

## Five reasons to pull the plug on Obamacare

By: Gayle Trotter – July 9, 2013

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In advocating for the monstrously long and complex statute known as Obamacare, Nancy Pelosi infamously claimed that “we have to pass the bill so that you can find out what is in it.”

Congress did pass it — just barely — and yet we still don’t know exactly what’s in it. But we have seen enough to know it’s a big steaming pile of statute, a hot mess of legislative logorrhea.

Just as observers took in the news last week that the Obama administration unilaterally delayed implementation of Obamacare’s employer mandate, the administration’s next move sidestepped the verification requirements of the same controversial law.

That law — which Congress passed through tricky maneuvers, backroom dealing and questionable procedures — imperils our health and jeopardizes the functioning of one-sixth of our economy.

Now, in clean-up mode, the administration’s strategy must be to sign up as many people for government-mandated health insurance as possible, send the bill to the taxpayers in contravention of the law and declare the patient cured.

By fiat, the administration delayed the employer insurance mandate, required by law to go into effect on January 1, 2014. The employer mandate penalizes — or taxes — certain employers who do not provide health insurance to their employees.

Despite delaying the employer mandate, the federal government will rely on self-reporting for anyone who wants to qualify for taxpayer-funded subsidies. In other words: “For free money from the government, please sign here.”

This latest move demonstrates five important points about U.S. healthcare policy:

1. *In deciding to delay the implementation of the law, Obama has yet again demonstrated that he is running an imperial presidency.* “I am not a dictator,” he insisted. But Congress, as the legislative branch, passes the laws, and the president, as the executive, is supposed to enforce the laws.

In trying to prop up Obamacare, the administration has repeatedly manipulated its powers and exceeded its authority. How many times has this happened? The Cato Institute’s Michael Cannon has a partial tally: providing special coverage to members of Congress and their staff against the law; issuing waivers to select companies and unions to avoid backlash from rising premiums; permitting the IRS to ignore the law and

implement \$1 trillion in credits, subsidies and taxes in states rejecting federally imposed exchanges; coercing unwilling states into implementing expanded Medicaid programs despite a Supreme Court ruling rejecting the legal basis for that coercion; misallocating funds from Congress for one purpose and instead using the funds to implement Obamacare while squeezing companies regulated by HHS to cough up additional funds for implementation; delaying the employer mandate; and suspending the verification requirements for qualification for individual subsidies.

*2. Employers should not serve as the conduit for universal health care.* Employers began to provide health insurance coverage as a result of a World War II wage and price controls, and the government did not tax employees for employer-provided health insurance coverage. Employers have a vested interest in the health of their employees, but by giving employer-provided health insurance favorable tax treatment, the government distorted the market for health insurance coverage. It placed a third party (and sometimes a fourth party) between the doctor and the patient, creating inefficiencies, worse service and administrative headaches for doctors and patients alike. It unduly tied employees to their employers. And it tended to discourage would-be entrepreneurs from striking off on their own.

*3. This administration cannot duck the blame for the failure of its signature health care policy.* Citing the urgent need to pass comprehensive health care reform, the administration pressured Congress to pass one of the most unwieldy and complex laws ever made. Now the same administration has repeatedly failed to implement a supposedly vital and urgent law of its own creation.

The law's design delayed implementation until after the 2012 presidential election so as to shield Obama from criticism about its efficacy. Sensing a loss of the Senate and gains by the Republicans in the House, Obama has decided to contravene the law further, pushing off an unpopular provision until after the 2014 midterm elections. (Memo to Democratic strategists: There is another election in 2016. Where do these things keep coming from?)

*4. A year-long delay will not benefit workers.* In anticipation of the law, employers have already reduced hours for employees to under 30 hours per week to avoid falling under the law's reach. The employer mandate also hurts workers at the lower end of the economic ladder. Employers will try to stay under 49 employees to avoid the mandate. This will mean fewer jobs, especially for those who are low skilled, young, less educated and less experienced.

*5. The delay threatens the operation of the entire Obamacare regime.* Without employers making the required reporting under the employer mandate, the federal government will have no effective way to know if individuals are eligible for subsidies or subject to penalties. The administration's fix of relying on individual attestations is an invitation to fraud and waste of taxpayer dollars. If they keep this up, someone in the federal government will owe Bernie Madoff an apology.

Despite all of the taxpayer dollars wasted on countless federal bean counters implementing this law (or circumventing it, as the case may be), despite armies of lawyers and legions of businesses trying to determine how to comply with these requirements, the law fails to achieve its goal of improving our health care system. Instead, we have yet more evidence that Obamacare makes things worse.

Back when he was scolding the Supreme Court about the possibility that the justices might find Obamacare unconstitutional, Obama said he was “confident that the Supreme Court will not take what would be an unprecedented [sic], extraordinary [sic] step of overturning a law that was passed by a strong [sic] majority of a democratically elected Congress.”

Now we have come full circle, as the Obama administration has taken the “unprecedented, extraordinary step” of selectively ignoring parts of that same law.

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