

Medicare Maladies

A Series that Exposes the Dangerous Elements of the Medicare Bill currently in Committee

MM #47: Tracking The Bad Policy M.O.

“M.O.” stands for *modus operandi* and basically means “method of work.” You hear it on TV cop shows a lot as detectives try to determine the patterns made by a criminal.

Lawmakers have an M.O., too, when it comes to bad policy-making, according to Heritage Foundation health-care expert Derek Hunter—and you can see it as they try to add prescription drugs as a Medicare entitlement.

Hunter explains the bad policy M.O. in a forthcoming research paper: Congress creates an entitlement with new obligations for taxpayers. Lawmakers then find the new entitlement has “unintended and very undesirable” consequences. To cope with those consequences, lawmakers ask taxpayers for a quick fix to the problem it (often unnecessarily) created in the first place.

In the case of prescription drugs, undesirable consequences include roughly 4 million seniors losing their private drug coverage and being forced into Medicare. *The New York Times* reported the quick fix to this on Sept. 16: Some lawmakers are now proposing that taxpayers shell out new subsidies for businesses to discourage them from dropping their coverage of seniors should the entitlement become law. These new subsidies or tax breaks are on top of the cost for the entitlement itself, which is estimated to be up to \$432 billion in the first 10 years.

What the lawmakers propose may be legal, but taxpayers are being robbed here.

Read more of Hunter’s paper and other Heritage Medicare research at heritage.org.

For more information or to receive an e-mail version of “Medicare Maladies,” contact medicaremaladies@heritage.org or call Heritage Media Services at (202) 675-1761.

(“Medicare Maladies” is a regular feature, launched 7/14/03, from The Heritage Foundation. Sad to say, there’s another malady coming your way tomorrow. Daily “maladies” are also available on heritage.org.)