Obama's Health Care Reform in Trouble

by Phyllis Schlafly June 26, 2009

Top Obama Economic Advisor Can't Guarantee Americans Will Be Able Keep Their Current Health Plan

Barack Obama's high-speed train to Socialism was knocked off track by a surprising source: the Congressional Budget Office (CBO). Just as the Senate HELP Committee (Health, Education, Labor and Pensions) was about to begin voting on Chairman Ted Kennedy's (D-MA) health care plan (which Obama had let be known was his favorite), CBO released a report that this plan would cost at least a trillion dollars and still leave 36 million people uninsured through 2017.

Obama had promised that people with private health insurance will not be harmed by his health care reform, but the CBO says this would not be true about the Kennedy bill. The CBO report says that the number of people with coverage through their employer would decline by about 15 million and coverage from other sources would fall by about 8 million.

The Senate committee decided to pause and ponder this sticker shock over the Fourth of July recess. While somewhat distancing himself from the Kennedy plan, Obama plowed ahead, saying "The cost of inaction is greater," and accusing his critics of "fear tactics" about "socialized medicine."

In passionate rhetoric to the American Medical Association, Obama warned that "If we do not fix our health care system, America may go the way of G.M." He falsely asserted that "there are countries where a single-payer system works pretty well."

Several other health care bills are being floated in Congress and they are also fatally flawed. The CBO estimates that the bill worked on by the Senate Finance Committee will cost $1.6 trillion, so it's no wonder that Chairman Max Baucus (D-MT) wants to rethink it, too, over the Fourth of July.

A private consulting group, Health Systems Innovations Network, estimates the cost of this bill at $4 trillion. The higher figure is explained by the assumption that more people will buy coverage after the government subsidy rises to those with incomes of 500 percent of the poverty level, or $110,000 for a family of four.

After working in secret for months, House Democrats launched an 852-page bill that would establish a government plan to compete with private insurance, require all Americans to carry insurance, and require employers to provide coverage to employees or pay a fee of 8 percent of payroll. The Democrats didn't dare ask CBO to score the cost.

The Democrats, who customarily defeat all proposals to limit the jurisdiction of the courts, stipulate in this bill that there "shall be no administrative or judicial review."

Whichever turns out to be Obama's plan, it certainly will not reduce costs or government spending. Anybody who believes that government takeover of an industry or project will cost the taxpayers less money must believe in the tooth fairy.

Health care "reform" is being marketed as controlling (i.e., reducing) costs. Further examination shows that the main goals of "reform" are to increase control by government bureaucrats and provide free guaranteed care to nonworking Americans and illegal aliens.

But they already receive health care. The advocacy group Families USA reports that health care for the uninsured is paid for by themselves (37 percent), by government and charities (26 percent), and by being absorbed by doctors and hospitals or shifted to high private insurance premiums.

"Public option" is becoming a common expression in the health care debate. This means creating a government-run health care insurance system similar to Medicare that would compete with private insurers.

Employer mandates are included in most plans despite small businesses' forecast that this is a job-killer and would force them to spend money they don't have. Once employers realize that paying a fine is cheaper than providing health insurance, look for millions of Americans to lose the benefits with which they are now very content.

Individual mandates are also on the table, of course subsidized for low-income people. Requiring every American to buy health insurance that meets certain minimum requirements (and providing unwanted or unneeded benefits) will force healthy young people to subsidize unhealthy older people.

When people are required to pay for more coverage than they want or need, they usually try to get their money's worth, which means long waiting lists to see the doctor like what is already happening in Massachusetts. And what about the most controversial of all proposals: making employees pay income tax on their employer-paid health benefits?

Look out for the words "comparative effectiveness research," which mean rationing care by telling you that you are not sick enough or not the right age to get the tests and care you know you need.

Ronald Reagan observed in his First Inaugural address that "government is not the solution to our problem; government is the problem." It's time for taxpaying Americans to stand up against Obama's health care atrocity and just say No.