

Health Reform: Pro and Con

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By Daniel Costello

This morning, I listened to a [podcast](#) on current health reform proposals by Michael F. Cannon, the Cato Institute's director of health policy studies. You may or may not agree with Cannon, but I always like hearing different sides of an issue as complex as health reform and think he's worth a listen.

Cannon's take is that health reform will lead to an increase in overall taxes and a higher effective marginal tax rate that could fall especially hard on low and middle income people.

His main point: if all Americans are required to buy health insurance, as the current legislation requires, and only the poorest get a subsidy to buy insurance, those just above the cut off limits for the subsidy would essentially have a new tax to pay.

Others see it differently, and point out that many Americans already have health coverage through their employer and won't see much change at all to their current coverage if reform passes.

Any new costs under the plan, if they happen at all, don't happen in a vacuum. Health care costs overall have been rising at double-digit clips for much of the past decade and more workers are paying an ever larger share of their income for medical costs. If health reform "bends the curve" of healthcare inflation, it could radically save the system and individuals alot of money.

To balance Cannon's ideas out, [here's](#) a health reform podcast from the nonpartisan Center on Budget and Policy by the Center's Senior Health Fellow, Judy Solomon.