

Health care co-ops — a bridge connecting left and right

There is little doubt that America's health care system is in need of serious reform: costs threaten to spiral out of control and swamp not just our federal budget, but also the budgets of everyday families.

I am committed to helping forge a bipartisan solution to our nation's health care crisis, with reform legislation based on three principles: choice, quality and controlling costs. And those principles are at the heart of my proposal to create consumer-owned health care cooperatives.

My proposal is based on the cooperative model that is already so successful across our country. The plan calls for creating private, consumer-owned, nonprofit cooperatives that would provide affordable health care to families, individuals and small businesses. These co-ops would be offered as one of several choices, including employer-sponsored plans and private insurance plans, and could help cover more of the uninsured.

Similar to the electric, telephone and farm cooperatives across America, these health care cooperatives would operate as non-profits owned by the consumers and could deliver better health care outcomes for lower costs.

And while it would be necessary for these co-ops to receive federal support at the start, in the form of either loans or grants, the intent is for the co-ops to become self-sustaining entities — supported, owned and governed by their own members.

Because these plans will be owned by their members, they will focus on getting the best value for consumers, rather than



**Kent
Conrad**

The co-op structure was offered because it fulfills at least some of the goals of both sides of the debate. It is a competitive delivery model that could compete with private, for-profit insurance companies, but at the same time it is membership-owned and controlled, not government-run. That's the strength of this idea.

maximizing plan revenues or profits. Finally, the co-op plan uses the tools of the marketplace to address the health care reform principles of choice, quality and cost control.

The co-op structure was offered because it fulfills at least some of the goals of both sides of the debate. It is a competitive delivery model that could compete with private, for-profit insurance companies, but at the same time it is membership-owned and controlled, not government-run. That's the strength of this idea. It appeals to both sides.

Already, some of my Republican colleagues on the Finance Committee have indicated they could support health care reform legislation that includes health cooperatives.

We have seen cooperatives thrive in this country, from the rural cooperatives we are familiar with in North Dakota to major companies including Land O' Lakes, Ace Hardware and the outdoor-retailer REI. And we have a working model with Group Health, a Washington state-based health care cooperative with more than 500,000 members.

It is clear that health care cooperatives are one possible option for opening the door to broad bipartisan support for reforming health care in America.

U.S. Sen. Kent Conrad, D-N.D., is chairman of the Senate Budget Committee.