

Obama's health care counterrevolution

Kate Randall, Barry Grey
28 July 2009

The *New York Times* is spearheading the campaign for President Obama's health care proposals. His drive for an overhaul of the health care system, far from representing a reform designed to provide universal coverage and increased access to quality care, marks an unprecedented attack on health care for the working population. It is an effort to roll back social gains associated with the enactment of Medicare in 1965.

It is a counterrevolution in health care, being carried out in the profit interests of the giant pharmaceutical companies, insurance conglomerates and hospital chains, as well as the corporations, which will be encouraged to terminate health care for their employees and force them to buy insurance plans providing less coverage at greater out-of-pocket expense.

In a full-page editorial published on Sunday, entitled "Health Care Reform and You," the *Times* seeks to allay growing concerns in the US population over the legislation proposed by the White House that is currently working its way through Congress. A recent Kaiser Family Foundation poll found that 21 percent believe they will be worse off under the new legislation, double the number in February.

Employing evasion and deception, the *Times* preys on the widespread discontent with the current state of the health care system to push for Obama's proposals. It cites the immense burdens which the existing setup places on ordinary people to suggest that things will only get worse and the sole alternative is the cost-cutting overhaul proposed by Obama:

"Premiums and out-of-pocket spending for health care have been rising far faster than wages. Millions of people are 'under-insured'—their policies don't come close to covering their medical bills. Many postpone medical care or don't fill prescriptions because they can't afford to pay their share of the costs. And many declare personal bankruptcy because they are unable to pay big medical debts."

This describes the failure of a health care system based on private profit. This—the central issue—the *Times* completely evades.

Instead, the newspaper shifts the blame onto the so-called "fee-for-service system." The newspaper writes, "Virtually all experts blame the system for runaway health care costs because it pays

doctors and hospitals for each service they perform."

What experts? The newspaper does not say.

The editorial justifies Obama's drive to do away with the fee-for-service system by replying to critics who fear that health care will be rationed to cut costs. "The truth is that health care is already rationed," the *Times* writes, adding cynically, "No insurance, public or private, covers everything at any cost."

The *Times* notes that "An earlier wave of managed care plans concentrating on reining in costs aroused a backlash among angry beneficiaries who were denied the care they wanted." In an attempt to disarm such concerns, the newspaper provides a series of sophistic arguments on the theme that ending fee-for-service and imposing cost controls and restrictions will actually improve patient care.

Under the present payment system, it states, "patients often get very expensive care but not necessarily the best care." Fee-for-service provides a "financial incentive to order excessive tests or treatments, some of which harm the patients." It adds, "The most expensive treatment is not always the best treatment."

These are loaded words, which conceal an unstated agenda. What is "excessive" or needlessly "expensive" will be determined not by patients and doctors, but by insurance companies, drug companies and hospital chains, which are driven by the profit motive.

Mammograms do not detect cancer in every instance. By the logic employed by the *Times*, they can therefore be deemed "excessive." The most advanced drugs do not always improve medical outcomes. Another source of waste and "inefficiency."

Needless to say, such judgments will apply only to ordinary people. The rich will continue to have access to the most "excessive," expensive and "inefficient" care.

It does not take a great deal of critical reflection to recognize that these are rationalizations for depriving millions of workers and poor people access to the most advanced procedures, tests and drugs.

That the newspaper is seeking to sell the public a bill of goods is demonstrated by the deliberately vague terms it employs to

describe the Obama scheme. The bills in Congress “would require all Americans to carry health insurance with *specified minimum benefits* or pay a penalty,” the editorial states. The bills would require most businesses to “provide and subsidize insurance that meets *minimum standards* for their workers or pay a fee for failing to do so.” The editorial speaks of a “*specified level of benefits*” and “*yet-to-be-determined ‘essential benefits.’*” [Emphasis added].

What these “minimum benefits” and “essential benefits” are, the newspaper does not say.

The editorial describes private “health insurance exchanges” that will be established by the insurance companies, and indicates, in deliberately vague terms, that companies will be allowed to terminate health plans for their employees, who would then be forced, by law, to purchase their own insurance, providing unstated “minimum benefits,” from these exchanges.

Talking out of both sides of its mouth, the newspaper at one point asserts that workers “might end up with better or cheaper coverage,” but at another writes: “Less clear is what financial burden middle-income Americans would bear when forced to buy coverage. There are concerns that the subsidies ultimately approved by Congress might not be generous enough.”

In other words, “middle-income Americans,” i.e., the vast majority of the population, will see an immense decline in their coverage. That is not all. People who presently assume that tests, drugs and procedures will be covered by their company plans will suddenly be told that a host of things are no longer covered and will cost extra to receive.

The editorial devotes a section to Medicare, which is a central target of the Obama plan. It suggests the kind of cost-cutting regimen that will be introduced into the government insurance system for the elderly, including “payment incentives in Medicare to reduce needless readmissions to hospitals.”

“Not everyone in Medicare will be happy,” the *Times* acknowledges. Congress, it notes, is “likely to reduce or do away with” subsidies for Medicare Advantage Plans upon which millions depend. “... many of these plans are apt to charge their clients more for their current policies or offer them fewer benefits,” it states.

Yet somehow, the *Times* writes approvingly, “President Obama insisted that benefits won’t be reduced, they’ll simply be delivered in more efficient ways...”

Reductions in care for those on Medicare will set a precedent. As the *Times* puts it, the changes in Medicare will “percolate throughout the health care system.”

As for extending coverage to the 50 million Americans who are uninsured, the newspaper says the various versions in Congress of the Obama plan “do a good job.” In fact, it is estimated that at

least 16 million children and adults will remain without any coverage.

Also on Sunday, the *Washington Post* published an editorial, “The Health-Care Sacrifice,” which provides a more frank presentation of the implications of the Obama plan. The *Post* criticizes the president for failing to level with the public and prepare it for massive cuts in their health care—a change that has the newspaper’s full support.

“Getting health costs under control,” the *Post* writes, “will require saying no, or having the patient pay more...”

The newspaper notes that technological innovation in medical care is the fundamental driver of health-care inflation, and declares that reducing costs will require rationing access to the most advanced treatments. “In other words,” it states, “You can’t always get what you want—at least if you want costs to be lower. This would require an enormous change from the current practice, particularly in Medicare...”

Obama’s health care counterrevolution is of a piece with his entire domestic agenda. It parallels the multi-trillion-dollar bailout of the banks, the imposition of mass layoffs and wage and benefits cuts in the auto industry, and a stepped-up attack on public education and on teachers.

The economic crisis has been seized upon by the American financial aristocracy, with the Obama administration as its central instrument, to carry through a class-war agenda, long in preparation, that is directed against the vast majority of the American people. All that remains of the social reforms from the 1930s and 1960s, and the gains won by previous generations of workers in bitter struggle, is to be wiped out.

The immense growth of social inequality and the domination of society and the political system by a financial aristocracy are incompatible with institutions and programs that retain any vestige of a democratic and egalitarian impulse. Public education and health care must be reorganized more openly and directly along class lines.

This is the basic program of all factions of the ruling elite—liberal and conservative, Democratic and Republican.

Kate Randall and Barry Grey



To contact the WSWWS and the
Socialist Equality Party visit:

wsws.org/contact