Why Are Republicans Promoting Managed Care?

by Phyllis Schlafly August 31, 1995

Republicans spent two years attacking the totalitarian Clinton Health Plan because it would put all Americans into Managed Care, allow medical care only as permitted by Gatekeepers, deny our right to choose our own doctor, limit access to specialists, and force us to enroll in Regional Alliances with more government control and price fixing. Republicans won the argument, defeated all versions of Clintoncare, and used Clinton's Health Plan as a central issue in winning a Republican majority in Congress.

Now, it's hard to believe, but the Republican Congressional leadership has warmed over the same bad ideas and is touting them as Medicare reform. If Newt Gingrich and Bob Dole think they can sell the same bad product that Bill Clinton failed to sell, they are out of touch with the real world.

Drafts of the Republican Medicare reform that have leaked out indicate that it is based on herding seniors into Managed Care (HMOs). The Managed Care lobby reputedly has $9 billion (not million) in cash reserves to soft-sell its propaganda, so it's not surprising that Republican spokesmen are suddenly praising Managed Care.

Sen. Judd Gregg (R-NH) is appearing on television as a spokesman for the Republican Medicare plan. Using data provided by the Group Health Association of America, the HMO trade group, he claims that people just love HMOs.

The Managed Care lobby has succeeded in making Rep. Bill Thomas (R-CA), chairman of the Ways and Means subcommittee on health, their chief Managed Care advocate in the House. His statements on managed care on a PBS special to be aired in September are truly incredible, according to one reporter who has previewed it.

Thomas was asked to address the complaint of a person who can no longer choose his doctor because his company switched to an HMO. Thomas replied, "I'd ask you a couple of questions. How did you find your first doctor? Well, the answer is that it was probably a friend of a friend, or you looked in the Yellow Pages."

"And this," he exclaimed, "is the sacred system that someone wants to defend! Now, you created a personal relationship, which you don't want to change. There's no reason in the world why that personal relationship couldn't be recreated."

Sorry, Bill, seniors are not going to let you "recreate" personal relationships with their doctors. Seniors are not dumb and they vote, so they may decide to "recreate" their relationship with their Congressman and elect one who will stand up for the right to choose your own doctor"

Republicans claim that their Medicare plan would offer seniors more "options" among "plans." That's an illusion. The only option that matters is the option to choose your specialist and your treatment when you are sick. HMOs put those choices in the hands of Gatekeepers who receive increased pay for limiting access. Republicans made a terrible blunder in letting Medicare become the number-one

issue of the 1995-1996 campaign. It's a losing issue for Republicans, and their arguments are not selling at the grassroots.

The Gephardt line is powerful: "Republicans are cutting the benefits and raising taxes on the elderly in order to give tax breaks to the rich." As top Democratic pollster Mark Mellman said: "Linking Medicare reforms to tax cuts is a potent line of attack. Hurting beneficiaries is what matters."

The Republican leadership must change its strategy and make Medical Savings Accounts for today's workers (i.e., H.R. f 818) the centerpiece of health care reform. Go for the votes of the 30-55 year old age group and tell the truth:

"Medicare as we know it is not going to be there when you are age 65. We Republicans are going to make sure you have health care by allowing you to set up your personal tax-deductible Medical Savings Account (MSA) so that you will have your own money to provide your health care needs. With MSAs, you can choose your own doctor, save for health care in retirement and long-term care, and avoid HMO gatekeepers."

Medicare was the crown jewel of Lyndon Johnson's Great Society. The under- lying premise is that today's workers should be taxed to pay for the health care of the elderly. It's a Ponzi scheme that only works as long as more people are paying into the system than are receiving benefits. When the baby boomers reach 65, the Ponzi scheme will totally collapse, with or without Medicare HMOs.

Liberal Democrats know that MSAs represent a direct challenge to their generation-transfer scheme. They hope that Republicans continue to expend their political capital in politically fatal Medicare "reform" rather than giving baby boomers a personal medical savings account, which would liberate them from socialized medicine in retirement.

Medical Savings Accounts are not only smart politics, but they are the best long-term solution for financing our health care system.