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## **NJ Needs Healthcare Reform Like the NJHCA**

**By Assemblyman Jay Webber**

There is a brewing debate in New Jersey on how best to make health insurance more affordable and accessible to our citizens. In that debate, the best proposals increase access to health insurance while promoting the goals of expanding consumer choice and maintaining healthcare quality. Other competing ideas will not achieve those ends.

For years New Jerseyans have been trapped in an overregulated health insurance market. Since 1992, state government has imposed multiple mandates and laws forcing insurance sales to any applicant (guaranteed issue) at the same price, regardless of health or age (community rating, which the state has only begun to correct this year). Those regulations have limited our selection of healthcare policies, driven insurers out of the market, made health insurance less affordable and increased the number of uninsureds in the state.

The facts are staggering. New Jersey families pay exorbitant amounts for healthcare coverage—an average annual health insurance premium of \$10,398, or nearly twice the national average. Compared to 1992, 40 percent fewer people buy their health insurance on New Jersey's individual health insurance market, producing an increase in the state's uninsured population to 15.8 percent, which exceeds the national uninsured rate. Last year, a record 1.4 million residents—1 of 6 people—had no health coverage in New Jersey. The state's performance on this issue has been so dismal that one commentator has said that New Jersey's current regulatory regime makes the state "the poster child for how to destroy a health insurance market."

One simple solution to this problem is to expand the choices New Jerseyans have in obtaining coverage. That is what my bill, the New Jersey Healthcare Choice Act (NJHCA), does. The bill would allow New Jerseyans to purchase regulated health insurance policies from other states and empower us to seek out and buy health insurance policies that best fit our needs and budgets. At the same time, the bill maintains New Jersey's core consumer protections to make sure that insurance companies keep the promises they make to our citizens.

New Jerseyans would benefit from this reform immediately. In other states, like Pennsylvania, better regulations have resulted in more affordable policies. For example, Pennsylvania residents can purchase health insurance policies for as little as 40 percent of the cost of comparable policies in New Jersey, primarily because of Pennsylvania's better regulations. Permitting New Jersey's citizens to access those policies, and others from around the country, would open the door to lower prices and policies suiting their needs and budgets. More importantly, according to a recent study, simply lowering government-created barriers that stand between New Jerseyans and the policies that fit them best would reduce the number of uninsured in New Jersey by as much as 50 percent. That's about 700,000 people, a number too large for any serious policymaker to ignore. And the proposal, a mere regulatory change, doesn't cost a dime.

But the case for healthcare choice goes beyond the numbers. Perhaps the best evidence that we need this law has been the dozens of unsolicited, compelling stories I have received from residents across our state. After *The Wall Street Journal* editorialized in favor of the NJHCA, New Jersey citizens reached out to me to emphasize the impact the bill would have on their lives. Those letters came from small business people, the self-employed and single moms. One particularly moving note ended with the following: "For my sake and the sake of all who want to have a choice or at least an affordable alternative to health insurance, I pray for your proposal's success."

After healthcare choice insures as much as half our uninsured population, we can and should address the remainder of the uninsured pool with other commonsense proposals that

have been tried and proven in other states. Whichever steps we choose, we should seek out ways to cover the “chronically uninsurable” without undermining the goal of increasing choice in the private sector healthcare market. In the end, when government steps in, it should be to play the role it is supposed to play: a safety net for the truly needy.

On the other end of the policy spectrum are proposals to impose a universally mandated, government-sponsored health insurance program. Creating a Trenton-based (or Washington-based) health system will essentially abolish the private insurance market, reduce individual choice and diminish the freedom of our medical providers to give the kind of quality care they and their patients expect. Universal mandates to purchase coverage fail for several reasons: 1) citizens cannot afford the private policies forced on them, 2) politicians will not enforce the universal mandate they place on their citizens, and/or 3) taxpayers cannot afford the accelerating costs of the public subsidies required to keep the program running.

But more is at stake than just dollars and cents. The experiences of Canada and Europe show that government-controlled healthcare is cruel to patients and harmful to doctors. Those government-run systems implement a harsh method of costs control: Politicians and bureaucrats ration care for the sick. That approach takes both the “health” and the “care” out of healthcare—with no escape for those who cannot afford a way out. Everyone is indeed “insured” in those systems. But that is a hollow achievement because coverage counts little when patients are denied timely access to quality care. Canada’s own Supreme Court recently indicted that country’s system by observing, “Access to a waiting list is not access to health care.”

The losers are patients and their doctors. In Great Britain, a woman in her early twenties was denied a pap smear test simply because she, at 24, was “too young” to need one. She sits now dying of cervical cancer, along with other young women whose deaths were dictated by a change in health policy by the British bureaucracy. National Health Service dentists were forced to spend the 2008 August on holiday or to turn patients away because the dentists’ annual quotas were filled, and they would receive no more compensation for the

care they provided— even though 7 million Brits cannot find care from a NHS dentist. The press of Europe and Canada are filled with countless other accounts of perverse outcomes of government-run “healthcare.”

It’s no surprise then that Canadians seek healthcare asylum in Michigan, Washington and other northern states—and not vice versa. American medicine is the envy of the world, and foreigners don’t hesitate to cross the border in favor of our healthcare. The fact is that the subjects of single-payer systems literally are moving, by voting with their feet, toward market-based solutions to their problems.

New Jersey needs healthcare reform like the NJHCA, which avoids the pitfalls of government-run programs and respects doctors and their patients. That is how we should help provide affordable, accessible and quality healthcare insurance to the Garden State.

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