



Written by [Steven J. DuBord](#) on October 29, 2009

House Democrats Unveil Healthcare Bill

Democrats in the House of Representatives unveiled their version of healthcare reform legislation today.

The bill will likely be presented to the full House for debate as early as the first week in November. It includes a public insurance plan run by the federal government, and like the Senate version, the public option would be set up to negotiate reimbursement rates with healthcare providers. Unlike the Senate version, there will be no way for states to opt out.

This won't completely satisfy House Speaker Nancy Pelosi (D-Calif.) and other liberals in the House, but they failed to muster enough votes to pass a public option based on Medicare rates. Too many Democrats saw the truth that using Medicare's low rate of reimbursement would have a detrimental effect on healthcare providers, not to mention that it would also force providers to charge higher fees to those with private insurance.



Virtually every American will be required by the House plan to purchase insurance, and only very small employers would escape a requirement to provide insurance for their workers. Exchanges would be created to facilitate shopping for insurance, and subsidies would be given to those deemed unable to afford coverage. Eligibility for Medicaid would expand to encompass those with up to 150 percent of the poverty level.

The House bill includes a 5.4 percent surtax on individuals making more than \$500,000 per year and couples making more than \$1 million. This is expected to bring in around \$460 billion over 10 years.

The legislation does not feature a tax on high-cost insurance programs, whereas the Senate version does. Labor unions have rallied against this tax, causing House Democrats to avoid it.

The Congressional Budget Office has attached to the proposal a price tag of just under \$900 billion over 10 years. The CBO said the plan would reduce the federal deficit by \$30 billion during that same decade.

The issues of abortion and illegal immigration are still sticking points. Provisions to forbid federal funding of abortion and to prevent illegal immigrants from being covered have yet to be resolved.

It is amazing that the Democratic Party's answer to people being unable to afford health insurance is to pass a law forcing people to buy the insurance they can't afford. And rather than lowering taxes — or perhaps even eliminating the income tax — so that people could afford to buy insurance, they want to



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put government in charge of redistributing wealth by dispensing taxpayer dollars in the form of subsidies.

By taxing those who make \$500,000 or \$1 million, the Democrats will be hurting the very small-business owners who are being hit with the need to provide insurance to their employees. Small businesses will have to either dump people into the public plan or cut back on hiring, raises, or expansion. Unemployment will almost certainly go up under this plan.

The stark refusal by most Democrats to plainly address abortion and illegal immigration speaks volumes about their priorities. Federal dominance of healthcare is the perfect way to override any state limitations on abortion and to provide illegal immigrants with something that's the next best thing to amnesty — taxpayer-subsidized health insurance.

Photo of Rep. Nancy Pelosi: AP Images



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