ADVERTISEMENT

## The Truth-O-Meter Says:

**Under the new health care law, "the first person (a) patient has to go to is a bureaucrat. That is called a panel."**

John Raese on Monday, October 18th, 2010 in a debate

# John Raese says health care law forces patients to go to a bureaucrat before a doctor

Share this story:
Recommend 33
103

During the West Virginia Senate debate on Oct. 18, 2010, Democratic Gov. Joe Manchin and Republican businessman John Raese sparred over a number of topics, including the Democratic-backed health care law passed earlier this year. We were especially intrigued by one criticism raised against the law by Raese.

A questioner asked Raese: "You have said you want to repeal the health care legislation Congress passed earlier this year. What is it about this new law specifically that you do not like?"

Raese jumped right in. "Well, I don't like socialism, to tell you the truth, and when you have a doctor-patient relationship -- that's the way it's supposed to be, and that's the way we have the greatest health care system in the world, and that's the way it is right now," Raese said. "That's all going to change because from here on out under Obamacare, something Gov. Manchin has always supported, you're going to have a patient-bureaucrat relationship, because the first person that patient has to go to is a bureaucrat. That is called a panel. I disagree with it. ... I'd like to repeal every part of it, because it is pure, unadulterated socialism. It is the worst bill ever to come out of the U.S. Senate and House."

We decided to check one specific part of Raese's statement -- that under the new health care law, "the first person (a) patient has to go to is a bureaucrat. That is called a panel."

First, some background on the law. The goal is to expand coverage and reduce costs while leaving employer-provided insurance largely in place. To help people who have to buy insurance on their own, the law creates state-based exchanges, which are virtual marketplaces where individuals and small businesses can comparison shop. People of modest means would receive tax credits to buy insurance on these insurance exchanges. Employers are not required to offer insurance, but large companies must pay penalties if they don't offer insurance and if their employees qualify for new health insurance tax credits.

The plan also expands eligibility for insurance programs like Medicaid. People who don't buy insurance and who don't qualify for programs like Medicaid would have to pay a penalty on their taxes.

When we first saw Raese's comment, we were a bit flummoxed, because after roughly two years of fact-checking dozens of claims on the health care bill, we didn't recall any requirement that patients go through "bureaucrats" to reach their doctor.

When we contacted the Raese campaign, they pointed us to a July 27, 2010, news release by Sen. John Cornyn, R-Texas. It touts the "Health Care Bureaucrats Elimination Act," co-sponsored with four other Republican senators. The bill would repeal one element of the health care law called the Independent Payment Advisory Board.

In the release, Cornyn called the IPAB "the definition of a government takeover. America’s seniors deserve the ability to hold elected officials accountable for the decisions that affect their Medicare, but IPAB would take that away from seniors and put power in the hands of politically-appointed Washington bureaucrats. This bill to repeal IPAB is just one step towards starting over with real health care reform that empowers patients instead of beltway bureaucrats."

The IPAB is real. Whether its existence supports Raese's claim that "the first person (a) patient has to go to is a bureaucrat" is another matter.

Here's how the Kaiser Family Foundation -- an independent health-care research group -- summarized the 15-member Independent Payment Advisory Board.

The board would "submit legislative proposals containing recommendations to reduce the per capita rate of growth in Medicare spending if spending exceeds a target growth rate." If Medicare

## About this statement:

**Published:** Tuesday, October 19th, 2010 at 6:10 p.m.

**Subjects:** Health Care, Message Machine

**Sources:**

C-SPAN, video feed from the West Virginia Senate debate, Oct. 18, 2010

Kaiser Family Foundation, side-by-side comparison of health care bills, accessed Oct. 19, 2010

John Cornyn, "Cornyn Introduces the Health Care Bureaucrats Elimination Act" (news release), July 27, 2010

PolitiFact, "The Truth-O-Meter and the health care debate of 2009," Dec. 29, 2009

PolitiFact, "Health care reform: A simple explanation, updated," Feb. 26, 2010

E-mail interview with Linda Blumberg, senior fellow with the Urban Institute, Oct. 19, 2010

E-mail interview with Sara Collins, vice president of the Commonwealth Fund's Program on Affordable Health Insurance, Oct. 19, 2010

E-mail interview with Henry Aaron, senior fellow with the Brookings Institution, Oct. 19, 2010

E-mail interview with Michael Tanner, senior fellow with the libertarian Cato Institute, Oct. 19, 2010

E-mail interview with Kevin McLaughlin, spokesman for John Raese for Senate campaign, Oct. 19, 2010

**Written by:** Louis Jacobson
**Researched by:** Louis Jacobson
**Edited by:** Martha Hamilton

## How to contact us:

We want to hear your suggestions and comments. For tips or comments on our campaign promise database, please e-mail the Obameter. If you are commenting on a specific promise, please include the promise number. For comments about our Truth-O-Meter or Flip-O-Meter items, please e-mail the Truth-O-Meter. We’re especially interested in seeing any chain e-mails you receive that you

spending is found to exceed certain inflation benchmarks, the board, beginning in January 2014, "will submit recommendations to achieve reductions in Medicare spending." Then, beginning January 2018, if the appropriate inflation targets are not met, the board will submit proposals to the president and Congress for immediate consideration."

However, Kaiser Family Foundation adds that the board "is prohibited from submitting proposals that would ration care, increase revenues or change benefits, eligibility or Medicare beneficiary cost sharing (including Parts A and B premiums), or would result in a change in the beneficiary premium percentage or low-income subsidies under Part D. Hospitals and hospices (through 2019) and clinical labs (for one year) will not be subject to cost reductions proposed by the board. The board must also submit recommendations every other year to slow the growth in national health expenditures while preserving quality of care by January 1, 2015."

So the board is real. And Cornyn and his allies may have a case to make that the IPAB is a bad idea or poorly designed. Still, we don't see how its existence justifies Raese's statement.

-- **The board's purview is limited to Medicare**. Patients who have employer-provided health care, Medicaid or insurance through the health care exchange would not be affected at all by the board.

-- **The board's powers are advisory**. The board can only make recommendations, and it is expressly prohibited from anything that would "ration care, increase revenues or change benefits, eligibility or Medicare beneficiary cost sharing ... or (change) the beneficiary premium percentage or low-income subsidies" in the Medicare drug benefit.

-- **The board doesn't interact with patients.** The board is supposed to do big thinking about cost-containment, not judge individual patients to determine whether they qualify for care. The changes that it suggests to the president and Congress could eventually, many years hence, shape how care is provided. But it's a major stretch to say that under the new law "the first person (a) patient has to go to is a bureaucrat."

-- **Patients didn't live in a bureacracy-fee paradise before the health care law passed**. Today, patients may need to check with an insurance company before undergoing a procedure or making a visit to the specialist. If an employer's HR department decides to change health care plans, a worker may have to drop a doctor or give up benefits. And employers can eliminate health insurance entirely, or drive up the cost of premiums, either of which could intefere with a patient's health care.

Though the Raese camp didn't mention it, we'll also pre-emptively dismiss any notion that the Patient-Centered Outcomes Research Institute -- another entity created by the bill -- could wedge "bureaucrats" between a doctor and a patient. This institute, which would conduct research that compares the clinical effectiveness of medical treatments, is at least as controversial, if not more so, since it fed critics' fears that the bill could result in the rationing of health care services. However, the law prevents the institute's findings from being considered mandates.

When we sent Raese's comment around to health care experts, they universally said he overreached.

"This is purely ridiculous," said Linda Blumberg, a senior fellow at the nonpartisan Urban Institute. "Nothing changes in that respect relative to today's system."

"Choices, if anything, will be enhanced through the exchanges, with a much clearer description of what plans cover and their cost-sharing requirements," said Sara Collins, vice president of the nonpartisan Commonwealth Fund's Program on Affordable Health Insurance. "In addition, the Department of Health and Human Services has to certify that qualified plans offered through the exchanges have adequate provider networks."

Henry Aaron, a senior fellow with the centrist-to-liberal Brookings Institution, called the statement a "rant, appalling if based on ignorance, and mendacious if uttered knowingly."

Even a major critic of the health care bill said he thought Raese went too far. "As bad as I think this bill is, I don't see that anywhere in it," said Michael Tanner, a health care specialist at the libertarian Cato Institute.

We usually accept a bit of overstatement if it's in the vein of artistic license. But Raese's statement is a gross distortion, along the lines of his subsequent claim that the law is "pure, unadulterated socialism." (The law preserves the private-sector health care insurance for most Americans who already have it, and lawmakers rejected a single-payer model early on.) We see Raese's claim as yet another attempt to demonize the health care law by twisting the facts beyond recognition. We rate it Pants on Fire.

would like us to check out. If you send us a comment, we'll assume you don't mind us publishing it unless you tell us otherwise.

## Browse the The Truth-O-Meter™:

- Barack Obama's file
- Joe Biden's file
- Pants-On-Fire rulings
- By our rulings
- By subject
- By person
- NPR/PolitiFact Message Machine
- ABC News "This Week"

## Browse The Obameter:

- All promises Not Yet Rated
- All promises In the Works
- All promises Stalled
- Broken promises
- Compromises
- Promises kept
- By subject

## Subscribe:

### Keep up to date with Politifact:

- Sign up for our e-mail (about once a week)
- Put a free PolitiFact widget on your blog or Web page
- Subscribe to our RSS feeds
- Follow us on Twitter
- Fan us on Facebook

© 2010 · All Rights Reserved · St. Petersburg Times
490 First Avenue South · St. Petersburg, FL 33701 · 727-893-8111
About PolitiFact | Contact Us | Advertise
Privacy Policy | Terms, Conditions & Copyright