

The Problem With Individual Mandate

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Everyone has the right to quality and equal healthcare facilities, and this equality in healthcare is called health equity. Unfortunately, there is a huge disparity among the citizens of the United States as many of them cannot afford insurance and, consequently, medical care as it is out of their income bracket. This may be due to the demographic of these individuals, who are not able to afford healthcare. To accomplish health equity in the country, an individual mandate was introduced so that everyone could have access to health care. This paper will analyze the effectiveness of individual mandates along with the alternative approach to them while weighing their advantages and disadvantages.

Alternative Approach

In 1993, President Clinton presented the Health Security Act in which he proposed an individual mandate so that medical care would become accessible to everyone. The individual mandate makes it compulsory for everyone to get insured, so if someone fails to comply, then they are faced with a penalty. However, there is an alternative and more affordable approach to individual mandate, which is the Affordable Care Act (ACA) mandate. Although this is also a mandate, ACA's approach is more competitive and affordable for people of lower income, the elderly, and the disabled (Wilensky & Teitelbaum, 2019). This helps each state to formulate its health care policy that fits its health care needs. The proposal presented by each state includes the following:

- The individuals who are insured under Medicaid would be excluded from the mandate, but the rest of the citizens would need to comply with the mandate proposed by the state government.
- The employers are obligated to provide their employees with health insurance packages; however, if the employers are covered by Medicaid, then they would be excluded from the mandate.
- A modified [health insurance plan](#) for single payers-should be established; however, Medicaid would not be included in this insurance plan. It will be ensured that the standard of this health insurance plan is following the standards of the Affordable Care Act.
- It was proposed by the state government that free-market health insurance should be established as it would remove the need for the mandate. Under this law, individuals are not obligated to have health insurance. This would also take away the responsibility of employers to provide health insurance packages for their employees. The citizen would be able to acquire health insurance plans that suit their needs from this market.
- Based on the age of the people who are enrolling for a certain insurance plan, variation should be allowed to the enrollee in premium rates (Simpson, 2011).

Incentive System

Mandates legally bind individuals to follow a certain set of laws, whereas incentives reward individuals for complying with certain policies. If policymakers develop an incentive-based health insurance system, then people will be more willing to get health insurance. This could include benefits in regard to taxes, as some relief in taxation would be welcomed with open arms by everyone, and they would be more willing to comply with the policy.

Advantages and Disadvantages of Incentive System and Mandate

The biggest advantage of the incentive system would be that it would encourage people to follow the insurance policy. Another advantage would be that it would not feel like the government is pressuring the people to get insured. However, the disadvantage would be that people would not be legally bound to purchase health insurance, and that may serve as a problem as the citizens may not purchase health insurance at all. The government would not be able to impose it legally. Apart from this, the incentive system would not help in achieving health equity (Eibner & Nowak, 2018).

The advantage of the mandate is that it makes it compulsory for everyone to get health insurance, and this compulsion would help in achieving health equity. However, the disadvantage is that failure to comply with the mandate means that the individuals would be penalized, which will make them feel as if they are being pressured to do it (BORRELL, 2010).

Incentivized Encouragement

Receiving incentives for following the health care policies would encourage people to enrol in the insurance plans. This has been achieved by Universal life insurance as it encourages people to get insured by providing them incentives in exchange. It is a flexible premium life insurance, which means that the person purchasing the insurance will only pay flexible premiums. It is mandatory to pay the first premium, and the rest of the premiums can be paid according to the plan that the buyer has purchased. With each plan, the buyers can customize their expenses and premiums. If the premiums are paid, then the cash can be withdrawn easily.

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