



## House Republicans Detail ObamaCare's Broken Promises

House Minority Leader John Boehner (R-Ohio) on June 23 released a report entitled *ObamaCare: Three Months of Broken Promises*. The 41-page document (PDF) serves simultaneously as an exposé of the lies Democrats told to get ObamaCare passed and as an advertisement for the Republican alternative.



The critique of ObamaCare is probably the stronger section of the report, and it is the section this article examines. Using news reports and government statistics, it demonstrates fairly conclusively that practically everything the Democrats told the public about ObamaCare is false. (Of course, the things they didn't bother mentioning at all, such as federal "behavior modification" strategies and government home visitations, may be even worse.) The report breaks down the falsehoods into a variety of categories, from jobs, costs, deficits, and taxes to abortion, states, and popularity.

The section called "American Jobs Already Under Attack" begins: "Last December, President Obama laid out a clear benchmark for his health care plan by describing it as a jobs program, calling it 'part and parcel with where we need to take our economy.' Speaker Nancy Pelosi (D-CA) was even more specific at the White House health care summit in February when she stated that, 'In its life [health care reform] will create four million jobs, 400,000 jobs almost immediately.'"

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The report points out that in April, "the private sector created 231,000 jobs, but job growth in the health care sector actually declined from the month before"; and things only got worse in May. Furthermore, it lists 19 major companies that have already recorded millions of dollars in losses as a result of ObamaCare's passage and says that "Towers Watson, an independent consulting firm, estimates that this tax hike could cost businesses as much as \$14 billion over the next few years" — none of which is good news for employees or for those looking for work.

ObamaCare contains a tax credit that will supposedly help small businesses purchase health insurance for their employees. However, the report says that the "stringent government requirements" for the tax credit act "as a disincentive to increase wages and hire additional workers." According to the National Federation of Independent Businesses (NFIB), only 12 percent of small businesses qualify for the tax credit in the first place, and of those, only very small firms (those with 10 or fewer employees) will qualify for the full credit. As the number of employees increases, the tax credit decreases, vanishing



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when a firm hires its 25th employee. Moreover, the credit is reduced as the average wage increases, and only firms covering at least half their employees' insurance costs are even eligible. Even allowing that this will provide relief to a small number of businesses, the tax credit expires after six years. It's no wonder the NFIB estimates that the "employer mandate could eliminate 1.6 million jobs between 2009 and 2014, with 66 percent of those coming from small businesses," according to the report.

During the 2008 campaign Obama promised that his healthcare plan would reduce the average family's insurance premium by \$2,500. According to the Boehner report, however, not only will ObamaCare *not* cut premiums; it will "actually increase premiums for millions of families by \$2,100 more in 2016 than doing nothing at all," the Congressional Budget Office (CBO) found. The mandated benefits and the requirements that insurers cover everyone regardless of preexisting conditions or other risks will inevitably lead to higher costs for insurance companies, who will have no choice but to pass them on to consumers. Insurance premiums are already expected to rise next year as a result. In turn, employers are likely to increase employees' contributions to their insurance premiums and raise their deductibles, according to a study from PricewaterhouseCoopers.

Under "Increasing the Deficit" the report reminds the reader of Obama's assertion that he would "not sign a plan that adds one dime to our deficits — either now or in the future" and then goes on to cite CBO and Medicare actuary estimates that ObamaCare will indeed cost far more than anticipated.

The President also promised not to raise taxes on families making less than \$250,000 a year. The Boehner report details an estimated \$509 billion in taxes and penalties (some levied on employers, but the cost will be borne by employees) over the next 10 years directly resulting from ObamaCare — quite a contrast to the President's supposedly "firm pledge" not to increase taxes at all.

"If you like your health care plan, you can keep your health care plan" under ObamaCare, said the President. According to the report, however, the administration itself admitted "that some people, especially those who work at smaller businesses, might face significant changes in terms of their coverage." The Associated Press reported that "in just three years, a majority of workers — 51 percent — will be in plans subject to new federal requirements." In addition, many employers may find it more economical to stop buying health insurance for their employees and to pay the penalties instead, dumping all those employees onto the federally subsidized insurance exchanges. AT&T, for example, would pay \$600 million in penalties for not insuring its employees as compared to the \$2.4 billion it pays to insure them currently, according to documents provided to the House Energy and Commerce Committee. How many employer-based health insurance plans are likely to survive the green eyeshades under such a scenario? Where will the government find the billions of dollars it needs to cover all the people whose employers no longer provide health insurance?

Likewise, though Obama promised that senior citizens would not have to endure benefit cuts under Medicare when ObamaCare became law, things have turned out quite differently. Medicare spending is being reduced significantly, which "will lead to higher out-of-pocket costs, reduced benefits and fewer health care choices for American seniors," according to the report. The CBO estimates that "the value of Medicare Advantage benefits would fall by \$816," says the report, which could force seniors out of these private plans and back onto traditional, government-run Medicare — seemingly an intended consequence since Senate Majority Leader Harry Reid (D-Nev.) declared in 2009 that "Medicare Advantage is dead." The report cites the Medicare actuary's determination that the Medicare cuts will quite likely cause some healthcare providers to cease participating in the program, forcing seniors to switch doctors. Even the much-vaunted \$250 checks the Obama administration sent to Medicare



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beneficiaries turn out to be less than the hype would lead one to believe: Only 10 percent of seniors on Medicare got a check, says the report, and “according to the CBO, for every senior that gets a check, three seniors face higher premium costs.”

Now it’s true that fighting one government healthcare program by arguing that it hurts another government healthcare program is not exactly the best way to go about things. Even Obama recognized the absurdity of this approach, [saying](#), “One of my favorite signs during the health care debate was somebody who said, ‘Keep Your Government Hands Out Of My Medicare’ — which is essentially saying ‘Keep Government Out Of My Government-Run Health Care Plan.’” Still, the GOP’s line of attack, showing that the Democrats lied about their intentions with regard to Medicare, is effective.

Rep. Bart Stupak’s (D-Mich.) capitulation to party pressure to vote for ObamaCare in exchange for a promise from Obama to issue an executive order prohibiting federal funds from paying for abortions was surely one of the most dramatic moments of the whole healthcare reform saga. Yet the executive order, which Obama did issue, may be less than meets the eye. The Boehner report says, “According to legal experts, an Executive Order alone is insufficient because it cannot override a statutory mandate unless Congress passes a law that prohibits federal funding from being used in this manner,” and goes on to cite comments from pro-life organizations saying essentially the same thing. Boehner twice asked for information on how the administration is going about implementing the executive order but received no response. In short, it is quite likely that ObamaCare will indeed fund abortions with taxpayer dollars, at the very least by subsidizing insurance exchanges in which insurers who cover abortions may participate.

“State Revolt Against ObamaCare Mandates” is the next section of the report, which begins by pointing out that ObamaCare “relies heavily on a massive expansion of Medicaid,” which will cost states big money — anywhere from \$20 billion (CBO estimate) to \$43 billion (the Kaiser Commission on Medicaid and the Uninsured). Furthermore, 18 states have already opted out of the high-risk pool mandate, and 21 states have filed suit against ObamaCare, charging that it is unconstitutional (which it undoubtedly is).

The last section in the critique of ObamaCare is an assessment of the law’s popularity, particularly in light of Democrats’ pre-passage assertions that its popularity would increase after passage. In fact, despite a taxpayer-funded public-relations campaign mounted by the White House, the law remains unpopular, with a CNN survey from late May finding that 56 percent of respondents disapproved of ObamaCare. The passage and signing of the bill did nothing for the public’s approval of Democrats in general or Obama in particular; Democrats have avoided public appearances in their home districts as a result, says the report. It’s a good bet that the more the public finds out about ObamaCare, the less it will approve of both the law and those who instituted it.

Boehner has done a very good, if occasionally repetitive, job of showing that the reality of ObamaCare is almost the complete opposite of everything the Democrats claimed it would be. Now how much of an improvement is the GOP plan he’s hawking? We’ll tackle that in another article.

*Photo of Rep. John Boehner: AP Images*

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