

An overview of current legislation:

<http://online.wsj.com/article/SB10001424052748703787204574443121104281790.html>

The wikipedia article on US Healthcare Reform is also rather exhaustive and has lots of references:

[http://en.wikipedia.org/wiki/Health\\_care\\_reform\\_in\\_the\\_United\\_States](http://en.wikipedia.org/wiki/Health_care_reform_in_the_United_States)

Three important issues:

### **Healthcare Co-ops**

[http://www.boston.com/news/nation/washington/articles/2009/08/19/health\\_co\\_ops\\_fans\\_like\\_cost\\_and\\_care/?page=1](http://www.boston.com/news/nation/washington/articles/2009/08/19/health_co_ops_fans_like_cost_and_care/?page=1)

- Co-ops reduce healthcare costs by operating on slim margins as non-profits.
- Physicians are compensated on a salary rather than per procedure basis.
- Co-ops seem to be likely to make it into final legislation, because it's a compromise over the public option..
- The number of procedures are reduced because doctors take a more integrated approach.
- The feasibility of implementing co-ops on a large scale is under question, even by proponents.

[http://www.huffingtonpost.com/2009/08/17/compromise-co-op-proposal\\_n\\_261044.html](http://www.huffingtonpost.com/2009/08/17/compromise-co-op-proposal_n_261044.html)

- co-ops don't have enough leverage to lower premiums, because of their lack of market share.
- They have done nothing to lower administrative costs.
- Many operate in regulatory environments that are favorable to co-ops, making them appear more effective than they really are.
- Co-ops face the same problems as HMO's, in that consumers are frequently restricted to in-network health care providers.

### **Insurance Mandates**

<http://online.wsj.com/article/SB10001424052748704471504574439243760133458.html>

- Insurance mandates are in essence just another tax.

<http://boss.blogs.nytimes.com/2009/09/23/experts-agree-an-employer-mandate-does-not-cost-many-jobs/>

- Employer mandates don't cause job losses.
- Health insurance is just another form of compensation. If it's mandated, compensation will just shift from dollars to insurance.
- Small businesses are most likely to be ill-affected by the legislation, as they pay lower wages on average, and a mandate could lower wages below minimum wage in some cases.

<http://online.wsj.com/article/SB125304790936413347.html>

- Individual mandates would be too expensive for the middle class to bear without heavy subsidies.
- Massachusetts is used as an example of a mandate falling short of universal coverage.
- The Massachusetts mandate is also cited as a primary reason that costs have been rising there.
- The market inefficiencies caused by an individual mandate are explored.

## **The Public Option**

<http://krugman.blogs.nytimes.com/2009/09/08/why-the-public-option-matters/>

- Krugman argues that opponents of the public option are conveniently ignoring its ability to save on overhead and administrative costs.
- The public option would be the only way to introduce real competition into the markets.
- An insurance mandate will only drive up costs, and later down the road we will be in the same situation but worse.
- Most arguments against the public option stem mostly from the fear that it is government intervention.

<http://online.wsj.com/article/SB10001424052970204488304574435464052451436.html>

- The delays associated with government run health care will be an additional method of rationing.
- If the public option is like Medicare, access to costly procedures will be greatly restricted.
- The specific example of an improperly designed defibrillator compensation policy that covers some but not all individuals is used to support the argument.
- Examples of Medicare looking for ways to restrict coverage and expenditure are explored.
- Government health care will open up health care to lobbying interests, resulting in the best lobbied treatments being covered rather than the most appropriate treatments.