HEALTH-CARE PLAN Strickland would OK public option

Senate plan would let states opt out Wednesday, October 28, 2009 Stephen Koff

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Washington- Don't count on Ohio opting out.

Gov. Ted Strickland says he would rather let Ohioans participate in the government-run health insurance program being planned by congressional Democrats, despite the option to let the state say no.

U.S. Senate Majority Leader Harry Reid said this week that to expand health care to millions more Americans, Congress will include a government-run insurance plan that will compete with private carriers. It would be for Americans who lack insurance and want an affordable alternative to private plans - unless states wanted to opt out.

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There is unlikely to be a financial benefit to opting out, since this is a national plan. But some lawmakers worry about putting private insurers out of business or giving the federal government too much power. States that opted out could avoid this.

"I don't think there's any question, Ohio would stay in," said U.S. Sen. Sherrod Brown of Ohio, a Democrat who co-wrote the so-called public option, or public plan language, in the Senate health committee. Brown predicted most other states would participate, too, as they see that the public plan is just an alternative and not a replacement for most private insurance policies.

"Its importance has been overstated by both sides, and as a guy who wrote it, I can say that," Brown said of the public option.

Reid included the public option as he shored up liberal support for the final health bill. But he offered the opt-out provision to get moderate Democrats' support. No Senate Republicans are expected to support the bill because of its cost and their fears of expanding government authority.

A Strickland spokeswoman said that the governor, a Democrat, believes a government-run plan "should be affordable so it creates true competition without risking running health insurance companies out of business."

"The governor," continued spokeswoman Amanda Wurst in an e-mail response to The Plain Dealer, "believes a public option will ensure that working Ohioans have a truly affordable health insurance option and does not see a reason to opt out."

Democratic congressional leaders have not specified the procedures for opting out, saying they won't be divulged until the Congressional Budget Office completes its review of the latest legislation. But lawmakers believe it would take a governor and state legislature to decide, probably by passing a state-specific bill.

Strickland would probably get his way if the decision could be made today. The majority of the Ohio House is also Democratic, although the party in charge could change over the next four years, when the opt-out provision would begin.

Keary McCarthy, spokesman for Ohio House Speaker Armond Budish of Beachwood, said Budish "personally would support allowing Ohioans to have access to more affordable health care options."

But Bill Harris, a Republican and president of the Ohio Senate, said that opt-in or no opt-in, Ohio cannot afford the Democrats' proposals. Taxpayers in every state will still pay for the overall health-care program

that also includes an expansion of Medicaid and subsidies for many people so they can buy insurance, and many conservatives are skeptical that the public option can operate without tax money.

Michael Cannon, director of health policy studies at the libertarian Cato Institute, said the public option's opt-out feature could even represent a bad deal. Since there would be no financial benefit to opting out, no state official is likely to say, "I'm not going to let my constituents get their money back," Cannon said. "Voters will crucify officials who opt out."

U.S. Rep. Tom Price, a Georgia Republican and physician, asked rhetorically on the House floor Tuesday, "Will Americans also be able to opt out of the rest of the government takeover of health care? Will they be able to opt out of the \$800 billion in tax increases? \ldots Anyone who seriously thinks an opt-out is the answer to all of these harmful provisions has already opted out of reality."