

# Medicare Maladies

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

## MM #73: “Son Of Clinton Plan” Returns To Washington

Like the “Son of Dracula” or the “Bride of Frankenstein,” the attempt by Washington lawmakers to offer prescription drugs to all Medicare patients is beginning to look like an old horror movie: It’s the universal entitlement that will not die.

In 1999, President Clinton proposed adding prescription drugs to Medicare as a universal entitlement and ran into the exact same problems lawmakers face today, notes Heritage Foundation health-care expert Derek Hunter in an Oct. 28 online memo.

One problem is that, if a universal entitlement becomes law, corporations face powerful incentives to dump millions of retirees from their privately-funded drug plans. And, just like some Republicans on the Senate Finance Committee today, Clinton proposed subsidies to companies with retiree drug coverage to keep them from dropping their retirees, Hunter writes.

Also under the Clinton plan, Hunter writes, companies would have received a subsidy that “is up to the level of one-third of the cost of the Clinton plan proposal for everyone who is enrolled in an employer-sponsored plan.” Now, a Capitol Hill committee that is working on the 2003 Medicare drug provisions is considering paying “companies 28 percent of drug costs incurred by their retirees” as one way to discourage dumping.

Just call this bill “Son of Clinton Plan.” We know the plot—and it’s scary.

But how it ends is up to lawmakers.

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(“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](http://heritage.org).)