



May 7, 2013

## On Obamacare: “Glitches or a train wreck? Bet on the wreck.”

Week after week, hardworking taxpayers anxiously watch as policy experts and the private sector confirm the President’s health care law costs too much and fails to work the way Democrats promised. In the meantime, President Obama and Washington Democrats scramble to explain to the American people why their lofty health care promises are not matching reality.

### President Obama Clueless Regarding Health Law Impact

Senate Democrats spent last week lamenting that they created a health care “train wreck” and that their law could cause Americans’ health insurance premium rates, according to Senator Schumer, to [“go through the roof.”](#) When President Obama was asked about the health care law’s implementation at a news conference, however, he promptly buried his head in the sand.

Obamacare could cause health insurance premium rates to “go through the roof”.  
- **Senator Schumer**  
May 2, 2013

The President balked at the idea that people will experience any disruptions because of his health care law, [saying](#): “for the average American out there, for the 85 to 90 percent of Americans who already have health insurance, this thing has already happened. And their only impact is that their insurance is stronger, better, more secure than it was before. Full stop. That’s it. They don’t have to worry about anything else ... I mean, [government insurance exchanges are] what’s left to implement because the other stuff has been implemented and it’s working fine.”

Either President Obama is woefully ignorant of the health care law’s impact nationwide or he is willfully attempting to mislead the American people. Even the Washington Post fact checker took the President to task, [saying](#): “[H]e gets into trouble when he sweepingly suggests that only a ‘small group of people’ ... will feel an impact as the law is implemented.”

Perhaps the President forgot that Democrats intentionally delayed implementing the bulk of the law’s components (i.e. state exchanges, the federal exchange, insurance market regulations, government benefit mandates, employer mandates, and tax increases) until 2014. The American people will soon discover what implementation means for them:

- **Losing Employer Coverage.** The non-partisan Congressional Budget Office [estimates](#) eight million people will lose the employer-sponsored coverage they have today. A University of Chicago [study](#) shows more than half of the individual insurance plans offered today do not meet the health care law's standards in order to be sold on the market. Those plans will likely [disappear](#).
- **Premium Rate Shock.** The President's top health care advisor [admitted](#) that some people will see their premium costs go [up](#) because of the law. More than 30 separate [studies](#) confirm it. Democrats argue that taxpayer subsidies will help offset the cost to buy more expensive, government-mandated health insurance. Many who are eligible for taxpayer subsidies will still [pay](#) higher premiums than they do today, especially young people. Finally, CBO [determined](#) that five million Americans will not get a subsidy to buy President Obama's more expensive insurance.
- **Labor Unions.** Labor unions around the country were among the strongest backers of the health care law's passage. Today unions [say](#) the law's onerous requirements will drive their health care costs up and make their workers less competitive. The United Union of Roofers, Waterproofers and Allied Workers – with 22,000 members across the country heavily involved in the construction industry – has already [withdrawn](#) its public support and called for the law's repeal.
- **Restricting Job Growth.** Economists [fear](#) the health care law will negatively affect job creation. The U.S. Chamber of Commerce [reports](#) 71 percent of small businesses say the law makes it harder to hire more employees. The Federal Reserve [warns](#) of employers citing the health care law as a reason for planned layoffs and reluctance to hire more staff. The [New York Times](#) and [National Public Radio](#) noted a growing concern that employers will respond to the law's mandate to offer health insurance by cutting hours and lowering wages. In fact, Regal cinemas recently [announced](#) it will reduce hours for thousands of employees.
- **Middle Class Tax Increases.** The law imposes more than [\\$1 trillion](#) in new taxes on employers, manufacturers, and middle class families. According to the Joint Committee on Taxation, the law [violates](#) the President's [pledge](#) not to raise taxes on families making less than \$250,000 per year.
- **Regulatory Burden.** While CBO [predicts](#) unemployment will remain above seven percent through most of 2015, the Obama Administration issues thousands of pages of regulations to implement its health care law. The regulations are a giant wet blanket on innovation among entrepreneurs -- Americans will have to spend [127.6 million](#) hours complying with all the new regulations.

## Senator Reid Confirms Obamacare Implementation “Train Wreck”

Last month, Health and Human Services Secretary Kathleen Sebelius tried to dismiss concerns that the Administration will not have its health insurance exchanges up and running by the time

enrollment starts on October 1. Even the health care law's chief architects and most loyal supporters aren't buying her spin.

Senate Finance Committee Chairman Max Baucus questioned the Administration's implementation progress [saying](#): "I've got to tell you, I just see a huge train wreck coming down ... consumers and businesses will just not have enough information ... it will be too confusing."

"Max said unless we implement this properly it's going to be a train wreck and I agree with him."

**- Senator Reid**

May 1, 2013

Senate Majority Leader Harry Reid confirmed that he shares Senator Baucus' concern, [stating](#), "Max said unless we implement this properly it's going to be a train wreck and I agree with him." Senator Reid's solution to the problem, unsurprisingly, is to spend more taxpayer money to implement the health care law.

The President's health care law provided \$1 billion in implementation funds. Just a few months after its enactment, the CBO [estimated](#) HHS would actually need \$5 billion to \$10 billion to fully implement the law's provisions. Washington Democrats clearly had no idea how much their law was going to cost American taxpayers when they voted for it.

## Obamacare Popularity Takes Nose-Dive

It has been three years since Washington Democrats forced passage of their health care law on a party-line vote. On March 28, 2010, Senator Schumer [claimed](#), "as people learn about the bill, and now that the bill is enacted, it's going to become more and more popular."

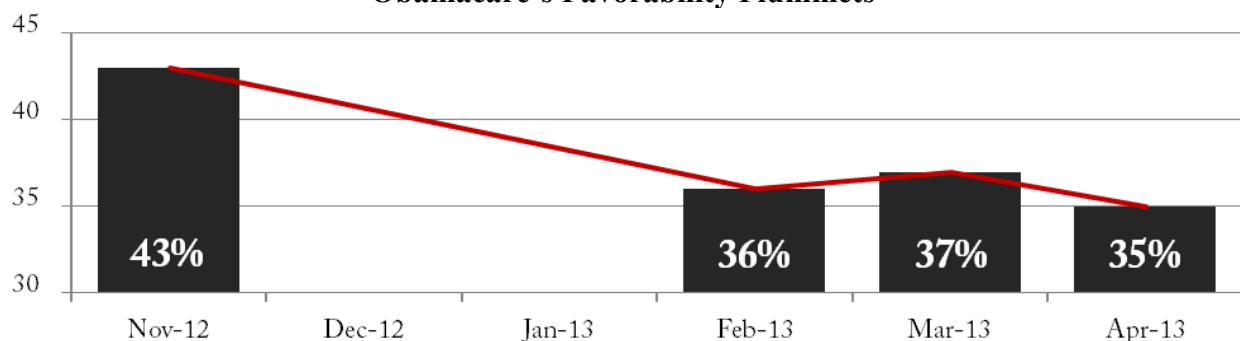
Senator Schumer's prediction never came true; today the law remains unpopular among Americans. Last week, a Kaiser Family Foundation [poll](#) found the law's popularity has plummeted since November 2012 – matching the lowest level of support since its enactment. The Kaiser poll found that only 35 percent of Americans report viewing the health care law favorably. That's down eight points just since election day.

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**- Senator Schumer**

March 28, 2010

**Obamacare's Favorability Plummet**



Another [poll](#) found 55 percent want to repeal the law entirely or at least some parts of it. Support has waned particularly among Democrats.

This is bad news for the White House. According to [Politico](#): “Democrats who soured on the law drove its nosedive in the polls, the latest survey suggests Democrats are shrugging their shoulders, unsure of what the law means for them and their families and are more likely to have no opinion on the law.”

A Kaiser pollster suggested Democrats are starting to question what the law’s practical effects will be. The pollster says: “During the election, they wanted to support Obama, and now with the [health care law] off the front page, [they’re] not seeing it entirely through such a political lens ... There’s no doubt about it, there is a lot of confusion about what the law is and what it’s going to mean for people.”

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confusion about what the  
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- **Kaiser pollster**  
April 30, 2013

President Obama [said](#) in his press conference, “Even if we do everything perfectly, there will still be glitches and bumps.”

But as the Chicago Tribune noted in an [editorial](#) over the weekend, **“Glitches or a train wreck? Bet on the wreck.** We’re hurtling toward this massive restructuring of the health care insurance market, and no one has confidence about what will happen.”