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The Truth-O-Meter Says:



President Obama's health care law "represents a government takeover of health care."

[Mitt Romney](#) on Thursday, May 12th, 2011 in a speech in Ann Arbor, Mich.

Romney calls Obama's health care law a government takeover

Some talking points keep getting recycled, even when they're not true.

Such is the case with the claim by many Republicans that the new health care law is "a government takeover of health care." PolitiFact has repeatedly rated that [False](#) or [Pants on Fire](#) and selected it as our 2010 [Lie of the Year](#). But the line still gets repeated, most recently by likely presidential candidate Mitt Romney.

During a speech in Ann Arbor, Mich., on May 12, 2011, Romney sought to explain how the health care plan he signed as governor of Massachusetts was different than the law signed by President Barack Obama.

The Massachusetts plan -- passed with bipartisan support in the Legislature in 2006 -- [shares many features](#) with the Obama plan, so it poses a political problem for Romney.

In the [speech](#), Romney sought to draw distinctions between the Massachusetts plan and Obama's. He said, "When I ask people what they dislike most about the president's plan, what I typically hear is they say, 'Obamacare represents a government takeover of health care, and I don't like it.' And I think they're right."

He made the same point in an accompanying [PowerPoint slide](#), which called "Obamacare" "a government takeover of health care," as opposed to "Mass-Care," which he said was designed to "help people get and keep their health insurance."

We have examined the government takeover claim in detail in our previous coverage, but since the line is being used by a likely 2012 presidential candidate, it's worth revisiting why we found it flatly incorrect.

"Government takeover" conjures a European approach in which the government owns the hospitals and the doctors are public employees. But the law Congress passed, parts of which have already gone into effect, relies largely on the free market. Critics of the law are correct that it significantly increases government regulation of health insurers. But it is, at its heart, a system that relies on private companies:

- Employers continue to provide health insurance to the majority of Americans through private insurance companies.
- Contrary to the claim, more people will get private health coverage. The law sets up "exchanges" where private insurers will compete to provide coverage to people who don't have it.
- The government will not seize control of hospitals or nationalize doctors.
- The law does not include the public option, a government-run insurance plan that would have competed with private insurers.
- The law gives tax credits to people who have difficulty affording insurance, so they can



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Republican presidential hopeful Mitt Romney made a major speech on health care in Ann Arbor, Mich., on May 12, 2011. We check his contention that the health care law is a "government takeover" of the sector.

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Sources:

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E-mail interview with Eric Fehrstrom, spokesman for Mitt Romney, May 13, 2011

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buy their coverage from private providers on the exchange. But here too, the approach relies on a free market with regulations, not socialized medicine.

Critics of our conclusion have said the significant increase in government regulation -- which, among other things, requires that adults have health insurance -- justifies the use of the term.

In an [editorial](#) responding to our Lie of the Year choice, the *Wall Street Journal* wrote that "at the heart of ObamaCare is a vast expansion of federal control over how U.S. health care is financed, and thus delivered. The regulations that PolitiFact waves off are designed to convert insurers into government contractors in the business of fulfilling political demands, with enormous implications for the future of U.S. medicine. All citizens will be required to pay into this system, regardless of their individual needs or preferences. Sounds like a government takeover to us."

Michael Cannon, a scholar at the libertarian Cato Institute, went so far as to [announce](#) that he was boycotting PolitiFact because of problems he had with both the "government takeover" article and the [previous year's Lie of the Year](#) -- former Alaska Gov. Sarah Palin's argument that the Obama health care bill included "death panels."

When we asked Romney's camp to explain their use of the term "government takeover," spokesman Eric Fehrstrom said, "It seems pretty obvious that under Obamacare, the federal government takes on a vastly expanded role in health care. Whether you call it a 'takeover' or a 'power grab,' the effect is the same -- it shifts power and responsibility from the states to Washington and suffocates the nation under a massive, byzantine bureaucracy fueled by a half trillion dollars in higher taxes."

But we find flimsy evidence for such a strong claim. The government's expanded role in health falls far short of being a government takeover. As we said in our Lie of the Year announcement, analogies about strict government regulation provide some helpful illustrations. The Federal Aviation Administration imposes detailed rules on airlines. State laws require drivers to have car insurance. Regulators tell electric utilities what they can charge. Yet that heavy regulation is not described as a government takeover.

There's no question that "government takeover" has been a successful talking point. A poll in March 2010 found that a majority of the American people believed it was true. But the facts simply don't support it. The health care law continues to depend on private health insurance and private-sector physicians. So Romney earns the same rating as others who have made the false claim: Pants on Fire!

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 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.

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