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Improve private insurance with a public health plan

The Register's editorial

As Congress crafts health-reform legislation, here's one more reason to create a "public option," similar to Medicare, for insurance: It will improve private-sector insurance.

Democrats - holding comfortable majorities in Congress - generally support creation of a government health plan that Americans could choose to buy into instead of private-sector coverage. In a recent Des Moines Register Iowa Poll, 56 percent of respondents said they favored creation of such a plan.

But the insurance industry doesn't like the idea. It has said repeatedly it's not fair it should have to compete with the government in health insurance - a government that already insures about 100 million people through Medicare and Medicaid.

This week the Associated Press reported the insurance industry is now offering to reduce premiums for millions of Americans and accept more regulation - in an effort supposedly to show Congress there is no need for a government plan.

Such a plan is exactly what the country needs. The government could create a uniform, trusted plan to ensure all Americans have access to affordable health insurance. And since this insurance program wouldn't be out to turn a profit, please shareholders or pay lobbyists to pressure Congress, more money could be dedicated to actual health care.

And there's an added bonus to creating a public plan: Private-sector plans will do better by patients, because they'll have more competition.

Just talk of creating a government plan has the industry offering to cut rates and welcoming oversight. Imagine how nice it will play when Congress actually creates such an option.
