

## **What's next for health care: Are we getting reform?**

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Over the next month, Senate and House conferees will reconcile differences between health care legislation passed by their respective chambers this year and President Obama will sign into law the most sweeping health care reforms since the passage of Medicare and Medicaid legislation in the 1960s.

Stumbling blocks preventing a consensus bill reaching the President's desk for signature certainly exist, including differences over the need for a public option (there won't be one), abortion coverage and reproductive rights, financing and coverage levels, access to coverage for undocumented individuals, and the effective start dates of various reform elements. Those differences will nonetheless be resolved and President Obama will soon claim success on one of his top domestic policy issues.

The fact that reform efforts have progressed this far is stunning given unwavering opposition, not to mention obstruction, by Congressional Republicans and the Party of "No," and eroding public support for Democratic bills since the town hall forums earlier this summer.

The progress of reform legislation is also amazing considering the fierce opposition of the insurance and drug industries – opponents who are all now magically on the reform bandwagon with most of the deal-making and pork-processing by Congress having been completed.

Are we actually getting reform, though?

Merriam-Webster's defines reform as "1) the amendment of what is defective, vicious, corrupt, or depraved, 2) a removal or correction of an abuse, a wrong, or errors."

Many on the left contend that the salutary provisions of reform efforts leave a good that remains "defective, vicious, corrupt, or depraved" – particularly, the expansion of health care financing based on the subsidization of private plans.

They note, for example, that the shares of Aetna, Cigna, and Wellpoint continue to soar, in no small part, on the assumption that something resembling the Senate leadership bill will become law and that business-as-usual will remain essentially unchanged (the stock gain of those three health-care companies since the end of October has been, respectively, 31%, 29%, and 28%).

Those on the right counter that the "amendment" or "removal" of health system shortcomings will only make matters worse or come with an unsustainable price tags and further erosions of

personal liberty. It's unclear exactly where many conservatives stand since a good deal of their energy was spent justifying efforts to forestall debate or not vote on legislation in the first place.

The likely elements of a consensus bill nonetheless represent reform in the Merriam-Webster sense of the term and, more importantly, a foundation for improving our inefficient and inequitable health care system.

First, the legislation will expand coverage to 30 million Americans who currently lack health insurance through a combination of public insurance expansion, subsidies to individuals and families, and tax credits to small businesses unable to provide coverage to their employees.

Second, the bill will contain strong health care cost containment provisions, such as the establishment of independent Medicare payment review board, whose decisions will be binding and less prone to interference by Congress and those who lobby Congress, and restricted payments to Medicare Advantage plans (private health plans serving Medicare beneficiaries that are currently paid more than the cost of care for beneficiaries in the traditional fee-for-service Medicare program).

Finally, the new law will contain a number of provisions tightening regulation of private insurance, including setting minimums on what portion of premiums must be spent on health care and prohibitions on insurers from rescinding coverage except in cases of fraud.

In the end, the likely elements of a consensus reform bill will still leave too many features of our broken system untended, if not untouched. Consequently, plenty of heavy lifting will remain once President Obama signs reform legislation into law sometime early next year.

Nobel laureate Paul Krugman concludes that despite its flaws and limitations reform “will provide real, concrete help to tens of millions of Americans and greater security to everyone. And it establishes the principle – even if it falls somewhat short in practice – that all Americans are entitled to essential health care.”

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