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**OP-ED CONTRIBUTOR**

# A Health Care Bargain

**By PAUL O'NEILL**

WHEN I look at the presidential candidates talking about the 47 million uninsured Americans and putting forth their health care reform plans, what comes to mind is a scene from December 2003: President Bush at a signing table at Constitution Hall in Washington, behind him grinning legislators celebrate making Medicare Part D the law of the land.

Much was made of the great boon this would be for our older citizens, helping to pay for needed prescription drugs. One might have supposed that the generosity of spirit of the president and the lawmakers had been combined to pay for this gift. They were delighted to claim credit for this new entitlement, but no one said a word about the taxpayers who were being given the responsibility to pay for it.

I make so much of this episode because it has become the general case — a tacit bipartisan agreement to obscure rather than illuminate the issues surrounding health care, to pander to voters rather than educate them on the conjoined issues of rights and responsibilities. On many issues, we now have government as an institution apart from the people: of itself, by itself, for itself.

Here, the politicians seem to have agreed to ignore the central question: Should American citizenship bring with it the right to have financial access to medical care? Over time we have evolved an answer that is part yes and part no, creating a patchwork — employer-financed insurance, Medicaid, Medicare, tax-advantaged health saving accounts and the like — that results in vastly different levels of care for our citizens.

Few are satisfied with it, and for good reason. We are sufficiently wealthy and advanced as a society that we should consider financial access to needed medical care a birthright. But this is important: I mean this as a "right" in a context that joins rights with responsibilities, to separate it from the popular notion of an entitlement, which is often little more than a handout.

If we're going to have a new American birthright to care, there will be new American responsibilities. As a first principle, all citizens should provide as they can for their own medical care so they do not impose their own requirements on others. As such, we should mandate that all Americans pay in advance for coverage of catastrophic medical needs.

The two organizing principles would be that the costs of catastrophic care would be spread across the population through insurance, and that while the high costs of serious medical problems would be covered, there would still be large deductibles for most Americans for initial care. (These could be paid out of pocket, or consumers could take out supplemental insurance to cover them.)

Obviously, for those people with little or no income or wealth, society as a whole would have to provide first-dollar

coverage. It is only fair that those with more financial means share the burden.

This gives rise to many complex issues. At what income level should people be required to shoulder some and then all of their own insurance needs? Should there be one insurance pool for the entire population or should there be subnational pools? (I would lean toward a single national pool.) Should people be assessed extra premiums related to age or chronic conditions or drug or alcohol addiction? The answers are not obvious, but they are questions Congress and the presidential candidates are refusing to wrestle with.

There are several advantages to a system along these lines that go beyond simply providing care to all. First, since most Americans would have a significant personal cost until the catastrophic coverage took over, they would, at least in theory, shop for the best product. This would be a welcome change from the current system, in which there is virtually no cost and quality transparency. This new system could also lead us toward creating a framework for continuous learning by doctors and hospitals. No other sector of our society does such a bad job of learning from things gone wrong. A major reason for this is that the fear of malpractice suits leads doctors and hospitals to withhold information on bad incidents.

If, instead, the government required providers to report every error within 24 hours, the quality of care would rise considerably. In return, rather than having malpractice cases go to the civil courts, we could establish an independent body to determine the economic damage to the injured party and pay it from the general Treasury revenues. For this to work, the medical societies would need to finally step up to their responsibility and weed out incompetent providers.

The collection of data on medical errors could also be part of a broader effort to create a common national standard for individual medical records. Given the digitalization of the rest of our lives, it is absurd that lives are lost because hospitals can't immediately call up a patient's entire medical history on the Internet.

In the end, we cannot look at insurance coverage, medical costs, quality of care and information technology as separate issues. As we strive to make sure every American can get necessary treatment, we must look at every aspect of our health care system. We can do much better, and we should start now.

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