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Consensus possible on individual health insurance, GOP senator says

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WASHINGTON — A mandate that individuals buy health insurance is more likely to gain bipartisan support than a requirement that companies offer plans as lawmakers work for a consensus on health-care legislation, the ranking Republican on the Finance Committee said Sunday.

Americans could be forced to have health insurance, in the same way states require automobile insurance, Iowa's Sen. Charles Grassley said on Fox News Sunday. Grassley also said the committee could propose a tax on health-care benefits, an idea some Democratic lawmakers and Vice President Joe Biden said they oppose.

Legislation sponsored by Democratic Sens. Christopher Dodd of Connecticut and Edward Kennedy of Massachusetts would mandate health insurance for all Americans. The measure would require all employers to supply health insurance for workers or contribute to the cost of a plan.

"Individual mandates are more apt to be accepted by a vast majority of people in Congress than an employer mandate would be, as an example," Grassley said. "I believe that there is a bipartisan consensus to have individual mandates."

Dodd, who will manage the bill as Kennedy battles brain cancer, said on the program that he is considering individual mandates, with the caveat that exceptions be made for people who are below a certain income level. He put the cost of the program at as much as \$1.2 trillion over 10 years.

The measure would prohibit insurers from refusing to cover pre-existing conditions and place other restrictions on the industry. It would establish online exchanges where the uninsured and employees of small companies could shop for affordable insurance policies.

U.S. Health and Human Services Secretary Kathleen Sebelius said a mandate for all individuals may work if rules are changed to make insurance more affordable and to allow eligibility for those with pre-existing conditions.

"Most people don't have healthcare not because they don't want it, but because they can't afford it," Sebelius said on CNN's State of the Union. "So the rules have to change for any kind of mandate to work."

"Having everybody step up to the plate, having employers encouraged to come into the system, individuals certainly come into the system, and the government play its role, I think, then we can fully cover all Americans and lower costs for everybody," Sebelius said.

Democrats have said they're still considering options for tax increases that might be in the legislation, including a possible end to the income tax exclusion for employer-paid health benefits.

Senate Finance Committee Chairman Max Baucus, D-Mont., is considering a proposal to apply income taxes to health-care plans if they are significantly more expensive than the basic health plan for federal employees - \$13,000 for a family of four.

The Senate Finance Committee is expected to consider a tax on workers whose family health coverage costs \$15,000 a year or

more in premiums paid by employer and employee combined.

Dodd, on the Fox program, said a tax on health benefits is "unnecessary."

"The idea of talking about taxing benefits at a time people are overwhelmed I think is a very bad idea," Dodd said.

Biden said the administration doesn't want to tax health-care benefits even though the proposal should be on the table.

Taxing employer-provided health benefits "is the wrong way to finance" health-care legislation, he said on NBC's Meet the Press. "We do not think that is the way to go."

President Barack Obama is pressing for an overhaul that includes a government health insurance option, arguing that it would increase competition and drive down costs. Republican lawmakers have called the proposal a "nonstarter."

"There are some misgivings" among Senate Democrats about taxing health-care benefits, Illinois' Sen. Dick Durbin, the Senate's No. 2 Democrat, said on the CBS' Face the Nation.

"It wouldn't be easy for me to do," Durbin said, when asked if he could vote for such a provision. "I would have to see what it does. I am concerned how deeply it goes to working families and middle-income families and the impact it would have on their budgets."

Sen. Kent Conrad, D-N.D., the chairman of the Senate Budget Committee, said he doubts that there are enough votes in the Senate to support a government insurance option. He is proposing a compromise plan that would set up membership based cooperatives using government help but not run by the government.

"At the end of the day, nothing advances unless you get 60 votes in the United States Senate," Conrad said on the CNN program. "And that I don't believe is possible with the pure public option. I don't think the votes are there."

The concept would allow the cooperatives to negotiate directly with health-care providers for low-cost rates. The plans they offer would be sold, like private plans, through new Internet based "exchanges" where consumers could buy insurance at lower-cost, group rates.

"It's far preferable to the government-run plan that has been discussed by the administration," said Sen. Susan Collins, R-Maine. "We need to better understand how it would work. But it's certainly better than a Washington-run plan."

In an interview on ABC's This Week, Sebelius said Obama was committed to a so-called public option, a government-operated health insurance program that would compete with private insurance companies.

"In lots of places in the country, absent a public option, absent some kind of competitive option, people would have no choice," Sebelius said. "I don't think it's any surprise that insurance companies would rather have a system where everybody must buy coverage and there are no competitors."

Republicans are reluctant to use the government to drastically change the health-care system. Senate Republican leader Mitch McConnell of Kentucky said lawmakers should focus on making the existing health-care system work better and predicted that Obama's plan would result in massive government controls.

"We know that if the government gets in this business, pretty soon nobody else will be in the business," McConnell said.

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