

THE POLICY AND POLITICS OF ENTITLEMENTS
Georgetown University

This course examines the policy and political issues surrounding "entitlement" programs. Entitlements are both the focal point of debate on the federal budget and on the role of the federal government in spreading risk and distributing resources. Concern and conflict regarding the cost and adequacy of entitlement programs will only increase as the baby boom generation reaches retirement age. In addition, the course will consider other often ignored government guarantees of financial benefits to individuals such as tax expenditures and credit guarantees. Covering that broader scope of entitlements, we will explore issues such as income redistribution, intergenerational equity, means-testing vs. universality, compulsory participation vs. individual choice, and individual vs. social responsibility that are common to entitlement programs. The course will examine these issues (both within and across programs) through consideration of technical options for policy design and broad concepts of social justice.

There will be one oral exercise, one group written assignment, and two exams in this course:

- Students will participate in a formal debate on a specific policy proposition related to an entitlement program. The debate will feature the customary two teams of two taking opposing sides. Following the debate, the entire class will challenge the teams with questions, contrary data, or alternative interpretations.
- All four students will shake hands and prepare a group policy memo on the topic. The memo will describe and analyze the issue or problem, offer a few options to address the issue, assess the merits of those issues, and present the rationale for a recommended option.
- Take-home mid-term and final examinations.

Additionally, you are expected to participate in active and informed (reflecting assigned readings) class participation.

Course grades will be based on the debate (20%), the group paper (20%), take-home exams (25% each), and class participation, with emphasis on "audience" participation after each debate (10%).

Reading Materials:

Reading packets will be distributed. Materials followed with web addresses should be downloaded.

PERSPECTIVES ON ENTITLEMENTS

Jan. 14 - DEFINING ENTITLEMENTS

Note: The following materials should be read prior to the first class.

"The Big Picture" and "Understanding Entitlements" Chapters One and Three in Moon and Mulvey, *Entitlements and the Elderly* (1995)

The Concord Coalition, "Seniors Still Come First in the Budget" and "A Call for Generational Patriotism"

Theda Skocpol, *Social Policy in the United States* (1995) "Conclusion"

January 21 - VALUES

Uwe Reinhardt, "Wanted: A Clearly Articulated Social Ethic for American Health Care?" JAMA (1997)

Donald Moon, "The Moral Basis of the Democratic Welfare State" in Guttman, *Democracy and the Welfare State* (1988).

Michael Graetz and Jerry Mashaw, *True Security: Rethinking American Social Insurance* (1999), Chaps. 1 and 2.

January 28 - DEVELOPMENT AND RATIONALE: 1

Eric Kingson & Edward Berkowitz, *Social Security and Medicare* (1993), Chapt. 3.

Theda Skocpol, *Social Policy in the United States* (1995), Chapt. 4 "The Road to Social Security."

E. Patashnik, "Trust Funds and the Politics of Precommitment," *Political Science Quarterly*, Fall 1997.

Tim Jost, *Disentitlement?* (2003), Pp. 63 - 89

February 4 - ENTITLEMENTS AS RIGHTS

Charles Reich, "The New Property", 1964

Goldberg v. Kelly 397 U.S. 254, 1968

R. Shep Melnick, *Between the Lines: Interpreting Welfare Rights* (1994) Chapt. 3

Tim Jost, *Disentitlement?*, Chapt. 3

Tim Jost, "The Tenuous Nature of the Medicaid Entitlement," 22 *Health Affairs* (2003)

February 11 - DEVELOPMENT AND RATIONALE: 2

Mark Rom, "Rethinking Entitlements: Definitions and Distributions"

Christopher Howard, *The Hidden Welfare State: Tax Expenditures and Social Policy in the U.S.*, (1996), pp. 48-63, 93-138, Conclusion.

Jacob Hacker, *The Divided Welfare State* (2002), Part I, Introduction and Chapt. 6

February 18 - DEVELOPMENT AND RATIONALE: 3

Deborah Stone, *The Disabled State*, (1984) Chapt. 1.

National Academy of Social Insurance, *Balancing Security and Opportunity: The Challenge of Disability Income Policy*, (1996) Chapt. 1

New York Times, “Free Trade Accord at 10: Growing Pains Are Clear” December 27, 2003

Ron Haskins and Rebecca Blank (eds.), *The New World of Welfare*, (2001) Chapt. 6.

Fred Siegel, *The Future Once Happened Here* (1997) Chapt. 4 “The Welfare Explosion...”

Lawrence Mead, *The New Paternalism: Supervisory Approaches to Poverty*, (1997) Chapt. 1.

February 25 - BUDGETARY PERSPECTIVE—GUEST LECTURER

CBO, *The Budget and Economic Outlook: An Update*, August 2003,
<http://www.cbo.gov/showdoc.cfm?index=4493&sequence=0>

Center on Budget and Policy Priorities, *The Administration's Tax Cut and the Long-Term Budget Outlook*, <http://www.cbpp.org/3-5-03bud.htm>

Martha Cover and Richard Kogan, “Introduction to the Federal Budget Process” CBPP, 2003
<http://www.cbpp.org/3-7-03bud.htm>

Richard Kogan, “the Causes and Significance of the new Deficit Figures,” CBPP, 2003,
<http://www.cbpp.org/7-15-03bud2.htm#a>

Heritage Foundation, *Ten Common Myths About Taxes, Spending, and Deficits*,
<http://www.heritage.org/Research/Budget/BG1660.cfm>

Paul Krugman, “The Tax-Cut Con,” *New York Times Magazine*, Sept. 14, 2003..

MAJOR ENTITLEMENT PROGRAMS

March 3 – WHO SHOULD BEAR THE RISK FOR THE GROWING ELDERLY POPULATION? : MEDICARE

Judith Feder, Harriet Komisar and Marlene Niefeld, “The Financing and Organization of Health Care (for the Elderly)”, Chapter 21 in Binstock and George, *Handbook of Aging and the Social Sciences*, 2001

Thomas Rice and Katherine A. Desmond, “An Analysis of Reforming Medicare through a ‘Premium Support’ Program, Kaiser Family Foundation, February 2002

Kaisernetwork.org, Healthcast: ABCs of the FEHBP and Implications for Medicare and Mark Merlis, “The Federal Employees Health Benefit Plan: Program Design, Recent Performance, and Implications for Medicare Reform”, May 30, 2003
http://www.kaisernetwork.org/health_cast/hcast_index.cfm?create=high_real&linkid=1&display=detail&hc=879

Walton Francis, Backgrounder 1675, Heritage Foundation
<http://www.heritage.org/Research/HealthCare/hg1675.cfm>

Marilyn Moon, "Solvency or Affordability? Ways to Measure Medicare's Financial Health", Kaiser Family Foundation, March 2002

Uwe Reinhardt, "Can America Afford its Elderly Citizens?" Altman et al., *Policy Options for Reforming the Medicare Program*, July 1997

Marilyn Moon, "Getting It Right", Testimony on Medicare Reform, Urban Institute, www.urbaninstitute.org, June 6, 2003

Daniel Mitchell, Backgrounder #1672, Heritage Foundation
<http://www.heritage.org/Research/HealthCare/bg1672.cfm>

Jeanne Lambrew, "Medicare Legislation: Think Twice", Center for American Progress, www.americanprogress.org, November 14, 2003

March 10 - SPRING BREAK

March 17 - MEDICARE

DEBATE

March 24 - WHO SHOULD BEAR THE RISK FOR THE GROWING ELDERLY POPULATION? : SOCIAL SECURITY

Martha Derthick, *Policymaking for Social Security* (1979), Introduction & Chapt. 17.

Joseph White, *False Alarm* (2001), Chapter 3

Report of the President's Commission to Strengthen Social Security, (2001) Executive Summary

Peter Diamond and Peter Orszag, "Reducing Benefits and Subsidizing Individual Accounts: An Analysis of the Plans Proposed by the President's Commission to Strengthen Social Security," Center on Budget & Policy Priorities, June 2002. <http://www.centeronbudget.org/6-18-02socsec-pr.htm> Follow site to get PDF of full report.

Congressional Budget Office, *Social Security: A Primer*, (September 2001) <http://www.cbo.gov/>

March 31 - SOCIAL SECURITY

DEBATE

April 7 - WHO SHOULD BEAR THE HEALTH INSURANCE RISK? : MEDICAID AND THE UNINSURED

"State and Federal Roles in Health Care: Rationales for Allocating Responsibilities," by Randall R. Bovbjerg, Joshua Wiener, and Michael Housman, in *Federalism and Health Policy*, John Holahan, Alan Weil, and Joshua M. Wiener, eds. Washington, D.C.: The Urban Institute, 2003, pp. 25-38

Colleen Grogan and Eric Patashnik, "Between Welfare Medicine and Mainstream Entitlement: Medicaid at the Political Crossroads", *Journal of Health Politics, Policy and Law*, October 2003, Volume 28:5, pp. 821-855.

Alan Weil, "There's Something About Medicaid," *Health Affairs*, January/February 2003, Volume 22:1, pp. 13-30.

Cindy Mann, "The Bush Administration's Medicaid and State Children's Health Insurance Program Proposal," GPPI: Health Policy Institute, February 10, 2003

Alan Weil, John Holahan, and Joshua Wiener, "Improving the Federal System of Health Care Coverage," in *Federalism and Health Policy* pp. 399-418

Gary Burtless, R. Kent Weaver, and Joshua M. Wiener, "The Future of the Social Safety Net" in Robert Reischauer, ed., *Setting National Priorities*, Washington, D.C.: The Brookings Institution, 1996

Sara R. Collins, Karen Davis, and Jeanne M. Lambrew, "Health Care Reform Returns to the National Agenda: The 2004 Presidential Candidates' Proposals", The Commonwealth Fund, September 2003

Jeanne M. Lambrew, "Health Reform in the 2004 Election: An Overview of Plans," Council on Health Care Economics and Policy, November 3, 2003

April 14 - MEDICAID BLOCK GRANTS

DEBATE

April 21 MECHANISMS FOR ENTITLEMENTS - EDUCATION VOUCHERS

DEBATE

Helen F. Ladd, "School Vouchers: A Critical View," *The Journal of Economic Perspectives*, Volume 16, No. 4, Fall 2002, pp. 3-24

Derek Neal, "How Vouchers Could Change the Market for Education," *The Journal of Economic Perspectives*, Volume 16, No. 4, Fall 2002, pp. 25-44

April 28 – AFFORDABILITY OF ENTITLEMENTS

DEBATE AND DISCUSSION