

George's Bottom Line

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Palin Ripped by D.N.C. for Proposing to Voucherize Medicare

September 09, 2009 5:07 PM

Sarah Palin may have handed her opponents a big weapon on Wednesday when she proposed voucherizing Medicare in an op-ed in the Wall Street Journal.



My colleague, Teddy Davis has more:

Sarah Palin came under fire from national Democrats on Wednesday for proposing to convert Medicare from an open-ended entitlement that guarantees seniors almost unlimited access to care into a voucher system that provides retirees only a fixed sum of money to purchase private health

insurance.

"It would end Medicare as we know it," said DNC communications director Brad Woodhouse on a conference call with reporters. "To say that we're going to do away with Medicare and go to a voucher system where seniors would be depending on the very insurers who today are discriminating on the basis of pre-existing conditions is scurrilous, it's risky, it's scary, and it has no place in this debate."

Palin opened herself up to the Medicare attack by floating the voucher proposal in an <u>op-ed</u> she wrote for Wednesday's Wall Street Journal.

Replacing traditional Medicare with vouchers is one of several market-oriented ideas that Palin would like to see implemented.

"Instead of poll-driven 'solutions,' let's talk about real health-care reform: market-oriented, patient-centered, and result-driven," wrote Palin. "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 years in wasteful spending; and changing costly state regulations to allow people to buy insurance across state lines."

Cannon, the Cato expert referenced by Palin, has not had any direct contact with the former Alaska governor or any of her advisers.

He did, however, come to her defense on the Medicare issue.

"Vouchers would not make seniors less secure, it would make them more secure," Cannon told ABC News. "Everyone agrees that Medicare cannot go on spending as much money as it does now. The voucher idea allows individual consumers to make their own decisions about what they need and what they don't need."

"Giving Medicare seniors a voucher is the most rational, the most humane way to contain Medicare spending," he added.

Asked about the DNC's charge that Palin's proposal would leave seniors with pre-existing conditions vulnerable, Cannon, the director of health policy studies at Cato, called it "pure uninformed demagoguery."

Cannon says that under proposals he has developed, bigger vouchers would be given to people with pre-existing conditions as well as to people with low incomes.

Since Palin has only floated the voucher idea and has not unveiled a detailed proposal, it is impossible to assess exactly how seniors with pre-existing conditions would fare under it.

Palin is not alone among Republicans in wanting to save federal money by voucherizing Medicare.

As <u>National Journal's Ron Brownstein has reported</u>, four-fifths of House Republicans voted to voucherize Medicare for all Americans younger than 55 on April 2 as part of the GOP's alternative budget plan.

Hoping to regain the offensive in the health-care debate, the DNC launched a six-figure television ad buy on Tuesday targeting 10 House Republicans on this issue.

The 10 House Republicans targeted by the DNC on Medicare are: House Republican Leader John Boehner of Ohio, House Republican Whip Eric Cantor of Virginia, Rep. Paul Ryan of Wisconsin, Rep. Michelle Bachmann of Minnesota, Rep. Lee Terry of Nebraska, Rep. Patrick Tiberi of Ohio, Rep. Mary Bono Mack of California, Rep. Don Young of Alaska, Rep. Jean Schmidt of Ohio, and Rep. Erik Paulsen of Minnesota.

Watch the national cable version of the DNC's ad HERE.

The war between the parties over Medicare was ignited last month when Republican National Committee chairman Michael Steele unveiled a "seniors' bill of rights" while <a href="mailto:appearing on ABC's "Good Morning America."

Republicans saw an opening on Medicare, an issue which has traditionally favored Democrats, because Democrats on Capitol Hill have proposed funding part of their health-care overhaul with reductions in Medicare spending.

Palin aide Pam Pryor did not have an immediate response to the Democratic criticism.