From Phyllis Schlafly September 2,

1993 SO WHAT'S **WRONG WITH** CLINTON'S HEALTH PLAN?

President Clinton gave us a preview of his plan for health care reform in his recent Tulsa speech to the Governors. The bottom line is this: he plans to force every employer in the country to provide health insurance for all employees.

To pay for this, he would impose a payroll tax on all employers. The tax on most employers would be 7 percent of payroll; businesses employing four workers or fewer would have to pay 3.5 percent of payroll. That clearly would result in a loss of jobs.

The same week, Republican Senators headed by Phil Gramm unveiled their plan to establish individual medical savings accounts combined with catastrophic insurance. The contrast between these two plans provides conclusive proof that the Democratic Party does the bidding of Big Business, while the Republican Party is the friend of small business, entrepreneurs, workers, and taxpayers.

The Clinton plan is exactly what big businesses have been demanding -- it is a financial advantage to big business while pushing small business to the edge of bankruptcy. It is a plan to dump onto the taxpayers the financial burden of big corporations' mistakes in making unrealistic commitments for generous health benefits to their retirees. At the same time, the Clinton plan will drive their small competitors out of business or force them to lay off workers by requiring them to provide health insurance they can't afford.

This plan is all laid out in exquisite detail in the recently mailed annual report of General Motors. GM demands "programs designed to ease the retiree health burden of firms in mature industries'' (e.g.,

the big three auto companies), which would be financed "through broad based taxes and general revenues" specified as ''a properly structured value-added tax, an income tax or a payroll tax." GM demands that the government force the little guys to buy health insurance even though the economic consequences will be devastating.

Shortly before the President's speech to the Governors, John Motley of the National Federation of Independent Business warned them that Clinton's so-called "reform" would have a dire impact on the economy. "Businesses will close... Employees will lose their jobs," he said.

Backstage, the Clintons watched Motley on a monitor, causing Clinton to scrap most of his prepared text and substitute a rambling 45-minute plea for bipartisanship coupled with vague promises of "security" for all. However, he did not retreat from the core feature of his plan, i.e., mandates on employers.

Clinton tried to calm the fears of small businessmen by offering them taxpayer subsidies. Under Clinton's "reform," the entrepreneurs of the future will first have to go hat in hand and apply for a government subsidy before they start up a new business.

Meanwhile, Governor Carroll Campbell, the incoming chairman of the Governors' group, predicted that the Clinton plan "could really chill our already lukewarm economy."

Republicans are not falling for the Clinton bait. Already, 41 of 44 Republican Senators have signed a letter to the President opposing employer mandates because, "whether it is a wage based premium, payroll tax or any other carefully crafted euphemism for taxes, job loss among small businesses will be unavoidable and significant."

Employer mandates are what's wrong with the way Clinton will raise

the new taxes to pay for his health plan. The way he will spend the money is just as wrong-headed. He told the Governors in Tulsa, "I think we have to have a system of managed care ... that organizes Americans in health alliances operated within each state."

Only liberals with a socialistic mentality could think that Americans might be willing to be "organized" in "health alliances" so they can be subjected to "managed care.'' Senators who have been toying with the idea of cooperating with the President on health care should first read the results of a new survey published in the *Journal of the American Medical Association* on August 18.

The Johns Hopkins study found that, while some employers have already transferred their employees into big managed care organizations, patients don't like it. Patients are particularly dissatisfied with how long they have to wait to get appointments and how long it takes to get through to doctor's offices by telephone.

Long waits and rationing are just two of the ways that the large prepaid managed care organizations restrict access to services in order to contain costs, and they would be two bad results of Clinton's plan to herd all Americans into "health alliances" for "managed care." Another result would be losing the right to choose your own doctor at any time.

The Republican plan for individual medical savings accounts is the most worker-friendly plan afoot, besides being the only plan that has a chance of lowering medical costs. It puts decision-making in the hands of the individual rather than the bureaucrats.

It's pretty clear that Republicans are looking out for the best interests of the individual worker and his right to spend his own money for his own health care choices. The Clinton Administration is trying

to protect the hide of Big Business.