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A conservative think tank indignantly denies influencing Obamacare.

By *Timothy Noah*

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It's no surprise that Mitt Romney bent himself into a pretzel to disavow the portions of Obamacare that derive from his own reform in Massachusetts. Romney is a politician, and even politicians with more spine than Romney (i.e., nearly all of them) are sometimes forced into awkward postures by the shifting dynamics of electoral politics. But naif that I am, I figured the conservative think tanks that developed these same policies would, if they couldn't bring themselves to claim authorship, at least maintain a discreet silence. I was wrong.

"Obama's Health Reform Isn't Modeled After Heritage Foundation Ideas" reads the headline of an April 19 op-ed in the Washington Post. The author, Robert Moffit, is director of Heritage's Center for Health Policy Studies. Moffit's piece is a

response to President Obama's comment, in a March 30 an interview with Matt Lauer on NBC's Today, that the idea for health-insurance exchanges "originated from the Heritage Foundation." Actually, Heritage didn't invent the exchanges idea, but it certainly helped develop it. In his new book *No Apology*, Romney writes:

Until recently, Heritage was quite willing to associate itself with Romneycare, but that appears to have changed. The words Romney and Massachusetts appear nowhere in Moffit's op-ed, probably because the Conintern has lately concluded that Obamacare renders Romney damaged goods. (See this withering Fox News interview with Chris Wallace, this dismissal from the libertarian Club For Growth, this video from David Boaz and Michael F. Cannon o f Cato, and this editorial from the Wall

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Street Journal, which called Obamacare and Romneycare "fraternal policy twins." Ouch!)

Obama's comment to Lauer clearly alarmed Heritage. Its president, Ed Feulner, posted a blog item that same day to protest "this misuse of our work and abuse of our name." He wrote, "True exchanges are simply a market mechanism to enable families to choose their health insurance. President Obama's exchanges, by contrast, are a vehicle to introduce sweeping regulation." But under Romneycare, as under Obamacare, government sets minimum standards (i.e., creates regulations) concerning what health insurers may cover. Feulner steered around this by avoiding, like Moffit, any mention of the now-leprous Romney.

The next day, Heritage posted a snippet from Rush Limbaugh's radio show to refute yet again the president's scandalous attribution. Limbaugh said:

Wrong. Under every exchange proposal ever considered, including Heritage's, health insurance exchanges are "built by government" at either the state or the federal level.

Moffit's op-ed is Heritage's third attempt at damage control. "For us," Moffit explains, "the health insurance exchange

is to be designed by the states [italics mine]." The federalist argument that health exchanges are good if created by states but bad if created by Washington is one Romney's tried, too. Moffit had better hope it sounds more plausible to the Conintern coming from him than it does from the former Massachusetts governor. Anyway, the idea that Heritage has never advocated a health exchange created by the federal government simply isn't true. As recently as Nov. 2008, Heritage's Stuart Butler described the exchange as "a nonprofit organization chartered by the government." The "government" Butler referred to was clearly the federal government. A 1993 Heritage paper by Butler offering an alternative to the Clinton plan ("Why Conservatives Need a National Health Plan") was similarly focused at the federal level.

Butler did caution that "it's better to

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have exchanges operate at the state level." But he added: "Sure, general goals could be set at the national level, but if state health experts can figure a better way to reach those goals, let them try." Under Obamacare, the exchanges operate at ... the state level. They must abide by national coverage standards that constitute more than "general goals." But under language inserted by Rep. Ron Wyden, D-Ore., the health-reform law further provides that if any given state can find a way to achieve the same outcome with some alternative mechanism, it is more than welcome to do so. (See Section 1332, "Waiver For State Innovation.")

What about the individual mandate, which requires everyone to purchase health insurance? Here Moffit tries a different gambit. He admits that in the early 1990s, "we, along with other prominent conservative economists, supported the idea of such a mandate." But "[o]ur research in the ensuing two decades has led us to realize our initial idea was operationally ineffective and legally defective." Feulner made similar reference to "further developed research." One pictures Louis Pasteur peering into his microscope. But to judge from the 2008 journal article Moffit cites in defense of this claim, the "research" Moffit cites consisted mainly of observing that the individual mandate had proved

very controversial in the presidential election. The proposal Moffit offered in its place required that "every individual should explicitly accept or reject health insurance coverage, and those who reject coverage should be required to demonstrate that they are willing and able to pay their medical bills and formally acknowledge the potential consequences of their failure to do so." This strikes me as somewhat more intrusive than the individual mandate, from which it is otherwise not appreciably different. How can you "demonstrate" your ability to pay medical bills if you lack any foreknowledge of what those bills might conceivably be? Only by acquiring a health insurance policy.

Ironically, in his Nov. 2008 paper, Butler stated precisely the opposite of what Moffit, Feulner, and Limbaugh are screaming at the top of their lungs now.

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"The president-elect didn't invent the idea of a health exchange," Butler wrote. "He came up with his own version of an idea that's been refined by people like us at the Heritage Foundation and already field tested." If anything, back then Heritage seemed slightly miffed that it wasn't getting credit for having developed the idea. There's just no pleasing some people.

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