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IBD EDITORIALS



Truth Is A Casualty Of The Final Push

Posted 03/19/2010 07:07 PM ET

Health Reform: Not since the heyday of Bill Clinton have we had a leader play so fast and loose with the facts as President Obama. And as the health care debate reaches a crescendo, he's been especially reckless.

Tired of waiting for the major media to take note, here's a small sampling of whoppers we took from the president's speeches last week in Ohio and Virginia, plus his interview with Fox News' Bret Baier:

• "We have incorporated the best ideas from Democrats and from Republicans." Far from it. Some of the biggest omissions include tort reform, health savings accounts, portable insurance, expanding consumer access to plans across state lines and posting provider prices for services so patients can shop around.

Republicans were almost completely shut out from the process and at the early stages last summer, were not even permitted to read the bill. In an atmosphere like this, it's little wonder the bill isn't drawing a single vote of support from Republicans of either house. It's fully a creature of the Democratic Party.

• ("This is not a) government takeover of health care." How is it that government can dictate to private insurance companies what they can offer, to whom, under what circumstances and at what prices, and yet still not own it? Every basic business decision a private company can make has effectively been expropriated.

Even as Obama denied his health care plan was a government takeover, his vice president, Joe Biden, laid out the real deal: "You know we're going to control the insurance companies." We'll take him at his word.

• "If you like your doctor, you can keep your doctor." That's if your doctor chooses to remain in the profession. Unfortunately, our own IBD/TIPP Poll found that up to 45% would consider quitting if they're going to be dictated to by unaccountable bureaucrats who couldn't get into medical school.

Price controls will slash doctor salaries and raise workloads, mandating that doctors make up for losses with volume. Bureaucrats will crack the whip on costs by lowering payments and penalizing doctors who refer patients to specialists. All this, and zero tort reform relief, will drive many doctors out of the profession just as 32 million new patients enter the market.

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Investing Tip

Leave penny stocks for the bottom-feeders.



- "Our proposal is paid for ... our cost-cutting measures would reduce most people's premiums and bring down our deficit by more than \$1 trillion over the next two decades." Government programs always cost more than projected. Medicare, which has \$86 trillion in unfunded liabilities, was supposed to cost \$10 billion within 25 years of its implementation. It actually cost \$107 billion.

The real cost of the Democrats' reform plan, according to the Cato Institute, which isn't handcuffed in its estimates like the Congressional Budget Office, is \$2.5 trillion over the first decade.

- "If this vote fails, then insurance companies will continue to run amok." They're not exactly wildcatting as it is. Health plan providers boast a profit margin of 3.4% — placing them 88th of 215 industries in Morningstar rankings. More than 2,000 state mandates dictate what coverages they provide.

- "By the time the vote has taken place ... you'll know what's in it because it's going to be posted and everybody's going to be able to evaluate it on the merits." The final bill wouldn't be available to the public until Saturday morning, the day before the vote, congressional sources told us Friday. So in fact, nobody would have time to digest the 2,500-page leviathan.

- "We're not transforming one-sixth of the economy in one fell swoop." Yes, Obama wants to take over the health care sector, but in pieces. In 2007, he said that "economically it is better for us to start getting a system in place, a universal health care system, signed into law by the end of my first term as president." Canada, he noted, "did not start off immediately with a single-payer system, they had a similar transition step." He's been on record since at least 2003 as a "proponent of single-payer, universal health care."

- "(This will be) the largest middle-class tax cut in the history of the country." Tax cut? New taxes on prescription drug sales, medical devices, tanning services and an annual tax on health insurers for being health insurers will all end up on middle-class shoulders.

Then for families earning \$250,000 there are taxes of 0.9% for hospital insurance, 2.9% on "unearned income," plus a tax on high-premium policies. The "middle-class tax cut," in the president's misleading words, amounts to "tax credits to help you afford" the more expensive insurance of the new (also misleadingly named) "competitive marketplace."

- "\$3,000 your employer doesn't have to pay ... maybe she can afford to give you a raise." Premiums will not go down, but way, way up. The Associated Press last week found that \$3,000 to misrepresent a Business Roundtable analysis last year that "didn't consider specific legislation."

Larry Levitt of the Kaiser Family Foundation told the AP "it would be miraculous" if premiums went down under the legislation set to be passed. Using the HIS/Global Insight U.S. Macroeconomic model, a Heritage Foundation analysis found that with the new government-regulated exchanges "crowding out the employer-sponsored market," there will be "an overall increase in the absolute amount of health spending on premiums."

- "Small business owners ... can purchase more affordable coverage in a competitive marketplace." In fact, small businesses will be slapped with new taxes — including a penalty if they don't provide the level of health coverage Washington dictates. As owners of modest-sized firms cope with the new burdens, their employees may find themselves with substantially reduced coverage — or with pink slips.

As to the promised financial assistance for new employer mandates, it remains unknown what

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"small business" will mean under ObamaCare. Will the definition apply only to micro-businesses of a couple dozen workers?

- (The reform legislation is) "about the character of our country." Let's hope not. Never in American history have politicians sunk to lower depths than in the push to thrust this massive expansion of government down an unwilling America's throat.

From the unconstitutional "Slaughter solution" that would pass it without a vote of the people's representatives, to the taxpayer-funded bribery of the "Cornhusker kickback" and "Louisiana Purchase," to the pretense of passing it as a budget item bypassing Senate filibusters, Democratic leaders have shown they will stop at nothing to set us on the road to European socialized medicine.

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March 21 shall be known heretofore as DEPENDENCE DAY.

Posted By: olivercare(20) on 3/22/2010 | 1:09 PM ET

You should have been complaining when our US Heal Care system was taken hostage by Nixon and Reagan. Now you read as merely sour grapes and a whiner. You must be a Republican~

Who are they coming for next? I think we are starting to see first hand how dictators like Mugabe, Hitler and Chavez were able to accumulate power by appealing to the ignorant and greedy, who were willing to sacrifice the freedom of others for their own short term aggrandizement.

Dumbacrats win, Freedom loses!

Welcome to the Soviet Socialist Amerika. This is the most corrupt piece of Legislation I have seen in my lifetime. A sad day for we have lost our freedom.

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