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**THE  
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## EDITOR'S NOTE

### TIME RIPE FOR NATIONAL COVERAGE

Some of you may have heard Chris Farrell, contributing editor for *Business Week*, on public radio's *Marketplace*. His January 23 "Sound Money" *Business Week Online* column is called "It's Time to Cure Healthcare."\* In light of the current drain healthcare places on local, state, and federal government budgets, his comments bear consideration.

Employers are troubled at huge increases in premiums, which have doubled during the past 10 years for a family of four enrolled in a preferred provider organization; employees are paying a third of this cost—hence, they are unhappy, too. While employers covered 64 percent of employees in 2000, they now cover about 60 percent. More than 40 million Americans have no health insurance. Medicaid and Medicare are burdening government budgets.

The U.S. has been intrigued with some kind of national health policy six times during the past 100 years—but to no avail. President Truman tried after World War II, but Congress was too scared of the socialized medicine label. The latest initiative toward national health insurance—President Clinton's in 1993—hardly got off the ground.

Currently bills in about 30 states are advancing some form of universal healthcare coverage. How far they will get is difficult to assess. However, politically, there are indications that might portend national change.

Big business, frustrated by ever-growing healthcare costs, is increasingly looking for a national solution. General Motors, the biggest private-employer health insurance provider in the nation, estimates its healthcare costs add more than \$1,500 to the price of every vehicle sold. Rising company healthcare costs are passed on to consumers, which eventually can hurt sales.

The Bush administration cannot seem to get much credit for an overall healthy economy because of consumer concern over medical coverage. Therefore, the time should be ripe for President Bush to take bolder action on healthcare to boost voters' confidence in his handling of the economy.

How would we pay for such a universal plan? Farrell cites David Cutler, Harvard economist, whose book *Your Money or Your Life: Strong Medicine for America's Health Care System* advocates allowing families to buy health insurance as federal employees do. Insurers submit rates and coverage to the government for approval and agree to cover all who enroll. Because many citizens couldn't afford the average premium for the federal government's policy (\$3,000 for individuals, \$8,000 for families), Cutler proposes a subsidy system of tax credits (perhaps ranging from \$7,000 for families below the poverty line to \$500 for families earning 250 percent of the poverty line). Farrell recommends repealing Bush's tax cuts, while others would suggest eliminating some corporate tax breaks, and redirecting the money toward health insurance.

The old saying goes "If it ain't broke, don't fix it." Although there are lots of good things about the American healthcare system, for far too many Americans it is broken and needs fixing. Millions of Americans who need health insurance cannot get it; consider our own TennCare situation.

No matter how the system may be reformed, it will never be complete without providing health insurance to all of our people. Although it may be costly, it will likely more than pay for itself by improving quality of life and generating much economic growth. Sooner rather than later it should be seriously considered.

—Horace Johns, editor

\* [www.businessweek.com/bwdaily/dnflash/jan2006/nf20060123\\_1965\\_db013.htm](http://www.businessweek.com/bwdaily/dnflash/jan2006/nf20060123_1965_db013.htm)

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