Class #2:

U.S. Health Policy Methods

Jessica Mantel
University of Houston Law Center
January 16, 2018
Federalism Framework

(1) Political philosophy
   – Pro state rationales
   – Pro federal rationales

(2) Competition among states
   – Pro state rationales
   – Pro federal rationales

(3) Pragmatic considerations
   – Pro state rationales
   – Pro federal rationales
Political Philosophy

Pro State Considerations
• Responsiveness to citizens’ values
• Value pluralism
• Fear “big government” threatens individual liberty

Pro Federal Considerations
• National identity stronger than state identity
• Social justice
Competition Among States

Pro State: Promotes “race to the top” to attract citizens/businesses

Pro Federal: Promotes “race to the bottom”
- Low tax rates $\rightarrow$ underfunded programs
- Low regulatory burden $\rightarrow$ less consumer/public protections
- Less generous welfare benefits
Pragmatic Considerations

Pro State Considerations
- Laboratories of democracy/Experimentation
- Issue inherently local/Tailor solutions to unique problems
- Political feasibility

Pro Federal Considerations
- Issue inherently national
- Greater financial resources
- Redistribution of resources across states
- Institutional capacity and feasibility
  - Greater bureaucratic resources
  - Economies of scale/avoiding duplicative efforts
Types of Regulatory Tools

• Provision goods/services
• Contracting
• Loans, loan guarantees, grants
• Command & control standards (social regulation)
• Economic incentives
• Information disclosure
• Economic regulation
• Subsidies/Vouchers
Criteria For Evaluating Regulatory Tools

• Effectiveness
• Efficiency
• Manageability
• Equity
  1) Fairness
  2) Redistribution
• Political Legitimacy and Feasibility
  1) Feasibility
  2) Accountability