

How to Fix Health Care – Free the Market and Give Individuals Control – Part IV

Why Government Control is not a Solution, but a Certain Path to Catastrophe

What is Democrat Healthcare “Reform?” - Growing Government 101

The sum of Democrat “reform” is a hostile government takeover of an industry that embodies one-sixth of the U.S. economy, in which patients and providers are the pawns. As another grand income-redistribution scheme, this legislation will undoubtedly cause medical care costs to rise, and decrease the availability of services to the point of harming the public health. We’re going to pay more to get worse health care. It’s hard to imagine why they’re doing this, unless you understand that it’s about increasing power in Washington DC, not about solving health care problems.

"The urge to save humanity is always a false front for the urge to rule it."

--American writer **H. L. Mencken** (1880-1956)

H.R. 3200 “includes 33 entitlement programs, 53 additional offices, bureaus, commissions, bureaucracies, programs, it uses the word “shall” over 1683 times, representing new duties for bureaucrats and mandates (that’s up from 306 mandates in the discussion draft). You bet every member of Congress who votes for this bill ought to read it, read it thoroughly, and understand that what were looking at amounts to nothing more than a government takeover of our health care economy, paid for with nearly 1 trillion dollars in new taxes on individuals and small businesses, and it must be opposed.”

-- **Congressman Mike Pence** (R-IN), Remarks to Greta Van Susteran “On the Record” 7/28/2009

Democrats in Congress are making it up as they go along, incoherently advocating a big-government, big-regulation approach to “re-invent healthcare.” Led by Nancy Pelosi, and supported by a sycophantic media, they want to fundamentally change our nation’s private health care system into a government-dominated bureaucracy, by dramatically expanding access to health care via government mandate without fixing the root causes of the system’s dysfunction. [House Democrats' original 1018-page health care reform bill](#),¹ replaced with their inaptly named October 29 2009 1,990-page [Affordable Health Care for America Act](#) (H.R. 3962) create a mind-boggling “web of bureaucracy.” These bills don’t just offer subsidies so the needy can get required care, but instead sweepingly shift decision-making authority from individual citizens to government bureaucrats. The programs are designed to expand over time. Their methodology is akin to using a hammer to repair a Swiss watch.

Democrats advocate for such a monstrosity because the utopian *idea* of care for everyone makes them feel good, rather than because there is substantive evidence the program will work. Average democrats’ notion of government’s benign paternalism is what blinds many of them to the practical implications of implementing such a program. Democrat leaders who understand those implications purposefully intend to seize control. They believe the government should take care of us; an insulting monarchical argument.

Their plan is “government-centered,” under which care can (and will) be denied for non-medical reasons. Federal bureaucrats will be empowered to make *life-and-death decisions* about medical care by applying one-size-fits-all metrics; they’ll also be able to favor the politically well-connected, like themselves, over ordinary citizens. They will prohibit insurers and employers from designing policies based on health status, and will minimize patients’ financial involvement in their own care, recklessly insulating people from the consequences of their lifestyle

decisions. Democrats will expand government control of health care so dramatically that eventually all medicine will be rationed via politics.²

With or without a public option, Democrats think it is their job to make other people's decisions for them, and the intended destination of their "reform" is socialized medicine. The people advocating this are intelligent people, but they're steeped in left-wing ideology: "we'll think for you, we know more than you do, and you'll thank us later even though you disagree with us now (that's only because you don't know any better)." Because they are ideologues, they've become intellectually lazy, which reinforces their reliance on the crutch of ideology. With ideological answers at hand, they don't need to think things through. They think the entire country is like them – automatons – so they don't advocate "think for yourself" and they don't expect it of Americans.

Congressman Conyers has it right that a legal education is needed when reading through this legislation. As a matter of draftsmanship, the House bills are an abomination that no one can understand. At 1,018 and 1,990 pages, the bills are ridiculously complicated, and set the stage for legal disputes for years to come. It's a "jobs bill" for lawyers, and will necessarily leave many things to judges ill-equipped to figure out what the legislature meant. H.R. 3200:

- Creates 53 new federal bureaucracies with everything from a Health Choices Administration to a Health Insurance Exchange Trust Fund to a Health Benefits Advisory Committee.
- Creates or expands 33 entitlement programs.
- Uses the assertive word 'shall' 1,683 times. These passages are government mandates that force doctors, consumers and others in the health care profession to do what Congress orders.
- Uses the word 'penalty' is used 156 times for those who don't follow orders.
- Refers to 'Tax' 172 times.

According to the [House Republican Conference, H.R. 3962](#):

- Creates [110 new](#) boards, bureaucracies, commissions, and programs.

Democrats and Obama say "we're going to expand coverage and reduce costs." The statement is repeated over and over again despite being false on its face. It's double speak. What they're really going to do is expand costs and reduce coverage. This is what has happened everywhere government has taken over medical systems. The massive tax increase will be swallowed up by the massive bureaucracy. It's government's inertia. It can't be helped ... that's the *nature* of government. It's like the universe – it always expands.

Being ideologues, Democrats don't even comprehend the basics. Few if any of these legislators have any substantive experience in managing highly complex businesses, they are very thin when it comes to knowledge and substance, yet they somehow presume they're capable, and that they know *way* more than all those pesky outraged citizens. They keep creating a phony utopia where the laws of economics, experience, and logic don't apply. We have foreigners pouring over our border to get access to our health care, yet democrats want us to think our system sucks. It's snake oil, and Americans know better. They want to destroy the greatest health care system. Democrats never talk about the miracles and the fabulous successes of our current system, much less how government can focus on ensuring more of that success.

"[Liberals lie that] America's lower life expectancy compared to countries with socialist health care proves that their medical systems are superior. President Obama has too much intellectual pride to make such a specious argument, so instead we have to keep hearing it from his half-wit supporters. These Democrats are all over the map on where precisely Americans place in the life-expectancy rankings. We're 24th, according to Vice President Joe Biden and Sen. Barbara Boxer; 42nd, according to Pennsylvania Gov. Ed Rendell; 35th, according to Washington Post columnist Eugene Robinson; and 47th, according to Rep. Dennis Kucinich. So the U.S. may have less of a 'life expectancy' problem than a 'Democratic math competency' problem."

--columnist **Ann Coulter**

What is the extent to which this is “Nationalized” or “Government Run” or “centralized” health care? Judging from the Government Option, cooperatives, and the extended list of other features below, the point of the entire government “program” is all-powerful centralized government power and control, and getting to a single payer system. It’s about seizing power and control for Congress and Washington’s bureaucrats, and about growing government. It is *not* about improving the quality or quantity of health care, or reducing its cost, or increasing access. There’s nothing in Democrat “reform” plans that will improve medical care.

The Government “Option”

The “Government” Option – Democrats insist on a “public option,” which they assert is necessary to “keep the private insurers honest.” (They have to call it a “public” option, and then keep renaming it, to trick people ... it’s really a “government” option, and it’s not really going to be an option.) When government says it needs to keep the private sector honest, it’s a scary and painful irony; how can politicians, experts at dishonesty, keep others honest? (This lame sales pitch perfectly illustrates political dishonesty).

Consumers alone have the power to keep businesses honest – by voting with their feet in a free market of choices – and they don’t need any “help” from the government. Consumers can only keep insurers honest if those insurers are free to compete against *each other* in a marketplace freed of the government’s existing chokehold regulations and mandates.

The option is an alternative to the private health insurance market – where the government will own and operate a non-profit health insurance company offering “affordable” health insurance coverage to everyone under 65, within the context of a new, federally-regulated market called “exchanges.”

Government insurance is a ridiculous idea. It isn’t insurance, any more than social security is insurance. It’s merely another government Ponzi scheme.

The clear and present danger of this idea is “where does it stop?” If the idea is logically and constitutionally legitimate, why not have the government sell shoes and houses too? Food, clothing, and shelter are just as essential as health care, and no doubt some people aren’t getting their “fair share.” In fact there are many things easily deemed essential that many people can’t afford or have difficulty accessing for some reason. By asking “where does it stop?” we are able to see the absurdity of government getting into to the health insurance business. If it’s OK for the government to make sure everyone has decent insurance (whatever that is), then it’s OK for the government to do *anything*.

The government option will offer artificially low premiums for most, and subsidize premiums for many. It will force doctors and hospitals to accept sub-market reimbursement rates (as much as 30% below rates paid by private insurers),³ statutorily tied to the Medicare rate, something the private insurers can’t do. Under [H.R. 3962](#), the reimbursement rate will be “negotiable” with medical providers, but the practical implications of the government’s size, leverage, and bargaining power are clear: providers will be paid what the government decides they will be paid, which will be

substantially less than market rates. This will drive people away from employer-provided private plans, and the insurers that offer those plans will be driven out of business as their insured pools shrink. The coverage offered

One of the traditional methods of imposing statism or socialism on a people has been by way of medicine. It’s very easy to disguise a medical program as a humanitarian project. Most people are a little reluctant to oppose anything that suggests medical care for people who possibly can’t afford it.

Now, the American people, if you put it to them about socialized medicine and gave them a chance to choose, would unhesitatingly vote against it. We had an example of this. Under the Truman administration it was proposed that we have a compulsory health insurance program for all people in the United States, and, of course, the American people unhesitatingly rejected this.

So with the American people on record as not wanting socialized medicine, Congressman Ferrand said, if we can only break through and get our foot inside the door, then can we can expand the program after that. Well, let’s see what the socialists themselves had to say about it. They say once the Ferrand bill is passed, this nation will be provided with a mechanism for socialized medicine capable of indefinite expansion in every direction until it includes the entire population. Well, we can’t say we haven’t been warned.

-- Ronald Reagan

by the government's health insurance company will not discriminate based on the state of an individual's health. It will offer no cost advantage to being healthy.

Democrats suggest and believe that the government "option" will inject needed "competition" into the health-insurance market, and that such competition will keep the insurance industry "honest," and foster better rates for consumers. Democrats mysteriously declare that an industry with only 2.2% profit margins last year (35th of 53 industries on the Fortune 500 according the AP)⁴ needs to be kept honest (because it lets people die while greedily profiteering). Incredibly, however, Democrats do *not* advocate any policy that would *actually* inject real market-based competition into the health-insurance marketplace. They recognize that increased competition is good, but mistakenly think that the government can also be a "competitor," while simultaneously undertaking to eliminate actual market competition through new mandates and regulations.

Private business can't compete against the government for several basic reasons. One, government (with tax dollars) supplies the investment capital to launch of the public option without requiring the return of that capital. Private health insurance providers have a cost of capital and must make a profit and manage their affairs efficiently. They can't compete with the government's insurance company, which doesn't have to make a profit, doesn't care about making a profit, and doesn't need to be economically efficient in the administration of its enterprise. A private insurer has to generate *earnings*, and must control its costs, in order to pay its bills. It can't compete with a government insurer that doesn't need to control costs because it can pay its bills without earnings, by simply printing money, issuing treasuries, or raising taxes. *No industry* can compete with the federal government, because only the government can run at a deficit forever.

Unlike the private insurers, the government insurer's premiums won't have to bear any relation to the market's economic reality, and will therefore be artificially low. Private insurers can't compete with a public insurer who plays by different rules. The Blue Cross and Blue Shield Association observes that any "government-run plan will use its built-in advantages — no matter how it is initially structured — to take over the market" through "price-setting based on Medicare" or by using "existing government programs as leverage for negotiations."⁵

Two, government is also the referee; it writes the rules and will do so to benefit itself, not the other competitors, thus assuring that it wins. The government insurer, through its coercive powers, would be capable of dictating predatory monopoly pricing, which can easily bankrupt those in the private sector. Private insurers have to maintain reserves of capital sufficient to pay claims, as mandated by their states, and private insurers must comply with many state coverage mandates, which won't apply to the federal government's insurance company. Private insurers don't have immunity from lawsuits, which the government plan will. Private insurers have to pay taxes and rent, the government insurer does not. Worst, the private insurers' taxes will be used to shore up the government insurer.

Compounding the problem for private insurers, and ensuring that health costs won't subside, doctors and hospitals will raise fees to private insurers to offset the public program's 30% lower reimbursement rates (as they do now under Medicare in order to survive economically). In turn, to cover these increased costs, private insurers will be forced to *raise* their premiums, or they will go out of business. Bound by economic reality, private insurers won't be able to lower their premiums as competitive response to the government insurer's rates, as suggested by starry-eyed, economically illiterate Democrats.

And Democrats say this is "competition," and it's necessary to keep who honest?

The government insurer would never be permitted to fail as a consequence of its inefficiencies, insolvency, competitive failures, or managerial missteps. Congress (taxpayers) would continuously bail it out. (The U.S. Postal Service is a good example of this – it has lost \$7 Billion in each of the last 2 years, even with a monopoly on first class mail.) It would never go out of business the way private sector failures do, and is therefore insulated

from the reality-based economic decisions private providers have to grapple with. Thus, there is no such thing as a level playing field for, or “competition” between, government and private insurance providers.

The public option has the deck stacked in its favor. By mandating coverage, consumers are *forced* to buy, and, when forced, they will buy the cheap, subsidized alternative that pay doctors less. Businesses will have incentives to drop private coverage and move employees to the government option, because it will be cheaper. For those who lose their insurance or are getting it for the first time, private options (alternatives) existing today will no longer be available because all new policies will have to conform to the new “reform” rules. Those new rules will make many existing policies impossible.

The government option will not control costs or improve access to quality care. The AMA was right when it said in a detailed response to Democrats’ health reform proposal on June 10, 2009, “The introduction of a new public plan threatens to *restrict* patient choice by driving out private insurers, which currently provide coverage for nearly 70 percent of Americans. ... The corresponding surge in public plan participation would likely lead to an explosion of costs that would need to be absorbed by taxpayers.” [Emphasis added.]

If having an “option” is such a great idea, why doesn’t Congress offer taxpayers an “option” to not pay for it?

The Baucus Cooperatives – Under the Baucus Bill, the public option is replaced with a network of government-funded non-profit health insurance cooperatives, which create the same problems as the public option. Seeded with \$6 billion in taxpayer funds, and implicit government protection from bankruptcy (failure), the co-ops will also offer coverage at artificially low prices, forcing private insurers out of business, and leading to government domination of health plans.

The Other “Reform” Features

Even if Democrats tactically jettison this government insurance option, they’ll get to the same government control (single payer) endpoint via step-by-step incrementalism. Whether they call it a public option or they recast it as government sponsored cooperatives, or national coverage mandates on insurance companies, or coupling Medicaid expansion with individual mandates, the aim is to get any part of “national medicine” implemented so as to open the door as far as they can. It is designed to expand over time, like all government programs. All of the remaining provisions noted below are (or were) contained in H.R. 3200, Senate Bill 1796, or the House’s October 29, 2009 Affordable Health Care for America Act. They add up to or open the door to nothing less than government control of medical decision-making, and Democrats will persist in trying to get as many of these features passed as possible, now or later. Here are some of the main tax hikes, punitive business mandates, government control, and steep cuts to Medicare that Democrats call “reform:”

1. **The national insurance “exchange”** – (H.R. 3200 §201, pg. 72) Insurance plans that conform to government mandates (requirements) will be offered through the exchange to eligible Americans, who can choose from among qualifying insurance plans. The exchanges essentially bring private health care plans under government control, by dictating what qualifies to be sold and what doesn’t, and prescribing “essential benefits.” The exchange is a highly-regulated clearinghouse of providers that meet the government’s standards and stringent guidelines (§203, pg. 84). The government, through an unelected health choice commissioner and other bureaucrats, will write all policy terms, especially premium rates and benefit levels (so insurers won’t set policy terms themselves); insurers admitted to the exchange will essentially administer the government’s policy terms – they will be required to insure anyone who asks to be covered and to accept all renewals. Very few will be able to meet these mandates and survive, so the number of private insurance providers outside the exchange will decline precipitously as it becomes too expensive to stay in that business.

2. **Employer Mandates** – All employers, regardless of company size, will be required to provide a minimum level of health insurance to their employees as part of employee compensation (the “employer mandate”). H.R. 3962 requires any employer with an annual payroll of more than \$500,000 (which is nearly all businesses) to provide government-approved insurance to every employee, or pay a fine between 2% and 8% of total payroll.
3. **The “Individual Mandate” - All Persons Must Buy Health Insurance or Be Penalized** – Everyone is *forced* to buy government-approved health insurance (what happened to Democrats’ obsession with “choice” and “privacy”?), unless they qualify for Medicaid. Those who don’t secure coverage through their employer must obtain it through the “health insurance exchange.” Even though they don’t need or want the *comprehensive* “exchange-approved” plans mandated, individuals won’t be able to purchase far less expensive bare-bones catastrophic coverage. Only by mandating that *everyone* buy coverage under penalty of law (including millions of healthy young people who otherwise wouldn’t buy it, and won’t use it when they do buy it) can Democrats hope to get away with mandating that insurers insure everyone regardless of their medical condition (i.e., their risk), or securing the insurance industry’s consent to a very tight regulatory straightjacket. It’s an essential and cynical trade-off that will drive millions of new customers to the insurers, and it’s the only way to fund universal coverage without raising taxes to crushing levels. It’s also historic - Congress has never forced Americans to buy a private good or service.

Those who don’t purchase insurance will face an annual tax penalty.

Under Senate Bill 1796 (Baucus) those with incomes between one and three times the federal poverty level (FPL) pay an annual penalty of \$750 per person up to \$1,500 per family, which could apply to individuals with annual incomes as low as \$10,831. The penalty for incomes over three times FPL would be \$950 per person with a maximum of \$1,900 per family (this was originally \$3,800, but later reduced).⁶ (The Kennedy / Dodd Senate version of medical reform imposes fines of \$1,000 for uninsured individuals, and more for families, who fail to secure coverage, a tacit acknowledgment that many uninsured *choose* to be.)

The Congressional Budget Office estimates that the average uninsured person or family will pay between 15% and 20% of their income on mandated health insurance premiums, deductibles, and co-payments, before any government subsidy is available (hardly the “affordable” coverage Democrats have declared they are delivering). With a family of 4 earning \$66,000 annually expected to spend \$8,600 per year on health insurance (on top of a \$2,000.00 deductible), and a penalty of \$1,900 if they don’t buy it, this mandate is actually a disguised tax on individuals, though Mr. Obama insists the individual mandate is not a tax.

The penalties for not buying insurance are set low enough that millions will opt to pay the annual uninsured tax penalty, rather than pay the much higher annual insurance premium. This is feasible because insurers will have to take any applicant at any time regardless of medical condition. As structured, the plan will *encourage* people to pay the low penalties and wait until they are sick to buy insurance. As this occurs, people will enter the insurance pool only after their medical costs become significant. The insurance pools will become heavily weighted with high-cost individuals who have postponed coverage but can’t be excluded from the pool, which will cause everyone’s premiums to rise substantially. Instead of credibly controlling health care inflation, Congress is intensifying it by effectively rewarding individuals for waiting until they’re sick to get insurance. For those who responsibly carry coverage, this gift to the irresponsible will be hard to abide.

The president's proposal is historic -- though not in a good way. Never before has Congress forced Americans to buy a private good or service. In fact, for those with a traditional understanding of the Constitution as a charter of liberty (as opposed to the 'living' version), the list of Congress's powers in Article I, Section 8, grants it no authority to require any such thing. ... Requiring everyone to buy government-specified health insurance, whether they need it or not, is an unacceptable violation of personal liberty.

--The Heritage Foundation's [Robert Moffitt](#)

Don't Pay – Go to Jail - Worse, if you don't buy the mandated insurance, *and* then you don't pay the \$1,900.00 penalty, you could be charged with a misdemeanor and fined \$25,000.00 or go to jail for one year, according to Joint Committee on Taxation Chief of Staff Tom Barthold. Failure to pay will be enforced as tax evasion, even though Obama said this wasn't a "tax." When they attempted an individual mandate under HillaryCare in 1994, the CBO said the individual mandate is "an unprecedented form of federal action. The government has never required people to buy any good or service as a condition of lawful residence in the United States."⁷ The Baucus bill's mandate obliterates individual liberty; it's Orwellian coercion, tyrannical dictator stuff ... something you couldn't even make up! Yet, it's real in the United States Congress in 2009. Imagine, if you can't afford or don't want health insurance, and don't want government-run health care, Congress will now either incarcerate you with *actual* criminals or impose a financially devastating fine on you. It's simply beyond belief.

Let's be clear. According to Obama, the government has to require that we all buy health insurance, because if someone doesn't have health insurance and he gets hit by a bus, then his medical bills have to be paid by all taxpayers (an overly simplistic premise). Democrats argue that this is too much of a burden on taxpayers. Even though we've been doing it this way for many years (and everyone gets treated and no one's liberty has been destroyed), Democrats never tell us what the actual cost of this terrible burden is – so, let's generously say it's \$5,000 per year in medical costs for every one of the 10 million truly uninsured, or \$50 billion (an unlikely figure). The proposals on the table say it'll cost between \$800 billion and \$1.2 trillion to cover everyone, and everyone knows the actual costs will be between \$2 and \$3 trillion. Instead of paying the medical costs of a fraction of the uninsured (those who actually end up needing medical care and actually stiff the providers), taxpayers will now pay the insurance cost for 10 million or more, whether they need it or not, and whether they go to the hospital or not, and whether they would stiff the providers or not, along with the inflated cost of a government takeover. It's very confusing: why is it better for taxpayers to pay \$2 - \$3 trillion and dramatically expand the government's control over our lives, than it is to just continue paying \$50 billion a year?

When combined, the individual and employer mandates are really just socialized medicine with a private façade. Socializing costs in this manner is an essential step to a single payer system.

- 4. The government (taxpayer) will subsidize financially-strapped Americans' purchase of health insurance** – For those who can't afford to pay for their mandated health insurance, the government will give them large financial subsidies to partially offset the insurance cost. Those earning between 150% and 400% of the poverty level—i.e., about \$96,000 for a family of four in 2016—could buy coverage at heavily subsidized rates, tied to income. (E.g., the government will pay 93% of insurance costs for a family earning \$42,000, 72% for another making \$78,000).⁸

This subsidy, coupled with the individual mandate, provides insurers with new streams of revenue to offset the cost of mandates imposed on them, thus completing the grim process of converting the private insurance industry into public utilities. It's nationalization through the back door. It's just substituting one taxpayer burden (paying the medical costs of those without insurance) for a much larger one (paying the insurance costs of everyone who can't afford to buy insurance on their own). The subsidy to buy the insurance is given to those who are presumably capable of paying the \$1,900.00 tax penalty for not buying the insurance. They can't afford the insurance and deserve a subsidy, but they *can* afford the tax penalty? Why not subsidize their payment of the penalty

"[I]t's a mistake to think of the current legislation as a health-care reform bill. It is actually a bill for the formation of a massive health-care bureaucracy charged with the task of scheming endlessly to expand its own power. The only way to prevent this kind of free-floating grant of power to the bureaucracy is to prevent it from forming in the first place, by keeping government out of medicine."

--columnist **Robert Tracinski**

too? Democrat logic is confounding to say the least. What good is it to require someone to buy insurance if they can't pay for it themselves? If the government subsidizes the mandate, taxpayers are still paying the cost of those who don't have health care, and are getting stuck with the extra \$1 Trillion in government expenses. Government's resources are finite, and subsidizing premiums in today's waste-ridden system, uncompetitive system (without first fixing the waste-ridden uncompetitive system) risks bankrupting the country. That's some deal for the taxpayers.

5. **While private health insurance will not be outlawed, it will be effectively regulated out of business⁹** by subjecting all plans to "community rating"¹⁰ and "guaranteed issue" regulations,¹¹ which will drive prices, and the cost of existing coverage, up. Naturally, this will create an incentive for employers to shift employees to the government option.¹² Existing government-mandated coverage requirements already choke competition and prevent the availability of more affordable plans. But H.R. 3200 and 3962 contain provisions that will kill private health insurance directly by banning insurance companies from writing new private individual policies. All new policies must be offered through a government-run health insurance exchange, and conform to federal requirements. The law essentially bars some health insurance companies from adding new customers, which ensures that through attrition the firms will go out of business. Under H.R. 3962, grandfather protection for employer-provided plans expires after year #5, whereupon all such policies must conform to government-defined "qualified health benefits plans," which will require fundamental rewriting of the employer-provided plans that remain. So much for "keeping the insurance you have."
6. **Private Insurers Can't Discriminate For health Risks created by personal conduct.** The only vice that any insurance company will be able to use to charge more for a policy is cigarette smoking. Discriminating on premiums for any other conduct-based risk is banned. This means that people who manage their personal conduct and health risks wisely will have to pay just as much as the people who don't; this destroys the incentive to stay healthy. Government is now in charge of telling insurance companies what they can and cannot discriminate against, which tears at the very root of the insurance pool concept: actuarially-based discrimination based on risk-analysis. Now insurers are told they are unfit to judge what programs to offer to whom and that they are incapable of assessing their actuarial risks. (When the government needs to reduce its costs, expect *it* to discriminate based on personal conduct.)
7. **Draconian Health Insurance Regulation and Costly Mandates Render the Private Insurance Industry a Public Utility** – Like the government option or co-ops, private insurers will be required to accept all applicants, insure pre-existing conditions, and not charge premiums based on a person's medical history or illness (note: health insurance companies don't insure those with pre-existing conditions just as automobile insurers don't insure your automobile *after* you crash it). Regulations will also require that insurers provide policies with low co-pays and broad coverage, and prevent insurers from placing caps on what they pay out, eliminating their ability to control their costs.

These are all the very things that have caused premium costs to rise; yet Democrat bills make these fatal flaws permanent and national, which defeats the claimed object of making health care affordable for everyone.

It doesn't matter if liberals start calling national health care a 'chocolate chip puppy' or 'ice cream sunset' -- if the government is subsidizing it, then the government calls the shots. And the moment the government gets its hands on the controls, it will be ..., forcing taxpayers to pay for abortions and illegal aliens, rationing care and then demanding yet more government control when partial government control creates a mess. Which happens to be exactly what liberals are doing right now."

—columnist **Ann Coulter**

Obama claimed his reforms will eliminate massive fraud from public and private health care (which leads us to wonder why the federal government has failed to act against such massive fraud over the last 45 years), will cut large amounts of money from Medicare while forcing physicians to provide additional care to more people amid plummeting reimbursement rates, will eliminate denials due to pre-existing conditions, will cap out-of-pocket expenses, will drive down premium rates, and, finally and most reassuringly, will create rainbows for unicorns -- all for just \$900 billion over 10 years. Talk about fantasy.

-- **Patriot Post**, September 11, 2009

Insurance is a risk-management mechanism that enables many to pool resources to pay for unexpected and unpredictable medical needs and events suffered by pool members. It is not a tool to force one party to pay for another's medical expenses after they've been incurred. Government assistance and insurance are not the same thing. But, under ObamaCare, every pool will bear the cost of every fool, because every pool will now include the risks of *everyone* (which means it's just a big welfare scheme, instead of real insurance founded on legitimate risk classifications). It's forcing insurers to be in the subsidy (welfare) business rather than the insurance business (i.e., the business of actuarially managing risk). Insurers are essentially being forced to expand covered services, and expand the pool of insureds to include the least healthy individuals, while limiting their insurance rates, i.e., to cover anyone at any time at uniform rates. If you have to insure people who are already sick, there's no risk management of future possibilities involved, just payment of current costs.

When insurers are barred by the government from actuarially discriminating (i.e., when they have to sell to anyone anytime) there will be no incentive for individuals to insure early and manage risk because there is no price to pay for waiting until the last minute. People will wait until they get sick or need medical care to secure coverage, avoiding the cost of coverage while they are well. They will weigh the cost of the penalty for not having coverage against the cost of coverage. As long as the insurance cost for a year is higher than the government penalty, people will wait until they are sick to get coverage. This also crushes the incentive to pro-actively maintain individual health. As more people wait to buy coverage, the cost of insurance for those who are buying before they need it will go up, and the more it goes up, the fewer of those responsible early buyers there will be.

“Guaranteed Issue” Provisions Have Already Failed Miserably – In the only 5 states that have implemented them, guaranteed issue mandates drive the individual insurance market away, and push average insurance premiums to *twice* what they are elsewhere. The reason is that these states force insurers to “insure” known conditions, and won't let insurers exclude high risks. The state is essentially forcing the insurer to be a welfare provider, rather than an insurer. By forcing everyone, regardless of condition to be included, government causes the insurance companies' costs to rise dramatically, which forces the insurer to charge higher premiums to pay the cost of caring for *everyone*. If Mr. Obama won't let insurers charge more for those who are at a higher risk of getting sick, then the government is just delegating a welfare function to the private insurance industry. As more high-risk participants are included in the pool, insurers must pay for the added (known) medical expenses by raising premiums. Yet Obama professes to want to reduce premiums.

The Congressional Budget Office says that state regulations already boost premium costs an average of 15%, and the Council for Affordable Health Insurance suggests that mandates increase premium costs by between 20% and 50% in some states.¹³ According to Michael Cannon, the Cato Institute's director of health policy studies, the average state imposes 38 mandates, which make private insurance too expensive for many. Under the new burdens imposed by ObamaCare the insurer WellPoint estimates that some individual premiums will triple.¹⁴ A study by economists at the University of Minnesota showed that permitting consumers to buy insurance from any provider in any state could cover an additional 12 million Americans (by competitively reducing the insurance cost).¹⁵

What will this multitude of new burdens do? The policies that people like and are told they can keep will have to change or be eliminated. Private insurers' premiums will have to rise sharply, as the massive new costs imposed by the new regulations, and the rising demand for medical services, pushes medical costs up. The private market's ability to innovate in designing and delivering insurance programs that serve “reform” objectives by responding to market demand (i.e., that work) will be completely disrupted. Private insurers will be barred from managing pooled risks as they historically have, which will put the vast majority of them out of business. Eventually, as most of these companies fail, their demise will leave

a vacuum for the government to fill when there's no one left in the private sector offering health insurance.

The more the government regulates the insurers about what they "must" do, what terms and rates they "must" offer, how generous the benefits "must" be, and who they "must" include, the fewer medical insurance choices citizens will have, and the less opportunity the market will have to create incentives for individuals to economize on medical care consumption. Without choices, individuals no longer have control over their health coverage, but "must" take whatever the government mandates from whoever remains capable of offering it. This is the government "centrally planning" the insurance market, and it's the central problem with Democrat reform of health care, regardless of whether government offers its own insurance option. In fact, there's little real difference between the effect of this central planning and the effect of a government option. Both destroy the private market and take away private decision making (and it is clear that this is Democrats' true objective). What makes this much worse is government's inbred political incentives to expand "benefits" while requiring less contribution from patients.

Eventually, government and big-insurance will be one and the same. The private insurance companies that survive this carnage will end up needing government assistance (aka "partnership") to function under government's heavy regulatory hand. The whole point of this legislation is to force private insurers to act as agents of or contractors to the government welfare apparatus. The unstated intention is that they fail under the untenable cost conditions, leaving a vacuum for the government to fill. When the private insurance implodes under the weight of the new regulations, government will blame the private sector and paint their second round of takeover attempts as a new imperative caused by the greedy insurance companies.

8. **Expansion of Medicaid** – Medicaid is dramatically expanded. Under the Baucus Senate bill Medicaid eligibility expands to those earning up to 133% of the poverty level - or about 70 million Americans. Under the [October 2009 House Bill](#), Medicaid eligibility expands to 150% of the poverty level. In 10 years, 25% of the U.S. population will be on Medicaid (a program originally intended for poor women, children and the disabled).¹⁶
9. **Significant Increases in Medicaid Liabilities** – One way Congress plans to reduce the number of uninsured is through expanding Medicaid to cover uninsured individuals earning up to 133% of the poverty level. About 11 million people, or 30% of those intended to be covered by HR 3200, will receive coverage via Medicaid.¹⁷ This expansion of Medicaid poses a problem for states because Medicaid costs are shared between the federal and state governments. Dramatically and immediately expanding Medicaid enrollment on this large scale will wreak havoc on state budgets already facing deficits; it will break state budgets with unfunded Medicaid mandates. Congress is passing much of the cost of their government takeover on to the states, forcing them to raise taxes or cut services. This type of action by Congress should enrage (and alarm) the states and their citizens, who Obama has promised that their taxes won't be increased. The federal share of state Medicaid liability is 57%, but would rise to 91% under the [October 2009 House Bill](#). Even with that increase in federal matching obligation, states will be on the hook for \$34 billion in new expenses.¹⁸
10. **House bills mandate taxpayer funding of abortion**, and mandate coverage of abortions by insurance providers. Democrats in Congress brazenly declare that taxpayers should pay for abortions, regardless of their moral views on the issue, and regardless of the fact that abortion is not health care (it destroys life and endangers health). Forcing those who believe abortion is evil to pay for it, and taxing them more to pay for it is an abuse of the legislature's power. Taxpayer supported abortion-on-demand will increase the number of abortions, something abortion opponents can't abide, especially if it's being done with money from their own pockets. Despite Obama's declaration that federal dollars won't pay for abortions, the House bills allow abortion to be covered by a federal plan and by federally subsidized private plans.

11. **Democrats' plan would add another "Czar," the new 'Health Choices Commissioner'** (§141-2 of the bill) -- separate from the already existing Department of Health and Human Services, Centers for Medicare and Medicaid Services (formerly the Health Care Financing Administration), the Veterans Health Administration and the Indian Health Service. This would essentially establish a government overlord appointed by the President to make medical decisions. This Czar would be responsible for
 - a. establishing and regulating geographically-based Health Insurance Exchanges
 - b. determining what "essential benefits" and coverages must be included in health insurance plans each year, and how much private insurers can charge for their coverage
 - c. assessing fines on employers and individuals who do not provide or acquire health insurance
 - d. regulating private insurers' marketing activities and use of funds
 - e. "promoting accountability" of insurance providers both within and outside of the Exchanges in "meeting Federal health insurance requirements."

Additionally, the Insurance Czar would be privy to individuals' tax return information, which would be used to determine who qualifies for federal subsidies to purchase insurance.

12. **Private medical records will find their way into a government database** (which they *promise* will never be used improperly). Electronic submissions for payment must be "comprehensive, efficient and robust," according to H.R. 3962 (Sec. 115), which will require that significant individual medical data will be transmitted to the federal government before payment can be approved.
13. **End-of-life counseling for senior citizens** every 5 years or more often if they're sick. Under HR 3200's Section 1233 (pages 425-430, "Advance Care Planning Consultation) doctors are paid (essentially recruited) to discuss end-of-life alternatives and sell the elderly on living wills, hospice care, and other "end of life" providers, and the availability of government money to pay for such services. Who decides what end-of-life providers / services make the list? Government's intention is to have doctors become advocates for minimizing end-of-life medical costs; its reimbursement to doctors for providing these counseling services will create a new cottage industry in medical end-of-life counseling. These strong incentives to provide such counseling, coupled with its delivery through medical professionals in white coats, risks subtly intimidating and coercing patients and their families regarding their medical care choices, and into voluntarily refusing treatment. Doctors, in a position of authority, can easily require patients to sit through such counseling sessions (they have an incentive to insist). Doctors are also given the authority to supervise the "formulation" of an end-of-life directive during the counseling session, and would be in a position to apply pressure to do so. These move doctors into a distinctly and inappropriate non-medical role (why are we paying doctors for non-medical services, to be lawyers and priests?).

Interestingly, absent from Democrat bills is any provision for the government to reimburse doctors for counseling patients on "wellness," how to exercise, how to eat right, how to avoid obesity, or for "counseling" them about all the fabulous medical technology and drug therapies available that may be worth trying to *extend* their lives.

The very notion of the federal government being involved in or advocating (paying for) personal end-of-life decision-making for the sake of "cost effectiveness" is frightening. Government's budgetary imperatives and individual citizens' deeply personal, private, life and death imperatives don't mix; paying doctors to mix them is wrong. When the government pays medical personnel for such counseling sessions *it* dictates what information is covered during the sessions as a condition of reimbursement, which means government controls the dialog (i.e., what the doctors says and advocates), and *when* the dialog occurs. To legislatively mandate such things and specify what the provider *must* discuss with the

patient, and when, is an extraordinary invasion of privacy and tyrannical paternalism. Any government involvement in the very private province of making end-of-life decisions (deciding who has what end-of-life directive, and whose life is worth saving) interferes with individual liberty, abandons our nation's founding principles, and reduces the inherent dignity of each individual. These are aspects of dignity and privacy the government has no business inserting itself into. It indirectly puts a price tag on human life and will shut down life-saving medical services at the "end of life" (whatever the government determines that to be). 85% of health care costs occur at end of life.

14. **H.R. 3200 and other house bills mandate that government bureaucrats make decisions regarding payment to doctors based on the quality of care rather than the number of procedures performed.** Doctors are to be rewarded for "results," as opposed to services provided. This sounds nice, except it begs a few *big* questions:

- a. "What are 'results' and who determines this, and how are they accountable if they are wrong?"
- b. "Exactly *how* is the President or any bureaucrat qualified to decide the quality of a doctor's care or evaluate the results?"
- c. "What is the value of a procedure to the patient?"

Only patients and doctors can properly ascribe a value to a medical procedure, or evaluate "results." Unfortunately, with government paying the price, the link between benefit and price is broken, and discipline in choice-making goes out the window. Moreover, it sets the stage for a rather grim unintended consequence. With this new payment regimen in mind, Doctors will increasingly avoid taking on the tough cases with low prospects of good results. They will prefer instead to take as many cases as they can with a high prospect of a good outcome. While focusing their efforts on the easy cases and pursuing the rewards of treatment successes, many patients who don't hold much prospect of success will languish on the sidelines, ignored and discriminated against.

This will lead to bureaucrats deciding what medical services have value and which do not. What is of value in the context of a bureaucrat's priorities and imperatives, will not be the same as what is of value in the mind of an elderly patient, his family, or the attending doctors. What the bureaucrat decides will apply to everyone, casting aside individual choices based on individual circumstances. The government decision-maker's priorities and imperatives will take precedence over the care-giver's and patient's priorities and values.

15. **Doctors treating Medicare patients are penalized if their annual costs per patient are in the top 10% nationally, irrespective of quality, efficiency or waste.** The penalty is a 5% reduction in their reimbursement rate. This dangerous provision could deny crucial health treatments for Medicare patients as doctors treating the elderly strive to avoid the penalty by ordering the least expensive treatments and tests. Patients will lose quality of care as doctors watch the falling limits on what costs they can authorize for their patients. If doctors are being penalized for spending too much on your care, then you won't be able to trust that your doctor is giving you the best medical advice possible. The very existence of this proposal is a serious warning about the gravity of details contained in 1,000-2,000-page congressional bills.

16. Government bureaucrats will determine the pricing of medical services. History has shown us repeatedly that socialist countries are incapable of competently setting prices (they've all collapsed or will collapse). There are very negative consequences to this failure. When prices are too low or too high for one thing, the availability of other goods is directly affected. Only a free market can establish the right price point.

Evidence of democrat inexperience with markets:

"Why would [a government plan] drive private insurance out of business? If private insurers say that the marketplace provides the best quality health care; if they tell us that they're offering a good deal, then why is it that the government, which they say can't run anything, suddenly is going to drive them out of business? That's not logical."

--President Barack Obama

17. Government will control doctors by conditioning their "bundled payments" on meeting government-set quality standards.
18. Those with the resources to privately pay for the care they want won't be able to. If the government has disallowed a treatment, getting that treatment privately will violate the law.
19. **H.R. 3200 eliminates proof-of-citizenship requirements for illegals.** The proposed legislation does not require any state, federal, or local agency to check the immigration status of those who apply for the program, which means 12 million illegal aliens will have their health care paid for by U.S. Citizens. On July 17, 2009, Democrats ensured the prospect of giving free health insurance to the nation's estimated 12 million illegal aliens when they successfully defeated a Republican-backed amendment, offered by Rep. Dean Heller, R-Nev., that would have prevented illegal aliens from receiving government-subsidized health care under the Democrats' H.R. 3200.¹⁹
20. **Health savings accounts are undone in this legislation.** The insurance "exchanges" will mandate that all "qualified" policies / plans cover certain things; i.e., they all have to be top-of-the-line. Most High Deductible Health Plans associated with HSAs are designed to cover only the most basic and catastrophic needs, which means they won't meet the exchange participation standards.
21. **The government will have automatic direct access to individual bank accounts** for health payments, and access to associated financial and personal records. (H.R. 3200 §1173A(a)(2)(D), pg. 58)
22. **IRS must divulge taxpayer identity information to Health Choices Commissioner** including filing status, income, dependents and other information as "regulations" require. This information will be used to determine who qualifies for "affordability credit." (H.R. 3200 §431(a) There is no limit to the details that must be disclosed to the Commissioner. (H.R. 3200 §245(b)(2)(A)) The Social Security Administration can obtain tax return data on anyone who may qualify for a "low-income prescription drug subsidy." (H.R. 3200 §1801(a)) Result: anyone in the Health Choices Commissioner's office, or staffer in fifty state health programs, and the vast Social Security Administration will all now have access to private tax information, thus destroying any pretense of personal financial privacy in this country. Agency-to-agency transfer of confidential tax information is now generally prohibited under the Privacy Act, ensuring that individuals control the flow of such private information. But when the government provides things like health care, such intrusions and privacy violations are apparently the price of admission.
23. **Home visitation programs for families with children**, under H.R. 3200 sections 440 and 1904 (Page 838), the Federal government provides grants to states to educate parents on child behavior and parenting skills, essentially paying for the government coming into homes and usurping and second-guessing parental rights over child care and development, and related values and principles. But whose values and principles will inform these government teaching moments?

The bill says that the government agents, "well-trained and competent staff," would "provide parents with knowledge of age-appropriate child development in cognitive, language, social, emotional, and motor domains ... modeling, consulting, and coaching on parenting practices," and "skills to interact with their child to enhance age-appropriate development." This is nothing more than government-funded indoctrination of the public about what "government experts" deem appropriate parenting practices – personal and private parenting methods and values will be supplanted. What does a government agent know about an individual's parenting values? It sets the stage for federal mandates, parenting education, and more highly intrusive intervention in our homes and private lives. It undermines the principle of an independent and autonomous citizenry. It's another incremental step in government control of what we think. When government controls what we think through this type of indoctrination, it controls us. This is un-American.

- 24. **Affirmative Action** – Preferences in payment and contracts will be given to hospitals and medical schools that train underrepresented minority groups and reduce health disparities among racial groups.
- 25. Appendix “B” lists more specific examples of H.R. 3200’s “government control” provisions.

What Democrats’ “Reform” Fails to Address

Despite their complexities, notably absent from H.R. 3200, the Baucus Bill, and H.R. 3962 complexities are answers to these simple questions:

- How much is the government option or co-op going to cost the consumer, and what are they going to get for their money? No details are provided.
- To whom is the national committee overseeing the health care system accountable, and what are the limits of the committee’s authority?
 - How will the government provide the additional medical personnel, facilities, and systems necessary to immediately accommodate 50 million new patients? What will this cost and how will it be paid for?
 - Why is tort reform not mentioned at all in the Democrat bills? Quite simply, according to Howard Dean, because Congress didn’t want to take on the trial lawyers. This unwillingness to “take them on” betrays the existence of a very serious issue that Congress doesn’t want to be bothered addressing because it may disrupt the river of money to Congress through a powerful lobby’s feeding trough. It’s odd that Congress was willing to take on 307 million citizens by stealing their freedom and dismantling an extremely complex medical system that delivers the best care on the planet, while simultaneously erasing an entire insurance industry and, but couldn’t take on a bunch of lawyers. Pathetic and conspiracy are the only words that come to mind.
 - How, exactly, will these sweeping changes *improve* the quality of medical care, medical science, medical innovation, or their delivery?
 - How will illegal immigrants be prevented from gaining insurance coverage at public expense through the public option if they are not required to prove their citizenship?

"[W]here there is no law, there is no liberty; and nothing deserves the name of law but that which is certain and universal in its operation upon all the members of the community."

--Benjamin Rush, letter to David Ramsay, circa April 1788

"The house of representatives ... can make no law which will not have its full operation on themselves and their friends, as well as the great mass of society. This has always been deemed one of the strongest bonds by which human policy can connect the rulers and the people together. It creates between them that communion of interest, and sympathy of sentiments, of which few governments have furnished examples; but without which every government degenerates into tyranny."

--Federalist No. 57, February 19, 1788

The bills leave authority over key details and issues to appointed officials, either a "Health Choices Commissioner" or the secretary of Health and Human Services. These unelected officials won’t be accountable to voters for decisions they (not Congress) will make about:

- Permitting people with Health Savings Accounts (HSAs) to retain the high-deductible health plans required by the HSA law.
- Allowing low-cost catastrophic plans.
- Permitting insurance companies to cover treatment of otherwise terminally ill patients.
 - Requiring (or prohibiting) coverage of abortion.
 - Covering new cancer drugs or controversial procedures like (as the Center for American Progress has called for) transgender operations.²⁰

As a result, elected leaders cannot be held accountable by the voters, and will escape having to defend these conveniently delegated crucial decisions.

Who's Exempt? Congress and Their Special Friends

All you need to know about how well the “public” option’s authors expect it to work is this: the democrats on Capitol Hill won’t *require* that it apply to *them!* They don’t want it as *their* plan, and *they* won’t personally have to suffer the consequences of their own medicine. In the Senate, page 114 of the Orwellian-titled Affordable Health Care Choices Act authored by Sen. Ted Kennedy's staff and the Health, Education, Labor and Pensions Committee (HELP) specifically exempts Congress from the public plan. Democrats have defeated resolutions and amendments introduced in the House requiring Members voting for a “public” option to enroll in that government-run option. Apparently, it’s not good enough for them. Actually, it’s not good enough, period, and it’s not *necessary*. A signal indictment of the public option: Congressional Democrats won’t put their money where their mouth is.

Federal employees, a key Democrat constituency, are also exempt from the Public Option. Rewarding their loyal supporters, Democrat health care “reform” proposals contain a stunning payoff to Big Labor — union members' generous health care benefits are *exempt* from any tax, while everyone else is left holding that bag. How is this nauseating gift to a favored Democrat constituency even possible in a country that prohibits discrimination?

Appendix “B”

H.R. 3200 Highlights

Page	Section	HR 3200 Provision Says:
22		Mandates that Government audit the books of all self-insured employers.
29		Healthcare Is Rationed.
30	123	A GOVT COMMITTEE decides what treatments / benefits patients get depending on a predetermined set of factors.
42		Health Choices Commissioner will choose what HC Benefits are available. Individuals have no choice.
50	152	HC will be provided to ALL non US citizens, illegal or otherwise.
58		Government will have real-time access to individual banking and financial information, and will issue a National Healthcare ID.
59		Government will have direct access to individual bank accounts for electronic funds transfer.
91		Govt mandates linguistic appropriate services, like translation for illegal aliens.
95		The Govt will use groups like ACORN & Americorps to sign up individuals for Govt HC

		plan.
124		No insurance company can sue GOVT for price fixing; no judicial review of government's monopolistic practices.
127		The Govt will tell the doctor what they will be paid for medical services provided.
145		Employers MUST auto-enroll employees into public option plan - no choice.
146		Employers MUST pay for HealthCare for <u>part time employees</u> AND their families.
149		ANY Employer with payroll above 400k that doesn't provide public option pays 8% tax on all payroll.
150		ANY Employer with payroll between 251k and 400k that doesn't provide public option pays 2-6% tax on all payroll.
167		ANY individual who doesn't have government approved HealthCare will be taxed 2.5% of income.
195		HC Administration Officers & employees will have access to ALL Americans' financial and personal records, not just their medical records.
253		Government sets value of Doctors time, and professional judgment.
280		Govt will penalize hospitals and doctors for what Govt deems preventable re-admissions.
265		Government mandates & controls productivity for private HC industries
341		Government has authority to disqualify Medicare Advantage Plans, HMOs, etc., forcing people into Government run health plan.
354		Govt will RESTRICT enrollment of persons with special needs.
335-339		Govt mandates establishment of outcome-based measures.
425		Govt mandates Advance Care Planning Consultations. Senior Citizens will be forced to make an "end of life plan." Government will instruct & consult regarding living wills, durable powers of attorney. Government provides approved list of end-of-life resources, guiding individuals in death.
430		Government will decide what level of treatment individuals will have at end of life
501	1401	Government establishes "Center for Comparative Effectiveness Research" to research and determine the appropriateness of health care services and procedures; <i>it will identify how</i>

		diseases and medical conditions are most appropriately prevented, treated and managed. (Why, exactly, do we need the government to do this?)
503 - 506	1401	Government will build registries and data networks from private and public electronic medical records; it may secure data directly from any department or agency of the U.S. who have any of private data; the "Center" will collect data both published and unpublished (that means public and private info), and will recommend policies that would allow for public access of data. The Commission will have input from Health Care consumer reps like ACORN and unions on these matters.
622 - 633	1192	Government will determine what "quality" is in health care delivery, and implement "quality measures" for physician services. (Why do we need government to do this, and what does it know about quality?) Measuring quality will assess outcomes, and profile individuals; government will secure input from industry "stake holders."
660 – 686		Government will tell doctors in residency where their residency will be, and thus where they'll live. Government will regulate hospitals in EVERY aspect of residency programs, including teaching hospitals.
705 – 711		Government decides which health care providers / suppliers are admitted into the health care exchanges or which are denied, can do background checks on them, can accept and process complaints about them.
876 – 892		Government dictates what types of medical education are preferred, by subsidizing "preferred" areas of practice.
934		The government will develop and implement a "strategy" for improving the nation's health through wellness and prevention activities, and public health "infrastructure" improvement.
993		Government will establish school-based health clinics, which will be integrated into the school environment. They'll start teaching kids young how to be dependent on the government for health care.
1001		The government will establish a National Medical Device Registry. Bye-bye privacy.

Endnotes

-
- ¹ **H.R.3200**. America's Affordable Health Choices Act of 2009 (Introduced in House).
- ² **The Wall Street Journal**, "The Worst Bill Ever," November 1, 2009, <http://online.wsj.com/article/SB10001424052748703399204574505423751140690.html?mod=djemEditorialPage>
- ³ **Robert J. Samuelson**, "The Promise of the Public Plan is a Mirage," *Investor's Business Daily*, October 23, 2009, <http://www.investors.com/NewsAndAnalysis/Article.aspx?id=510101>
- ⁴ **Calvin Woodward**, "Fact Check: Health Insurers Profits 35th of 53," Associated Press, October 26, 2009, http://hosted.ap.org/dynamic/stories/U/US_FACT_CHECK_HEALTH_INSURANCE?SITE=WFAA&TEMPLATE=TOPHEADS.html&SECTION=HOME
- ⁵ **Investor's Business Daily**, "A 1,990-Page Medical Monstrosity," October 29, 2009, <http://www.investors.com/NewsAndAnalysis/Article.aspx?id=510810>
- ⁶ **Robert A. Book, Ph.D., Guinevere Nell and Paul L. Winfree**, "The Baucus Individual Health Insurance Mandate: Taxing Low-Income and Moderate-Income Workers," The Heritage Foundation, September 25, 2009, http://www.heritage.org/RESEARCH/HEALTHCARE/bg2325.cfm#_ftnref2
- ⁷ **The Wall Street Journal**, "Rhetorical Tax Evasion," September 29, 2009, <http://online.wsj.com/article/SB10001424052748704471504574439243760133458.html>
- ⁸ **The Wall Street Journal**, "The Worst Bill Ever," November 1, 2009, <http://online.wsj.com/article/SB10001424052748703399204574505423751140690.html?mod=djemEditorialPage>
- ⁹ **Heritage Foundation Blog**, July 16, 2009, <http://blog.heritage.org/2009/07/16/does-the-house-plan-outlaw-private-insurance/#more-10910>.
- ¹⁰ Under "community rating," a requirement already imposed in 11 states, artificial limits are placed on what range of fees insurers can charge for their coverage.
- ¹¹ Under the "guaranteed issue" and "community rating" system, insurers must cover anyone who applies with no regard to the applicant's health or pre-existing condition.
- ¹² On page 19 of H.R. 3200, "individual health coverage ... may only be offered as an Exchange-participating health benefits plan."
- ¹³ **Investor's Business Daily**, "A Future With Fewer Health Benefits," September 21, 2009, <http://www.investors.com/NewsAndAnalysis/Article.aspx?id=506711&Ntt=A+future+with+fewer+health>
- ¹⁴ **The Wall Street Journal**, "The Worst Bill Ever," November 1, 2009, <http://online.wsj.com/article/SB10001424052748703399204574505423751140690.html?mod=djemEditorialPage>
- ¹⁵ **Investor's Business Daily**, "Insurers in Black Hats," August 17, 2009, <http://www.investors.com/NewsAndAnalysis/Article.aspx?id=503667&Ntt=Insurers+in+Black+Hats>
- ¹⁶ **The Wall Street Journal**, "The Worst Bill Ever," November 1, 2009, <http://online.wsj.com/article/SB10001424052748703399204574505423751140690.html?mod=djemEditorialPage>
- ¹⁷ **Kristina Rasmussen**, "The Devil Is in the Details: How a Sleeper Provision in ObamaCare Could Bust Illinois's Budget," Illinois Policy Institute, September 2009, <http://www.illinoispolicy.org/news/article.asp?ArticleSource=1426>
- ¹⁸ **The Wall Street Journal**, "The Worst Bill Ever," November 1, 2009, <http://online.wsj.com/article/SB10001424052748703399204574505423751140690.html?mod=djemEditorialPage>
- ¹⁹ **David A. Patten**, "Obama Health Plan to Cover 12 Million Illegals," Newsmax.com, July 19, 2009, http://www.newsmax.com/headlines/health_care_obama/2009/07/19/237484.html?s=al&promo_code=83A3-1
- ²⁰ **Robert A. Book, Ph.D.**, "If it's so urgent, why would two elections pass before health reform takes effect?," The Heritage Foundations, October 19, 2009, <http://www.heritage.org/Press/Commentary/ed101909a.cfm>