

# Groups Offer Health Plan for Coverage of Uninsured

By [ROBERT PEAR](#)  
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WASHINGTON, Jan. 18 — A broad coalition of business and consumer groups, doctors, hospitals and drug companies laid out a major proposal on Thursday to provide health coverage to more than half of the nation's 47 million uninsured by expanding federal benefit programs and offering new tax credits to individuals and families.

“This is a proposal not for mandates but for incentives,” said Dr. Reed V. Tuckson, senior vice president of UnitedHealth Group, one of the nation's largest insurers. “It's a careful balance of public and private solutions.”

The proposal, unveiled Thursday after more than two years of work, was endorsed by 16 groups including [AARP](#), the American Hospital Association, the [American Medical Association](#), the Blue Cross and Blue Shield Association, Johnson & Johnson, Kaiser Permanente, Pfizer and the Chamber of Commerce of the United States.

Other coalition members endorsing the proposal were Families USA, a liberal-leaning consumer group, and America's Health Insurance Plans, a trade group for insurers.

The proposal comes at a possible turning point in the debate over national health insurance, which has been an elusive goal for Democrats since the New Deal. In the past few years, businesses of all sizes have said that health costs are cutting their profits and hurting their ability to compete. Politicians of both parties predict that the health care issue will figure prominently in the 2008 presidential campaign.

Without waiting for Congress, states like Massachusetts and California are expanding coverage, but want help from Washington.

As a first step, the 16-member group, known as the Health Coverage Coalition for the Uninsured, urged Congress to put more money into the Children's Health Insurance Program and create tax breaks for the purchase of private insurance covering children. Money for the program is running low, and many children are eligible but not enrolled.

Members of the coalition said their proposal would cost \$45 billion in the first five years. They did not estimate the cost of insuring millions of adults in later years, nor did they suggest how to pay the costs. Dr. Tuckson said that "the cost of inaction is higher than the cost of action."

Ronald F. Pollack, the executive director of Families USA, said, "Our agreement transcends political and ideological boundaries."

But tensions bubbled below the surface, showing how difficult it could be to translate the recommendations into law. The [A.F.L.-C.I.O.](#), the [Service Employees International Union](#) and the [National Association of Manufacturers](#) participated in the coalition for more than a year but did not endorse the final report. The deepest divisions came over how to pay for expanded coverage and who should foot the bill.

Andrew L. Stern, president of the service employees' union, supports health insurance for all but has said that the "employer-based system of health coverage is over" and that it "is collapsing, crushed by out-of-control costs." By contrast, members of the coalition said they wanted to preserve and build on that system.

E. Neil Trautwein, former assistant vice president of the National Association of Manufacturers, said the proposal had "little reference to fiscal realities."

JoAnn C. Volk, a policy analyst at the A.F.L.-C.I.O., said she favored expanding government programs. "But tax credits would not guarantee access to comprehensive coverage and could leave consumers with high out-of-pocket costs," Ms. Volk said.

Suzanne DeFrancis, a spokeswoman for the [Department of Health and Human Services](#), said: “We all share the goal of helping people get health insurance. The administration believes this can be done best by helping people buy their own insurance, rather than creating a new government entitlement to health care or raising taxes.”

More than eight million children are uninsured. At least two-thirds are eligible for Medicaid or the Children’s Health Insurance Program. One way to cover these children would be to enroll them automatically in Medicaid or the children’s insurance program if they qualified for food stamps or reduced-price school lunches, the coalition said.

In general, Medicaid is available to children under 19 in families with incomes below the poverty level, about \$16,600 for a family of three. The coalition said Congress should provide tax credits to families with incomes from 100 percent to 300 percent of the poverty level, to help them buy coverage for children.

The coalition offered longer-term recommendations, saying that states should have the option to expand Medicaid to cover all adults with incomes below the poverty level.

“Day after day, there is debate and discussion,” Dr. Tuckson said. “Day after day, people die. We are sick and tired of the debate. We are focusing on what is achievable.”