



Written by [Michael Tennant](#) on April 3, 2012

ObamaCare's \$17 Trillion Unfunded Liability

Sessions (left), Ranking Member of the Senate Budget Committee, had asked his staff to compute the long-term costs of the Patient Protection and Affordable Care Act (ObamaCare). After three months of combing through the hundreds of pages of the law and comparing their expected costs to the United States' fiscal outlook for the next 75 years — just as the government currently does for other programs such as Social Security and Medicare — Sessions' staff estimated that ObamaCare has created a *\$17 trillion* unfunded liability for the U.S. government.



No wonder the Senator was “floored.” President Barack Obama, after all, had promised that his healthcare overhaul would not add “one dime” to the federal deficit. Yet clearly, if changes are not made to future federal budgets, either by raising more revenue or by reducing spending elsewhere, ObamaCare will add \$17 trillion to the national debt.

Sessions said the unfunded liabilities arose from two provisions of ObamaCare. First, he stated, the insurance “premium subsidy programs” have created \$12 trillion in unfunded obligations: Because the authors of ObamaCare knew their mountains of mandates would drive up the cost of insurance, they subsidized insurance premiums to soften the blow. Second, with the addition of millions of Americans to the Medicaid rolls, that program now presents an additional \$5 trillion in unfunded obligations, according to Sessions.

There are, he noted, other costs — some of them still unknown — that ObamaCare has piled onto the government, such as “the dozens of new bureaucracies that will be created to implement the president’s health care law or the expansion of existing bureaucracies,” including 4,000 new agents and \$303 million for the Internal Revenue Service, which is charged with policing people’s compliance with the individual mandate. He had earlier calculated that these extra charges would push ObamaCare’s cost over just its first decade up to \$2.6 trillion, almost triple its original 10-year estimate.

Well aware that critics would view his \$17 trillion figure as something cooked up out of pure partisanship, with the worst always assumed so as to increase the final total, Sessions took pains to assure Americans that his staff had, in fact, used “the administration’s own optimistic assumptions and claims about the law” and “the models that are used by the Centers for Medicare and Medicaid Services” in making their calculations. That, he averred, means that “the unfunded liability is almost certainly not going to be less than \$17 trillion but, if any more of the administration’s claims unravel — as so many already have — the cost of the program’s unpaid for obligation will rise radically higher than \$17 trillion.”

Among the recently unraveled claims, as documented in [Congressional Budget Office reports](#): The next decade of ObamaCare will cost \$1.76 trillion, up from the original estimate of \$940 billion (which conveniently included years after the law was passed but before the government would spend much on



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implementing it); and millions of Americans will lose their employer-based insurance under ObamaCare, contrary to the President's assertion that those who like their healthcare plans may keep them. Many other claims have been debunked in the last two years, as regular readers of *The New American* know all too well. Sessions is almost surely correct that \$17 trillion is a floor, not a ceiling, for the law's unfunded liabilities.

If \$17 trillion were the extent of Uncle Sam's future unfunded obligations, it would be cause enough for alarm. Unfortunately, he has another \$82 trillion in such bills coming due over the next 75 years, including Social Security (\$7 trillion), Medicare (\$38 trillion), Medicaid (\$20 trillion), and the existing debt (\$15 trillion). All told, the government is on the hook for over \$99 trillion worth of "money we don't have but that we are committed to spend," Sessions explained.

The [Daily Caller](#) points out that \$99 trillion "is equal to almost 30 years of the current federal budget" and is "more than six years of wealth generated by the United States, which now produces just over \$15 trillion of value per year." In other words, there is simply no way for the government to pay its future bills without bankrupting the country. If the United States is not to go the way of Greece, Portugal, and other failed welfare states, it will have to cut spending drastically. Adding ObamaCare's \$17 trillion in unfunded liabilities only makes this task more urgent.

"The more we learn about the bill, the more we discover that it's even more unaffordable than was suspected," Sessions observed. Declaring ObamaCare "unpopular, unaffordable and unconstitutional," he concluded: "It must be repealed."

Photo: Senator Jeff Sessions



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