



Both sides agree that a major overhaul is needed

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September 20, 2009 12:45 am

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Can't health care reform be simpler?

Isn't there a way to cover the uninsured and control costs without a massive rewrite of health care by the federal government?

The short answer from those on both sides of the yawning divide over President Barack Obama's vision of reform is the same: No.

But, the longer answer is that it depends on the definition of "massive."

The various bills in Congress that reflect the president's priorities are, by any definition, massive. The one that has drawn the most attention so far, H.R. 3200, is more than 1,000 pages long.

But while proposals from the conservative side are simpler, they also call for a major overhaul of the existing system.

Indeed, one of Republicans' biggest complaints about the president is that he continues to accuse them of wanting to leave the system as it is.

In a speech several weeks prior to his recent appearance before a joint session of Congress, the president said, "We have never been this close. ... And because we're so close to real reform, suddenly the special interests are doing what they always do, which is just try to scare the heck out of people.

"I've got a question for all those folks: What are you going to do? What's your answer? What's your solution? And you know what? They don't have one. Their answer is to do nothing."

Actually, those were three questions posed by the president. But "all those folks" beg to differ. They agree with Obama that reform of the nation's health care system is desperately needed. They agree that it is too expensive. They agree that insurance needs to be portable — not tied to one's job. They agree that people should not lose their coverage just because they got sick.

And they insist they have a solution. It's just very different from what the president proposes.

By now, the outline of Obama's priorities is familiar to most Americans, even though he is not the author of any of the bills in Congress.

The president has called for universal coverage, which also means everyone would be required to purchase insurance or else pay a penalty, with subsidies for those who cannot afford it.

He has said the nation can pay for the \$880 billion he expects it to cost over the next 10 years "without adding one dime to the deficit, now or in the future," largely by eliminating waste in Medicaid and Medicare, and by increasing taxes on the wealthy.

He has also said that costs can be controlled by eliminating the current fee-for-service system that encourages doctors to do more testing and procedures. In its place he would create a commission of experts who would, "encourage the adoption of... common-sense best practices by doctors and medical professionals throughout the system."

Judy Feder, a senior fellow with the liberal-leaning Center for American Progress, describes it as creating incentives for "better" medicine, rather than "more" medicine. She said reform will reward doctors for "getting it right."

But Obama has also said that government will not come between patients and their doctors.

He has promised that under his proposed reform, insurance companies will not be allowed to deny coverage because of pre-existing conditions, and will not be able to discontinue or cap coverage of those with major illnesses.

Easily the most controversial element of his vision of reform is the so-called "public option," a government-funded insurance plan that, in the president's words, would "compete" with private insurers and "hold them accountable." He has insisted that this will not affect those who are happy with their current insurance — he has said numerous times that he would not sign a bill that requires people to shift to the public plan.

But, in the face of loud public opposition and uncertain support in the Senate, he has said he is willing to consider alternatives, as long as there is something that competes with the private market.

There is plenty more than that. And there is intense debate over whether any public option would kill competition rather than promote it, because government can, as it does with Medicare, decide to pay providers less than their services cost. It can also set artificially low prices for consumers, since it has access to taxpayer subsidies.

But to the president's question, "What's your solution?" conservatives have offered a number. In Congress, Republican Rep. Paul Ryan of Wisconsin has filed a bill called The Patient's Choice Act. A number of other Republicans have filed the Empowering Patients First Act.

Outside of Congress, former House Speaker Newt Gingrich, one of the founders of the Center for Health Transformation, has presented, "6 Keys to Reforming Health Care." And Grace-Marie Turner, president of the Galen Institute in Alexandria, Va., says health care could be reformed with four broad changes.

Those plans have differences, but they share common core principles. They seek to give patients both power and responsibility, and say the market will respond to patients' power. And they seek to keep government involvement at a minimum.

They agree that there is waste in health care. According to Gingrich, criminal fraud accounts for 10 percent of all health care spending — more than \$200 billion a year, with \$40 billion of that in Medicare alone. To eliminate that fraud, Gingrich says the system must move from paper-based to electronic.

Beyond that, however, they argue that legislation to make the market freer would be more effective than tightening regulation. They want individuals who don't have insurance through their employers to get the same tax breaks offered to those who do. In their view, people should be allowed to buy insurance through their employers, but have plenty other options as well. That, they say, would insure "portability" of insurance, not tied to one's job.

They say people should be allowed to purchase insurance across state lines, just as people can when insuring their cars, and should be allowed to form groups or associations, to get the power of bulk purchasing. This, they say, would promote competition among insurers on both price and quality.

They are also big backers of tort reform — limiting noneconomic damages for malpractice, which they say will reduce much of the cost of "defensive" medicine.

Still, some wonder why, with only about 15 percent of the population uninsured, it wouldn't be simpler and cheaper just to include those people under Medicare or Medicaid, rather than change the system for the other 85 percent?

Liberals and conservatives agree that it would not.

State Rep. Harriett Stanley, D-West Newbury, while not a player on the federal stage, has an intense interest and expertise in the issue as House chair of the Health Care Finance Committee. She says that Medicare, while it works well and is popular, is "way over budget" because it remains a fee-for-service program.

Michael Cannon, director of health policy for the conservative Cato Institute in Washington, D.C., says Medicare and Medicaid are not only "incredibly costly," but they reduce the quality of care for everybody, including those with private insurance."

He contends that the only way to make things simpler, more effective and more efficient is to put the money in the hands of patients. He suggests that they should receive the money that employers contribute to their health care, and then decide for themselves how to spend it.

"What will make navigating the system simpler is if they control the money," he said. "The system will always serve the people who control the money. That's what markets do."

In short, there is no simple way to reform health care. The debate now is over which overhaul will work the best.

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