

**The
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Health care

A capital idea

The push for universal health care at last hits Congress

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“WE'RE right at the cusp of an ideological truce on health care,” declares a beaming Ron Wyden. The Democratic senator has reason to be pleased. A version of his Healthy Americans Act, an ambitious health-reform bill aimed at universal coverage that he has already introduced into the Senate, was due to go to the House this week. At that point, his bill will become the first bipartisan, bicameral congressional effort in over a decade to tackle the issue of extending health care to the country's growing legion of uninsured.

Hillary Clinton's effort was the previous one: a disastrous attempt to promote a government-run health scheme at the start of her husband's first administration. That plan backfired, in part because the vast majority of Americans in 1993 had decent health-insurance plans through their employers and feared ending up worse off.

Today, though, Americans are increasingly unhappy with the health system. Congressman Brian Baird, a co-sponsor of the House version of the universal-care bill, argues that many millions have lost their employer-provided insurance since the failure of the Clinton plan and even more fear they might. Such widespread insecurity has breathed new life into reform.

Both versions of the bill require individuals to buy their insurance, and include insurance-market reform and subsidies to make sure that all Americans can do so. They also end the current tax break for health insurance provided by employers, which should break the link between insurance and employment by making coverage portable.

That appeals to businesses, which, like individuals, are feeling increasingly insecure as the cost of employee health benefits continues to soar well above the rate of inflation. Wal-Mart, America's biggest retailer, has been loudly pushing for universal coverage, and the current bipartisan efforts in Congress have won praise from General Mills, a big cereal manufacturer,

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Aetna, an insurance giant, and other firms.

The best reason to think that top-down reform might work comes, ironically, from bottom-up efforts. A number of states are now experimenting with health reform. Massachusetts already has a plan up and running that involves an individual requirement to buy coverage, subsidies for the poorest and a state-supervised insurance exchange. California's legislature is even now haggling with Governor Arnold Schwarzenegger over his plan for coverage, which adds an employer tax on top of the Massachusetts model (the Golden State has far more uninsured who need subsidies). This battle is expected to come to a head in September.

With such activity at state level, some conservatives think Congress should do nothing. Mr Wyden strongly disagrees. He observes that even the most ingenious state cannot fix several of the central problems, including the Medicare scheme for the elderly and the federal tax break for employer-provided health insurance, which has encouraged profligacy.

Federal efforts still face a formidable obstacle: the partisan slanging of the presidential election cycle. Congress and the White House even traded barbs this week over the State Children's Health Insurance Programme (SCHIP), a popular scheme that subsidises coverage for children. The Senate Finance Committee floated a plan to renew and expand SCHIP using money raised from new tobacco taxes. It had bipartisan support, yet the White House, playing to right-wing fears of creeping government expansion, threatened this week to veto the effort.

Mr Wyden thinks this is just posturing. Soon, he believes, Congress will reach a compromise on the popular SCHIP programme, and then move on to real health reform. Perhaps he is right, for already in this campaign health care is the top domestic policy issue. John Edwards has proposed his universal-coverage plan, and Mitt Romney, a Republican ex-governor of Massachusetts, will make much of that state's health reforms if he wins his party's nomination. Perhaps—though don't hold your breath—the moment has indeed come for an ideological truce.

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