High Costs of Obama's Health Care Plan

by Phyllis Schlafly June 12, 2009

Google Ads are provided by Google and are not selected or endorsed by Eagle Forum

President Obama's drive for government health care began in earnest on Saturday, June 6 in thousands of neighborhood House Meetings where his supporters listened to his sales talk via a video on the internet and participated in a live conference call. Those who attended were given their orders to reach out to neighbors, knock on doors, and build a grassroots network to force Congress to pass the legislation "the same way we won the election, building support one block, one neighbor, one conversation at a time."

Obama's promise that government health care will produce "reduced costs, guaranteed choice, and quality care for all" is as phony as a $3 bill. Based on all our experience with government programs, government-managed health care will result in much higher costs, the absence of choice, and inferior care for all.

We're already getting a taste of Obama-style government by Czars (who happen to be Obama's financial contributors), and now we are learning about government by stealth. The Obama legislative procedure is to write a massive piece of legislation in secret, without hearings, press coverage, open debate or public comment, and then tell Congress it's essential to hurry up and pass it quickly because "we've got to get it done this year."

Only the broad structure of the bill is shared with Congress, while the details will be filled in after passage by the Department of Health and Human Services or by Tom Daschle, who has re-emerged (without a title) as a key player on health care. The legislative vehicle for this health care deception is planned to be the budget reconciliation bill, which requires only 51 Senate votes for passage instead of the 60 needed to authorize new programs.

The Obama team is well aware it was the details that sank Hillary Health Care in 1994. So, goodbye to the transparency that candidate Obama promised.

Although Obama has referred to "my plan," there isn't yet any defined Obama plan. He apparently favors the plan drafted by Senator Ted Kennedy.

The Kennedy plan promises that all Americans will have health care, employers will have to contribute to the costs, a government insurance program will subsidize premiums for people with incomes up to 500 percent of the poverty level ($110,000 for a family of four), and private insurers will have to pay out a specified percentage of their premium revenues in benefits.

Kennedy's bill doesn't give a clue as to how this extravagance would be financed. No doubt it would be the same way the Stimulus and the Omnibus are being paid for: by printing money and by tacking more debt on younger generations.

The most unpopular features of the Obama and Kennedy plans are being kept under wraps, but here are some of the bad ideas being floated. Modified community rating is a euphemism for forcing young, healthy people to pay more for their insurance in order to subsidize older, less healthy people.

The liberals plan to impose fines on employers who don't provide health care for their employees. This will incentivize employers to terminate their current health-benefits and simply pay the fine, which is sure to be less expensive.

This will force at least 100 million employees (who are happy with their current health care) into the government plan, as well as create a new bureaucracy to impose and enforce the fines. The millions of workers who now have employer-paid health insurance will be very unhappy when they realize that nationalized health care makes them the losers.

Another very controversial and unpopular method of dealing with current employer-based health insurance is to make employees pay income tax on this benefit (which is now tax-exempt). Senator Max Baucus (D-MT), Finance Committee chairman, said this proposal is "on the table."

Obama promises cost savings by putting all Americans' health records on a uniform computer system so it can be accessed anywhere and avoid treatment duplication. In addition to requiring totalitarian controls to force all doctors to conform, this will terminate all medical privacy.

The final way to deal with escalating health care costs is hiding under another euphemism: "comparative effectiveness research." This means that government bureaucrats will assess all health treatments to determine whether or not they are cost-effective and can be approved for payment.

The not-so-polite word for this is rationing. Life or death decisions will be made by bureaucrats on the basis of treatment cost and patient age, rather than by medical diagnosis.

That's the way health care works in Socialist Canada and England, but it's not the American way. Free-market competition, health savings accounts, and letting individuals spend or save their own money are the best ways to cut health care costs.