

## NOW WHAT? – MAYBE SOMETHING (ALMOST) ALL CAN AGREE ON!

Stephen L. Bakke – January 22, 2010

Sometimes things really do go “full circle”! One of my early commentaries from last summer, as part of my series of “articles” leading up to the fall debates, dealt with trying to do something that could achieve a reasonable measure of bi-partisan support. Now, after the **MASS**-acre in **MASS**, there is much talk by the administration and many democrats about trying to achieve at least some measure of reform by legislating something all can agree on. The republicans might prefer to start over, which I could support if it was really going to happen, but that’s not likely. As an alternative, I can support legislation which deals with things of more general appeal to the American people and many of our representatives and senators.

Here I borrow elements from an article I wrote last July. A quote: “If I were ‘facilitating’ negotiations for health care reform, I would first try to identify what both sides can agree on, and then spend time and energy debating only what’s remaining. That’s a good way to ‘advance the ball’ on this issue. Without dwelling on areas of disagreement, or certain ‘non-starters’, I would attempt to get at least tentative approval on as many items as possible. Even though everyone’s ideal system wouldn’t be accomplished, I would try to obtain general agreement on some common general elements. That’s the first step – a negotiation must show progress, and have a possibility for completion.”

We should create a list of beliefs and characteristics and try to get broad agreement, e.g.:

- Health care reform should happen – in some form.
- Eliminate the tainted concepts of “single payer”, “public option”, etc.
- Adequate coverage should be available to everyone.
- A goal of lowering costs must be in the mix.
- More effective competition among insurance companies is mandatory.
- Consumers should be more involved in medical decisions.
- Transparency of pricing for medical services should be implemented.
- Meaningful tort reform would be a good thing.
- We should pursue aggressive programs dealing with **true** “hard core” uninsured.

Can we get broad agreement on most of those? Then, let’s propose something like this:

- We should remove the artificial boundaries which prevent true national competition across state borders among the scores of insurance companies that already exist and are available to compete.
- Denials for “pre-existing conditions” should be eliminated.
- We should move toward individual ownership of health insurance policies.
- Critical in all of this is making the standard a system of individual and family cumulative health saving accounts (HSAs).
- We should make the tax provisions for individuals more generous for HSAs and other health care expenses.
- We should make the much cheaper major medical/catastrophic coverage the norm when buying insurance.

- We should all obtain “first dollar coverage” through generous tax deductions and credits for cumulative HSAs, and move away from the current practice of the more expensive “first dollar coverage” provided in traditional insurance policies.
- Individuals would not be required to buy insurance, but if they choose to “roll the dice” after an open enrollment period, they would not be able to purchase coverage for a stipulated period – e.g. 2 to 5 years. After not purchasing coverage when available, if coverage is ultimately obtained, there should be a waiting period before non-emergency treatment would be covered – e.g. 6 to 12 months.
- For those sincerely concerned about the ability of the poorest among us to afford coverage, the revisions of the tax code should include generous scaled provisions of deductibility, tax credits, and even refundable tax credits.
- We should aggressively deal with the remaining chronically uninsured through a system which combines the benefits of generous tax deductibility and refundable tax credits, with creative use of vouchers for a private insurance pool set up for this purpose. This could include issuing the medical equivalent of food stamps (e.g. restricted debit cards) which would further subsidize their purchase of major medical/catastrophic coverage from private insurance carriers.
- We should eliminate governmental mandates, thereby permitting consumers to purchase the coverage they need.
- We should provide incentives for developing retail location “walk in clinics”.
- We should encourage information technology in any legislation.
- Preventive care and wellness programs should be expanded, even though they are hard to justify based on overall analyses of economic costs vs. economic benefits.
- And tort reform, tort reform ... and if I haven’t already mentioned it, tort reform!
- Did I mention this would create no costly, new bureaucracies?

Can we make progress on most of those? What’s left for later? The following should be given separate consideration, and we should “agree to disagree”, for now, on these items:

- Medicare and Medicaid changes/reform. The nature of the best type of reform will become more apparent after the other changes are “fine tuned.”
- Illegal alien issues – we must work on this later – no reform will occur with this prominent in the discussion.
- Abortion policies – leave current status unchanged.

So that’s it!! Just remember, the art of negotiation starts with simplification, and it can create a feeling of progress by establishing “common ground”. I think my suggestions would accomplish that.

Nothing’s perfect – so let’s just do this and move on!!! But that “start over” strategy still sounds good to me as long as there was sincerity about fixing what really needs it – or maybe my format is essentially a “start over” in disguise.