



Written by [Steven J. DuBord](#) on June 19, 2009

Healthcare Reform Details Emerge

House Democrats seek sweeping reforms that require all individuals to get insurance coverage and all employers to provide it, with some exemptions for small businesses. They want to create a public health insurance plan, supposedly to compete with private carriers, and would set up a clearinghouse meant to help Americans shop through the available plans. The federal government would provide subsidies to those it deemed too poor to pay for coverage. Proposed methods of paying for these massive reforms are higher taxes on Medicare and those earning more than \$200,000 per year, an across-the-board hike in payroll taxes, taxing health benefits provided through employers, new taxes on soft drinks and alcohol, and a new national sales tax.



Republicans in the House are proposing tax breaks for those who purchase their own insurance because they do not have employer-based coverage. Their plan allows states, small businesses, associations, and other organizations more flexibility to pool resources when offering insurance to employees. Limitations would be placed on expensive malpractice suits, incentives would be given to make use of health savings accounts, and financial help would be available to those providing in-home care for a loved one who is ill. The GOP program also claims that no one would be forced into a government plan or to make changes in coverage they currently enjoy. No cost estimates for this plan have yet been prepared.

The Senate Finance Committee chaired by Max Baucus (D-Mont.) has a draft proposal that would require most Americans to buy insurance, would expand Medicaid coverage, and would rely on consumer-owned cooperative plans rather than a public health insurance option. The co-ops would be modeled after rural electricity and telecom providers, would be subject to go federal regulations, and would be funded with money provided by the government. This committee plan proposes to be funded in almost the same manner as the House Democrat plan: by taxing employer-based health benefits, by taxing wealthy Americans, by increasing the payroll tax, and by instituting a new national sales tax. The Congressional Budget Office estimated the cost of this plan at \$1.6 trillion.

Senator Ted Kennedy (D-Mass.) is heading the Health, Education, Labor, and Pensions Committee, which mimics the House Democrats by favoring the establishment of a public health insurance option. Also similar is that the Kennedy plan would form a clearinghouse through which available insurance options could be purchased, and it would dole out subsidies to those the government deems too poor to pay full price. The plan has been dubbed the "Affordable Health Choices Act," but it did not live up to its name when the Congressional Budget Office analyzed the plan's cost. The CBO estimates that the plan would cost \$1 trillion while only expanding coverage to about 16 million people out of the supposed 45 million who are uninsured. This would hint at a true final cost of around \$3 trillion.



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The [Bipartisan Policy Center option](#) includes taxing employer-provided health benefits, mandates that all Americans buy insurance, and has the federal government dishing out assistance to make coverage more affordable. It does not include a public health insurance option. Some ways to offset costs would be to institute a fee for employers who don't offer health benefits and to reduce Medicare/Medicaid payments to home health and skilled nursing facilities.

Congressman Ron Paul presents the most common sense, back-to-basics, and constitutional approach. [He stated on June 1:](#) "Congress should put the American people back in charge of healthcare by expanding healthcare tax credits and deductions, increasing access to Health Savings Accounts, [and] respecting privacy and the doctor/patient relationship. Further politicizing and bureaucratizing of healthcare will only increase costs and reduce quality, as demonstrated by most other countries with socialized medicine." He presents some of his ideas in the following video:

Dr. Paul prescribes an abandonment of the government-managed, corporate medicine we've suffered under for decades and a return to free-market healthcare that is taken out of government and corporate hands and put back under individual control.



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