.

The old saying defining insanity as doing the same thing over and over, but expecting a different result, comes readily to mind.



## Blowback

**Note from Hot Air management:** This section is for comments from Hot Air's community of registered readers. Please don't assume that Hot Air management agrees with or otherwise endorses any particular comment just because we let it stand. A reminder: Anyone who fails to comply with our [terms of use](#) may lose their posting privilege.

## Trackbacks/Pings

[Trackback URL](#)

<http://www.stopsayingfail.com/>



[Abby Adams](#) on October 7, 2009 at [8:48 AM](#)