ObamaCare is Not a Sure Thing

by Phyllis Schlafly

December 5, 2012

Those who thought ObamaCare was set in concrete by Chief Justice John Roberts' decision last June are in for a shock. December 14 is the new deadline (extended from November 16) for states to let the feds know, yea or nay, whether or not they will be setting up a health insurance exchange, which is the key to participating in the misnamed Patient Protection and Affordable Care Act.

Obama's belief that the public would warm up to his signature legislation once it became the law of the land has proven false. The current Kaiser Family Foundation poll reports that only 38 percent of the public approves of ObamaCare.

Sixteen states, including Virginia, Wisconsin, Ohio and Missouri, have told the feds that they are declining to play ball. They have given notice to the federal government that they are refusing to set up a health exchange, which means it falls to the federal government to set up exchanges for those states.

Only 17 states have committed to set up a health exchange as ObamaCare expected, while the other states are still wrestling with their decision. Republicans and Tea Parties are encouraging them not to set up an exchange.

Among the good reasons for states to say No is that an exchange would cost each state between $10 million and $100 million a year, and that would require unwelcome tax increases. Ohio estimates that setting up its exchange will cost $63 million plus $43 million to run annually.

A state created exchange provides a mechanism for HHS Secretary Kathleen Sebelius to impose one size fits all rules on insurance products sold in the state. It also makes it easier for the federal government to regulate individuals and businesses in that state, collecting fines and taxes from some in order to give subsidies to others.

Nevertheless, you can be sure that the blame will fall on state officials when ObamaCare increases insurance premiums and denies care to the elderly.

State created exchanges will bring us higher taxes, fewer jobs, and fewer doctors and health care providers. To add insult to injury, ObamaCare's mandates will drastically infringe on our religious freedom.

If enough states refuse to create a federally controlled exchange, that will give the federal government the go ahead to take on the task of building the exchanges. The feds would then have to figure out who is eligible and for what, a calculation that requires ascertaining family income, the number of family members, and who may be eligible for different levels of benefits.

One positive effect of states' refusal to set up exchanges is that this might be a good way to reduce federal spending and debt. If all states declined, it is estimated that the federal deficit could be reduced by about $700 billion over ten years.

Can the federal government, big as it is, cope with this task? It can't be easy, and it could take at least two or three years to build the technology since they are starting with Medicaid's 1980s technology.

Another way states can throw a roadblock in ObamaCare and also reduce their own spending is by making a second decision not to sign on to ObamaCare's expansion of Medicaid. The Supreme Court's ObamaCare decision assured the states of their right to say No to participation in this Medicaid expansion.

Medicaid costs are already bankrupting state governments and increasing costs of private insurance. At the same time, Medicaid payments for services rendered are so low that patients have trouble finding physicians and other health providers who will accept them.

It's been estimated that ObamaCare's Medicaid provision could cost the states as much as $53 billion over the first ten years, and neither the states nor the federal government has the money to expand Medicaid. Medicaid is already layered with waste and fraud, plus the failure to convince us that it is a cost effective way to deliver health care.

ObamaCare is a massive and costly double-barreled entitlement expansion. Overnight, ObamaCare will add 30 million people to the government's entitlement rolls, an overwhelming task even for the Obama Administration.

Tell your state legislators to reject their state's health insurance exchange and also to reject an expansion of Medicaid. We simply cannot afford either liberal boondoggle.

The esteemed commentator Thomas Sowell said it best: "It is amazing that people who think we cannot afford to pay for doctors, hospitals, and medication somehow think that we can afford to pay for doctors, hospitals, medication AND a government bureaucracy to administer it." It doesn't make sense.