

The Record

Webber: We need more health care choices

Friday, October 10, 2008

BY JAY WEBBER

IN A RECENT editorial (“Critical condition,” Sept. 22) The Record correctly highlighted how the upheaval on Wall Street and the expected economic fallout could lead to more New Jerseyans losing health insurance.

But a taxpayer-funded, government-run health insurance program, with all of its attendant rules, regulations and mandates, is not the answer to our health care problems, no matter how bad the downturn gets.

What we need is to give people more choices and more control over their health care, not more government intrusion.

It is true that New Jersey’s current health care insurance market does not provide affordable coverage to many who need it. But that does not prove a failure of free-market forces; that failure demonstrates how state government has strangled the market and artificially inflated the costs of coverage.

In fact, one commentator has said that New Jersey’s current regulatory regime makes us “the poster child for how to destroy a health insurance market.”

New Jersey government destroyed the health insurance market in our state by requiring individuals and small employers to buy only expensive, high-end policies subject to multiple regulations and coverage mandates. The results are expensive premiums that price many New Jerseyans, or their employers, out of the insurance market, relegating to the ranks of the uninsured hundreds of thousands who otherwise would buy coverage.

Not every state creates such barriers to health insurance, and their residents are a lot better off for their freedom. Think of it this way: When it comes to health insurance, New Jersey requires everyone to purchase a top-of-the-line “Ferrari” policy. Other states permit their residents to choose from a variety of options — “Honda,” “Chevrolet” or “Ferrari” policies — whichever best fits their needs.

The impact of our hyper-regulation, and many of our sister states’ superior approaches, is reflected in the cost of our health insurance relative to the rest of the country. The average cost for a family health plan nationwide is \$5,799 — but the same plan costs \$10,398 in New Jersey.

A simple, common-sense alternative to our hyper-regulation is my bill, the New Jersey Healthcare Choice Act, which would permit New Jerseyans to buy health insurance policies

available in other states. The act immediately would lower the cost of health insurance for New Jersey families, increase consumer choices, slash the number of New Jerseyans now uninsured and maintain New Jersey's consumer protections.

And it doesn't cost a taxpayer dime.

Under the act, individuals, families and small employers would have the right to shop for health insurance policies outside New Jersey to find one that best suits their needs and budgets. Nothing would force New Jerseyans to buy insurance outside New Jersey — consumers would be free to keep their comprehensive (but expensive) New Jersey policies.

But hundreds of thousands of New Jerseyans could avoid the state-created obstacles standing between them and affordable health insurance by going elsewhere to buy them.

With unemployment rising and an economic downturn looming, New Jersey needs this reform now. An estimated 45 percent of the uninsured lack insurance for six months or less, most because they are between jobs.

Bringing consumer freedom to our market would lower the cost of coverage for those families by as much as 60 percent and allow them to maintain health coverage during a tough time, without taxpayer assistance.

Indeed, cutting-edge empirical research by health care experts from the University of Minnesota indicates that allowing individuals to buy health insurance across state lines would reduce the number of uninsured in our state by as much as 50 percent. That's about 700,000 people, a number too large to ignore for any policymaker who is serious about increasing access to affordable health insurance.

Once those people are covered, we can begin to address the rest of the uninsured pool with other common-sense proposals, and reserve for government the role it ought to play: a safety net for the truly needy.

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