Vote to repeal ObamaCare expected today

Wed, 01/19/2011 - 12:37pm | posted by <u>Jason Pye</u>

With the vote to repeal ObamaCare supposed to take place today in the House, the Obama Administration and congressional Democrats <u>are playing it down</u>:

White House press secretary Robert Gibbs said Tuesday that the Republican effort to repeal the healthcare reform law is not serious and has no chance of passing.

House Republicans are expected to vote on a bill that would undo the law Wednesday, but Gibbs said that even they know that the legislation is not a winning bet.

"I would share the belief of many, including, I think, enunciated by those who are going to vote for repeal tomorrow, that this isn't a serious legislative effort," he said at his daily press briefing. "I don't think it's going anywhere."

Democrats have sought to downplay the importance of the vote as merely a symbolic effort by the GOP to appeal to their base.

I know that not many want to hear this, but it's true that this is largely symbolic. As has been noted here several times, Republicans simply don't have the numbers in the Senate since Democrats hold the majority and aren't even going to bring repeal of ObamaCare to the floor; dares from House Majority Leader Eric Cantor (R-VA) not withstanding. Nevertheless, the administration is telling Republicans that they are open to changes to the law. Of course, they've said that before.

With the likelihood that repeal will won't pass, Republicans are - as a I wrote on Monday - looking at other avenues to get rid of ObamaCare:

On ABC's "Top Line" today, Rep. Steve King – a main co-sponsor of the repeal effort – told us that he's not giving up on the possibility that the Senate will also repeal the law, as the House is planning to do this week.

That means a new Republican president could sign "the repeal of Obamacare as one of the first acts of his new presidency," in 2013, King said.

In the meantime, he said, Republicans can attack the law by cutting off funds for its implementation:

"We can bring about, in effect, a full repeal by just stopping the funding," said King, R-Iowa. "It stops the collection of taxes and it stops, well, it stops the expenditure of the money and it stops the enforcement."

But without a repeal, he said, "it will grow back on us like a malignant tumor would grow back on us. So I want to pull it all out by the roots."

Of course, the administration came back on this <u>with claims of consequences</u> if ObamaCare were prevented from being implemented. Over at the <u>Cato Institute</u>, Michael Cannon fires back:

On the eve of a House vote to repeal <u>ObamaCare</u>, the Department of Health and Human Services has released a <u>report</u> claiming that if repeal succeeds, "1 in 2 non-elderly Americans could be denied coverage or charged more due to a pre-existing condition." A few problems with that claim:

- An HHS <u>survey</u> found that in 2001, only 1 percent of Americans had ever been denied health insurance.
- Economists Mark Pauly and Len Nichols <u>write</u>, "the fraction of nonelderly uninsured persons...who would be rated as actuarially uninsurable is generally estimated to be very small, less than 1 percent of the population."
- RAND health economist Susan Marquis and her colleagues <u>find</u> that in markets that do not impose ObamaCare-style government price controls on health insurance, such as California's individual market, "a large number of people with health problems do obtain coverage...Our analysis confirms earlier studies' findings that there is considerable risk pooling in the individual market and that high risks are not charged premiums that fully reflect their higher risk."
- It is true that insurers charge higher premiums to many people with pre-existing conditions and it is crucial that they have the freedom to do so. Risk-based premiums create <u>virtuous incentives</u> for people to buy insurance while they are healthy and to be cost-conscious consumers. They also <u>encourage insurers to develop innovative products</u> that protect against the risk of higher premiums. The real problem here is that the government has created an employment-based health insurance system that denies consumers the protections that unregulated markets already provide, as well as <u>additional protections that insurers would develop absent this government intervention</u>.
- ObamaCare's health-insurance price controls will encourage insurers to deny care to the very sick people those price controls are intended to help

Finally, over at the *Wall Street Journal*, Douglas Holtz-Eakin, former director of the Congressional Budget Office, sets the record on straight over claims that repeal of ObamaCare would lead to increased deficits:

A close examination of CBO's work and other evidence undercuts this budget-busting argument about repeal and leads to the exact opposite conclusion, which is that repeal is the logical first step toward restoring fiscal sanity.

Federal finances are buckling under the weight of unaffordable entitlement programs. So what is the primary aim of the ACA? Open-ended entitlement expansion: to more people at greater expense than anytime since the 1960's. If CBO is right, 32 million people will be added to the health entitlement rolls, at a cost of \$938 billion through 2019, and growing faster than the economy or revenues thereafter.

How, then, does the ACA magically convert \$1 trillion in new spending into painless deficit reduction? It's all about budget gimmicks, deceptive accounting, and implausible assumptions used to create the false impression of fiscal discipline.

For starters, that \$1 trillion price is a low-ball estimate, covering only six – not ten – years of subsidies that don't begin until 2014. The uninsured were clearly less of a priority than the deception of making the law look less expensive than it really is over its first decade. Over ten years of full implementation, it's more like \$2.3 trillion.

Don't stop there. The entire piece is worth a read. We'll more on the vote to repeal ObamaCare tomorrow. Stay tuned.