



## Book Review

# A New Version Of An Old Prescription

David Gratzer 12.08.08, 5:00 PM ET

At 28, already a member of the Harvard faculty, economist David Cutler left Cambridge, Mass., to join Hillary Clinton and Ira Magaziner in Washington, DC, to remake American health care. Jump forward a decade, now Cutler's back on his Ivy League campus and his ambition seems exhausted. The associate dean wrote [Your Money Or Your Life](#), in which he advocated a modest idea: that a small percentage of Medicare payments should be based on performance, thereby pushing the system in the direction of better value.

Cutler had been burned. They all had. The collapse of the Clinton White House's health care plan sparked a series of well-known consequences: first and foremost, a new Republican era, led by Newt Gingrich. That defeat also wrought great psychological damage on the liberal imagination. Politically, grand schemes were replaced by "incrementalism." Policy books--like Cutler's--were thin and unambitious.

After nearly a decade and a half, with political wins under their belt, liberals are beginning to dream again. *Total Cure* by Harold S. Luft is as much about grand health care redesign as about renewed liberal ambitions. It suits the times: President-elect Obama speaks fondly of single-payer systems; future Secretary of Health and Human Services Tom Daschle envisions the federal government determining value in health care and imposing it on the nation; Sen. Edward Kennedy labors to make universal health care his last great legislative triumph; and, yes, Cutler weighs a return to Washington.

Times have changed. *Total Cure* joins a growing list of books that attempt to tackle the topic of health care reform, evidence of a new confidence among the left, but not necessarily a new analysis of the system's problems. Luft, who is the Caldwell B. Esselstyn Professor of Health Policy and Health Economics and director of the Institute for Health Policy Studies at the University of California, San Francisco, starts by bemoaning the present state of affairs: the number of uninsured Americans, the heavy cost, the uneven quality.

Luft doesn't prescribe incrementalism but a full overhaul. And while his ideas have a profoundly "big government" feel, he may be accurate in assuming that conservative-minded Americans will embrace a *Total Cure* that is focused on cost-containment and leaves intact various aspects of private delivery.

Luft's book is not simply an intellectual departure from many of the health policy books written in these "lost" years, but also a stylistic one. Books like Cutler's were filled with stories and anecdotes, and were generally light on substance. Luft has written a sober, thoughtful volume--a dense one. There are practically no stories here, only hard analysis. Frankly, it makes for a slow read. Because of the complexity of his plan, he opens with a list of abbreviations. By page 84, the tables are so complicated, with so many abbreviations and arrows, that the reader may be tempted to abandon the book.

His central argument is this: major hospitalizations and chronic care must be treated differently from smaller, more routine health care. He argues for a common health insurance pool to cover the former, mandated by government and irrespective of employment status, with competing but regulated plans. For smaller expenses, like trips to the doctor for check-ups, individuals would have greater flexibility but, for those with lower incomes, the government would help out. Such a system would address the inherent contradictions in the health-care-insurance model, he argues.

Luft's idea isn't particularly new. While his insights into primary care are good, versions of this plan can be found elsewhere--even, to some extent, in the platform of President-elect Barack Obama, who promises to establish a federal health-insurance pool and expand government programs for the less fortunate.

Luft claims that while the government hand will be obvious, the best of our current system--the vibrant and innovative

private sector--will continue. But is a government that regulates, oversees and largely pays for health insurance really going to stay arms-length away from dictating terms and conditions? In every other health care system, government involvement has grown into government micro-management, complete with wage and price controls.

Thus, while Luft is careful to distance himself from the government-run health care systems of Europe, the book is both very new--it was released this fall--and not particularly new, in that it prescribes a government solution without appreciating its full implications.

As Obama prepares to take office in the heat of the financial crisis, with Americans pining for health care reform, it may also prove very influential.

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