



Coulter Care

Schooling Ann Coulter on the individual mandate.

By Peter Ferrara

February 8, 2012

Sorry, Ann. I have adored you as a commentator, as you know, and appreciate your kind words about me in the past. But in discussing the individual mandate in your piece last week, "Three Cheers for RomneyCare," you honestly don't know what you are talking about. In the process, you are transgressing on my own work and past policy achievements, and grossly undermining the policy and political case against Obamacare. Read on, and I will explain in full.

It was me, working for and with conservative health policy guru [John Goodman](#), who first rang the alarm bell for conservatives over the individual mandate in the early 1990s. As I explained recently in this space, it was we who led the fight to kill the Heritage Foundation health bill at that time.

That bill had been introduced by Sen. Don Nickles (R-OK) because he thought it was the conservative alternative to HillaryCare. Leaving Heritage over the matter and working for [Goodman's National Center for Policy Analysis](#), I went through the bill line by line and wrote up all the conservative objections, which primarily stemmed from the individual mandate. I then got my critique signed by 37 major conservative leaders.

It was the only time you could find Phyllis Schlafly and Ed Crane signing on to the same document. Others who signed included Paul Weyrich, David Keene, and Grover Norquist. It was a Who's Who of conservative leaders.

When I delivered the document to Nickles' office, he had the good sense to pull the bill. Stuart Butler was furious with me, and it has ruined our previously close friendship to this day. I received awards for this work from the American Conservative Union and the Eagle Forum. That is because the Heritage health plan with its individual mandate was detested throughout the conservative movement, and there was broad approbation for my work in practically figuring out how to pull them back.

Why the Individual Mandate Equals Socialized Medicine

Here is why the individual mandate inevitably leads to full-blown socialized medicine, as it has with Obamacare: When the government mandates that you have to buy health insurance, then it has to specify what health insurance is required to satisfy the mandate. This means politics is involved in deciding what must be included and covered by that insurance.

And once politics is involved, that means you can't leave anything out, as that would be taken as an offense and a slight to both the consumers and the providers of the excluded service. Mental health benefits and counseling, drug rehab, maternity benefits (even for men and seniors), abortion -- everything must be covered. We will see that when the final regulations are issued for Obamacare by the Supreme Dictator, Kathleen Sebelius (who looks and acts the part of a villain from an Ayn Rand novel). We are already seeing that the mandated services must include sterilization and "morning after" pills, which even Catholic institutions will have to pay for in regard to their own employees.

That means the mandated health insurance will inevitably be extremely expensive, as we are just starting to see with Obamacare. To make such a mandated expense politically palatable, the government must provide extensive welfare subsidies well into the middle class and beyond, again as we see with Obamacare. The biggest expense there is not the explosion of Medicaid, as bad as that is. It is the entirely new entitlement program providing benefits (subsidies) for the purchase of the mandated insurance for families making up to \$88,000 a year to start, indexed to grow to over \$100,000 in the near future.

But there is still another shoe to drop. As the costs to the government, taxpayers, and others for this mandated health insurance skyrocket, the government will decide it must step in to control costs. That means more than just price controls on health insurance, which can't repeal the mathematics of needing enough revenue to pay for the covered benefits. It means the government deciding what health care will be paid for and for whom, and what will not. In other words, rationing. After all, if the government is ultimately paying, then just being careful stewards of public funds means the government must ultimately decide what health care gets paid for, and what doesn't. This reasoning is how the public comes to accept such health care rationing in the countries with socialized medicine.

And so starting with the individual mandate, we inevitably get to full blown socialized medicine, with the government and swarms of new bureaucracies to control health insurance and health care, including Sarah Palin's death panel. This is why even the Heritage Foundation finally realized its error years ago, and has now turned around to oppose the individual mandate, even filing Supreme Court briefs against it.

And this is why all the leading conservative health care experts have so vociferously opposed the Obamacare individual mandate, from **John Goodman**, to Betsy McCaughey, to Grace Marie Turner, to Sally Pipes, to myself.

Coulter's Fallacies

Now, Ann, don't get mad at me because I have to extend this analysis to explain in particular your fallacious reasoning. Perhaps if you had called one of the above leading experts to do basic research beforehand, you would have written a better piece. And I am sorry, but it is not my fault that you didn't.

Coulter writes, "The only reason the 'individual mandate' has become a malediction is because the legal argument against Obamacare is that Congress has no constitutional authority to force

citizens to buy a particular product... The hyperventilating over government-mandated health insurance confuses a legal argument with a policy objection."

But the above discussion shows that this is not only wrong, but uninformed and even unreasoned. I have been hyperventilating over government-mandated health insurance for 20 years, ever since I was inspired to kill the Heritage health plan. That was never about a legal objection, but about a policy objection -- that the individual mandate inevitably leads to full-blown socialized medicine.

Coulter writes further, "But because both Obamacare and Romneycare concern the same general topic area -- health care -- and can be nicknamed (politician's name plus 'care'), Romney's health care bill is suddenly perceived as virtually the same thing as the widely detested Obamacare."

No, Ann, it's a lot more than that. Where did you get that excessively speculative rationalization? Romney's health care bill is perceived as virtually the same thing as the widely detested Obamacare because it is virtually the same thing as the widely detested Obamacare.

Both Romneycare and Obamacare include the individual mandate. Both Romneycare and Obamacare include sharp increases in Medicaid. Both Romneycare and Obamacare include guaranteed issue and community rating (like requiring fire insurers to insure homes that have already caught fire, and at the same standard rates as for everyone else). Both Romneycare and Obamacare include welfare subsidies for the purchase of health insurance well into the middle class. And both Romneycare and Obamacare include the latent government power for price controls on health insurance and rationing of health care.

No, Ann, this is not "like saying state school choice plans are 'the same idea' as the Department of Education."

But Coulter continues,

States have been forcing people to do things from the beginning of the of the republic: drilling for the militia, taking blood tests before marriage, paying for public schools, registering property titles and waiting in line for six hours at the Department of Motor Vehicles in order to drive. There's no obvious constitutional difference between a state forcing militia age males to equip themselves with guns and a state forcing adults in today's world to equip themselves with health insurance.

That is true but irrelevant. States have the admitted constitutional power under the federal Constitution to adopt an individual mandate if they want to do so.

What is relevant is that there is no important difference between state-run socialized medicine and federally run socialized medicine. Ronald Reagan would have fought against each just as fiercely. That is why, if he were alive today, he would be just as strongly opposed to Romneycare as Obamacare.

But Coulter imparts to us her health care policy insight that the only thing wrong with Romneycare is Democrats: "First, the overwhelmingly Democratic legislature set the threshold for receiving a subsidy so that it included people making just below the median income in the United States, a policy known as 'redistribution of income.'" But as explained above, this policy is the inevitable result of an individual mandate. If the government is going to force people to buy the most expensive health insurance possible, the government is going to come under irresistible pressure to help even middle income people and above pay for that mandate.

Coulter further explains the role of those dastardly Democrats: "Then, liberals destroyed the group rate, 'no frills' private insurance plans allowed under Romneycare ... by adding dozens of state mandates, including requiring insurers to cover chiropractors and in vitro fertilization -- a policy known as 'pandering to lobbyists.'" But again, as explained above, this was only the natural, predictable, indeed inevitable result of the individual mandate. Once the government has to specify the health insurance plan the mandate requires everyone to buy, no one can be left out in our democratic system.

Coulter explains that all of this is necessary because of the "free rider problem" that results when people decide not to buy insurance, incur health costs, and then don't pay, shifting those costs to the rest of us. But such uncompensated care for the uninsured is just 2 percent of total health costs, which amounts to a weak excuse, not a justification, for socialized medicine.

The government's free-rider problem, from failing to pay market rates to doctors and hospitals under Medicare and Medicaid, is estimated to produce twice as much cost shifting to the rest of us. Obamacare makes that much worse by greatly expanding Medicaid and sharply slashing payments to doctors and hospitals under Medicare, which shows that such cost shifting is not remotely what these folks are concerned about.

Romney's Corruption of the Reagan Coalition

This episode perfectly illustrates the problem with the lifelong liberal Mitt Romney, coming from a liberal heritage going back to his father, now stepping forward to lead Republicans against the Marxist infiltrator Barack Obama. Inevitably, Romney will pull the Republican Party to the left and crack up the Reagan coalition which has dominated the party since 1980.

And it's not just the Republican Party, but the conservative movement as well, as we see when a formerly firebreathing leader like Ann Coulter caves in an unquestioning fashion to Romney's embrace of the individual mandate. Conservative leaders were uniformly appalled by the Heritage health plan and its mandate rolling downhill to socialized medicine. Coulter cites it as a reason to support Mitt Romney.

Last week came further troubling confirmation of the rapidly developing disaster. As soon as Romney got himself in trouble due to his unfamiliarity with conservative doctrine on welfare policy and the poor, he suddenly veered left to bail himself out. He is now to the left of Barack Obama and Nancy Pelosi on the minimum wage, endorsing an automatic increase that even Obama and an overwhelming Democrat Congress didn't support. Somebody buy the man a Charles Murray anthology, and a compilation of Jack Kemp's speeches.

When the government raises the cost of hiring low-skill workers by raising the minimum wage, naturally employers hire fewer of them at the higher cost. That leaves more of the least skilled without work and consigned to poverty. The new Democrat Congress in 2007 enacted a sharp minimum wage increase in three steps. Unemployment for minorities jumped from under 9 percent to almost 16 percent. For teenagers, the rate jumped from under 15 percent to over 23 percent. And for black teenagers, unemployment soared to over 40 percent. How high will unemployment among the disadvantaged go under Romney's thoughtless policies?

The government should not be setting wage rates. That should be left to the market. That is why Ronald Reagan, soon after he was nominated in 1980, called for the abolition of the minimum wage law. As Milton Friedman explained, that law is expressly designed by union operatives to suppress competition from lesser skilled and lower cost workers, propping up above-market union wage scales. That, of course, comes at the expense and suffering of the low-skilled poor, who are then excluded from the entry-level positions that would help them build skills and climb the ladder.

This just demonstrates Romney's basic political instincts to pander to the liberal media, which he exhibited throughout his career in Massachusetts politics. Coulter excuses him, saying he had to go liberal to succeed in liberal Massachusetts. But liberal political expediency has never before been considered a qualification for presidential support from conservatives. What other liberal/left sellouts can we expect from Romney once he gets the nomination? Or worse, if he is elected? Check out the complete list of Romney advisors for a clue.

Everything about Romney screams "Country Club Republican." This is not a man who will inspire the conservative grassroots to come out in maximum force, carrying Republicans with him to victory in the Senate, as Reagan -- and later Gingrich -- did. Instead, Romney is the perfect foil and caricature for Obama's political strategy this year, a perfect example of the problem, according to Obama's narrative. Perhaps Ann is spooked by the need to liberate the country from Obama's Marxists, thinking we must embrace the safest, most electable candidate. But that prevent-defense thinking is a prescription for failure, if not disaster, if Romney is elected and turns out to govern as a Massachusetts liberal after all.

Tea Party Republicans are not going to sit still for another round of George H.W. Bush, which is what Romney is offering us. They will bolt, resulting in the breakup of the Republican Party. That is the fire we are playing with in Mitt Romney.