



House Votes to Postpone Individual Mandate

A large number of Republicans hate the individual mandate, despite the idea coming from a conservative think tank

By: Lauren Fox- July 17, 2013

The House votes Wednesday to postpone implementation of the individual mandate, a provision in the Affordable Care Act that requires Americans to buy their own health insurance.

It is the backbone of the Obama administration's health care law and a provision that wildly upsets Republicans.

"The problem is that aside from the civil liberties side of it, once you create a captive market, you create a product that no matter how expensive it gets, people have to buy it," says Michael Tanner, a senior fellow for the Cato Institute.

House Budget Committee Chairman Paul Ryan, R-Wis., told the National Review Online that he supported the House's efforts to postpone the mandate and saw it as a vehicle to dismantle the law piece by piece.

"We should have these votes, and members of Congress should make their positions clear," he told the website. "I think most conservatives in the House think having these delay votes are helpful to getting rid of the law entirely."

President Barack Obama, who announced earlier this month he'd delay penalizing businesses who don't offer their employees benefits until 2015, has already said he'd veto any law that postponed implementation of the individual mandate.

"[It] would raise health insurance premiums and increase the number of uninsured Americans. Enacting this legislation would undermine key elements of the health law, facilitating further efforts to repeal a law that is already helping millions of Americans stay on their parents' plans until age 26, millions more who are getting free preventive care that catches illness early on, and thousands of children with pre-existing conditions who are now covered," the White House said in a released statement.

Perhaps the greatest irony of the discussion is that while in its infancy, the individual mandate was not a Democratic policy idea.

While the concept of requiring individuals to purchase their own health care to drive down costs was circulated amongst economists in the 1980s, the Heritage Foundation is widely credited for flushing the idea out in a 1986 paper by Stuart Butler.

In the paper, Butler argues that one way to drive down the cost of health care in the United States, which at the time was 11 percent of gross national product, would be to require individuals to purchase health insurance.

For those who cannot afford it, Butler argues that tax credits can curb the cost burden.

"A mandate on households certainly would force those with adequate means to obtain insurance protection, which would end the problem of middle-class "free riders" on society's sense of obligation. But

of course there are many lower-income households who could not reasonably afford to meet that obligation and yet are not eligible for current direct assistance programs such as Medicaid." Butler wrote. "To an extent, the problems of affordability among these families would be dealt with through the system of tax credits."

When asked about their connection to the individual mandate, Heritage said that they stopped supporting the idea in the mid-1990s. The Heritage Foundation was instrumental in the lawsuit against the Affordable Care Act that went all the way to the Supreme Court.

"Stuart did support an individual mandate two decades ago, as a way to solve the free-rider problem that the federal government itself created. But the mandate he supported was not the unqualified one that is at the heart of [the Affordable Care Act]," the foundation said in an emailed statement. "Stuart also realized over time that even that limited mandate was unconstitutional and not a good policy solution anyway."

Butler himself wrote in a 2012 op-ed for USA Today that he no longer supported the idea of an individual mandate.