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Mitt Romney on RomneyCare

The former Massachusetts governor talks about the subtle differences between his state's health care reform and that signed by President Obama.

By Andrew Romano | Newsweek Web Exclusive Apr 19, 2010

In 2006, then-governor Mitt Romney signed a sweeping health-insurance overhaul in Massachusetts into law. It relied on subsidies, exchanges, and mandates to extend coverage to the uninsured. Now, four years later, it has become the model for President Obama's new national law—and a big political problem for Romney, who risks alienating Republican critics of the president's plan as he attempts strike a delicate balance between refusing to renounce his own reforms and criticizing Obama's very similar plan. "As President Obama himself has pointed out, Romney is the guy who created the prototype for Obamacare," David Boaz, vice president of the libertarian Cato Institute, said recently. "How can he lead the charge against a health-care plan that is modeled on his own?" Here, in his most extensive interview on the subject, Romney tells NEWSWEEK's Andrew Romano why the two plans are like "Dr. Jekyll and Mr. Hyde," and why Republicans are wrong to keep attacking him.

NEWSWEEK: You've described the Massachusetts health overhaul as "the ultimate conservative plan"? Why?

Mitt Romney: Right now, in lots of parts of the country, if individuals do not have insurance, they can arrive at the hospital and be given free care, paid for by government. Our current system is a big-government system. A conservative approach is one that relies on individual responsibility.

So you would say the structure you put in place in Massachusetts—exchanges, subsidies, and an individual mandate—is essentially a conservative structure?

hat I'm saying is that the right place for health reform is at the state level. In a federalist system we don't need the federal government imposing its will on the individual states. The federalist, conservative approach is for states to solve their problems as they feel best. We solved it in a way that worked in our state on a bipartisan basis. Out of 200 legislators, only two voted no. And other states can solve it in the way that they feel best.



Many conservatives disagree with the idea that the plan you put in place in Massachusetts is conservative at all. The Club for Growth, for example, said that yours was "unequivocally not a conservative plan."

I'm not going to find fault with other people's perspectives. What we did was insist on personal

responsibility. In my plan, there was an opt-out for people who were able to pay their own way in health care—in other words, to self-insure. I think that's a measure that should be preserved. Were I advising this legislature, I would say, "Hey guys, put in that opt-out." I think that's the right thing to do. But in my view, and others are free to disagree, expecting people who can afford to buy insurance to do so is consistent with personal responsibility, and that's a cornerstone of conservatism. I think what many people don't recognize is that we have universal health care in America already. We don't have universal health insurance, we have universal health care—where government is paying for free-riders who could afford to care for themselves but instead push the burden to the government. That in my opinion is the big-government approach that we have. What we substituted instead is something which is more conservative in my view. Instead of government caring for people who can afford to care for themselves, we expected people to care for themselves.

Would you have ever expected, when you were putting the bill together in Massachusetts, that five years down the line members of your own party would be comparing what you did to socialism? Does the reaction surprise you?

Well, the whole health-care debate has become highly politicized. During the 2008 election, [out of] the 14 debates, [in] 12 of them, health care was raised, and I described our Massachusetts plan and defended that plan. There was very little energy or passion around that issue. But because of Obamacare, it's been politicized.

How so?

I think that some Republicans believe that what we did in Massachusetts has to be decried in order to justify their criticism of Obamacare. But in my view, they're wrong. We're better off pointing out those things about Obamacare that we don't like instead

What don't you like?

What we don't like is the intrusion of the federal government on the rights of states. We don't like raising taxes. We don't like the cuts in Medicare Advantage. And we don't like the price controls.

I'd like to clear something up about that federalist argument. During one of the 2008 debates, Charles Gibson said, "You seem to have backed away from mandates on a national basis." And your response was, "No, no, I like mandates. The mandates work." Were you saying that you supported federal mandates then, even though you say you don't now?

No. We created an incentive for people to get insurance at the state level. Our plan is a state plan. I oppose a federal plan for purposes of federalism. It would be like saying, a father has spanked his son. Do you think that the federal government should be allowed to spank children?

So people are misinterpreting that quote?

I do not favor the federal mandates that are part of Obamacare.

Back in February 2007, you said you hoped the Massachusetts plan would "become a model for the nation." Would you agree that it has?

I don't ... You're going to have to get that quote. That's not exactly accurate, I don't believe.

I can tell you exactly what it says: "I'm proud of what we've done. If Massachusetts succeeds in implementing it, then that will be a model for the nation."

It is a model for the states to be able to learn from. During the campaign, I was asked if I was proposing that what I did in Massachusetts I would do for the nation. And the answer was absolutely not. Our plan is a state plan. It is a model for other states—if you will, the nation—it is a model for them to look at what we've accomplished and to better it or to create their own plans.

There are obvious similarities between Obamacare and what you did in Massachusetts. Do you acknowledge that what you did in Massachusetts has become a model for nation under Obama, whether you wanted it to or not?

I can't speak for what the president has done. I don't know what he looks at. He never gave me a call. Neither he nor any of his colleagues [gave me] a call to ask what worked and did not work, and how would they improve upon it and so forth. If what was done at the state level, they applied at the federal level, they made a mistake. It was not designed for the nation.

Jonathan Gruber advised both you and Obama on health care. He told me that you are "the one person who deserves the most credit for the national plan we ended up with." Is that a title you're willing to accept?

[Laughs.] I think you've already heard my answer on that.

Do you think the Republicans in Congress made a mistake by using Obama's desire for Republican votes as leverage to align the plan more closely with conservative views? For political reasons, he was almost desperate at first to get bipartisan support for the bill. I think what President Obama wanted was Republicans to vote for an extremely ideologically biggovernment plan. And Republicans weren't going to do that. Had he wanted a bipartisan bill, he could've latched onto Wyden-Bennett, or Sen. [John] McCain's approach, or to other approaches that were being considered. But he rejected those.

But he was elected president, right? Wasn't there room within those negotiations for Republicans to push his plan to the right if they chose to play ball?

Former Bush speechwriter David Frum wrote the following: "We do know that the gap

Republicans put forward several pieces of legislation to reform health care, and those were rejected by the president in favor of the Pelosi-Reid plan.

between [Obama's plan] and traditional Republican ideas is not very big. The Obama plan has a broad family resemblance to Mitt Romney's Massachusetts plan. It builds on ideas developed at the Heritage Foundation in the early 1990s that formed the basis for Republican counter-proposals to Clintoncare in 1993–1994." Is it fair to say that the new national plan has conservative roots, even if you disagree with it being imposed on a national level? Let's see, I can't think of a great metaphor. Maybe Dr. Jekyll and Mr. Hyde: they both have two arms and two legs, but they're very different creatures. There are some similar benefits. The fact, for instance, that insurance is affordable—that's a similar benefit in my plan and the Obama plan. But there's simply an enormous difference when you have one plan that imposes massive tax hikes and another that does not. [There's] a huge difference with a plan that dramatically cuts Medicare Advantage and one that does not

Those are real differences, but aren't they measures designed to control costs and pay for the plan? The president's plan has cost controls that the Massachusetts plan didn't need—tax

impose a new burden on senior citizens.

increases on people earning over \$200,000 a year, reductions in wasteful Medicare spending. In Massachusetts, you could just repurpose hundreds of millions of dollars in federal funds to pay for it. But that doesn't work on the national level. So it seems a little disingenuous to call the Democrats fiscally irresponsible, then criticize the parts of the plan that are designed to make it fiscally responsible.

But you see, we go back to the initial premise. I reject the idea of a federal mandate imposed on states and individuals. If you open the door to the federal government, then it leads to all sorts of unattractive elements, such as raising taxes and cutting Medicare. If instead one said at the federal level, "We're going to give resource flexibility to states to use money they're already receiving as a way to help the poor buy insurance," that says, "All right, we're using funds that have already been allocated, we're letting states create their own plans, and we'll see how that works. And we'll learn from the experience." That's the idea of states as the laboratories of democracy. What we've gotten into by opening the door to a federally imposed plan is the creation of the Mr. Hyde monster.

Minnesota Gov. Tim Pawlenty just announced that, like 13 state attorneys general, he will be suing the federal government over the new national law.

I've indicated that I think the law in unconstitutional, that it violates the 10th Amendment's protection of states' authority.

So you support those lawsuits?

Yes.

Many political pundits believe that the passage of Obama's health-care plan and the related animosity among Republicans toward what you did in Massachusetts has greatly diminished your chances of winning the Republican nomination if you run for president in 2012.

I stand for the things I believe in. I don't know what the politics are of it.

Looking back, what do you wish that you had done differently during the 2008 presidential campaign?

I wish I had been more effective in being able to communicate the central rationale of my campaign, which is strengthening the economy, getting better jobs, raising incomes. If you will, shoring up the foundations of our economic vitality. Instead, as a candidate I spent a good deal of time answering questions about social issues.

You recently said that health care reform will cost Obama a second term. What does the next Republican candidate need to do to defeat him in 2012?

I think there's a growing groundswell of passion against the overreach of the federal government and the massive spending and borrowing that's occurring. I think if Republicans can demonstrate that they—that we—are true to our principles of smaller government, less spending, lower deficits, and eliminating the debt, then I think we win.

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