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Would An Overhaul Hurt Health Care?

Reform Could Prompt Employers To Drop Plans, Choice Of Doctors Could Diminish

By Sharyl Attkisson



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President Obama claims his health care reform won't force anyone to switch plans or doctors. Rising health care have some employers dropping health insurance all together. Sharyl Attkisson reports.



(CBS)

(CBS) Today the President again insisted that his health care reform won't force you to switch plans or doctors.

"What I'm saying is the government is not going to make you change your plans under health reform," said Mr. Obama.

That's technically correct - but what the president didn't say is that reform could lead your boss to change your health care plan, reports **CBS News correspondent Sharyl Attkisson**. Here's how: 160 million people are insured through work and their employer actually picks up most of the cost. Under the president's plan, Americans would be required to carry a certain level of coverage, which means many people would have to increase their insurance.

"Employer premiums will go up, and employers might respond by dropping coverage entirely," said Michael Cannon, with the Cato Institute. "So if you're one of those unfortunate workers then it will be a government policy that ousted you from your health plan."

And if you do choose a public plan, you may want to keep your favorite doctors but they may not want to keep you. Under government health care, they could be paid 20 to 30

percent less.

Today, Mr. Obama also scoffed at claims that a public plan would put private insurers out of business.

"If private insurers say that the marketplace provides the best quality of health care, if they tell us that they are offering a good deal, then why is that the government, which they say can't run anything, is suddenly going to drive them out of business?" Mr. Obama asked.

The answer, critics say, is that the government has many tools to get an unfair advantage and undercut private companies.

"The government can subsidize its plan with tax revenue from other taxpayers," said Cannon. "The government can enact regulations that favor its plan over other private insurers."

In the end, the president argues that it's riskier to do nothing because rising health care costs have put employers on the brink of raising premiums or dropping health insurance altogether.

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