

COMMENTARY: "THE DEATH OF HEALTH CARE REFORM"

SUBSTANCE DEFEATED HEALTH CARE REFORM IN 1994: SUBSTANCE SHOULD BE THE BASIS OF ANY EFFORT IN 1995

*Senator Paul Coverdell**

"If you send me legislation that does not guarantee every American private health insurance that can never be taken away, you will force me to take this pen, veto the legislation and we'll come right back here and start all over again." President Clinton, State of the Union Address, January 26, 1994.

"We're going to push through Health Care regardless of the views of the American people." Senator Jay Rockefeller (D-WV), *Associated Press*, April 19, 1994.

"It is clear that health insurance reform cannot be enacted this year." Senate Majority Leader George Mitchell (D-ME), September 26, 1994.

As Senate Majority leader George Mitchell brought the gavel down to close the 103rd session of Congress, one could hear the Clinton White House operatives, political pundits and Washington analysts begin the post mortem on how and why health care reform failed in Congress.

We heard Mrs. Clinton say it was because the Administration was "misunderstood" in its quest to overhaul 14% of our national economy. We read in newspapers that it was partisan politics, special interests, or White House miscalculations that brought down the Clinton Health Care Reform Plan.

Yet, in all of these reports, as the White House was busy laying blame, one very important reason for their plan's demise was missing. It was substance.

The health care reform debate in the 103rd Congress was a debate on substance. It was fought on substance, and the White House lost the debate on substance.

President and Mrs. Clinton do not do anyone any favors by suggesting that the American people were too uninformed, unable to understand, or taken over by special interest groups in this debate. Instead, the American people heard from President Clinton and Mrs Clinton, Harry and Louise, and everyone in between, and rejected the Clinton version of a government-run health care system in their own right.

In fact, the Clintons take credit for helping engage and educate the electorate on

* United States Senator Paul Coverdell (R-GA) was elected in 1992. Throughout the 1994 debate on Health Care Reform, Senator Coverdell worked closely with Senate Republican Leader Robert Dole and Senator Bob Packwood to develop Republican strategies. The following is an opinion article on the 1994 debate and where Senator Coverdell sees discussion for reform beginning in 1995.

health care reform. It was one year ago that President Clinton, caretaker of the world's largest pulpit and microphone, came to Congress for a national address on health care reform. What happened over the next twelve months was an intense debate.

The Clintons set out on national tours and bus caravans, and held nationwide town hall meetings and forums. Members of Congress did the same, as did grass roots organizations following this issue. During this year, the *Washington Post* reports "hundreds of town hall meetings, months of Congressional hearings and markups by five committees and days of Senate considerations" were held on health care reform. At the core of this debate was the issue of how much we wanted the Federal government to dictate every aspect of health care in the United States.

Through a White House taskforce that privately crafted the President's health care plan, the Clintons attempted an undertaking of moving around the building blocks that comprise 14% of our national economy. The 1400 page proposal submitted by the Clintons laid out a complex plan of national and state boards dictating choices, mandating taxes, and creating new bureaucracies in health care delivery.

The *Washington Post* reports that a legal review team for the White House Health Care Task Force wrote Chairman Ira Magaziner with the following warning, "There appears to be no precedent for the enactment and implementation of a national reform that alters so many existing statutory, administrative, contractual, private, and moral arrangements as this reform would propose to do." The Clintons and other proponents of the reform plan, however, persisted. And in so doing, the public saw more intrusion, massive costs, and more government—precisely the opposite they had promised in the 1992 elections. What the public did not see was reform, and they objected.

Nothing illustrates the public's objections more clearly than the election results of November 1994. The massive voter shift that was registered throughout the country can only be accurately described as a revolution. For the first time in fifty years, the Republican party claimed control of the House of Representatives. The Senate also changed hands to Republican control. Two candidates who were among the most clearly identified with health care reform—Harris Wofford, who had run in 1992 as the "health candidate," and Jim Cooper, author of the "Clinton-Lite" proposal—were both defeated. No, it was not that the public was uninformed in this debate. It was that the White House had turned out what the public was saying. Following the 1994 elections, pollster Bill McInturff made the following observations in the *New York Times*: "I think health care was enormously pivotal in the elections. Mr. Clinton had proposed a big government plan which helped to strip away his image as a 'New Democrat' among voters in the South and Mountain West."

McInturff said the collapse of the health care plan also fed voters' sense that Washington was in gridlock, and since the Democrats were in charge, they were to blame. In addition, the President of the Democratic Leadership Council remarked, "It is impossible to overestimate the amount of damage the health care bill did in shaping the image of President Clinton as a big government proponent."

Had the White House listened to what the public was saying during this debate, here is what they would have heard: We learned in the 1992 presidential election that the American people were not asking for more government and more taxes. They were not asking for choices to be removed, or for bureaucrats and government employees to make decisions about who their doctor will or will not be, or to which hospital they can or cannot go.

According to national polling data, eight out of ten Americans are served well and satisfied by our current health care delivery system. Of those two out of ten who are not served well, some have serious problems, some have concerns less urgent.

In Georgia, 88% of the state's citizens are currently insured while 11% are not. And, when asked if they are willing or not willing to make certain changes in the current system to control health care costs and provide health insurance coverage for uninsured people, the results are telling. Only 32% are willing to limit their freedom to choose their doctor or hospital, while 66% are not; Only 29% are willing to pay a larger share of health care costs out of their pockets, while 66% are not willing; and 71% are not willing to pay more in federal income taxes, while 25% are.

These results urge us to ask whether it is necessary to overhaul our entire health care system, disrupting and destabilizing the quality of 80% of our families and businesses, in order to reach the 15% to 20% of the citizenry who are not satisfied. Furthermore, must we look toward turning 100% of our health care system over to the government to reach 20% of the public currently not served well?

Senator Bob Packwood (R-OR), Chairman of the Senate Finance Committee and a key player in the health care debate, states that our health care industry is too large and the issues too complex to be undertaken in one comprehensive legislative effort. The potential, as he sees it, is enormous for unintended consequences resulting from the wholesale restructuring of "one-seventh" of the economy.

Our health care system is already undergoing phenomenal change. While there is growing evidence that the private market is responding successfully to these pressures, there is no single magical solution to every problem. Furthermore, it would be a mistake for the Federal government to interfere with these private market initiatives. Rather, the Federal government should monitor the innovative approaches being tested throughout the country and, where appropriate, take steps to foster further innovation. I believe these questions and concerns raised by the voters and lawmakers in Congress should lay the foundation for real reform in the 104th Congress. There is an alternative to the Clinton answer of a massive government-overhaul of the health care delivery system. This alternative seeks to implement specific, targeted reforms to preserve the best elements of our existing system while working to improve problem areas. Through an improvement in specific targets we can produce significant improvements in the system immediately without destabilizing health care for all Americans.

We can target our attentions toward market reforms and administrative reforms—and we can bring results now, not four years from now. In addition, I believe we should seek to use our states as laboratories for innovation in health care delivery.

For some targets, finding consensus will take time, and we should continue discussion on these areas. Our current problems in the system were thirty to fifty years in the making, and we cannot expect to reform the entire system overnight. In the meantime, we can target our efforts towards those two of ten individuals not served well without creating a new government entitlement that encompasses all Americans.

