

# US health care legislation to leave millions uninsured, ration care

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17 July 2009

US Congress continued to debate reform of the health care system this week. In a 13-10 vote on Wednesday, the Senate Health, Education, Labor and Pensions Committee approved a \$615 billion Democratic-sponsored bill, with no Republicans supporting the measure.

The Senate health committee was the first of five committees in Congress considering health care to pass a version of the legislation. Votes were planned Thursday in two House committees—Education and Labor, and Ways and Means—on \$1.5 trillion draft legislation presented by House Democrats earlier this week.

While differing in details, both the Senate health committee's bill and the House Democrats' draft legislation conform to the Obama administration's proposals for an overhaul of the US health care system that will ensure the profits of giant health care insurers and providers, while rationing care for the vast majority of the population. They would also leave millions of US residents without health care coverage, and would deny it to all undocumented immigrants.

A new USA Today/Gallup poll finds that 56 percent of Americans surveyed support health reform this year, while only one in four say it's not important to them. While the Congressional debate is framed by the imperative of containing costs, an overwhelming nine in ten of those surveyed oppose limits on getting the tests they and their doctors think are necessary.

The poll also showed that six of ten agree that employers should be fined if they do not provide health insurance; 58 percent support increasing taxes on the wealthy to fund health care. While the Obama administration has proposed funding half of any health care reform by cutting billions of dollars from the Medicare and Medicaid programs, the survey found that about six in ten oppose cutting Medicare costs.

In opposition to these popular sentiments, however,

health care reform legislation—whatever version emerges from Congress—will be not be based on improving medical care and easing the financial burden for workers and their families. It will be tailored to defend the big business interests involved: the pharmaceutical companies, health care conglomerates and large corporations.

On Wednesday, Obama continued to push for some version of the legislation to be passed before the August Congressional recess, granting interviews with all three broadcast networks. He again emphasized his support for “evidence-based” medicine—code words for rationed health care at cut-rate costs for ordinary Americans.

Asked by Dr. Tim Johnson on ABC World News, “Who would decide what medical care is unnecessary, and therefore, should not be paid for?” Obama responded, “We don't think that we have to impose draconian measures to force patients to use a generic instead of a brand name drug ... or to force a hospital to administer one test instead of five tests ... I think most patients and doctors don't want to spend money unnecessarily.”

He also told CBS Evening News that he now supports a requirement that all Americans obtain insurance coverage, a measure he opposed during his presidential campaign. “I'm now in favor of some sort of individual mandate as long as there's a hardship exemption,” he said.

In the House Democrats' proposal—America's Affordable Health Choices Act—those individuals who do not have employer-based medical insurance, and who choose not to purchase coverage, would pay a penalty of 2.5 percent of modified adjusted gross income, if they cannot demonstrate “hardship.” This component of the legislation comes under the subheading “Shared Responsibility.” The Senate health committee fine would be \$750 per individual.

Critics of this “individual mandate” have pointed out that many struggling working families and the

unemployed—who would find it difficult to pay hundreds of dollars a month in premiums—would be forced to gamble going without coverage and pay the penalty instead, which might average \$1,000 in the House version.

While this penalty is steep, it would still be less than the total annual premium they would expect to pay for coverage. And after the penalty is paid, these families would still be without health care coverage. Only for those earning about \$400,000 a year would the 2.5 percent penalty be more or equal to the average insurance premium.

In line with the Obama administration's demands for health care "efficiencies," the Democratic proposal also calls for the establishment of a "Center for Comparative Effectiveness Research." This center would be tasked with determining the "comparative effectiveness of the full spectrum of health care items, services and systems, including pharmaceuticals, medical devices, medical and surgical procedures, and other medical interventions." Those items and procedures deemed inefficient and not cost-effective would be targeted for reduction or elimination.

While full details of the Senate health committee version have not been released, it is estimated that under the House act 9 million people would still be uninsured, as well as an equal number of undocumented immigrants. These are conservative estimates.

Both versions of the legislation currently include a government-run option as part of a health care "gateway" or "exchange," where individuals could purchase insurance if it is not available through their insurer.

In both the House and Senate versions, the penalties for employers who do not provide insurance are minimal, and would often encourage them not to provide it. The House plan would require companies with over \$400,000 in annual payrolls to pay a fine equal to 8 percent of the payroll.

Under the Senate health committee proposal, companies with more than 25 workers would be required to pay at least 60 percent of workers' insurance or pay a \$750 annual fine (\$375 for part-time workers)—a pittance considering that monthly premiums for the vast majority of insurance plans providing adequate coverage are in the three-digit range.

The Democrat-sponsored House bill calls for tax increases of 5.4 percent on those making over \$350,000 a year to raise about \$500 billion to partially pay the costs of the legislation. While after years of tax breaks for the

wealthy this amount is minuscule, not unexpectedly this proposal has outraged Congressional Republicans as well as a section of Democrats.

Many Republicans are pushing for taxing employer-funded insurance premiums—a tax that would disproportionately burden the very section of the American population that health care reform is supposedly to benefit.

Obama has proposed to slash more than \$600 billion in "efficiencies" from the Medicare and Medicaid programs as part of his pledge to big business for "budget neutral" health care legislation. These cuts will disproportionately impact the poor and elderly, while the rich will continue to purchase the finest insurance coverage and private care.

The House bill is also being considered by the Energy and Commerce Committee, which is dominated by the so-called Blue Dogs—fiscally conservative Democrats. Mike Ross (Dem.-Arkansas), who chairs the Blue Dogs' health care task force, said the group wants to see changes in the House legislation to protect small businesses and contain costs. He commented to AP, "We cannot support the current bill."

The other congressional committee considering the legislation, the Senate Finance Committee, must also include payment provisions for any bill they sponsor. Committee chairman Max Baucus (Dem.-Mont.) has indicated the committee might drop the government-run insurance option. While Obama has publicly maintained his insistence on including the public option, White House sources have all along hinted that everything is on the table.



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