



Politics

[\[Print\]](#) [\[Email\]](#)



# Doubts mount about the real price of health care bill

By: [Susan Ferrechio](#)  
Chief Congressional Correspondent  
October 15, 2009

Democrats who are touting a deficit-reducing, \$829 billion health care bill that won approval from a key committee are facing increasing criticism from Republicans and budget experts who say the true cost of the legislation is much higher and would in fact increase the deficit.

“The reality is that entitlement spending always costs vastly more than is assumed when it is enacted and there is no reason to expect that this bill will be any different,” said Brian Riedl, senior federal budget analyst for the Heritage Foundation, a conservative think tank.

The legislation, written by Sen. Max Baucus, D-Mont., was given a price tag by the Congressional Budget Office, an independent arm of Congress, of under \$900 billion, as President Obama demanded, and was found, through hundreds of billions of dollars in new taxes, to cut the deficit by \$81 billion over the next decade.

But analysts point out that much of the program — and the spending associated with it — does not really begin until the 2013. A 10-year cost beginning that year would be significantly higher, argue analysts, and would be closer to \$1.3 trillion.

Critics say the bill masks other big costs, such as the adjustments to Medicare payments for doctors that Congress routinely makes.

The bill makes the assumption that Congress will suddenly begin allowing scheduled payment cuts, even though lawmakers have always blocked those cuts from happening, in part because many believe doctors are already underpaid by Medicare.

“That means Baucus will come up at least \$200 billion short on the revenue side, making his bill a budget buster,” said Michael Cannon, director of health policy studies at the Cato Institute, a libertarian think tank.

In addition to the cuts in payments to doctors, the bill assumes an additional \$240 billion in payment

reductions to hospitals, nursing homes and other health care providers. Democrats insist these savings will come from eliminating waste, fraud and abuse, but others are skeptical and say the cuts will happen.

Joseph Antos, a health care policy expert at the American Enterprise Institute, said the bill will cost \$2 trillion in the decade beyond 2019, in part because Congress does not have the discipline to enact the cuts called for in the bill.

“The president has endorsed a bill that will fall far short of paying for itself,” Antos said.

The bill also leaves out the \$33 billion in new costs states will have to assume if Medicaid is expanded to include every non-elderly adult earning below 133 percent of the poverty level.

Democrats are unlikely to adjust the price tag on the bill, in part because support of many moderate Democrats would disappear if it is determined that the legislation will increase the deficit.

“The Democrats are doing what politicians always do, which is do their best to underplay the cost of their proposal,” Riedl said.

**Find this article at:**

[http://www.washingtonexaminer.com/politics/Doubts-mount-about-the-real-price-of-health-care-bill\\_10\\_15-64234227.html](http://www.washingtonexaminer.com/politics/Doubts-mount-about-the-real-price-of-health-care-bill_10_15-64234227.html)

Check the box to include the list of links referenced in the article.