Why Are Republicans Now Backing Clintoncare?

December 24, 1997

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Memories are short. Some Republicans don't seem to remember why they captured control of Congress away from the Democrats in 1994 for the first time in four decades. A major factor in that landmark victory was the American people's decisive rejection of Bill and Hillary Clinton's plan for nationalized control of health care.

So why are some Republican Members of Congress now trying to take us down that discredited road? They are being coopted into Clinton's plan to reach the same goal in incremental steps.

There's hardly any other way to read H.R. 1415, the Patient Access to Responsible Care Act (PARCA), dropped into the House hopper by Rep. Charles Norwood (R-GA) and cosponsored by scores of Republicans as well as Democrats. The Norwood bill includes "guaranteed issue" and "community rating" and it's easy to predict that, if those requirements go into federal law, we will get national health care within three years.

Guaranteed issue means that no health insurance issuer may discriminate against any individual on the basis of "age, disability, health status, or anticipated need for health services." This language is almost word-for-word identical to the infamous 1994 Clintoncare bill.

Community rating means that insurers must charge one price for all: men and women, old and young, sick and healthy. So, someone who is 64 years old and suffering from assorted maladies would pay the same rate as a healthy 25-year-old.

It doesn't take a rocket scientist to figure out the results of these regulations. People won't buy insurance while they are healthy; they'll wait until they get sick.

Insurance rates for 64-year-olds will fall and for 25-year-olds will rise dramatically. Healthy 25-year-olds

will then drop their coverage, and the rates will rise still higher for those who remain in the system.

We don't have to speculate that this will be the result. We already have the hard evidence from experience in the states.

After Massachusetts enacted guaranteed issue, health insurance rates tripled. The John Alden Company charges $1,380 monthly in Massachusetts for family coverage for a 35-year-old (major medical, $500 deductible), but charges only $347 in Connecticut for the same policy.

When Kentucky mandated guaranteed issue in 1994, 45 insurance companies withdrew from the market for individual health insurance. The two companies that remained rapidly lost tens of millions of dollars.

Since New Jersey legislated guaranteed issue, the average 1997 premium for a family of four (major medical, $500 deductible) from the 17 carriers offering individual health insurance has risen to $1,559 monthly ($18,708 per year).

When rates become unaffordable and the number of uninsured rises, we will be hit with a drumbeat demand for national health insurance. That's the scenario planned by liberals.

The number of Americans who lack health insurance because it is too costly is steadily increasing all the time. The journal "Health Affairs" recently reported that 41 million Americans lack coverage primarily because of the cost, not because their employers don't offer it.

When Republicans assumed control of Congress in 1995, they had a mandate to deal with health care in a private-enterprise way. Step number-one would have been for Congress to cut the Gordian knot that ties health insurance to employers, because it makes no more sense for your boss to own your health insurance than your automobile insurance.

Step number-two would have been for Congress to reform the tax code to shift tax-deductibility for health insurance from employers to employees. This would permit individual Americans to control their own health care through providers and plans of their own choice, including Medical Savings Accounts (MSAs).

The cash-rich Health Maintenance Organizations (HMOs) lobbied successfully against these reforms and against MSAs. The do-nothing policy of the Republican Congress allowed the HMOs to take over the market of private health care, which was exactly what the HMO lobbyists wanted.

Now, since most Americans covered by employer-controlled health insurance have been moved involuntarily into managed care, Republicans in Congress are trying to cover their tracks by legislation to regulate HMOs, deceptively called "patient-rights" bills. Rep. Norwood claims that his bill is just designed to regulate HMO abuses.

But, since his bill applies to individually purchased insurance, too, whose existence depends on individual underwriting, the net effect would be to enhance the power of the HMOs. The end of this trail will be Clintoncare, namely, shoving all Americans into HMOs: so-called private corporations heavily regulated by the Federal Government.

The present system is not only fundamentally wrong, it is grievously unfair and discriminatory. Health insurance is tax-free for large employers, partially tax-free for the self-employed, but not tax-free at all for most part-timers and for employees who must buy their own insurance.