

In run-up to address to Congress

Obama administration seeks right-wing consensus on health care

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As polls show mounting popular distrust of Obama's reactionary health care proposals in the run-up to his September 9 address to Congress on health care, the administration is trying to secure right-wing support for its agenda.

White House officials on Sunday talk shows repeatedly signaled they would be willing to abandon plans for a public health insurance scheme. Speaking on NBC's "Meet the Press," senior Obama administration advisor David Axelrod said that the so-called "public option" is a "good tool," adding, "It shouldn't define the whole health care debate, however."

On ABC's "This Week," Press Secretary Robert Gibbs called the "public option" a "valuable tool," but refused to answer moderator George Stephanopoulos's question of whether the White House viewed it as "essential." Asked if Obama would veto legislation that did not include a public option, Gibbs said, "I doubt we are going to get into heavy veto threats" in Obama's address to Congress.

Gibbs added that Obama has not "closed the doors on Republicans that are ready, able and willing to work with the president to try to provide a solution."

According to the latest polls, 51 percent of the population now distrusts Obama's plans.

Congressional Democrats have split over whether to back a public option. Until now, many House Democrats, led by Speaker Nancy Pelosi, have indicated their opposition to a bill that would not include plans for a public plan competing with private insurance companies. Speaking for a coalition of Democratic House members—including the Congressional Progressive Caucus, the Congressional Black Caucus, the Congressional Hispanic Caucus, and the Congressional Asian Pacific American Caucus—Representative Barbara

Lee told CNN, "All of our caucuses are very unified about a robust public option."

Powerful sections of the Democratic Party, notably in the conservative "Blue Dog" wing of the party, oppose a public plan, however. Senator Kent Conrad of North Dakota told CBS in August, "It is very clear that in the United States Senate the public option does not have the votes." He maintained that Senate Democrats would need 60 votes to pass health care reform, suggesting that Senate Democrats would refuse to use so-called "reconciliation" procedures to avert a filibuster of House health legislation by Senate Republicans.

While the different corporate interests involved have backed Obama's health care "reform," certain provisions have engendered opposition. In particular, the insurance industry has opposed the very limited "public option" as a potential drain on the profit bonanza it is anticipating.

The Obama administration is signaling an attempt to resolve these divisions by ditching any limits on the profit prerogatives of the health insurance industry. In July, Obama had said, "One of the best ways to bring down costs, provide more choices and assure quality is a public option that will force the insurance companies to compete and keep them honest." Apparently, this consideration no longer applies.

In the original House Democratic bill sponsored by Michigan representative John Dingell (HR 3200) and posted in July, the public scheme and private insurers would compete in government-supervised "Health Care Exchanges" to provide a basic health-care package. This basic package would provide a bargain-basement level of care while imposing massive fees on those enrolled in its coverage.

HR 3200 specifies that "cost-sharing" by those enrolled in the basic package can reach as high as "\$5,000 for an

individual and \$10,000 for a family. Such levels shall be increased (rounded to the nearest \$100) for each subsequent year” in line with inflation, as measured by the consumer price index.

If enacted, such “cost-sharing” would put health coverage beyond the reach of tens of millions of working-class people and families.

Complicit in the attack on workers’ access to health care and unable to admit the social content of the measures they themselves are proposing, Democrats have no basis on which to oppose Republican criticism of their plans. Obama’s own explanations—noting that end-of-life coverage was expensive and that insurers would have to make tough decisions on what treatments to extend to the elderly—have only deepened legitimate popular suspicions of his plans.

Democrats’ proposals for how to fund the public plan are similarly regressive. One included a tax increase focused on the “middle class,” leaving untouched the super-rich—the fundamental constituency of the two big-business parties. Current plans supported by Democratic Senator Max Baucus include finding tens of billions of dollars of “savings” by imposing cuts on Medicare, the federally run medical program for the elderly.

As a result, the Republican Party has been able to masquerade as a defender of US health care, and the reaction of the Obama administration has been to seek to accommodate the Republicans. Last month, the Obama administration suggested it would seek “bipartisan” legislation to attract Republican support. At that time, Health and Human Services Secretary Kathleen Sebelius gave the first indication that the public plan might not be “essential.”

The hypocrisy and cowardice of the public option’s supporters was on display in the *New York Times*’ editorial Sunday, “President Obama’s Health Choices.” The *Times* said Obama’s address Wednesday was “the moment for him to stand tough for a large and comprehensive plan.”

In an admission of the huge political tensions developing in the US, the *Times* explained that it viewed the public plan as essential to defusing public opposition: “Scaling down too far would most likely result in subsidies too limited to really help people. Imagine the backlash if millions of Americans were required to carry insurance and found they could not afford to buy it.”

The *Times*’ alleged concerns over health care availability were fictional, however: it did not explain why it was not opposing Democratic proposals that would

also make health care unaffordable for masses of people.

The *Times* also made clear that for it, the question of a public option was subordinate to the paramount consideration: limiting health care spending. It wrote, “Despite calls from Republicans that he jettison support for a new public plan to compete with private plans on [government-run health] exchanges, he should not do so now. If he decides to bargain them away later, he should insist, minimally, that a strong public plan be introduced if private insurers fail to hold costs down in the future.”

With such absurd presentations of the Obama administration as battling to ensure health care coverage, the *Times* is helping promote the lie that the Obama administration’s climbdown reflects popular opposition to extending health coverage. These lies will then be used to claim that health care cuts have popular support, once they run into opposition in the working class.

In fact, growing popular opposition to Obama’s health policies is one reflection of people’s hostility to the overall policies of the Obama administration and the Democratic Party. The fact that this opposition has politically benefited the Republicans testifies above all to the disenfranchisement of the working class enforced by the two-party system in the US.

Elected on promises of “change,” and mass popular anger at the capitalist breakdown and aggressive wars overseen by the preceding Bush administration, the Obama administration has proven to be a cover for continuing the Bush administration’s policies. Abroad, the wars in Iraq and Afghanistan continue. At home, after handing over hundreds of billions of dollars to Wall Street banks, Obama supervised the bankruptcy of the auto companies and the slashing of health care benefits for auto retirees.

Auto retirees not affiliated with the United Auto Workers union saw their medical coverage eliminated. UAW retirees will suffer cuts due to the insufficient funding of the Voluntary Employee Beneficiary Association set up to pay for their health care through ownership of a auto companies’ stock.

Obama administration plans for national health care “reform” are of a piece with its brutal treatment of the auto workers.



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