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Health Care Arena
An ongoing discussion on the health care debate

Oct. 27, 2009

Driving the Conversation:

Arena Ref: [Fred Barbash](#)

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Roger Pilon

Vice President for Legal Affairs, Cato Institute :

Like every other part of ObamaCare, the "opt-out" proposal for the "public option" is a mystery -- and almost certainly will continue to be even after the likely 1,500-page bill emerges, if ever it does. Will residents in states that opt-out be able to opt-out of the taxes needed to support the public option? (Please don't say the public option will be self-supporting: we're grown-ups.) Healthy taxpayers in North Dakota, after all, have no incentive to subsidize unhealthy New Yorkers. But if states can opt out of the tax part, then we'll have "adverse selection" at the state level, the very thing the "individual mandate" is meant to stop at the individual level. Yet if states won't be able to opt out of the tax component, then what's the incentive for states to opt out of the public option? All pay, no benefit, is a sucker's game.

This is all smoke and mirrors. And it's laughable to think that the Congressional Budget Office can score any of this, when nobody knows what "this" is. For all the backroom dealings so far, enough has taken place in public to enable the public to see what's going on, and it's not pretty. It's the usual something-for-nothing gimmickry, like last week's "doc-fix" joke. The vote on that is the best predictor so far of where this whole thing is going. When labor tells us they might accept a tax on high-value insurance plans **if it doesn't hit the middle class**, we know the money isn't there. May ObamaCare rest in peace until more sober people are able to attend to what's really required to straighten out the health care mess that Congress created in the first place.

Subject

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