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Truly a turkey

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Just in time for Thanksgiving, Sen. Harry Reid has given us a giant turkey of a health-care bill. At 2,074 pages and more than 370,000 words, it's officially "scored" as costing \$849 billion over 10 years -- \$400 million per page, or \$2.3 million per word.

But that doesn't come close to measuring its true cost. The bill uses various accounting gimmicks to hide its true cost. For example the bill doesn't include more than \$200 billion needed to prevent a 21 percent cut in Medicare next year. [The CBO "score" actually assumes Reid cuts Medicare 23 percent -- Ed.] That cost has been spun off into a separate bill, even though the Senate voted down that approach last month.

Moreover (as Jeffrey H. Anderson notes), much of the spending is back-loaded. The bill doesn't start spending until 2014, and only costs \$9 billion that year. But by 2019, the annual cost hits \$196 billion. The minority staff of the Senate Budget Committee reports that, if you factor out all the budget gimmicks and look at the 10 years of *actual* implementation, the cost is closer to \$2.5 trillion.

And, while Reid brags that the bill will reduce the deficit by \$127 billion over the next 10 years (which is about \$50 billion less than the deficit the government ran last month alone), even that tiny savings depends on budget gimmicks and the willingness of future Congresses to make huge cuts in Medicare spending. Any wagers on the chances of that actually happening? In fact, even the CBO warns that it will be "difficult" to achieve the predicted savings.

Perhaps more important, much of the cost has simply been shifted from the federal budget onto the backs of workers, businesses and state governments. Judging by previous reforms, as much as 60 percent of the cost won't show up in government accounting.

To pay for all the new spending, Reid would enact at least 15 new or increased taxes totaling more than \$493 billion.

But the cost alone doesn't begin to describe how intrusive this bill would be for the average American. For instance, it would require everyone to buy a government-designed insurance plan, even if it was more expensive than their current policy. Failure to comply brings a penalty of up to \$6,750 for a family of four.

Another provision would mandate that employers provide insurance to their workers. If they fail to do so, and if even a single worker qualified for federal subsidies, the employer could be fined up to \$750 per employee. The CBO estimates that those penalties will amount to more than \$28 billion.

Unemployment is now 10.2 percent, and the Senate bill will make it more costly to hire workers. And because the penalty only applies in the case of subsidy-eligible workers, it is low-wage and unskilled workers that will suffer the most.

Of course, the plan contains the government-run "public option" that many experts believe will ultimately crowd out private insurers. And don't be misled by Reid's "opt-out" provision: It comes with so many restrictions that it will be nearly impossible for a state to actually opt out.

Besides, there won't be any opting out of the taxes that will ultimately be necessary to pay for it.

Finally, the bill sets the stage for government-imposed rationing. If you think the recent controversy over mammograms is something, just wait until the dozens of new boards, commissions and agencies created by this bill get to work. The "reform" also gives the secretary of Health and Human Services broad new powers to determine "quality," "efficiency" and "appropriate utilization."

At first, these restrictions would only apply to government programs like Medicare, but they'd create the framework for eventual extension to private insurance.

If Reid gets the 60 votes he needs to pass this, US taxpayers, businesses and patients can expect to pay a high price for this congressional feast.

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