



A busted and old system

[Spencer Harris](#)

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When children are young, they carry on them a multi-tool of sorts. It works as a handkerchief, splinter protector, napkin and neighborhood sports uniform all in one. It is the timeless pair of denim jeans.

As kids wipe their hands, tug the pockets, or slide into second base, the jeans get worn and torn. When the hems fray and the knees tear, Mom always saves the day by patching them up good as new. What does this have to do

with the current health care debate? One word: waivers.

Waivers are programs and exemptions that adjust the original statute. These adjustments are made as laws come into contact with the countless complexities that exist in the marketplace. Like a patch on jeans, they cover a small problem. But too many waivers can indicate that more than a patch is required.

One example of too many waivers is the number given to labor unions and corporations that exempt them from the minimum annual insurance benefits, among other things.

Most of these waivers were needed to exempt “mini-med” plans.

These are cheap, low maximum benefit plans that are ideal for low-wage or part-time employees who otherwise would not have any coverage.

Certain organizations, realizing it would not be cost effective to offer full benefit plans to these employees, told the Obama Administration that they were going to end these plans. Subsequently, the U.S. Department of Health and Human Services (HHS) began to patch the problem through waivers. At last count, HHS had granted more than 1,000 waivers covering more than 2.2 million Americans.

Then, in February, Arizona requested an exemption from the portion of the health care law that requires states to maintain Medicaid eligibility levels in effect on the date the bill was enacted.

The population Arizona sought to drop was made eligible through a Medicaid expansion waiver program that was due to expire.

HHS Secretary Kathleen Sebelius responded that Arizona was not obligated to renew the waiver, effectively allowing the state to reduce the eligibility level through the program’s expiration.

While this exemption is different from a formal waiver, it is consistent with the many adjustments that have been made during implementation of this massive law. Another problem was found, and another patch was made.

Most recently, HHS waived the entire state of Maine from the minimum loss ratio to prevent a destabilization of the individual health insurance market. A problem came up, and Maine got a patch.

As any parent knows, jeans are not always good as new. You can only patch a pair of jeans so many times before they are no longer worth patching. That is when you take your masterpiece, throw it in the trash, and get a new pair.

The sheer number of exemptions and waivers being granted is startling. A few exemptions here or there over the course of many years might be defensible, but more than 1,000 in less than 12 months? It's time to look for a better solution — like starting over.

Health care needs a 21st century law that opens the marketplace to meet needs and does not hinder it by a slow, cumbersome bureaucracy. The conventional ideas of price controls and government regulation will not meet the needs of our modern health care system. Instead, we need reform to be driven by innovators, entrepreneurs, and, above all, individuals.

Removing the antiquated government structures such as tax incentives and government programs is crucial. It must be replaced with a system where individuals make choices based on value and affordability. By doing this, every individual in America will push providers everywhere to increase quality and decrease prices.

ObamaCare builds upon the same patchwork of health care regulations, restrictions, and mandates America developed during the last century that got us in the mess we are today. The system is busted and old, and it is time for a new approach to health care.

Spencer harris is a health care policy analyst for the Texas Public Policy Foundation, a non-profit, free-market research institute based in Austin.

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