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The time is now: Reform health care

“There is no way to solve America’s economic problems without solving health care,” said U.S. Sen. Max Baucus, chairman of the Senate Finance Committee. The \$2.3 trillion spent annually on health care “sucks up 16 percent of our economy and is still growing.”

Baucus is right, and the 98-page white paper on health care he recently unveiled is a welcome development to push reform. Our view: What’s needed is a government-administered health-insurance program - similar to Medicare, which covers seniors and disabled people - available to all Americans.

A single system could reduce administrative expenses associated with facilitating thousands of different private health-insurance plans in this country. It could increase leverage for negotiating lower prices. It could facilitate the expansion of electronic medical records, which would streamline paperwork and help prevent costly medical errors. It would boost the country’s economy in the long run.

Grappling with an economic crisis, Washington has focused on bailing out industries, extending unemployment benefits and tweaking interest rates. How can Congress - and taxpayers - also afford to tackle health care?

The country can’t afford not to. Anyone who doesn’t believe that should:

Ask struggling businesses

Start with the automakers. The Big Three are asking Congress for billions of dollars to help pay future health-care costs for retirees. It’s difficult for automakers - which have made generous health-care promises to retirees - to compete with foreign competitors operating in countries with taxpayer-supported health insurance for their citizens.

The cost of health care burdens all American businesses - big and small.

Employer-sponsored health insurance

began as a job perk after a labor shortage following World War II. Now it’s an expensive obligation for employers who are expected - and encouraged through tax benefits - to offer health insurance to workers.

But such an obligation creates an unfair playing field. Companies that shoulder the cost of providing health insurance have less money to hire workers, develop products and expand - which is exactly what this country needs in a troubled economy. Other companies skate by without this contribution to the overall well-being of their employees and society.

Ask the unemployed

In response to rising unemployment, Congress recently increased the length of time people can collect unemployment benefits - which generally amount to a maximum of a few hundred dollars a week. But for many people, the loss of a job is worse than losing income. It’s losing health care.

Granted, federal law allows for people to buy the health-care benefits offered by their employer. However, since the unemployed must pay the entire cost of insurance, this option is frequently unaffordable. The average employer picks up 84 percent of the premium for individual coverage and 73 percent of the premium for family coverage. Lose your job, and covering your family could jump from \$300 a month to \$1,200 a month - at a time when your income has plummeted.

Ask average workers

For many Americans, every paycheck is a reminder of how expensive it is to buy health insurance. November offered a special reminder, because it’s health-benefit re-enrollment time for millions of workers. What they usually get: higher costs and

decreased coverage.

Tying jobs to employment also means workers are afraid to quit their jobs to start businesses for fear of losing health insurance - which discourages innovation and entrepreneurship. A national health-care system would allow Americans to secure insurance without help from an employer.

Covering everyone in a national system will require higher taxes. Private-sector workers already pay not only for their own health insurance, but also for covering millions of others. Getting help from taxpayers to pay for health care is hardly a foreign concept in America. Anyone using Medicare or Medicaid or working in the public sector, from teachers to lawmakers, already gets help.

Counting the private and public sectors, this country already spends more than any country in the world on health care. We should spend it more wisely and fairly.

Baucus’ plan is a good sign that Congress - as well as President-elect Barack Obama - is serious about reform. The goal should be to create a system all Americans can buy into while controlling costs, making use of electronic medical records and improving health outcomes.

One need only look to history to see that this is the time for such reform. In 1964, the Democrats won control, and the election of Lyndon Johnson was seen as an endorsement of a national health-insurance system.

Congress and Johnson created Medicare. In signing the bill into law, Johnson quoted his predecessor, President Harry Truman: “Millions do not now have protection or security against the economic effects of sickness. The time has arrived for action to help them attain that opportunity and that protection.”

Seniors and the disabled got help. Forty-four years later, after election of another presidential candidate who vowed to address health care, it’s time for the rest of America to get help, too.

EDITORIAL