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Healthcare Law FAILS Patients, Doctors, and Taxpayers

Broken Promises Threaten Americans' Freedom

Two years ago, House Speaker Nancy Pelosi famously [said](#) Congress had to pass President Obama's health care bill to find out what is in it. Now, we know what's in this law and how it clearly breaks the President's promises to the American people.

Broken Promise #1: "If you like your plan, you can keep it"

- Candidate Obama [promised](#) "[y]ou will not have to change plans. For those who have insurance now, nothing will change under the Obama plan – except that you will pay less."
- By the Administration's [own estimates](#), new health care regulations will force most firms – and up to 80 percent of small businesses – to give up their current plans by 2013. Grandfathered plans would then be subject to the costly new mandates and increased premiums under the president's health care plan.
- Seniors will lose access to Medicare Advantage plans. One [study](#) found that Medicare Advantage enrollment will be cut in half by 2017, and plan choices will be reduced by two-thirds. Democrats realized seniors will lose plan access, so they [created](#) a temporary, multi-billion dollar waiver program for Medicare Advantage plans. Under this program, seniors will not lose their existing coverage until 2013 -- *after* President Obama's re-election campaign.

Broken Promise #2: "I will protect Medicare"

- In his 2009 [address to Congress](#), President Obama promised that he would "protect Medicare."
- The president's health care law, however, takes more than \$500 billion from Medicare and uses the money to pay for the new entitlements. The Medicare actuary has [written](#) that the Medicare cuts "cannot be simultaneously used to finance other Federal outlays (such as the coverage expansions under [the plan]) and to extend the [Medicare] trust fund."
- The Congressional Budget Office [wrote](#) Medicare provisions in the president's health care plan "would not enhance the ability of the government to pay for future Medicare benefits." President Obama admitted in an [interview](#), "You can't say that you are saving on Medicare and then spending the money twice." But that is exactly what the law does – it spends the same money twice, undermining Medicare rather than protecting it.

Broken Promise #3: "Bring down premiums by \$2,500 for the typical family"

- Candidate Obama [said](#) his bill would cut premiums by an average of \$2,500 per family. His campaign also promised those reductions would happen [within President Obama's first term](#).

- The annual Kaiser Family Foundation survey of employer-provided insurance found that average family premiums totaled [\\$12,860 in 2008](#), [\\$13,375 in 2009](#), [\\$13,770 in 2010](#), and [\\$15,073 in 2011](#). Premiums already have risen by \$2,213 since President Obama took office.
- CBO projects the law's new benefit mandates will raise premiums in the individual market by [\\$2,100 per family](#). The increase is because people will be forced to buy richer coverage, which will encourage them to consume more health care.

Broken Promise #4: Will not “add one dime to our deficits”

- President Obama [promised](#) “I will not sign a [health care] plan that adds one dime to our deficits, [either] now or any time in the future, period.”
- However, an honest accounting of the health care law finds that it will increase the deficit by hundreds of billions in its first 10 years alone (FY 2010-19).
- For instance, the law double-counts \$398 billion in Medicare savings, used both to extend the life of the Medicare trust fund to pay for new entitlements. The Congressional Budget Office [stated](#) that if these Medicare savings were set aside for Medicare, the law would raise the deficit.
- Former CBO Director Douglas Holtz-Eakin has [written](#) that under a realistic set of assumptions, the law will increase the deficit by *at least* \$500 billion in its first 10 years and *more than* \$1.5 trillion in its second decade (FY 2020-29).

Broken Promise #5: No need for a “mandate”

- Candidate Obama opposed a mandate to buy insurance, and made it one of the hallmarks of his primary campaign against then-Senator Clinton. Obama claimed that penalizing people for not buying health insurance was like “[solv\[ing\] homelessness by mandating everyone buy a house](#).”
- President Obama's health care law created an unprecedented federal requirement for all citizens to purchase a product merely because they exist.
- The mandate has been [struck down](#) by one appeals court and will be considered by the Supreme Court of the United States later this month.

Broken Promise #6: Will not raise “any of your taxes”

- Candidate Obama pledged he would not raise “[any of your taxes](#)” and promised not to “[tax health benefits](#).” His health care law broke those promises at least 10 times.
 - \$52 billion in fines on employers who do not provide “government-approved” coverage;
 - \$32 billion in taxes on health insurance plans;
 - \$5 billion in taxes from limits on over-the-counter medication;
 - \$15 billion in taxes from limiting the deduction on itemized medical expenses;
 - \$13 billion in taxes from new limits on Flexible Spending Arrangements
 - \$60 billion in taxes on health insurance plans;
 - \$27 billion in taxes on pharmaceutical companies;
 - \$20 billion in taxes on medical device companies;
 - \$3 billion in taxes on tanning services;
 - \$3 billion in taxes on self-insured health plans; and
 - \$1 billion in new penalties on Health Savings Account distributions.
- The health care law includes a “high-income” tax that, because it is not indexed for inflation, will eventually hit [80 percent of taxpayers](#), according to the Medicare actuary.
- The law forces people to buy insurance, then the federal government taxes employer-provided plans at a 40 percent rate. This tax will hit middle-income families especially hard.

Broken Promise #7: “It’s going to have to control costs”

- President Obama [promised](#) that health care legislation must control costs: “If any bill arrives from Congress that is not controlling costs, that’s not a bill I can support. It’s going to have to control costs.”
- According to the [Medicare actuary](#), national health spending will go up by at least \$311 billion over 10 years under the president’s health care plan.
- The Medicare actuary [believes](#) that payment reductions to hospitals and other providers as part of the law could cause as many as 40 percent of Medicare providers to become unprofitable. These cuts would lead to beneficiary access problems. If the experts’ predictions are accurate, the cuts would need to be reversed, and spending on health care would increase beyond the \$311 billion currently projected by the actuary.

Broken Promise #8: “Will cost between \$50-65 billion a year when fully phased in”

- Candidate Obama [pledged](#) his health care plan would cost “\$50-65 billion a year when fully phased in.”
- CBO now [projects](#) the cost of coverage expansions will be \$229 billion in 2020 and \$245 billion in 2021, four times what candidate Obama promised. CBO [conceded](#) that “putting the federal budget on a sustainable path would almost certainly require a significant reduction in the growth of federal health spending relative to current law (including [the health care law]).”
- CBO Director Elmendorf [said](#) higher-than-expected unemployment levels will raise federal spending on subsidies in the president’s health care plan. This means projections could significantly underestimate the level of spending on the new entitlements.

Broken Promise #9: “Four million small businesses may be eligible for tax credits”

- President Obama [claimed](#) that “4 million small businesses may be eligible for tax credits” included in the law. The IRS spent nearly \$1 million in taxpayer money to pay for [four million postcards](#) promoting the tax credit.
- The Treasury Department’s Inspector General recently [testified](#) that “the volume of credit claims has been lower than expected.” Only 309,000 firms have received the credit – seven percent of the four million firms the Administration claimed.
- Republicans [pointed that out](#) more than a year ago that this credit was too complex to be of much assistance to small businesses. The Treasury Inspector General [noted](#) that “there are multiple steps to calculate the Credit, and [seven worksheets](#) must be completed in association with claiming the Credit.”

Broken Promise #10: “These negotiations will be on C-SPAN”

- Candidate Obama promised to [televisе all health care negotiations on C-SPAN](#). The process that created the president’s health care plan was plagued with backroom deals like the “Cornhusker Kickback,” “Gator-Aid,” and the “Louisiana Purchase.”
- The president [conceded](#) the process “legitimately raised concerns not just among my opponents, but also amongst supporters that we just don’t know what’s going on. And it’s an ugly process and it looks like there are a bunch of backroom deals.”
- Democrats drafted the final legislation entirely in secret and passed it on party-line votes in both houses of Congress. President Obama [noted](#) that “sometimes it’s messy, the process is frustrating,” but he did not admit failure on transparency.

Time after time, President Obama made promises his health care law did not keep. It is time to replace President Obama’s failed experiment and provide real reform that guarantees people the care they need, from the doctor they want, at a price they can afford.