

A CONSERVATIVE CASE FOR UNIVERSAL ACCESS TO HEALTH CARE

by PAUL MENZEL AND DONALD W. LIGHT

Universal access to health care has historically faced strident opposition from political conservatives in the United States, although it has long been accepted by most conservatives in the rest of the industrialized world. Now, in a global economy where American business is crippled by the rising cost of market-based health care, the time may be ripe for change. The key to fostering a new mindset among American conservatives is to show why universal access fulfills many of the basic values that all conservatives hold.

For decades, the advocates of implementing universal access to needed health care in the United States—the only remaining industrialized country not to provide it—have been talking largely to each other. To them, the arguments for universal access usually seem so obvious that they can hardly believe that tens of millions do not agree. Conservative opposition still prevails, however, especially among powerful leaders in business, health care, and government. To many in this opposition, universal health care would mean something akin to socialism, making people more dependent on hand-outs, ex-

panding the clumsy hand of regulation, and hobbling individual choice.

One of the more striking aspects of this continued opposition to universal health care in the United States is that conservative parties in every other industrialized country, while they often criticize certain features of the particular form that universal access takes in their country, nonetheless support it. There is disagreement about what exactly conservatism means for this basic question in health policy. At a fundamental philosophical level it would seem that either American conservatives are wrong, or conservatives elsewhere are. And so we are drawn to ask: what really *are* the implications of conservative values for universal health care?

We will argue emphatically that a strong case exists for universal access to basic care that is politically

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and morally conservative. It is conservative because it is based on values that conservatives share and emphasize—the values of being able to take care of oneself and others, preventing irresponsible free-riding, and alleviating the inefficiency, waste, and other weaknesses that limit business and entrepreneurial activity.¹ Access to medical services, regardless of income, is as necessary to individual freedom, opportunity, and self-responsibility as is access to the protective services of fire or police departments. In a voluntary system, employers who do not arrange insurance for their employees, as well as many individuals who do not insure themselves, irresponsibly free-ride on the unintended largesse of others. When roughly 40 percent of all employers do not participate in this “system,” when only 61 percent of American workers receive insurance through their employers, and when over three thousand people a day lose their existing health insurance, the practical extent of this compromise of conservative values is hardly minor.²

Do typical U.S. conservatives, however, really oppose universal access? Many of them, too, object to a situation in which forty-five million residents are uninsured and talk of universal “access” as something that they would like to achieve. Conservative spokespersons certainly laud voluntary efforts, often boosted by financial incentives from government, to expand coverage in the population. Numerous publications from conservative think tanks such as the Heritage Foundation and the Galen Institute, for example, urge converting the current regressive, employment-based, unlimited taxable income exclusion to a fixed, universal tax credit that can be applied to the purchase of insurance by anyone, even when their tax level is less than the tax credit.³ While such proposals may sound like “universal access,” however, conservative politicians are seldom its advocates in a realistic sense. They usually oppose any sort of compulsory, government-mandated insurance, and

even conservative institute publications typically do not mention the question of mandating insurance.⁴ Only a very few have supported a requirement that everyone be insured.⁵ If conservatives are generally unwilling to enact a requirement that everyone be insured, coverage will remain far less than universal. Opposition to the mandating of insurance is just opposition to effective universal access.

Conservatism, Here and Elsewhere

The contrast between the conservative support for real universal access elsewhere and opposition to it in the United States can perhaps be best seen initially in economic terms. Even if an argument focused on con-

plex of coverages, forms, and unpaid bills. In the United States, by contrast, large secondary and questionably efficient industries have arisen around a voluntary, competitive health insurance and health care system in order to manage its administrative complexity. Health care plans design and market thousands of different policies, helping companies minimize coverage of high-risk people but resulting in an inequitable, costly, and fragmented system that compromises the choice and freedom of those with the greatest risk and need.⁸

Do the reasons for conservative support for universal access to basic health care in other developed countries reflect mere pragmatism, or do they also reflect some central values espoused by political conservatism?

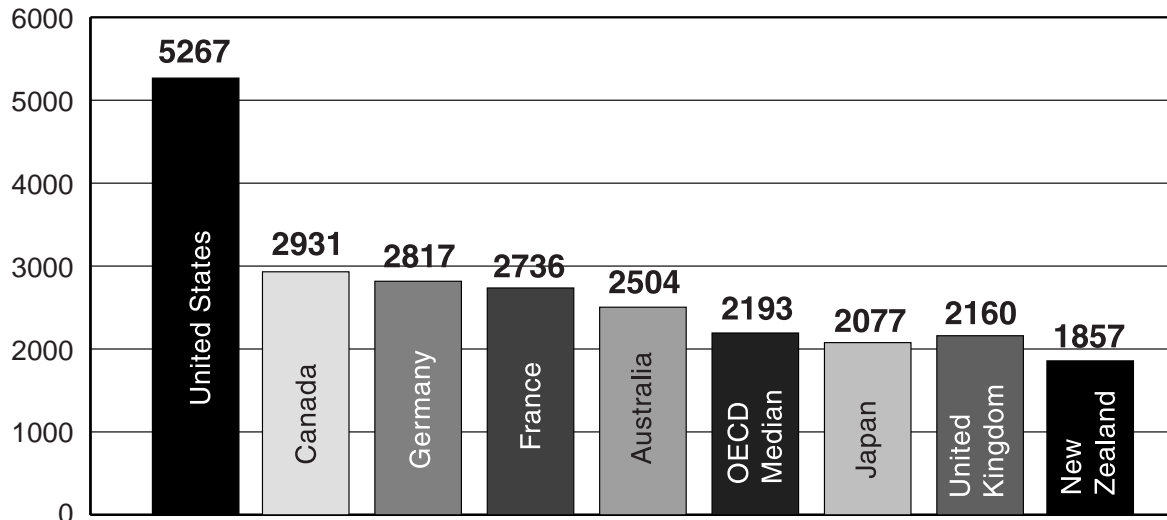
Access to medical services, regardless of income, is as necessary to individual freedom, opportunity, and self-responsibility as is access to the protective services of fire or police departments.

sumer choice and liberty could justify opposition to universal access, from an economic and business point of view the opposition is strange. Foreign competitors get medical benefits for all their workers at little more than half the cost, while American employers are weighed down by ever-growing costs for health care.⁶ In a global competitive environment, companies like Nokia, Toyota, and Siemens, for example, enjoy a significant competitive advantage over their American competitors, Motorola, Ford, and GE.

It is thus easy to see the practical basis of support from conservatives and business executives abroad for universal access to basic care. It minimizes costs and waste and increases economic growth by raising worker productivity, lowering labor costs, and allowing employers to focus on their business.⁷ Clinicians, too, are relieved from spending time and money coping with an ever-changing com-

We believe they reflect both. To see this one needs to understand three things: (1) something about the essential nature of political and moral conservatism, (2) the relationship of health care to self-care and individual responsibility for others, and (3) the objectionable nature of free-riding.

Consider the spirit of conservatism first. Unlike reactionary ideologies that more indiscriminately resist change, conservatism is usually defined not as a doctrine, but as a cautious, pragmatic predisposition toward change.⁹ While it typically opposes drastic change—and is cautious about any change—its caution is essentially pragmatic.¹⁰ Orthodoxy defends existing institutions as legitimate simply because they exist; conservatism “defends existing institutions because their very existence creates a presumption that they have served some useful function.” That presumption can be overcome, however, especially when an existing insti-



United States Health Care Spending per Capita (2002)

Forty-five million are uninsured, and seventy million are underinsured—a much higher rate than in countries with universal access.*

* Adapted from G.F. Anderson et al., "Health Spending in the United States and the Rest of the Industrialized World," *Health Affairs* 24, no. 4 (2005): 903-914.

tution begins to conflict with specific conservative values. Conservatives can thus be seen as "historical utilitarians," emphasizing the complexity of society and the variety of persons, both of which arguably get overlooked by nonconservative liberals too enamored of human reason's ability to foresee progress from change.¹¹

This essential pragmatism of the conservative outlook has eventually led most conservatives in every other industrialized country to support universal access to basic health care. As would be expected from an essentially pragmatic conservative approach, universal access gets provided in those countries in a variety of different ways. Most countries use insurance, some even private insurance, although they frame it with firm rules that require everyone to be insured and to contribute in equitable ways.¹² Some use taxes only to finance residual categories of people, while others rely predominantly on taxes. Countries that use general taxes typically have lower transaction costs, and because the budget for health care then competes with the budgets for education, welfare, defense, and other vital programs, health care expenditures tend to rise more slowly. Arguably, in

any of its forms, universal health care helps to contain costs.

The Ability to Take Care of Oneself and Immediate Others

Perhaps U.S. conservatives have tended to lose sight of their own cautious pragmatism and fallen into either orthodoxy or more ideological positions, but they may also have simply overlooked the basic role that health care plays in self-responsibility and individual opportunity. Conservatives in other countries have understood that role.

Conservatives' wariness of government power is based in part on the belief that "individuals should make their own way in the world."¹³ A common conservative argument against "government health insurance" is that people should take care of themselves. Paradoxically, however, this belief also forms an argument for universal health insurance: people need universal access to basic health care in order to maximize their ability to care for themselves. When people are ill, individual liberty and personal responsibility are quickly compromised. Even small disorders like mild depression or a

bad back can turn liberty and responsibility into dependency. For the chronically or seriously ill, medical care can become a great financial burden. Losses in wages and earned income make matters even worse, particularly when able-bodied citizens can no longer care for themselves and their dependents. Medical bankruptcy is virtually unknown in the rest of the developed world, but it is quite common in the United States. Forty percent of U.S. personal bankruptcies are attributed to medical bills people are unable to pay.¹⁴ Out-of-pocket costs that total 10 percent or more of household income are not uncommon, especially among the working class.¹⁵ This can hardly be an attractive picture of a workforce for American business.

Financial losses and threats to one's wellbeing that hobble or cripple individual freedom, opportunity, and responsibility are among the major reasons why most conservatives support public police and fire departments. These same arguments, however, also apply to health care. Many common illnesses and injuries are just as incapacitating or threatening to individual opportunities and responsibility as being robbed or having one's

home catch fire. Basic protections are necessary to provide everyone opportunities to improve their lives. These typically include services for fire protection, police protection, and education. American conservatives seem unique among their peers in the West in not adding basic medical services to this short list.

Irresponsible Free-Riding

Another important value that conservatives ordinarily emphasize, the irresponsibility of free-riding, has rarely been raised in the debates about the 45 million Americans who do not have health insurance and the many more whose employers choose policies that leave large portions of bills for serious diseases uncovered. Inadequate or no coverage typically leaves uncovered bills to be paid by others, but letting *others* pay for the consequences is tacit endorsement of free-riding. Sometimes free-riders, in exercising their individual choice, claim to be “conservative,” but they are abusing the label by doing that. Serious conservatives regard themselves as responsible for the effects of their behavior on others when they exercise choice.

Perhaps U.S. political conservatives simply do not recognize how much free-riding is built into and rewarded by a voluntary system of insurance. In 2001 the uninsured used \$98.9 billion in health care, \$34.5 billion of which was “uncompensated”—paid for neither out-of-pocket by the uninsured nor by any discrete source of private or public insurance.¹⁶ In a major 2005 report using a cautious estimation method, Families USA calculated that \$43 billion of the care that the uninsured received was “uncompensated,” with \$29 billion of that cost-shifted to those who pay higher premiums for private health insurance. As a result, private insurance premiums are 8.5 percent higher than they would otherwise be, adding \$922 to the annual cost of family health insurance provided by private employers.¹⁷ The thousands of

employers who do not offer health insurance or offer only thin coverage, as well as the millions of individuals who choose not to buy coverage, cause this cost-shifting.

To make matters worse, a vicious cycle then unfolds. When people go without insurance, premiums rise for the less healthy who are more likely to stay insured, exacerbated by the fact that they end up paying many of the cost-shifted expenses of other sick patients who are uninsured and underinsured. In turn, these rising premiums lead even more people to drop out, causing premiums to rise still more for those who remain. Then still more people drop insurance, causing an even higher increment in insurance premiums to cover cost-shifted, uncompensated care. This cycle, combined with increases in health care costs that are already outstripping inflation and increases in real income, leads to “an actuarial disaster in the making”¹⁸ that increasingly renders health insurance unaffordable to the working classes.¹⁹

Much of the cost of the rising volume of care for the uninsured will continue to be borne by others. This will inevitably happen in any moral culture where a rescue ethic trumps other values when health care providers encounter uninsured patients with serious medical needs. To be sure, such cost-shifting could be avoided if providers steeled themselves and simply did not provide care to the uninsured who land on their doorsteps. While such a response may be theoretically conceivable, it is hardly an option that political conservatives have chosen. They, too, have supported the “antidumping” legislation that requires hospitals to treat even the uninsured in emergency situations,²⁰ and many politically conservative physicians are proud to be among those who provide considerable care to patients who cannot realistically be expected to pay their bills. Thus, most uninsured patients still get treated for many conditions (although often, of course, in nonideal situations such as emergency rooms).

The costs get shifted to the individuals and employers who pay higher premiums, or to the hospitals and physicians who are forced to decide how hard they want to work without pay. They become victims of an ethos at odds with conservative values. To be sure, we should hold blameless those who truly cannot afford to insure, but the entire picture, which includes the shifting of costs onto those who can hardly be seen as the appropriate parties on whom the cost can justly be placed, is still marked by free-riding.

Some U.S. companies are trying to ameliorate the problem. Early in 2005 sixty large employers, including G.E., IBM, McDonald’s, and Sears Roebuck, joined together to sponsor a program beginning in fall 2005 that offered very low-cost health insurance options intended to cover three million eligible part-time and temporary workers, contracted consultants, and early retirees. Among the sponsors’ primary motivations was that they “ultimately pay for the uninsured as hospitals pass on their costs for non-paying patients.”²¹ Whether such voluntary initiatives will be effective, though, is doubtful. While appreciating the collective effort of these sixty companies, a UnitedHealth Group executive also noted its questionable practicality: “The average person who makes \$30,000 a year [already] spends \$1,500 more than they make and has less than \$500 in assets. Offering them insurance with a [significant] deductible [or copayments] is equivalent to not providing insurance at all.”²² The only alternative is to move toward mandatory, universal insurance. (It is a separate question whether this insurance should be the same for all. “Universal insurance,” in which everyone must be insured, is compatible with a variety of insurance.)

The anti-free-riding principle that holds cost-shifting objectionable is based on larger conservative values about individual responsibility. These apply to the cost-shifting and free-riding inherent in a voluntary health

insurance system. The same phenomena have led to making auto liability insurance mandatory, a development apparently accepted by conservatives to correct an analogous instance of free-riding—drivers who go without liability insurance and shift costs for their negligence onto other drivers who then feel compelled to purchase “uninsured motorist” insurance. The situation that free-riding creates in health care should similarly lead U.S. conservatives to support mandatory health insurance.

The noted conservative Russell Kirk writes that conservatives believe “genuinely ordered freedom is the only sort of liberty worth having: freedom made possible by order within the soul and order within the state.”²³ Mandatory health insurance is part of an “ordered liberty” within the state that enhances people’s ability to take care of themselves and immediate others and does not tolerate free-riding. To be sure, ordered liberty is a matter of balance, requiring discerning and pragmatic judgment. Individuals must not become dependent on government to the extent that they lose the ability to help themselves. Mandatory insurance corrects for the ruinous market failures of voluntary private health insurance and supports a conservative conception of liberty. Conservatives in other western nations apparently think so; U.S. conservatives should, too.

Other Conservative Problems with Voluntary Insurance

Beyond these flaws in voluntary health insurance—to allow free-riding and submit millions to the risk of losing their life savings—other problems may attract conservatives to mandatory insurance and thus universal access: barriers to self-employment; highly risk-segmented insurance markets that provide the least coverage to those who most need insurance and increase the wastefulness of the huge variety of market generat-

ed plans; and difficulties in cost control.

In political argument conservatives often claim that any needs-based, restoration-of-capacity argument cited for universal access confuses health *care* with health care *insurance*. They argue that illness, accident, and disease reduce people’s ability to take care of themselves and others, but that insurance to protect against these hazards is an individual choice and should be left to free exchange in an open competitive market. Such a claim, however, needs to reckon with the inherent limitations of voluntary, competitive insurance in carrying out its principal function of helping seriously ill individuals regain their capacities to take care of themselves. Reports routinely describe forms of “disinsurance” through higher deductibles, larger copayments, and more limits on services covered.²⁴ Economist Uwe Reinhardt has even characterized American insurance as “unsurance”—people are unsure what their policies cover, and even more unsure what they will cover next quarter.

In any case, the market for individual insurance policies is so affected by the risk aversion of insurance companies that individuals often cannot find coverage at a remotely affordable price. The resultant effect on people who want to be self-employed—a portion of the population often esteemed by conservatives—is one of the most sinister aspects of a voluntary insurance market. Self-employed entrepreneurs discover that “even affluence and good health may not matter when you shop for health insurance.”²⁵ Conservatives’ strong support for entrepreneurship should leave them up in arms about this damaging aspect of a voluntary insurance market.

In a voluntary health insurance market, the most effective way for companies to compete is to minimize coverage for higher-risk persons or conditions—precisely those who most need coverage to restore their individual capacities. Competitive

voluntary insurance follows the inverse coverage law: the more that people need coverage, the more they have to pay for it and the less likely they are to get it.²⁶ Selective marketing, exclusion clauses, waiting periods, coverage caps, rapid policy switching (“churning”), claims harassment, and risk-based premiums are among the techniques that insurers in a voluntary competitive system have developed and refined.²⁷ If even a few insurers use them, others must follow or lose market share. All these techniques increase the personal expense for people with disabilities and disease, who then suffer the double burden of limited ability to work, as well as uncovered medical bills and higher premiums. Employers are often partners in participating in these techniques and have shifted an increasing portion of their health cost increases to employees. The result is that those with greater need and modest income are forced to use up their savings and impoverish themselves. If we want to enhance the capacity of individuals to be self-sufficient and to exercise choice and responsibility, we need a health insurance system that does not discourage coverage of those who most need it.

The fact that the market rewards niche strategies and isolating segmentation also helps to explain why voluntary health insurance becomes wasteful. A study of the mature market in the Seattle area, for example, found that a sample of 2,277 people were covered by 755 different policies linked to 189 different health care plans.²⁸ The expense of designing, marketing, and servicing so many policies and of establishing and operating so many plans, all of which claim to be “better” than the others, only benefits those who profit from private health insurance with its seven times greater overhead than Medicare. The \$420 billion (31 percent!) paid for managing, marketing, and profiting from the current fragmented system²⁹ could be drastically cut and the difference used either to pay for medical costs of the underin-

sured or uninsured or to keep the profits of companies and the savings of individuals from being drained.³⁰ In their analysis of why American health care costs so much, Anderson and Reinhardt point to the fragmented purchasing power that results in much higher prices, large transaction costs, and steeper increases than are found in countries with universal health care insurance.³¹ Those companies that exploit these vulnerabilities are the ones who most fiercely oppose any effort toward universal coverage. Or they strongly lobby to have roles and revenues for them built into new coverages. The mandatory but partial coverage in Medicare for pharmaceutical costs exemplifies these dynamics. The upshot is that enrollment and administration are far more complex and expensive and exploit taxpayers more than in any country with universal insurance, where coverage and administration are much simpler and much less of a burden.

Voluntary health insurance increases costs in an even larger way when compared with more structured frameworks for universal health care. Universal health care helps control costs by providing a common structure of basic benefits and financing that can more easily be used to minimize duplication, unnecessary procedures, and price inflation. It is arguably the principal way “whereby the maddeningly inflationary spiral of health care costs can be morally contained.”³² The U.S. system is designed to maximize sales and profits, not cost-effective health care. Even the largest corporations in the United States cannot manage the dynamics of supply-induced demand; excessive, unnecessary tests and procedures; pricing structure; and the introduction of new technology that is at best marginally better but much more expensive. Costs still need to be contained, but in a voluntary insurance arrangement, the levers of downward pressure on utilization, supply, use of capital, and prices are relatively weak. Many employers feel they are getting

poor value and being blamed for problems not of their making.³³ They are right. With properly structured universal health insurance, the charges for a CAT scan, a prescription, a day in the hospital, or a general check-up would drop closer to Western European levels.³⁴

Some academic conservatives have recognized the problems of voluntary insurance markets and argued not to abandon consumer-choice oriented insurance markets, but to set the framework for insurance company competition that will minimize market failure and inefficiency. They point, for example, to the Federal Employees Health Benefits Program (FEHBP) and urge a similar combination of regulation and assistance for the health insurance market as a whole. The essential components in-

ing many business leaders, continue to defend an unraveling system?

A very limited explanation within certain businesses’ organizational structure may be that when CEOs worry about rising costs, dwindling coverage, and the uninsured, they tend to get much of their advice from their directors of employee benefits. These are the very people who would lose their jobs if the solutions that Nokia, Toyota, Siemens, and other international competitors enjoy were implemented under much simpler universal insurance, because the secondary industry of health benefits management would greatly diminish. Naturally, then, such managers tend to tell their bosses how terrible a universal system of “socialized medicine” would be, regardless of how the inefficiencies and higher costs of volun-

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clude a central “clearinghouse” for information to make insurance comparisons readily understandable, a central service center for enrollment and the collection of premiums, a system of tax credits or other premium subsidies high enough and allocated in such a way as to make insurance realistically affordable for everyone, and a reinsurance pool for companies to cope with adverse selection and high risk subscribers.³⁵ The point is not that free markets for voluntary insurance readily work, but that any health insurance market needs to be highly structured from the outside, highly subsidized at lower income levels, and insurance itself made mandatory.

Reasons for Continued Opposition

So why do most political conservatives in the United States, includ-

tary insurance rob companies of profits and shareholders of dividends.

It is broader elements, however, that have undoubtedly continued to make most U.S. political conservatives either reticent about or outright hostile to universal access. For one thing, there is probably more general repugnance in the United States toward government. Most conservatives outside the United States are wary of government, too, but they have more readily recognized that fair choice is possible only in a fair system. Thus they have come to regard their society’s arrangements to assure universal access to health care as justified in order to foster fair opportunity, individual freedom, and a more productive society, while their U.S. counterparts focus more on the fear that universal access will lead to a uniform, government-run, one-size-fits-all health plan that restricts patient choices. Conservatives in other coun-

tries know what many American conservatives seem not to believe—that most universal health insurance makes considerable use of private care and provides a good deal of choice.

Related to the U.S. conservative fear of one-size-fits-all is a wider fear of rationing that is also shared by many liberals. But that fear, too, is misconceived if translated into continued opposition to universal access to basic care. Rationing is at least as extensive in our competitive voluntary system through the inverse coverage law and managed care.³⁶ In nonuniversal systems, rationing is built into competition in myriad ways that are seldom acknowledged. The public framework provided by universal access enables individuals to voice their preferences and concerns so that limits to services can be set through a fair process.³⁷ This helps to make limits on care reflect people's own values when faced with scarce resources.³⁸ In a voluntary market, executive and corporate decisions to ration usually take place behind closed doors and often result in plans chosen specifically to keep members from knowing what their policies do not cover. Prioritizing health care within universal coverage poses serious moral and cultural challenges, but arguably in a less objectionable way. As the covert prioritizing decisions of private plans in the United States are realized, perhaps the cries of "rationing!" uttered by U.S. conservatives as grounds for continued opposition to implementing universal access will subside.

Political conservatives typically hold a different conception of what equity demands in regard to the distribution of income and wealth. They tend to tolerate and defend a wider spectrum of distribution than liberals do, and they are much more suspicious of redistribution. Insofar as taxation for the support of universal access to basic health care is seen as another "redistribution," conservatives are inclined to oppose it. First, though, conservatives need to compare such a basis for opposition care-

fully with their endorsement of taxation for other needs such as police and fire departments and education. If the protection of responsibility for self and others, the prevention of free-riding, and the efficiency of collective provision is persuasive enough for conservatives to support universal provision of these other three goods without seeing them as "redistribution," why do the same considerations not lead conservatives to support universal access to health care? Moreover, even if taxation for universal access to health care is seen as an objectionable source of the necessary revenue, the form in which universal insurance coverage is mandated may not involve increased taxation. And in any event, the current funding of even private health insurance involves a massive government subsidy in the form of forgone taxes on income because premiums paid through one's employer (and to some extent, those that are individually purchased) are excluded from taxable income, saving the employer and employee combined nearly 40 percent (the average *marginal* income tax rate plus over 15 percent in employer and employee Social Security and Medicare payroll tax) and costing the government some \$120 billion in lost foregone taxes annually.³⁹

Another objection often voiced by conservatives of a more academic stripe concerns the inefficiency of so-called "moral hazard." Any good provided to a user when the full expense is not paid by the user runs the danger of being used in excess, past the point where the real benefit of investing further resources in it is equal to the real gains in human welfare that can be achieved by alternative investments. In health care, this means overinsurance—insurance coverage for care beyond an efficient level. This kind of efficiency objection is certainly germane to decisions about the scope of care that universal access should encompass, but it is a weak reason for objecting to bringing the forty-five million people in the United States who are currently uninsured

under some sort of basic coverage. Is moral hazard going to characterize the amount of insurance that would be mandated or provided *for them*? If conservatives think that it will, why do they not favor demolishing existing Medicare and Medicaid programs? And why have not moral hazard objections led conservatives to try to rescind the taxable income exclusion for employer-paid insurance? This last question is not hard to answer, though: without some sizable incentive such as this taxable income exclusion, the ranks of the uninsured would grow by leaps and bounds, utterly demolishing conservative hopes that voluntary insurance can do a reasonably good job of covering the population. Political conservatives have not heretofore let worries about moral hazard get in the way of what they do support in public health policy; it would be duplicitous for them to use it now to oppose implementing universal access.⁴⁰

Some of the differences between United States and other countries' conservatives may be a function not of a noticeable difference in their respective basic values, but of the different factual pictures that they have. Self-responsibility, for example, is espoused by both, but U.S. conservatives oppose government provision as diminishing responsibility to buy insurance, while conservatives elsewhere are struck more by how responsibility is inhibited by a voluntary insurance market that encourages free-riding and segmentation by likelihood of illness. Providers' liberty, too, is espoused by both, but U.S. conservatives believe it will be much more limited once government is charged with setting substantial ground rules for insurance, or especially with directly providing insurance, as in a single-payer system. They may not carefully compare this with the increasing limitations on providers imposed by U.S. private managed care plans.

A crucial political factor is undoubtedly the power of U.S. insurance companies. U.S. conservatives,

as supportive as they are of private business, are reticent to do what is seen by most insurance companies as severely bridling their activities in any fairly regulated framework for universal access, even one that would preserve a significant role for private insurance. Perhaps, on this score, the explanation of the differing views of U.S. and other conservatives is that in other countries, private health insurance plans have historically had a shorter tenure before a framework for universal access was enacted. Or perhaps it is that U.S. conservatives are less willing to look at the overall effects of a whole health care system on business activity in general and more willing to listen to the cries of particular well-heeled portions of the private sector, such as insurance.

What Could Make Conservative Support Feasible?

Regardless of its many actual varieties, no universal access to basic care can be accomplished except by a mixture of insurance mandate and insurance subsidy. To many in the United States, the prospect of enough conservative support to accomplish the actual adoption of some such mixture seems daunting. Uwe Reinhardt has captured the skepticism with a popular anecdote. An American health policy analyst ascends to heaven and asks, “Will there ever be universal health insurance coverage in the U.S.?” “Perhaps,” says God, “but not in my lifetime.”⁴¹

To be sure, any such development will require ingenuity, savvy, persistence, political fence-mending and compromise, and no doubt simply the sheer luck of a rare combination of events and forces that congeal at a particular moment of history. The current decade of Republican and conservative ascendancy may hardly seem encouraging. But then again, in mid-2005, *Fortune* magazine (of all places) published an article headlined “Socialized Medicine? From Republicans?”⁴² The author, Matt Miller, surmised that business’s woes about

health insurance, driven in part by international competition, are getting so intense that it is Republicans who will start carrying the ball for universal coverage. Business executives are beginning to realize how untenable today’s system is. For them, says Miller, the attractions of greater cost certainty and a level playing field (another way of saying “no free-riding”) provided by universal access may be getting to the point where they tip the balance of opinion.

Perhaps, in fact, something like this vision has already come to some fruition in one U.S. state. On April 3, 2006, the Massachusetts legislature passed legislation predicted to extend

legislation does not actually mandate insurance, after 2007 the penalties for those who do not insure are estimated to grow to half the cost of an affordable premium.⁴⁴

Paul B. Ginsburg, president of the Center for Studying Health System Change in Washington, D.C., noted the accomplishment of enacting a large expansion of coverage “that people could agree on. For a conservative Republican, this is individual responsibility. For a Democrat, this is government helping those that need help.” The governor’s communications director, Eric Fehrstrom, noted that it was surprising to learn that the uninsured with incomes above 300

The attractions of universal access—greater cost certainty and a level playing field—may tip the balance of opinion for business executives. But for a fertile political setting to emerge, it’s important that conservatives grasp the moral case that can be made for it.

coverage to 95 percent of the state’s residents currently without health insurance. While not strictly mandating that everyone be insured, both individuals and businesses will pay financial penalties for failing to obtain insurance. To David Leonhardt, *New York Times* columnist, “the plan breaks free the usual ideological shackles by dealing with both of the big reasons” so many people lack insurance—not only that many of the uninsured cannot afford insurance, but that “some who can afford it imagine that they will not need it—and then stick the rest of us with the bill when they end up in the emergency.”⁴³ In addition to providing pooling mechanisms and subsidies to make insurance to the uninsured more affordable, supporters of the plan invoke the responsibility of people who can afford insurance to get it. Republican Governor Mitt Romney pushed the idea of the “individual mandate” to require those who can afford insurance to buy it. While the

percent of the poverty line were “mostly young males making very attractive salaries. . . . When they break a leg . . . , we end up paying for their care anyway.” As for the penalties on employers who fail to arrange insurance for their employees, Bob Baker, president of the Smaller Business Association of New England, said that his members seemed to accept the idea of the fee. “The notion of the level playing field, I think from an element of fairness and equity, people are O.K. with. . . . There hasn’t been a hue and cry from our members.”⁴⁵

For a fertile political setting to emerge from such reconceived business interests, it will be important that political conservatives grasp the *moral* case that can be made for universal access on philosophical terms that *they share*. The chances of this occurring are diminished if liberals, who have thought and spoken to universal access out of deep moral conviction for so long, insult their conservative counterparts by implicitly assuming

that the case for universal access to basic care cannot be based on conservative moral values. That moral case exists in a powerful form, ready to be made by conservatives themselves. If articulated, it would be an important component among many factors, including business self-interest, that could combine to create significantly greater political pressure for universal access.

If any such momentum is ever to develop, it will be important for liberals not to be obstinate about their convictions and preconceptions. They must welcome a genuine dialogue with conservatives on this issue. Liberals should not, for example, dig in their heels for a single-payer system, and they must not cry “unjust” at every mention of accepting multi-tier health care for different income levels.⁴⁶ After all, “needed” medical services are the care to which any universal system limits its guarantee of access. Another element from which political liberals might well distance themselves, since it is distinctly regressive, is the longstanding taxable income exclusion for employer-paid insurance premiums. Political conservatives may have an equally strong interest in replacing or eliminating this taxable income exclusion because it reduces the interest of employers and employees in plans that hold down their costs by making tough prioritizing decisions and rationing out procedures that produce very small benefits for their expense.

One of the constructive developments that could emerge if political conservatives make their own constructive moral case for universal access is the opening of a serious dialogue that would help liberals break some of their preconceptions about what is involved in moving toward universal access.⁴⁷ If hope for universal access in the United States is ever to bloom, political and moral imagination aplenty will be needed on all sides. Already, however, we can imagine that a fair plan for universal access embraceable by both liberals and con-

servatives would have the following features:⁴⁸

- 1) Everyone is provided access to needed health care. The fact that one has insurance for basic, needed care should not depend on one’s “insurance risk” or health condition.
- 2) Nonfinancial barriers by class, language, education, and geography are minimized.
- 3) Decisions about all matters are open and publicly debated. Accountability for costs, quality, and the value of providers, suppliers, and administrators is public.
- 4) Administrative overhead, mark-ups, and overtreatment are minimized.
- 5) Self-responsibility, prevention, strong primary care, and public health are emphasized to maximize people’s ability to exercise their freedom, choice, and responsibility.
- 6) Individuals will still have considerable discretion to buy up to more expansive coverage and intensive services than the services to which universal access is guaranteed.
- 7) Providers are paid fairly and equitably for treating any patient.

It is time for American conservatives to add health care to fire and police services as minimum government services needed to enable individuals to thrive at minimum financial cost. The question for conservative leaders who deplore wasted human potential, free-riding, financial waste, and inefficiency is not whether they can support universal access to needed health care. It is how they *cannot* support universal access without betraying their own values.

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