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I Am Not a Health Reform

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In 1971, President Nixon sought to forestall single-payer national health insurance by proposing an alternative. He wanted to combine a mandate, which would require that employers cover their workers, with a Medicaid-like program for poor families, which all Americans would be able to join by paying sliding-scale premiums based on their income.

Nixon's plan, though never passed, refuses to stay dead. Now Hillary Clinton, John Edwards and Barack Obama all propose Nixon-like reforms. Their plans resemble measures that were passed and then failed in several states over the past two decades.

In 1988, Massachusetts became the first state to pass a version of Nixon's employer mandate — and it added an individual mandate for students and the self-employed, much as Mrs. Clinton and Mr. Edwards (but not Mr. Obama) would do today. Michael Dukakis, then the state's governor, announced that "Massachusetts will be the first state in the country to enact universal health insurance." But the mandate was never fully put into effect. In 1988, 494,000 people were uninsured in Massachusetts. The number had increased to 657,000 by 2006.

Oregon, in 1989, combined an employer mandate with an expansion of Medicaid and the rationing of expensive care. When the federal government granted the waivers needed to carry out the program, Gov. Barbara Roberts said, "Today our dreams of providing effective and affordable health care to all Oregonians have come true." The

number of uninsured Oregonians did not budge.

In 1992 and '93, similar bills passed in Minnesota, Tennessee and Vermont. Minnesota's plan called for universal coverage by July 1, 1997. Instead, by then the number of uninsured people in the state had increased by 88,000.

Tennessee's Democratic governor, Ned McWherter, declared that "Tennessee will cover at least 95 percent of its citizens." Yet the number of uninsured Tennesseans dipped for only two years before rising higher than ever.

Vermont's plan, passed under Gov. Howard Dean, called for universal health care by 1995. But the number of uninsured people in the state has grown modestly since then.

The State of Washington's 1993 law included the major planks of recent Nixon-like plans: an employer mandate, an individual mandate for the self-employed and expanded public coverage for the poor. Over the next six years, the number of uninsured people in the state rose about 35 percent, from 661,000 to 898,000.

As governor, Mitt Romney tweaked the Nixon formula in 2006 when he helped devise a second round of Massachusetts health care reform: employers in the state that do not offer health coverage face only paltry fines, but fines on uninsured individuals will escalate to about \$2,000 in 2008. On signing the bill, Mr. Romney declared, "Every uninsured citizen in Massachusetts will soon have affordable health insurance." Yet even under threat of fines, only 7 percent of the 244,000 uninsured people in the state who are required to buy unsubsidized coverage had signed up by Dec. 1. Few

can afford the sky-high premiums.

Each of these reform efforts promised cost savings, but none included real cost controls. As the cost of health care soared, legislators backed off from enforcing the mandates or from financing new coverage for the poor. Just last month, Massachusetts projected that its costs for subsidized coverage may run \$147 million over budget.

The "mandate model" for reform rests on impeccable political logic: avoid challenging insurance firms' stranglehold on health care. But it is economic nonsense. The reliance on private insurers makes universal coverage unaffordable.

With the exception of Dennis Kucinich, the Democratic presidential hopefuls sidestep an inconvenient truth: only a single-payer system of national health care can save what we estimate is the \$350 billion wasted annually on medical bureaucracy and redirect those funds to expanded coverage. Mrs. Clinton, Mr. Edwards and Mr. Obama tout cost savings through computerization and improved care management, but Congressional Budget Office studies have found no evidence for these claims.

In 1971, New Brunswick became the last Canadian province to institute that nation's single-payer plan. Back then, the relative merits of single-payer versus Nixon's mandate were debatable. Almost four decades later, the debate should be over. How sad that the leading Democrats are still kicking around Nixon's discredited ideas for health reform.

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