

## All sizzle, no substance

By MICHAEL TANNER Last Updated: 3:27 AM, September 10, 2009 Posted: 1:37 AM, September 10, 2009

'Razzle-dazzle 'em," sang Billy Flynn in Chi cago, "Give 'em an act with lots of flash in it / And the reaction will be passionate."

And that is what we saw last night. In President Obama's first national address on health care in, oh, 49 days, he gave us lots of showmanship. The rhetoric was as usual carefully crafted and persuasive. He threw a couple of bones to Republicans, such as demonstration projects for tort reform, and mollified liberals by defending the public option. He effectively countered some of the more hyperbolic opposition claims about things like "death panels." He even played the Ted Kennedy card. The speech was interrupted dozens and dozens of times by applause.

But, beneath all the sizzle, there remains the same bad bill.

For example, as he has in virtually every appearance he makes, the president repeated "Nothing in this plan will require you or your employer to change the coverage or the doctor you have." He even repeated it. "Nothing in our plan requires you to change what you have."

That of course is quite simply untrue. The president favors a requirement that everyone must carry basic health insurance. But the individual mandate that he favors and included in the bills before Congress doesn't just say you have to have insurance: It specifies what benefits your insurance must have, even if you don't want those benefits or they boost the cost of your policy.

Obama also claimed about the new public option, more properly called a government-run insurance program, "No one would be forced to choose it, and it would not impact those of you who already have insurance." But the reality is that, because a taxpayer-subsidized government plan could undercut private insurance premiums, employers would have every incentive to dump their employees into the government plan.

The president said that he won't sign a bill that adds "one dime to the deficit now or in the future." But the Congressional Budget Office says the current health-care bills will increase the budget deficit by at least \$239 billion over the next 10 years, and far more in the years beyond that. If the new health-care entitlement were subject to the same 75-year actuarial standards as Social Security or Medicare, its unfunded liabilities would exceed \$9.2 trillion.

True, the president did promise a "trigger" that would require the government to make future cuts if spending spiraled out of control. But we've heard that before: Spend more money now and someday, way, way, down the road, we'll change our ways. Somehow tomorrow, and the promised cuts, never comes.

He also promised that the \$500 billion in Medicare cuts would not mean any reduction in services. Not to be cynical, but presidents have been promising to eliminate "waste, fraud, and abuse" since at least, oh, Ronald Reagan. And, by eliminating those "unwarranted subsidies" to insurers in the Medicare Advantage program, he'll effectively *end* that program -- forcing roughly one in five seniors out of *their* private insurance option and back into traditional Medicare.

On the other hand, he did endorse a new tax on insurance plans, a tax that would almost certainly be passed along in the form of higher premiums. And he called for businesses to "chip in" to help pay for insurance -- a phrase that sounds so much nicer than "8 percent payroll tax," which is what the House bill calls for.

Finally, of course, the president once again took aim at the straw man that those who oppose his plan want to "keep things exactly as they are." He said he wouldn't accept the "status quo." That conveniently ignores the alternative bills introduced by Reps. Paul Ryan (R-Wisc.), John Shadegg (R-Ariz.) and Tom Price (R-Ga.) and Sens. Tom Coburn (R-Okla.) and Jim DeMint (R-SC).

In the end, there were surprisingly few specifics and little new -- especially for a speech that was supposed to set out his "plan."

How exactly will he pay for it all? What will the subsidies be? What will happen to premiums? How will the mandates be enforced? What exactly will be the new "efficiencies" imposed on the health-care system?

For that matter, does he or doesn't he support the public option?

All those questions and more stayed unanswered.

It sounded good, but we really have heard it before.

But then, maybe this wasn't about substance after all. As Billy Flynn knew: "Long as you keep 'em way off balance / How can they spot you've got no talent?"

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