

## Third Party Liability

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Like most of you, I suspect, I've been having lots of conversations with angry conservatives about the Health Care bill. One issue that's come up right away is the controversial mandate that everyone **MUST** buy insurance. Those with a more libertarian streak don't much care for this provision since isn't it somebody's personal responsibility as to whether they should have insurance or not. If they want to take the risk of not covering themselves, isn't it their lookout?

The argument for forcing people to buy insurance in order to drive a car is not completely analogous. Forcing everyone to buy insurance, you guarantee that innocent third parties will not have to bear the costs of accidents that are not their fault. But rates are determined by people's behavior, something that can't be as effective in health insurance. If your rates are so high that you can't afford the insurance and you don't buy it, you can't legally drive a car. If you can't afford your health insurance and don't buy it, somebody will pick up the tab down the road when you have a health care expense that you can't pay. And if you don't see a problem with making people pay for their own choices, one way or the other, there will be some clearer innocent third party cases. The recent S-CHIP and Medicare expansions probably cover them already but most conservatives (including myself) didn't and don't favor that solution.

The benefit of forcing the healthy and the sick to buy insurance is that you get a lot of cheaper people in the pool to help cover those who will be more expensive. The healthy people are actually buying insurance against some catastrophe. The sick people are buying pre-paid and in some cases subsidized health care. If you want the system to be fair, this isn't a solution. It's practical but not principled.