Obamacare 2.0: More Of The Same, Just More Expensive

<u>Sarah Palin</u> | Feb. 25, 2010, 2:26 PM | 1,206 | ■ 39 Print

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The President has wrestled control of the health care debate away from Nancy Pelosi and Harry Reid by finally introducing <u>his own plan</u>. Unfortunately, the White House's proposal includes everything we found untenable about the old Senate bill – only this one is even more expensive! This is what you might call putting "perfume on a pig."

What's in this "new" proposal? It has the unpopular (and <u>arguably unconstitutional</u>) <u>individual mandate</u> that forces people and employers to purchase health insurance – only this time with much <u>harsher</u> fines on employers who choose not to go along with another expensive government mandate. It has provisions that will make <u>employers think twice</u> before expanding their workforce. It has cuts to Medicare Advantage, a popular program which allows seniors to pay a little more money out of pocket for better coverage. And, of course, it still has sweetheart deals – only this time they've been <u>extended even more</u>.

We don't know what the final long-term cost of this will be because the Congressional Budget Office hasn't had a chance to calculate costs. We do know that the White House recognizes that its proposal will costtens of billions more over the next ten years than the already-expensive \$2.5 trillion Senate bill. The President promised last July that he won't sign a health care bill if it "adds even one dime to our deficit over the next decade." But he's now proposing a health care bill with uncertain fiscal repercussions that could lead to endless deficits.

The rising cost of care has driven the entire health care reform debate. So how does the President's proposal address this central issue? Price controls. That's right: Washington, D.C. wants to give a panel of bureaucrats the power to cap insurance premiums and prices. As Michael Cannon of the Cato Institutenotes, "artificially limiting premium growth allows the government to curtail spending while leaving the dirty work of withholding medical care to private insurers." This leads to rationing. Any economist worth his salt – including the White House's own Larry Summers – will tell you that price controls lead to all sorts of negative unintended consequences. It's another step towards government controlled health care and away from the real solution: free market, patient-centered reform.

With a government-growing proposal this bad, it's no wonder the President wants bipartisan cover for it in an election year. Thursday's health care summit is already being revealed as little more than a photo-op. The Obama administration still denies the existence of the House

Republicans' health care plan that offers alternative solutions to health care challenges – even though the White House website links right to it.

The President's proposal <u>doesn't include</u> pro-free market ideas like allowing people to buy insurance across state lines, giving individual buyers the same tax benefits as those who get insurance through their employers, or instituting real medical liability reform. Despite the "kumbaya" rhetoric, Democrats are making plans to ram this bill through the Senate using a partisan <u>procedural maneuver</u> that will bypass the normal bipartisan debate process.

In the meantime, the White House will continue to ignore Republican reform ideas and cast the GOP as the party of no. That's a hard sell considering that Democrats still hold the majority in the House and Senate. The only real "gridlock" preventing Democrats from doing what they want is the very real threat of America's voice being heard at the ballot box.

The public is <u>clearly opposed</u> to the Democrats' health care bills. Americans want to scrap these big-government plans and start over with common-sense, incremental reform. Some on the left have urged Democrats to vote for Obamacare because it's a foot in the door for universal health care. They understand what's at stake; so should the rest of us.

The President can perfume this proposal however he wants, but it still doesn't pass the smell test. Washington should listen to Americans now, or Washington will hear us in November.