



## **PRESIDENT BUSH'S HEALTH SAVINGS ACCOUNTS: ANOTHER REPUBLICAN PRESCRIPTION FOR DISASTER?**

*In the wake of the Republican Prescription Drug Benefit debacle, President Bush is proposing another false remedy for America's health care crisis, and editorial boards aren't mincing words.*

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**Philadelphia Inquirer:** "In fact, Bush's minimalist approach risks making matters worse... Health savings accounts, as outlined by the President, simply aren't a satisfactory replacement for old-fashioned workplace coverage." [Editorial, 2/1/06]

**St. Petersburg Times:** "In poll after poll Americans name fixing the health care system as a top domestic priority. Even those with employer-sponsored health insurance are feeling insecure. But despite this national anxiety, the prescription offered by President Bush in his State of the Union speech was a spoonful of weak medicine." [Editorial, 2/7/06]

**Des Moines Register:** "The truth is, though, that most people already think twice before seeking care. For the uninsured, a visit to the clinic can be unaffordable. Those with insurance incur higher and higher co-payments on everything from visits to the doctor's office to brand-name drugs. And you can't choose not to have your appendix removed or your broken leg set. Besides, the vast majority of health dollars are spent on the very ill, for end-of-life care. Health savings accounts won't do much to reduce those costs or the bureaucratic overlap of our fractured health-care system." [Editorial, 2/1/06]

**Fort Worth Star-Telegram:** "Bush did reaffirm his administration's commitment to expanding the use of tax-free health savings accounts as a way to assist Americans with skyrocketing medical costs, but those accounts do little to address the issue of the nation's 46 million uninsured Americans, or the inability of so many low- to moderate-income Americans to afford participation in such plans." [Editorial, 2/5/06]

**St. Louis Post-Dispatch:** "Mr. Bush's proposals also clash with traditional insurance principles based on spreading risk. Health savings accounts would be more attractive to people who are relatively healthy. They would abandon traditional insurance plans, leaving behind only the sickest people, whose care is most expensive. That would drive up the cost of traditional health insurance plans." [Editorial, 2/5/06]

**Tampa Tribune:** “It is hard to see how the nation's health will be much enhanced by giving a bigger tax break to mostly healthy people who put more money into savings.” [Editorial, 1/31/06]

**Orlando Sentinel:** “On health care, economists differ on whether Mr. Bush's well-worn proposals for expanded tax-free health-savings accounts and more tax deductions for medical expenses would even bring down costs. And most Americans without health insurance -- their ranks have risen by more than a million during Mr. Bush's presidency -- don't earn enough to set aside much money for health care. It's too bad that Mr. Bush didn't propose policies that would directly address the availability of health insurance.” [Editorial, 2/1/06]

**San Jose Mercury News:** “Bush has been largely indifferent to health care and divisive on the issue of energy for much of his presidency... Bush's approach to the health-insurance crisis is tangential. He would expand health savings accounts, which allow people to save money for medical expenses tax-free, then purchase low-cost, high-deductible health coverage. It will provide some help for wealthy and healthy families but will leave most of the nation's uninsured untouched.” [Editorial, 2/2/06]

**Detroit Free Press:** “The cornerstone of the president's health care plan is expanded use of health savings accounts in which people set aside money tax free for health care needs. The president supports tax-law changes to allow the accounts to carry over year to year, accumulate with interest and be handed down. As the Center for Budget and Policy Priorities put it, this is a fine idea for the ‘healthy, wealthy and wise’ but won't do much for the low-income folks who have no health care coverage.” [Editorial, 2/1/06]

**New York Times:** “Unsurprisingly, the accounts favor the healthy and wealthy at the expense of the poor and chronically sick. Those who are relatively well off get a bigger tax break and have more discretionary income to invest in an account and less need to withdraw money from the account, especially if they are healthy... Health savings accounts are not apt to trim the nation's health expenditures by much because they do not attack the root causes of high medical costs, and they will have no effect on the relatively small percentage of high-cost patients who account for most of the nation's medical spending.” [Editorial, 2/3/06]