

Big Media, Banks, Oil, Unions Receive ObamaCare Payouts

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Government documents show that more than a few major media organizations including the Washington Post, NBC, Reuters, newspaper giant Gannett, and CBS are all raking in cash from a \$5 billion slush fund set up under ObamaCare, causing outrage among critics and lawmakers who say the news providers should disclose the subsidies when reporting on health-care issues.

Big banks, war contractors, tobacco firms, foreign oil companies, and labor unions also received hundreds of millions of dollars from the program. Worse still, according to opponents of the scheme, is that political allies of President Obama appear to be among the largest beneficiaries.

The slush fund, dubbed the “Early Retiree Reinsurance Program,” allows the federal government to hand out taxpayer money to states, companies, and labor unions chosen by the Obama administration. And under the guise of ensuring that early retirees have health insurance before becoming eligible for Medicare, the scheme has already distributed billions, including some to companies owned by foreigners such as socialist Venezuelan “President” Hugo Chavez.

But the program, only recently discovered by critics among the thousands of pages that make up the health-care “reform” package, is now attracting scrutiny from congressional Republicans. At a hearing late last week in the House Energy and Commerce’s Subcommittee on Oversight and Investigations, chairman Rep. Cliff Stearns (R-Fla.) and others demanded answers.

Among other questions, lawmakers wanted to know how the administration decides which companies and labor unions receive money. Deputy Administrator Steven Larsen of the Center for Consumer Information & Insurance Oversight, which oversees the payments, said recipients needed to show that they had a current program for early retirees.

So far, according to a report released by the government, funds have been distributed to some of Obama’s staunchest political allies. The United Auto Workers labor union, for example, received more than \$200 million under the program — one of the largest handouts. Millions more went to the AFL-CIO, the American Federation of State, County and Municipal Employees (AFSCME), and other unions.

“The majority of Americans that make a living without the luxury of belonging to politically connected unions (like the UAW) should be outraged by this latest insult,” noted Mark Modica of the National Legal and Policy Center, adding,

If these union members don’t want to work until the ripe old age of 65, taxpayers should not be expected to foot the bill. This is just one more example of the wealth redistribution that the Obama Administration unfairly levels against Americans who do not belong to one of Obama’s protected classes.

Meanwhile, big corporations profited too. AT&T, for instance, raked in close to \$150 million. Verizon got almost \$100 million. General Motors and IBM were awarded tens of millions in handouts as well. Bank of America, Wells Fargo, JPMorgan Chase, Citigroup, and other big banks got millions more. And for war contractors including Boeing, Northrop Grumman, and Raytheon: still more millions.

Foreign companies raked in fortunes as well — especially oil interests. BP got more than \$5 million. CITGO, owned by the socialist Venezuelan regime, received over \$1 million. And Shell Oil Company got almost \$5 million. Alon USA, majority-owned by an Israeli oil company, also benefited. Some U.S.-based oil interests received money as well.

Other big foreign firms being subsidized under the plan include Swedish telecommunications giant Ericsson, KLM Royal Dutch Airlines, and London-based pharmaceutical behemoth AstraZeneca. Many other foreign companies were listed in the government report as beneficiaries too.

State and local governments and their employees were also among the biggest winners so far. The California Public Employees’ Retirement System, for example, got almost \$58 million. The Public Employees Retirement System of Ohio: more than \$70 million. And the State of New York received \$50 million. Texas and Georgia also did well.

Countless other state and local governments and agencies got millions, too. And even the World Bank got a piece of the pie — at least \$1 million so far through the International Bank for Reconstruction and Development.

But even more disturbing to critics of the program: Huge media companies are also on the dole. General Electric, which owns almost half of NBC Universal, received more than \$36 million. And, as mentioned earlier, the Washington Post and CBS are also collecting subsidies under the scheme.

The New American also identified several other massive media firms benefiting from the program. Reuters, for example — one of the world’s biggest wire services — was one of the recipients. And so was Gannett, America’s largest U.S. newspaper publisher. It owns everything from USA Today, the nation’s largest paper, to more than a dozen of the country’s top 50 publications by circulation. It also owns dozens of television stations.

But the apparent conflict of interest has not escaped notice. The fact that a large swath of the American news media is now on the federal government’s dole has lawmakers and critics very concerned.

“How can the Washington Post and CBS be impartial on the issue of health care when they received funding under the health care law?” wondered Rep. Stearns in an e-mail to The Daily Caller, one of the first media outlets to expose the scandal.

Rep. Marsha Blackburn (R-Tenn.) also expressed concern, offering a suggestion. “When NBC used to cover energy issues, they identified themselves as a subsidiary of General Electric,” she told The Daily Caller. “CBS and Washington Post just have to disclose that they are subsidiaries of the Obama Administration.”

Liberty-minded experts also attacked the program and suggested subsidized media outlets should disclose their interests in the health reform law.

“Since the Washington Post, CBS News, NBC News, and MSNBC have now received subsidies (the latter two indirectly) from this very controversial law, their reporters should disclose that fact to their audiences when reporting on ObamaCare,” wrote Michael Cannon, the Cato Institute’s director of health policy studies. “A disclaimer like this should suffice: ‘The Washington Post Corporation has received subsidies under the health care law.’”

Conservative bloggers and columnists blasted the ObamaCare subsidies for media organizations as well. Numerous reports questioned how a supposedly non-biased “news” provider could objectively report on an administration actively subsidizing the company. Some critics are even referring to the handouts as “bribes.”

It is unclear whether the media companies accepting federal subsidies under ObamaCare plan to disclose that fact in their future reporting. The Washington Post had no comment when reached by The Daily Caller. CBS simply acknowledged that news room employees would be allowed to access the subsidy money.

Though the slush fund was supposed to last until 2014, it is expected to run out of money well before that date. Over \$2 billion has already been handed out so far. And at current rates, the fund should run dry by 2012.

Details of the scheme remain fuzzy, especially since the establishment media has virtually ignored the program despite benefiting from it directly. But lawmakers are expected to continue searching for answers.