

[MA Health Reform](#) 24 Jan 2010 10:41 pm

[Tale of Two \[Conservative Think Tank Reports on MA Health Reform\]](#)

Two conservative research institutions recently looked at Massachusetts health reform. One concluded that, while not all the evidence is in, the plan has achieved success in reducing the number of uninsured in Massachusetts.

The other study looked at the census data that shows a steep decline in the number of uninsured, and decided that people must be lying on the survey. As a result, they say the gains in coverage must be cut by almost half. Also, people getting insurance through their employer or on their own should be counted as a “cost” of health reform, self-reported health hasn’t improved, and oh, young people aren’t moving here because of health reform. Guess which study made it to the [Wall Street Journal](#)?

The fair and balanced report came from the [Pioneer Institute](#). The report (by Amy Lischko and Anand Gopalsami) is the first in a series of report cards on MA health reform. This installment looked at 4 metrics concerning access - (1) coverage growth; (2) Commonwealth Care and crowd-out; (3) employer coverage; and (4) use of preventive care. They gave a grade of “A” on the first criterion, a B on the second and third, and an incomplete on the fourth. The report is worth reading, and contains solid analysis from a conservative point of view.

The [hit job comes from the Cato Institute](#), a libertarian-oriented Washington think tank that [opposed Massachusetts health reform from the beginning](#). The authors (Aaron Yelowitz and Michael Cannon) ignore relevant evidence, make egregious errors and unwarranted assumptions, and reach a pre-ordained conclusion.

The paper’s errors were so severe that the Division of Health Care Finance and Policy sent the authors a [corrections letter](#), calling the report “misleading and unfounded,” and requesting that the letter be posted on the Cato website.

The centerpiece of the Cato study is an assertion that the CPS (Census Current Population Survey) data showing a decline in the number of uninsured Bay Staters can’t be trusted. Since the individual mandate requires people to be covered, they reason, people must be lying to the survey takers. They liken the question asked by survey researchers, “Did you have health insurance last year?” as the functional equivalent of, “Are you breaking the law?”

Of course, there’s no evidence that anyone is lying on the survey. The DHCFP rebuttal letter goes into details about their flawed analysis. In any case, the survey data is backed up by the [state’s data collected from insurers](#), which shows a net gain in coverage of 408,000 people from June 2006 to June 2009. This point is ignored by the Cato crew.

The Cato report goes on to look at crowd-out, focusing on a drop in private coverage among kids and adults below 150% of the poverty line. However, since all of these children, and most of these adults, were eligible for state-subsidized benefits long before Chapter 58, attributing this change to health reform is clearly erroneous. Similarly, the report maintains that a drop in in-migration to Massachusetts by young adults must be due to health reform. Yet health reform dramatically lowered the cost of individual coverage, and authorized a new low-cost plan for young adults. None of this figures in the Cato analysis.

The most telling point is the report’s insistence that the “cost” of health reform should include all health insurance spending by anyone in Massachusetts affected by the law. By redefining the concept of the cost of government program to meet their libertarian mindset, the authors move into tendentious territory far removed from regular discourse.

For sure, this report is not aimed at Massachusetts, but at the ongoing national debate. In addition to the Wall Street Journal editorial, the [Washington Times ran an op-ed by the authors](#). Next time, we hope they look at the Pioneer Institute for some guidance on how a right-wing critique can be formed.

-Brian Rosman

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