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Obama and the Bureaucratization of Health Care

By SARAH PALIN

Writing in the New York Times last month, President Barack Obama asked that Americans “talk with one another, and not over one another” as our health-care debate moves forward.

I couldn't agree more. Let's engage the other side's arguments, and let's allow Americans to decide for themselves whether the Democrats' health-care proposals should become governing law.

Some 45 years ago Ronald Reagan said that "no one in this country should be denied medical care because of a lack of funds." Each of us knows that we have an obligation to care for the old, the young and the sick. We stand strongest when we stand with the weakest among us.

We also know that our current health-care system too often burdens individuals and businesses—particularly small businesses—with crippling expenses. And we know that allowing government health-care spending to continue at current rates will only add to our ever-expanding deficit.

How can we ensure that those who need medical care receive it while also reducing health-care costs? The answers offered by Democrats in Washington all rest on one principle: that increased government involvement can solve the problem. I fundamentally disagree.

Common sense tells us that the government's attempts to solve large problems more often create new ones. Common sense also tells us that a top-down, one-size-fits-all plan will not improve the workings of a nationwide health-care system that accounts for one-sixth of our economy. And common sense tells us to be skeptical when President Obama promises that the Democrats' proposals "will provide more stability and security to every American."

With all due respect, Americans are used to this kind of sweeping promise from Washington. And we know from long experience that it's a promise Washington can't keep.

Let's talk about specifics. In his Times op-ed, the president argues that the Democrats' proposals "will finally bring skyrocketing health-care costs under control" by "cutting . . . waste and inefficiency in federal health programs like Medicare and Medicaid and in unwarranted subsidies to insurance companies . . ."

First, ask yourself whether the government that brought us such "waste and inefficiency" and "unwarranted subsidies" in the first place can be believed when it says that this time it will get things right. The nonpartisan Congressional Budget Office (CBO) doesn't think so: Its director, Douglas Elmendorf, told the Senate Budget Committee in July that "in the legislation that has been reported we do not see the sort of fundamental changes that would be necessary to reduce the trajectory of federal health spending by a significant amount."

Now look at one way Mr. Obama wants to eliminate inefficiency and waste: He's asked Congress to create an

Independent Medicare Advisory Council—an unelected, largely unaccountable group of experts charged with containing Medicare costs. In an interview with the New York Times in April, the president suggested that such a group, working outside of "normal political channels," should guide decisions regarding that "huge driver of cost . . . the chronically ill and those toward the end of their lives . . ."

Given such statements, is it any wonder that many of the sick and elderly are concerned that the Democrats' proposals will ultimately lead to rationing of their health care by—dare I say it—death panels? Establishment voices dismissed that phrase, but it rang true for many Americans. Working through "normal political channels," they made themselves heard, and as a result Congress will likely reject a wrong-headed proposal to authorize end-of-life counseling in this cost-cutting context. But the fact remains that the Democrats' proposals would still empower unelected bureaucrats to make decisions affecting life or death health-care matters. Such government overreaching is what we've come to expect from this administration.

Speaking of government overreaching, how will the Democrats' proposals affect the deficit? The CBO estimates that the current House proposal not only won't reduce the deficit but will actually increase it by \$239 billion over 10 years. Only in Washington could a plan that adds hundreds of billions to the deficit be hailed as a cost-cutting measure.

The economic effects won't be limited to abstract deficit numbers; they'll reach the wallets of everyday Americans. Should the Democrats' proposals expand health-care coverage while failing to curb health-care inflation rates, smaller paychecks will result. A new study for Watson Wyatt Worldwide by Steven Nyce and Syl Schieber concludes that if the government expands health-care coverage while health-care inflation continues to rise "the higher costs would drive disposable wages downward across most of the earnings spectrum, although the declines would be steepest for lower-earning workers." Lower wages are the last thing Americans need in these difficult economic times.

Finally, President Obama argues in his op-ed that Democrats' proposals "will provide every American with some basic consumer protections that will finally hold insurance companies accountable." Of course consumer protection sounds like a good idea. And it's true that insurance companies can be unaccountable and unresponsive institutions—much like the federal government. That similarity makes this shift in focus seem like nothing more than an attempt to deflect attention away from the details of the Democrats' proposals—proposals that will increase our deficit, decrease our paychecks, and increase the power of unaccountable government technocrats.

Instead of poll-driven "solutions," let's talk about real health-care reform: market-oriented, patient-centered, and result-driven. As the Cato Institute's Michael Cannon and others have argued, such policies include giving all individuals the same tax benefits received by those who get coverage through their employers; providing Medicare recipients with vouchers that allow them to purchase their own coverage; reforming tort laws to potentially save billions each year in wasteful spending; and changing costly state regulations to allow people to buy insurance across state lines. Rather than another top-down government plan, let's give Americans control over their own health care.

Democrats have never seriously considered such ideas, instead rushing through their own controversial proposals. After all, they don't need Republicans to sign on: Democrats control the House, the Senate and the presidency. But if passed, the Democrats' proposals will significantly alter a large sector of our economy. They will not improve our health care. They will not save us money. And, despite what the president says, they will not "provide more stability and security to every American."

We often hear such overblown promises from Washington. With first principles in mind and with the facts in hand, tell them that this time we're not buying it.

—Ms. Palin, Sen. John McCain's running mate in the 2008 presidential election, was governor of Alaska from December 2006 to July 2009.

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