



Policy Update

South Carolina Policy Council

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South Carolina's "Health Planning Committee" Doesn't Do Much Planning

The South Carolina Health Planning Committee, established by the governor, is now in its fifth month. Its mission is (1) to recommend either that the state set up a health exchange (a government-run "marketplace" for health insurance, in accordance with the new federal health care law) or refrain from doing so. If the Committee decides to recommend against an exchange, it's then tasked with (2) proposing alternative reforms that would improve South Carolina's health care market.

What's the Committee doing? Over the last few months (check out our [video coverage](#)), we've watched a roomful of policymakers and health care officials struggle to come to grips with the bureaucratic nightmare known as the Patient Protection and Affordable Care Act. Listening to the governor's committee attempt to make sense of it is a little like watching [Sisyphus](#) roll his boulder up that hill in Hades. Each time the committee members believe they've reached consensus on what the law actually means, a new expert or lawyer or consultant contradicts it.

Even if South Carolina's Committee could come to some kind of agreement on how to interpret the new law, federal regulators can't seem to make up their minds on how to implement their own bill: the U.S. Department of Health and Human Services has already added about 150 pages of regulations to the already massive bill, with many more regulations supposedly forthcoming. The result? Endless confusion on both the state and federal level about a largely unfinished piece of legislation pushed into law way too fast to be workable.

What's the Committee not doing? The Committee is nowhere near deciding whether to recommend setting up an exchange; its members are barely able to make sense of the law as it's written. *There has been very little discussion of alternative ways to reforming the health care market.* That part of the governor's Executive Order has so far been ignored.

- ▶ In fact, when one committee member asked why South Carolinians shouldn't have more control over their health insurance purchasing decisions, a Blue Cross/Blue Shield official [asked](#) sarcastically, "Why not eliminate all the laws in a state that make it more restrictive than any other state?"

Clearly, then, recommending the removal of government barriers as a way of creating a more affordable health insurance market isn't on the Committee's agenda.

A natural response to this intrusion by the federal government would be to refuse to set up any kind of state exchange: in the absence of any clear plan or expectations, it's unclear why the Committee wouldn't consider abandoning this confusing and unfunded mandate.

Instead, they've focused on the "solution" of implementing a what they call a "free-market" or "minimal" version of a state exchange. Sadly, no vision of what such an exchange would look like has been forthcoming in the committee meetings we've attended. Unfortunately for the Committee, the concept of a "free-market" state health exchange is an oxymoron and a myth, as we'll outline in the weeks to come.