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Deficit Strategy Can Begin With Health Care

Posted 05/03/2010 06:31 PM ET

Spending Cuts: We see the president's debt commission as little more than a fig leaf for the White House's inevitable tax hikes. But an idea placed on the table by one member could keep the panel from being worthless.

President Obama keeps claiming the Democrats' health care overhaul won't increase the deficit one dime. Yet Chief Medicare Actuary Richard S. Foster has released a report finding that "federal expenditures would increase by a net total of \$251 billion" through 2019.

To Rep. Dave Camp, the numbers shine a bright light on a dark corner where cuts need to be made. "I think this health care bill has to be on the table," the Michigan Republican said during a recent Fox News appearance. "If there are those who want to see taxes on the table, then certainly this health care bill's going to be on the table."

Somewhat inexplicably, the co-chairmen of the bipartisan National Commission on Fiscal Responsibility — former Republican Sen. Alan Simpson of Wyoming and Clinton's White House Chief of Staff Erskine Bowles — agreed, at least for the public.

For good reason, neither man has a reputation as a tax cutter. So it's reasonable to believe they'd rather raise taxes to pay for Washington's fiscal overspill than recommend cutbacks to any program, particularly ObamaCare.

Even more inexplicably, the president himself has indicated that the debt commission would not be out of bounds giving his health care bill a hard look. Sure, it's easy to seem open now, yet still have no intention of ever giving back a single element of his legislative prize. Which is exactly what we expect.

At least the issue is, as Simpson said, on the table. That's enough to provide Republicans who want to pursue a repeal-and-replace strategy to kill the Democrats' health care leviathan a platform from which to remind Americans about the program's costs and its many other flaws.

The actuary's statement that "overall national health expenditures under the health reform act would increase by a total of \$311 billion" should be repeated for public consumption as much as possible. Voters need to be told until it becomes part of their DNA that uninsured Americans who don't buy coverage as required by the law will pay \$17 billion in tax penalties over 10

The public also should know that funding for the program's high-risk pool will be exhausted by 2012, which will require higher premiums; that midsize businesses that don't offer their workers an "acceptable" level of health care insurance will be hit with a tax; and that, based on Cato





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Investing Tip

Viewed on a daily chart, a handle should be at least five days in length.



Institute calculations, the cost for the true first 10 years — which start in 2014 — could be \$3.5 trillion, more than 3.5 times higher than the first-decade estimates supporters have claimed.

Points of the health care overhaul that have no obvious link to federal debt should still be heaped into the discussion. Its passage angered millions. And congressional Republicans, who unanimously opposed it, have a duty to keep the issue roiling. Simply giving up because it's been rammed through the legislative process and signed into law is not an option.

Since the debt commission is likely nothing more than political cover for an effort to raise taxes, it should at least be used as a vehicle to help rid the country of the health care mess that's been forced on an unwilling people.

The White House graciously opened a forum for examination by establishing the debt commission and declaring that nothing is so sacrosanct that it can't be brought into the debate.

The GOP would be rude not to accept the invitation, even if it wasn't offered in good faith.



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Posted By: Brownknows(1945) on 5/4/2010 | 6:08 AM ET

Illinois is broke, \$4.5 billion behind on paying its bills, threatening to lay off state police, teachers, and firemen if the income tax isn't increased. Why? Blago created/expanded entitlements without funding, raised fees, burdens of regulation & was patently anti-business. Dems in charge can't bring themselves to cut spending either. Raise taxes is their solution too. God help America if the Dems & Obama are not stopped. IL should look to NJ, & DC should look to Reagan. The choices are clear.

Posted By: Patriotdoc(315) on 5/4/2010 | 1:29 AM ET

kingair, health care is expensive, complex and IMO not fixable with one simple idea. That being said, we don't need 2,600 pages of governmentese central planning with 150,00 new bureaucrats, 16,500 new IRS agents, multiple taxes and rules and Zeke Emanuel's rationing system. Repeal and replace it with as much market based structure as possible, realizing gov't has to be involved some. Tort reform. Open insurance markets. Cost driven patient copays. Reward efficiency and good outcomes.

Posted By: kingair(20) on 5/3/2010 | 10:46 PM ET

It is always interesting to see the workings of Washington. The Spin Doctors on TV and the Radio Talk Heads. What I do not understand is the response of the American Public when given a chance to comment on the issues. I seem only to read comments that fall outside the left or right of any bell curve. Could someone just come forward with a simple answer as to what the one thing that we can do " today to help with Health Care Issues. Space " thank goodness " is limited... Have at it!

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