## NATIONAL REVIEW ONLINE

## Congress's Obamacare Waiver

President Obama is buying votes from members of Congress — with stolen money. By: Michael F. Cannon, *Director of health-policy studies at the Cato Institute* — August 6, 2013

America has a two-party system. But it's not Republicans versus Democrats. It's the ruling class — Republicans *and* Democrats — against everyone else. Consider how President Obama just gave Congress its very own Obamacare waiver.

Obamacare includes a provision that should cost each member of Congress and each staffer \$5,000 to \$11,000 per year. Needless to say, the ruling class was not pleased.

Congress wasn't about to try to exempt itself from this provision explicitly, though. If John Q. Congressman voted to give himself an Obamacare waiver that his constituents don't get, he wouldn't be John Q. Congressman much longer. What's an aristocrat to do?

On July 30, I predicted that, even though he had no authority to do so, President Obama would waive that provision at taxpayers' expense. On August 1, he ignobly obliged the aristocracy by decreeing we peasants give each member and staffer \$5,000 or \$11,000, depending on whether they want self-only or family coverage. It's good to be king.

The president's supporters, like courtesans of old, are trying to quell a peasant uprising by denying there were any special favors. The denials ring hollow.

Obamacare imposes two costs on members of Congress and their staff. First, it kicks them out of their current health plans, leaving them to buy coverage on Obamacare's health-insurance "exchanges." Second, it makes no provision for the federal government to keep paying \$5,000 or \$11,000 toward the cost of their insurance as the Treasury does today.

The second cost is by far the larger one; it amounts to a pay cut of \$5,000 or \$11,000. Many staffers were threatening to quit or retire early.

When the president's supporters claim that Congress isn't being exempted, they mean that Obama didn't exempt them from Cost No. 1. Which is true. But he did exempt them from Cost No. 2.

Rescinding that pay cut may or may not have been the right thing to do. But it's still a break that ordinary Americans like Kevin Pace don't get. Pace is an adjunct music professor at Northern Virginia Community College. To avoid penalties under Obamacare, his employer cut his hours—sticking Pace with an \$8,000 pay cut.

Supporters say President Obama merely held Congress harmless. Exactly. Kevin Pace and countless others like him aren't being held harmless, because they're not members of Congress. As Kevin Pace put it, "This isn't right on any level."

Things would be unseemly enough if Congress's Obamacare waiver were legal. But experts say the president had no authority to grant it.

That didn't stop even Republicans from praising him, however. Tin-eared Representative Chris Stewart (R., Utah) gushed: "There's no question it was the right thing to do. Not just for me, but for my staff. Heavens, I have staff who don't make much money. This would be a really big bite for them."

Congressman, you also have constituents who don't make much money, and who can't make it appear out of thin air. Enjoy your waiver.

How was I able to predict the president would grant illegal subsidies to members of Congress? He's a repeat offender.

Obamacare actually kicked members of Congress out of their current health plans and imposed that \$5,000 to \$11,000 pay cut immediately upon enactment in 2010. But President Obama just ignored that part of the law. He let members and staff stay in their current health plans and kept the taxpayer money flowing in their direction.

I predicted President Obama would give illegal health-insurance subsidies to members of Congress because he is already in his *fourth year* of doing it.

Pretty much all Americans can point to some part of Obamacare that they hate. Seniors hate the Independent Payment Advisory Board, which even Howard Dean calls "a health-care rationing body."

Unions, teacher assistants, bus drivers, cafeteria workers, and other school employees hate how the law is cutting their pay. Private-sector unions despise the "Cadillac tax" that forces them to fund subsidies their members don't receive. Young adults hate the penalties for not buying health insurance. Okay, everybody hates those. In fact, a majority of Americans oppose the entire law.

But only Congress gets relief. Why?

Simple. President Obama doesn't want Congress to reopen Obamacare. A significant share of congressional Democrats just voted to delay the individual mandate. With once-loyal Democrats now upset over how the law hurts them personally, who knows what else Congress would discard?

President Obama circumvented a potential legislative defeat by giving each member and staffer thousands of taxpayer dollars he had no authority to touch. He's buying votes from members of Congress — with stolen money, no less.