Postmortems On The Affordable Care Act (Book Review)

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INSIDE NATIONAL HEALTH REFORM
by John E. McDonough
Berkeley (CA): University of California Press, 2011
330 pp.; $34.95

WHY OBAMACARE IS WRONG FOR AMERICA: HOW THE NEW HEALTH CARE LAW DRIVES UP COSTS, PUTS GOVERNMENT IN CHARGE OF YOUR DECISIONS, AND THREATENS YOUR CONSTITUTIONAL RIGHTS
by Grace-Marie Turner, James C. Capretta, Thomas P. Miller, and Robert E. Moffit
259 pp.; $14.99

Nearly two years after the Affordable Care Act became law, books are appearing by Washington insiders who detail how the legislation came about. The two reviewed here discuss and dissect topics related to the health reform law from decidedly different points of view.

The more readable of the books, Inside National Health Reform, consists of two parts that combine into a superb whole. It is likely to become required reading for anyone who wishes (or claims) to understand health care in the United States. Part 1 is an insider’s account of the highly dramatic and contentious Affordable Care Act. Part 2 is a detailed analysis and explanation of each of the ten titles in the law, ranging from Medicaid and Medicare to health insurance exchanges. It also covers the law’s costs and sources of financing.

Author John McDonough was a senior adviser on national health reform for the Senate Committee on Health, Education, Labor, and Pensions and was closely involved in the entire legislative effort to enact health reform. He kept copious notes and interviewed more than a hundred of the key leaders involved in the process.

Be forewarned that neither liberals nor conservatives will love what he reports in this book—which proves its evenhandedness. Liberals who favor single-payer national health schemes will probably be frustrated with McDonough’s acceptance and advocacy of less revolutionary—yet still landmark—reform. After struggling mightily to get beyond the book’s dedication to the late Massachusetts Sen. Ted Kennedy, conservatives and Tea Party activists—most of whom find the law anathema—will be rewarded with a much better understanding of exactly why they oppose it.

It is precisely because McDonough treats the law’s most vociferous detractors with respect and acknowledges the sincerity and legitimacy of their philosophical opposition that Inside National Health Reform performs a valuable act of public service. Although McDonough supports the Affordable Care Act, he also points out areas where he believes it will need reform and modification in the future.

In the inside-history first part of the book, McDonough explains how a group of Democratic and Republican congressional veterans of the 1993–94 failure to reform health care gathered in April 2008 to brainstorm about possible paths for reform, should the Democratic candidate for president win in November. Most of the group’s advice stemmed from what its members believed had doomed both the 1993–94 effort and the repeal in 1989 of the Medicare Catastrophic Coverage Act of 1988. For those interested in learning how exactly the Affordable Care Act was crafted and debated, what was included and what wasn’t (and why), this part of the book is indispensable.

The second part of Inside National Health Reform consists of ten chapters, each addressing one of the law’s ten titles. Here the reader gains an appreciation for just how far-reaching the law is. As McDonough notes, “The core premise of this book, and of this second part, is that the law itself, beyond the process controversies and the noise, matters, and that a full appreciation or condemnation demands familiarity with the [law] as a statute. It is broad, complex, intricate, varied, and challenging. It contains far more than most people appreciate, much of it surprising and more than a small amount with a bipartisan pedigree.”

Comprehensive reforms are necessary, but they are also more politically polarizing. In response to critics who argue for repeal of the Affordable Care Act, McDonough explains why few, if any, of the major problems besetting US health care are self-correcting.

As an example, undoubtedly the law’s most controversial component is the mandate that most individuals have, or purchase, health insurance. In part because of this mandate, hospitals and the American Medical Association, along with most of the leading US health care stakeholders, supported the law’s passage. The logic: More insured individuals mean more financial coverage for services, tests, procedures, drugs, and devices for patients. Yet the strong possibility that the number of these services and tests could increase as a result...
of coverage expansion have led some of the law’s fierce critics to decry its contribution to another major problem: skyrocketing health costs.

One of the many ironies that emerged from the battle over the Affordable Care Act is that as a candidate, Barack Obama did not support an individual mandate (he changed his position after becoming president), while the conservative Heritage Foundation, one of the law’s most relentless and vocal opponents, provided the original rationale and support for the requirement. As it wrote in its October 1989 report, *Assuring Affordable Health Care for All Americans*: “2) Mandate all households to obtain adequate insurance. Many states now require passengers in automobiles to wear seatbelts for their own protection. Many others require anybody driving a car to have liability insurance. But neither the federal government nor any state requires all households to protect themselves from the potentially catastrophic costs of a serious accident or illness. Under the Heritage plan, there would be such a requirement.”

Robert E. Moffit, a senior fellow at the Heritage Foundation, is one of the authors of *Why ObamaCare Is Wrong for America: How the New Health Care Law Drives Up Costs, Puts Government in Charge of Your Decisions, and Threatens Your Constitutional Rights*. Suffice it to say that today neither Moffit nor Heritage supports the “adequate insurance” mandate that Heritage originated more than twenty years ago.

Nor do Moffit’s coauthors, Grace-Marie Turner, president of the Galen Institute; James C. Capretta, a fellow at the Ethics and Public Policy Center and project director of ObamaCareWatch .org; and Thomas P. Miller, a resident fellow at the American Enterprise Institute. As these coauthors now write: “The glue that will try to bind all of these rules and regulations together involves an unprecedented mandate on individuals to purchase government-approved health insurance.”

Given that the book is a collaborative product, we should not be surprised that its literary style often seems disjointed and repetitive. The text also borders on the apocalyptic: “The future under ObamaCare is bleak. We needed health care reform, but not this!” followed by “This is unbelievable! Is ObamaCare going to create a nation of outlaws?”

In addition, the book repeatedly—and confusingly—refers to the Affordable Care Act as “Obama’s plan” (for example, “It was clear to us long before the law passed that those promises could not be met with the plan he was offering.”), which it was not. In contrast to President Bill Clinton, Obama never offered a White House plan, only a set of broad principles. He strongly lobbied for the final law, but the bill he signed was the product of competing Democratic Party proposals and deliberations in Congress, and it included input from Republicans, although it won none of their votes.

The foreword to *Why ObamaCare Is Wrong for America* is written by Rep. Paul Ryan (R-WI), chair of the House Budget Committee. The book explicitly supports Congressman Ryan’s “Roadmap for America’s Future” for health care and entitlement reform. The latter reform would replace the defined-benefit structure of Medicare with a defined contribution—or fixed-dollar amount—to senior citizens to help them purchase private, individual insurance plans. In short, Medicare no longer would be a guaranteed insurance program for all older Americans; it would become a large source of subsidies to individuals.

It is true, as some of the Affordable Care Act’s critics argue, that the act’s financing is based on revenue estimates that might (and probably will) play out differently than expected in future years. However, it also is worth noting that at least officials clearly delineated where the money for expanding Medicaid and providing subsidies to those who need financial assistance to purchase private health plans is supposed to come from.

*Why ObamaCare Is Wrong for America* hits a wide variety of targets in a more emotional and less analytical manner than does McDonough’s book. Among those it rails against are unelected officials, who, the book argues, will overly influence patient care under the law. Perhaps the greatest irony, then, is that it will be the Supreme Court, with its nine unelected justices, that in all probability will determine the Affordable Care Act’s fate.