



Written by [Raven Clabough](#) on September 18, 2013

House Republicans Introduce ObamaCare Alternative

Today House conservatives [introduced](#) the first detailed alternative to ObamaCare — legislation to increase the tax breaks for those who buy their own insurance.

Fox News [reports](#), “Under the proposal endorsed by the 175-member Republican Study Committee, Americans who purchase coverage through state-run exchanges can claim a \$7,500 deduction against their income and payroll taxes, regardless of the cost of the insurance. Families could deduct \$20,000.”



Approximately 75 percent of rank-and-file House Republicans are on the study committee, Fox News observes.

The measure was drafted by a small group, led by Rep. Phil Roe (R-Tenn.), a member of the House Doctors Caucus. Roe asserts that the tax deduction would help guarantee that individuals and families purchasing their own health insurance would enjoy “the same buying power” as employers.

The bill expands federal support for state high-risk pools to \$25 billion over 10 years. Roe adds that the \$25-billion commitment would help ease the burden on families when funding provided under Obama’s plan runs out. Premiums in high-risk pools would be capped under the Republican plan at twice the average cost of insurance sold in the states.

Further, those with preexisting conditions who have insurance coverage would be allowed to shift existing insurance without having to worry about losing it.

The Daily Caller [writes](#):

Under current law, individuals purchasing insurance in the individual market are protected from pre-existing condition exclusions only if they have not had a substantial break in coverage, their previous coverage was through an employer, and they fully exhaust COBRA coverage. This provision would allow individuals to receive those same protections regardless of the source of their prior coverage and without requiring them to exhaust COBRA coverage, which is often very expensive for both employees and employers.

The Republican plan provides expanded access to health savings accounts, increases the maximum allowable contribution to those accounts, and permits employers to offer a larger benefit for those who successfully complete a wellness program.

The bill features a variety of provisions that Republicans have long advocated, including allowing companies to sell policies across state lines, and enabling small businesses to join together to receive better rates from insurance companies. It also features a provision that caps damages in malpractice cases at \$250,000 unless state law trumps that limit with a higher cap.

It also explicitly states that nothing in the act requires health plans to provide coverage for abortion services, nor does it allow any government official to require abortion coverage. The Republican



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proposal prohibits federal funds from being used to cover abortions, with the exception of cases of rape, incest, or when the mother's life is in danger.

The Republican proposal does not provide alternatives to some significant provisions found within ObamaCare, including that which allows children up to the age of 26 to remain on their parents' insurance.

The cost of the legislation has not yet been tallied.

The proposal comes at a critical time when the House is preparing to vote on a budget bill that would defund ObamaCare. It also undermines claims by the Obama administration that Republicans are only interested in eliminating the healthcare law without any intention of replacing it.

"I think we've done a very effective job at pointing out all the things that are wrong with the president's healthcare law, but people want to know what we stand for," Rep. Steve Scalise (La.), the chairman of the Republican Study Committee, said at a breakfast hosted by the *National Review*.

Fox News writes that Republicans have had a difficult time producing their alternative to ObamaCare as a result of internal battles. "Legislation backed by House Majority Leader Eric Cantor (R-Va.) to increase funding for high-risk pools was pulled without a vote after some conservatives objected to improving ObamaCare at a time when they want to repeal it," Fox News reports.

Democrats have threatened to reject the bill, and have issued warnings that the Republican strategy could result in a government shutdown, as federal funding is set to expire by October 1 unless a continuing resolution is passed.

House Speaker John Boehner (R-Ohio, shown) [announced](#) Tuesday that Republicans will tie the continuing resolution to defunding ObamaCare.

"We're going to continue to do everything we can to repeal the president's failed health care law," Boehner said. "This week, the House will pass the CR [continuing resolution] that locks the sequester savings in and defunds Obamacare."

According to Senate Majority Leader Harry Reid (D-Nev.), in doing this, the Republicans are ultimately catering to the needs of anarchists.

"We're now waiting to see what the House of Representatives is going to do, how absurd it's going to be, what they're going to send us," Reid said Wednesday. "We know it's going to be something really strange and weird because the speaker has to do everything he can to mold a piece of legislation that will meet the needs of the tea party — the anarchists — and I say that without any equivocation. They do not want government to work on any level."

The healthcare law has long been the target of Congressional Republicans, with over 40 votes on repealing all or part it since it was passed in March 2010.

"We can lower health care costs and fix real problems without a government-run system that puts unelected Washington bureaucrats between you and your doctor," said Rep. Scalise.

According to Rep. Scalise, Republicans are pursuing an alternative to ObamaCare that would lower the cost of healthcare while simultaneously increasing access.

The group is advocating for a full House vote but has acknowledged that the bill stands no chance of passing with Obama in the White House and the Democrats dominating the Senate. But Republicans believe that it is important to showcase their alternative to the healthcare law.



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"I will be pushing our leadership to actually move this bill through the process because I think it's important that we have an alternative to the president's healthcare law, so we can put the two side by side," Scalise said.

Of course, a better solution would be to get the federal government out of healthcare, period. Washington, D.C., has no constitutional authority to manage or even subsidize the healthcare of Americans. Government meddling in this area has only resulted in increased prices, lower quality of care in many instances, the "cartelization" of big pharmaceutical and other medical companies seeking government favors, and a colossal addition to the national debt.

It would be much more effective to allow consumer demand to run the healthcare market. In this scenario, competition would drive prices down and insurance would be available to cover what consumers want and need, not simply what the government tells insurance companies they can cover.

Photo of House Speaker John Boehner (R-Ohio): AP Images



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