# Orrin Hatch Turns Out

# To Be A Latter Day Liberal

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The prize for the most hateful remark of the year has just been won by Senator Orrin Hatch. The chance of anyone matching it in the remaining months of 1997 is remote.

I'm referring to his statement that he will be the chief sponsor of Ted Kennedy's KidCare bill in order "to prove that the Republican Party does not hate children." In one sentence, he thus branded his fellow Republicans with an ugly stigma, and then had the colossal ego to assert that only his personal alliance with Kennedy can erase it.

Hatch made his announcement under the auspices of the Children's Defense Fund, the left's premier lobby for the "village," i.e., the government to raise children instead of parents. Hillary Rodham Clinton was chairman of the board from 1986 to 1991, and Donna Shalala from 1991-1993, and longtime CEO Marian Wright Edelman started her career as a protege of Bobby Kennedy.

Hatch explained his action by sanctimoniously asserting that "we have a moral responsibility" to provide coverage for the most vulnerable children. We're already doing that; it's called Medicaid.

Yes, many children, who are not eligible for Medicaid, lack health insurance, and it's not hard to figure out why. Their parents don't think the insurance they can buy is worth what they have to pay for it.

This would not be a federal problem except that a Congressional mistake is what makes health insurance so expensive. Congress is responsible for the federal tax law that grants tax deductibility only to health insurance plans owned by employers, but not to plans that allow individual employees to own their own health insurance, control their own health care spending, or set up their own plan.

This means that (a) there is no incentive to hold down costs since people think that "somebody else is paying for it," and (b) it breeds a culture in which people don't expect to pay for health care.

So, the officers of big corporations enjoy gold-plated, fee-for-service health insurance prepaid with tax-deductible dollars, employees of big corporations have prepaid tax-deductible back-of-the-bus managed care, but the waitress, the part-timers, the self-employed, and the millions who work for small firms that lack company plans can buy health insurance only with after-tax dollars.

The cost to the individual of privately-purchased health insurance is exorbitantly high because (1) it must be bought with after-tax dollars, (2) the market is distorted because there is too small a pool of the uninsured seeking to buy individual insurance, and (3) it is subject to state mandates, which require insurers to include coverage for many conditions that may not be of value to the individual.

The system of giving preferential income-tax treatment for health insurance to bosses but not to lower-wage or part-time workers is unjust and discriminatory. There is no more reason why your boss should own your health insurance than your automobile insurance.

The correct solution is to move toward a system in which individuals can own their own health insurance and be treated by federal laws at least as well as corporations are treated. This can be achieved by Medical Savings Accounts (MSAs) -- owned by individuals. MSAs are the best solution to all the problems connected with health care: uninsured Americans, portability, affordability, preserving your right to choose your own doctor, pre-existing conditions, job lock, gatekeepers, capitation, deductibles, co-payments, paperwork, long-term care, Medicare going bankrupt, and even the decline in real wages.

The MSA feature of the Kennedy-Kassebaum bill passed last year will not have all these good results because it is hemmed in by restrictions. That bill is insulting to the American people because it makes MSAs available to only 750,000 out of 250,000,000 Americans, a factor that limits the market too drastically to allow a fair test.

In 1994, the American people decisively rejected the grandiose Clinton plan for the Federal Government to be the manager, the financier, and the regulator of the health care industry. What we are witnessing now is an attempt by Kennedy, Clinton and Hatch to enact the same plan incrementally, starting with children.

Let's not lose our perspective. Children are the healthiest segment of our society. Contrary to Hatch's extravagant rhetoric, most of the children who lack health insurance are not "scarred for the rest of their lives."

When I was growing up, my family had no health insurance, or even a family doctor. I personally never saw a doctor (except an optician to get glasses) until I was 25 years old and pregnant with my first child. I never had any of the so-called preventive-care examinations; I never had any vaccines. I had all the childhood diseases without ever seeing a doctor.

Part of the plan to promote KidCare is an attempt to dictate health care, mandate vaccines, and enter everybody's medical record on computers. This is unacceptable in a free society. Parents should have the freedom, as well as the responsibility, to make their own decisions about their children's health care.

Congress's alleged responsibility to provide health care for all Americans, or even for all children, is a totalitarian idea. If Congress feels the urge to dictate the purchase of health insurance, Congress could do that efficiently at no cost to the taxpayers by mandating that a portion of the Earned Income Tax Credit be spent for health insurance.