



Written by [Staff](#) on March 6, 2017

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ObamaCare Needs to Be Deep-sixed, Not “Fixed”

Item: *“Some Republicans in Congress,” notes an article on Bloomberg.com for February 1, 2017, written by Anna Edney, Billy House, and Zachary Tracer, “are starting to talk more about trying to ‘repair’ Obamacare, rather than simply calling for ‘repeal and replace.’”*

The article noted that Republicans had proposed amendments “to shore up Obamacare” to be discussed at a hearing that week.

Steve Beshear, the former Democratic governor of Kentucky, was to play the “role of the ACA’s defender” at the hearing. “Beshear, who implemented the state’s Obamacare rollout and expansion of Medicaid, will put the stakes in stark terms. ‘The ACA has saved lives, led millions to gain coverage, and benefited every American,’ according to his prepared remarks. ‘Repeal without a broad, comprehensive replacement will cause millions to lose their insurance, and many will die.’”

Item: *Many Republican lawmakers, reported the Wall Street Journal on February 3, “say they are now considering moves to retain and prop up important parts” of ObamaCare while “they consider larger changes.”*

“Echoing that step, many Republicans on Capitol Hill are calling for steadying that corner of the health-care market, where individuals go to obtain individual insurance and find out their eligibility for subsidies. Republicans are acknowledging that knocking down the law is more difficult than anticipated, and there is a desire not to have the markets unravel too quickly, which could create political repercussions for the GOP.”

Item: *Vermont Senator Bernie Sanders commented in a Tweet on January 12, 2017: “As Republicans try to repeal the Affordable Care Act, they should be reminded every day that 36,000 people will die yearly as a result.”*

Correction: One gets a sense of why it is difficult to cut even a defective “entitlement” when its supporters will label you a mass murderer if you try to wind it down, and even its opponents appear unwilling to withstand the political heat it will take to end it.

This phenomenon is why socialist-leaning politicians with long-term vision are willing to start small to gain dependents. For statisticians, the first job is to hook Americans, much as illegal drug-dealers hook people on their product. It doesn’t take long before even a disastrous and disliked program such as ObamaCare, with all its faults, seems desirable when repeal is in the wind.

Backing away slowly, as some on Capitol Hill are now advocating, is not without pain. Withdrawal is like that. A recent Congressional Budget Office report examined a partial-repeal approach similar to what is now being broached by some Republicans. Employing such a strategy in the face of the existing ObamaCare regulations, as recounted by Michael Cannon in *The Hill*,

would cause premiums to rise an additional 20-25 percent next year and to double over the next decade. The regulations would cause health insurance markets to collapse, such that ten percent of Americans would not be able to purchase coverage at any price. All told, partial repeal would leave uninsured nine million Americans who would have insurance under full repeal.

Those costs would be due to ObamaCare itself, not a partial-repeal bill. ObamaCare architect Jonathan Gruber [has explained that] ObamaCare’s mandates and subsidies exist to hide the costs of the law’s



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health-insurance regulations. Repealing them merely makes those staggering costs transparent. Nevertheless, the public would blame Republicans for failing to repeal those regulations when they had the chance.

Meanwhile, there are a number of pseudo-scientific claims that allege that thousands of bodies will pile up annually if ObamaCare is repealed. That Bernie Sanders claim of 36,000 deaths each year, cited above, was derived in part from the left-wing ThinkProgress website and proved to be too spurious even for the decidedly non-conservative “Fact Checker” at the *Washington Post*. It leans on dubious claims, fishy extrapolations, and worst-case conjectures, among other questionable techniques. As “Fact Checker” Glenn Kessler observed, Sanders Tweeted

as a definite fact an estimate that a) assumes Republicans will gut Obamacare without a replacement b) assumes the worst possible impact from that policy and c) assumes that data derived from the Massachusetts experience can be applied across the United States.

Those are three very big assumptions. Take away any one of them, and Sanders’s claim that repeal of the law will cause 36,000 people to die a year falls apart.

Ordinarily, this sort of fuzzy math would be worthy of at least Three Pinocchios. But ThinkProgress, in calculating the number, at least said this many people “could” die. Sanders instead stated it as a definitive fact — that 36,000 will die. That tips this claim into Four-Pinocchio territory.

That’s about par for the course for Bernie.

Let’s not forget the problems created and/or exacerbated by ObamaCare. Insurance premiums in some states have been experiencing double-digit increases, companies have lost tens of millions of dollars because of the act, and the losses for some insurers have been large enough that they were forced out of the business.

A study published last year by the Heritage Foundation after the program’s sixth year details how matters have been getting worse. As shown in the “Backgrounder”:

- Despite President Obama’s repeated promises, rising insurance costs under the Affordable Care Act (ACA) are still burdening businesses;
- The ACA reduced insurance competition and had a negative impact on job growth;
- The overall health care cost curve is still “bending” upward, not downward as advocates promised;
- ObamaCare has been imposing major tax increases on America’s middle class; and
- The ACA has been forcing Americans to violate their conscience by funding abortion through their tax dollars.

Robert Moffit, a senior fellow in the Center for Health Policy Studies at the foundation, was on target in his conclusion that the ACA is “ripe for repeal.” For the U.S. public at large, as he noted, there are many reasons for dissatisfaction, including:

higher costs; arbitrary and sometimes absurd rulemaking; bureaucratization of an already overly bureaucratized sector of the economy; incompatibility with personal freedom and religious liberty; enormous spending and heavy taxation; and widely acknowledged design flaws, evident in the ACA’s hopelessly complex and unworkable subsidy schemes, boondoggle bailouts, and collapsing co-ops.



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For many Americans, opposition to the ACA is rightly rooted in their rejection of the tacit assumption underlying its centralized architecture: that the political class possesses the wit and wisdom to restrain, guide, and direct this enormously complex and dynamic sector of the American economy.

To repeal ACA would certainly have a considerable impact, though it would not be the death sentence alleged by many scaremongers. After all, most Americans who wound up as newly insured under the ACA were enrolled under Medicaid — a welfare program that is not going to disappear anytime soon.

Recent testimony before the House Budget Committee, using preliminary figures for last year, revealed that between 2014 and 2016 the net increase in the numbers for health insurance enrollment was 16.5 million. Of that figure, about 13.8 million were added to Medicaid and 2.7 million were the net increase in private-sector coverage enrollment.

Without ObamaCare would there be hard cases? Sure. But it is difficult to imagine a replacement plan that does not deal with, for example, those with conditions that would not be insurable otherwise. Writing in the *New York Post*, Michael Tanner of the Cato Institute suggests an answer in such a situation. As he says:

The only workable answer is to take otherwise uninsurable people out of the traditional insurance market altogether and subsidize their coverage separately.

This may be done through the expansion and subsidy of state high-risk pools, much the way states handle auto insurance for high-risk drivers. Or sick individuals may be taken out of the insurance system altogether, with their health care paid for through a reformed Medicaid program.

However these changes play out, it's important to realize that no one is going to have their health insurance suddenly snatched away. Some people may have to get their health care in different ways, and some, who can afford it, may have to pay more.

But the predictions that replacing ObamaCare will mean uninsured Americans dropping dead in the street are worth little more than fake news.

Yet lawmakers don't want to be blamed for the ills that might ensue following a "fixed" or "repaired" ObamaCare — so called TrumpCare, or whatever. Most are concerned about employment — their own.

Capitol Hill is abuzz about the proper "messaging" needed to convince the public that the goal is not to "repeal" ObamaCare, but rather to "fix" it. The end result is something that is already being termed "ObamaCare-lite."

Does this sound like a solution? Dear Focus Group, how does this grab you? "We will bleed you more slowly than the other guys will."

Somehow, that doesn't seem to be a tempting and winning message. You should be able to do better than that when ObamaCare-heavy is your target. After all, here is a program that is going to cost American businesses an estimated \$52 billion in new taxes over a decade, is requiring at least \$716 billion in Medicare reductions, and is expected to cost \$2.6 trillion to implement through 2022.

An experienced Washington figure, albeit one no longer in office, is former Texas Republican Senator Phil Gramm. He warns that if the Republicans attempt to "fix" all the problems with the ACA, it will just get worse — and then they will garner the blame. Gramm, the former chairman of the Senate Banking Committee, speaks from some experience.



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Meanwhile, the act's ramifications are hurting people both in and out of ObamaCare. There are at least 10 million Americans, according to the Center for Health Policy Studies, who are in the individual market and do not receive taxpayer subsidies via ObamaCare for their insurance — but who are still being clobbered with massive premium increases. Also on the hook for escalating premium hikes are the 15 million or so in small-group markets — the employers and employees of small businesses.

The best option for the Republicans in Congress, as Gramm wrote recently, is to permit those who see the ACA as “a bad deal for their families to leave the program and buy health insurance in the private market, independent of ObamaCare's constraints. As younger, healthier families obtain lower premiums by fleeing ObamaCare, those who remain in the program would be forced to pay a larger share of the cost of the benefits they receive.”

He compared the situation to the 1990 repeal of the Medicare Catastrophic Act of 1989. That act, as Gramm noted,

was overwhelmingly repealed with no grief or attempt at resuscitation. It died from the rarest of government diseases: honesty. Because it became law during the Gramm-Rudman era of budgetary discipline, the supplement to Medicare had to be fully paid for. President Reagan further insisted that those who benefited should pay for the program. When the beneficiaries had to pay for what they were getting, they revolted — literally chasing the House Ways and Means Committee chairman, Dan Rostenkowski, down a Chicago street.

The senator was not exaggerating about that incident involving “Rosty” being hunted down by irate seniors. It was a sight to see. “Eventually,” as the *Chicago Tribune* reported at the time, “the 6-foot-4-inch Rostenkowski cut through a gas station, broke into a sprint and escaped into his car.”

Gramm further predicted, in a piece in the *Wall Street Journal* on February 2, that as the supposed beneficiaries find themselves paying an

ever increasing share of the cost of the benefits they receive, support for ObamaCare will plummet and Democrats will have a strong incentive to negotiate a replacement.

Back when Rosty was trying to stay ahead of his pursuers, he was heard to complain: “These people don't understand what the government is trying to do for them.” Or perhaps they knew all too well.



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