

Those who obtain Personal Protection Insurance would be reimbursed by their own insurance companies for losses in an accident but would forgo their right to recover damages for pain and suffering. Those who continue to carry traditional insurance policies and are involved in an accident would retain the right to sue but would pay for the privilege of doing so.

Proponents of auto choice say the option of buying Personal Protection Insurance would for the first time make the cost of entering the lawsuit lottery explicit. The JEC estimates that auto choice could potentially reduce premiums by as much as 24 percent, for an average reduction of \$184 per vehicle. Savings over the next five years could reach \$193 billion.

Arney has declared auto choice his top legislative priority. Bills are expected to reach the floors of the House and Senate in July.

Forced Payment

By Michael W. Lynch

A law intended to give elderly Americans more medical choices may instead end up placing all senior citizens' health care under government control.

At issue is Section 4507 in the Taxpayers Relief Act of 1997, which requires physicians to forgo any Medicare reimbursements for two years if they accept cash payments from Medicare enrollees for services covered by Medicare.

The provision was originally intended to increase health care options for seniors by letting them pay doctors directly for services covered by Medicare as long as their physicians didn't bill the government. But congressional defenders of the current system, encouraged by the White House, added the two-year prohibition on reimbursement, fearing that letting some seniors opt out of Medicare could eventually lead to a two-tiered system in which the affluent receive better health care.

Senior citizens' activists became alarmed because Section 4507 defines a Medicare beneficiary as "an individual who is entitled to benefits under part A or enrolled under part B." Taken literally, this law makes all senior citizens Medicare beneficiaries, since everyone older than 65 is "entitled" to part A, which covers hospital stays. (Seniors have the option of enrolling in part B, which pays for doctors visits.) The provision could effectively prohibit seniors from paying for any health care out of pocket whether or not they enroll in part B, since few doctors who treat seniors are willing to surrender all their Medicare reimbursements.

United Seniors Association, a senior citizen advocacy group, filed suit in federal court seeking a preliminary injunction of the statute in December 1997. On April 14, U.S. District Court Judge Thomas Hogan refused to issue the injunction, making the provocative ruling that the

U.S. Constitution does not confer "a fundamental right on individuals to privately contract with their physicians." That decision is being appealed.

For now, the Health Care Finance Administration, which runs Medicare, says Section 4507 applies only to those who choose to enroll in part B, so seniors can still opt out of the government system. But HCFA could reconsider at any time. Barring a successful appeal, America's seniors (if not the public at large) may well see their ability to reliably purchase health care services on the private market disappear.

A Long Way...

By Nick Gillespie

In 1970, about half of all U.S. women between the ages of 25 and 64 worked for pay outside the home; on average, they took home about 57 cents for every dollar men earned. Twenty-five years later, those figures had changed dramatically: Almost three-quarters of women were in the paid work force, and they earned about 72 cents per dollar earned by men. As important, women gained access to a much wider range of jobs. The standard index of gender-

based occupational segregation declined from about 70 percent in 1970 to 52 percent in 1990. These and related developments are even stronger among younger age groups, which suggests continued improvements.

Such changes, concludes Cornell University economist Francine D. Blau in a recent National Bureau of Economic Research working paper, means "women have made substantial progress towards gender equality over the past 25 years." In "Trends in the Well-Being of American Women, 1970-1995," Blau notes that positive developments are not simply economic in nature. Differences in education rates have dropped sharply, domestic violence against women has stayed flat or decreased (depending on the measure), and there has even been "a small but notable reallocation of housework between husbands and wives."

These developments are broad-based; Blau notes that "relative gains appear to have been widely distributed across education groups." But she also notes that, like the "declining labor market position of lower skilled men, there has been a similar deterioration in the economic status of less educated women, especially high school dropouts."





C ROPING TOWARD SANITY

Why the Clinton sex scandals are

changing how we talk about sexual harassment

By Cathy Young