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## Unfriendly to health

LET'S IMAGINE a truly "consumer-driven" healthcare system: It would be one where hospital beds were available whenever anyone needed them, but the system would try to avoid them by frequent preventive visits and communication among physicians, nurses, and patients.

But when President Bush and conservative think tanks use the phrase, that's not what they have in mind. They mean health savings accounts, a concept popularized by the **National Center for Policy Analysis** in Dallas that would undo the comprehensive employer-based health insurance system that is still the norm in the United States.

Health savings accounts are better than no health insurance at all. They provide high-deductible insurance policies to cover hospitalizations, then allow an individual or employer to set aside some pre-tax dollars from each paycheck for routine medical expenses. In theory they encourage people to become careful consumers of healthcare, shopping around as though they were buying a car or television set.

"I believe that the more the consumer is involved in pricing, the more the consumer is involved in the decision-making, the more likely it is people will start making rational decisions for their own needs," Bush said this month to promote the savings

accounts. In 2003, Republicans in Congress included in the Medicare prescription drug law several provisions allowing accounts to be set up tax-free. In his budget this year, Bush proposed to expand the tax deductions and make them portable, so that workers could keep them if they change jobs.

Economists who endorse the concept worry about the problem of "over-insurance" in health care, the theory being that under a system of comprehensive insurance people have little incentive to limit spending. Many employers prefer the accounts because they push much of the costs onto workers. So far 3 million people have signed up for these or similar accounts.

Health savings accounts might make sense for healthy people, or those who are wealthy and can easily afford high deductibles and don't mind out-of-pocket expenses, but others should beware. The Employee Benefit Research Institute, whose mission is to improve benefit programs, and the Commonwealth Fund, whose aim is to improve healthcare, did a survey last December of employee attitudes toward this innovation. They found that 42 percent of people with accounts were satisfied with them compared with 63 percent of those in comprehensive plans. People with the accounts had higher out-of-pocket payments and were more likely to skip care,

especially if they made \$50,000 a year or less. Rather than consumer-driven, these plans can take consumers for a ride.

But there are even bigger issues here than an individual's care. Some people do overuse healthcare, but that's not the nation's most pressing health problem. Rather, it's the national scandal that 46 million Americans lack health insurance. The system ought to stress prevention and discourage excessive use, but it ought to cover everybody with policies that do not impose severe financial strains if the person or family member gets sick.

Healthcare is not like a conventional purchase. One may rationalize the purchase of a used car or a no-name television set, depending on income or priorities. But who wants to take the chance on a less than top-notch heart procedure or brain operation?

Healthcare ought to be an enterprise shared by the whole society. Those who are well contribute in the expectation that they will receive the care they need when they get sick. Isn't this something like Medicare, which has successfully lifted the financial burden of illness from the elderly for 40 years? That's the kind of consumer-friendly system the federal government should be seeking for every American.