



Written by [Thomas R. Eddlem](#) on August 12, 2009

Inconvenient Truths Revealed at Obama's "Town Hall"

President Obama revealed several inconvenient truths about his healthcare package at his Portsmouth, New Hampshire, "Town Hall" meeting August 11.

While Obama attempted to dispel several myths perpetuated by conservative proponents of the legislation at his "Town Hall" public-relations offensive, he also revealed that his "plan" has no connection to any of the three proposals floating through Congress right now. "First of all," he [pledged](#) before the crowd of 1,800, "I said I won't sign a bill that adds to the deficit or the national debt. Okay? So this will have to be paid for." Yet all three healthcare bills in Congress right now would increase the deficit by hundreds of billions of dollars over 10 years, and one by more than \$1 trillion. According to the Congressional Budget Office, the [House version of the legislation \(H.R. 3200\)](#) would add \$239 billion to the deficit in addition to a massive \$583 billion tax increase, while Senator Ted [Kennedy's version of the legislation](#) would add more than \$1 trillion to the deficit over the same 10-year period.



Since Obama has yet to introduce his own detailed healthcare proposal to Congress, Obama is clearly selling a healthcare plan that doesn't exist anywhere in the legislative process. In short, Obama is selling a fictional healthcare financing plan.

Also revealed during the "Town Hall" meeting (where Obama failed to take any tough questions from critics) was the emerging truth that Obama plans to hold Medicare and Medicaid financial reform hostage in order to put pressure on Congress and the American people to pass a healthcare package. And it also included an admission that Obama doesn't intend to "bend the curve" to get Medicare and Medicaid costs under control. You had to read between the lines and actually study his words, but the admission was clearly there.

Here's how. Obama stated, "Our deficit will continue to grow because Medicare and Medicaid are on an unsustainable path. Medicare is slated to go into the red in about eight to 10 years." While stating that the federal government needs to make substantial cuts in Medicare and Medicaid spending in order to avoid breaking the federal budget (assuming our current \$2 trillion deficit is not a broken budget), Obama stressed that "when I look at the federal budget and realize that if we don't control costs on health care, there is no way for us to close the budget deficit — it will just keep on skyrocketing.... I say



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we have to get it done.”

But during the “Town Hall,” Obama also [outlined](#) his preferred way to finance the healthcare package. And his proposal would spend every penny of prophesized savings from Medicare and Medicaid reform:

About two-thirds of those costs we can cover by eliminating the inefficiencies that I already mentioned. So I already talked about \$177 billion worth of subsidies to the insurance companies. Let’s take that money, let’s put it in the kitty. There’s about \$500 billion to \$600 billion over 10 years that can be saved without cutting benefits for people who are currently receiving Medicare, actually making the system more efficient over time. That does still leave, though, anywhere from \$300 billion to \$400 billion over 10 years, or \$30 billion to \$40 billion a year. That does have to be paid for, and we will need new sources of revenue to pay for it.

Note that President Obama has repeatedly stated that the United States is on the path to financial insolvency with the expected increased costs to Medicare and Medicaid. “The status quo,” Obama [repeated](#) to the New Hampshire audience, “is unsustainable and unacceptable. So reform is not a luxury, it’s a necessity.” The additional spending expected from Medicare and Medicaid, Obama has repeatedly stated, will ensure that the United States will not balance the budget any time in the near future. Yet Obama’s financial outline of his healthcare plan would have the federal government continue funding Medicare and Medicaid increases and spending any “savings” that may be found. Any savings would simply be used as funds for his universal healthcare program.

So the natural question is, if we are heading to perpetual budget deficits and financial insolvency with the status quo of Medicare and Medicaid, and President Obama plans to have the federal government continue to spend every penny of the status quo spending plan, isn’t his healthcare proposal also a plan for financial insolvency and perpetual deficits? The question answers itself; by his own figures and logic, it irrefutably is a proposal for national bankruptcy.

Obama is holding Medicare cost reform over America as a sword to compel passage of his healthcare plan. But the truth is that Medicare and Medicaid spending reform can happen independently of Obama’s socialist dream of creating a “public option” and universal coverage. And passage of his healthcare plan would guarantee that the “status quo” spending plan that is taking the nation to bankruptcy would continue, or worsen.

President Obama must have been speaking about his own proposal to pay for the healthcare package and institute deficit control when he [told](#) the “Town Hall” audience, “Where we do disagree, let’s disagree over things that are real, not these wild misrepresentations that bear no resemblance to anything that’s actually been proposed.” If Obama’s critics have inadvertently exaggerated some small aspect of congressional healthcare proposals, they clearly have learned from the master of exaggeration and fabrication: President Obama himself. He has clearly been talking about a healthcare financing plan that bears “no resemblance to anything that’s actually been proposed” in Congress, and he has sold it as a deficit control a package that — even assuming his own financial outline — would continue or worsen the financial *status quo* he has attacked with ferocity.



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