

Health care summit promotes Obama's pro-business agenda

Kate Randall
26 February 2010

A daylong televised summit Thursday ended with no agreement between Congressional Democrats and Republicans on advancing Barack Obama's health care agenda. The president had convened the meeting in an effort to promote the Democrats' health care overhaul, embodied most recently in a plan put forward Monday by Obama modeled largely on the health care legislation passed by the Senate. (See "Obama unveils health plan ahead of bipartisan summit")

There was no agreement to back any form of the Democratic-sponsored legislation by the Republicans present, who reiterated that it should be junked and the process be started anew. These disagreements aside, however, the event served to expose the reality that any "reform" of the US health care system being discussed by those in attendance is a million miles away from the needs of the vast majority of ordinary Americans.

The summit came the day after Obama's appearance at the Business Roundtable, in which he assured the assembled corporate CEOs that he was an "ardent believer in the free market" and that his health care overhaul was the antithesis of a "big government takeover." It also followed by only a few days Obama's establishment by presidential order of a bipartisan commission tasked with slashing spending on Medicare, Medicaid and Social Security.

At Thursday's meeting, the president and well-heeled Congressional attendees were at pains to conceal their disinterest in the real plight of the uninsured, the underinsured, the jobless, the poor—those ravaged by the effects of the recessionary crisis. Several Democrats read letters they had received from constituents who had been dumped by their insurer, or who could no longer afford coverage because their premiums had been hiked to obscene levels. These remarks were interspersed with joking exchanges about bipartisanship

between the president and his Republican rivals, and cynical posturing by Democrats about the urgent necessity for enacting legislation.

The massive profits of the giant insurers and pharmaceuticals were hardly given mention. Rather, Obama emphasized his commitment to defend the capitalist, for-profit insurance market and sought to rebuff any notion to the contrary. "The exchange? That's a market-based approach, not a government-run approach," he stated. He boasted that his plan did not include an employer mandate to provide insurance coverage for workers, and that the consumer tax credits to subsidize insurance "were consistent with a market-based approach."

Obama went out of his way to stress that his main priorities were controlling government spending and reducing the deficit, aims that can only be achieved by drastic reductions and rationing of care, particularly in the government-run Medicare program for the elderly and the disabled. Republicans seized on the opportunity to pose as defenders of the elderly, referring numerous times to the "half-trillion-dollar cuts" to Medicare, an issue that was avoided by the Democratic speakers.

The plan presented Monday by Obama is in fact devoid of even the fig leaves of reform contained in earlier versions of the legislation. There is no government-run public option. Even the "exchange" where people would be able to purchase insurance has been watered down to markets run individually by the states.

People would be mandated to purchase insurance or pay a penalty. As Obama pointed out in his remarks to the Business Roundtable, this feature would deliver "more customers" to the insurance companies, boosting their profits.

One of the new elements included in Obama's plan

was the creation of a Health Insurance Rate Authority, to reportedly “provide Federal assistance and oversight to States in conducting reviews of unreasonable rate increases and other unfair practices of insurance plans.” This weak measure was not mentioned at the summit. In all likelihood, it was included in his proposal as window dressing.

In an effort to court Republican support, a large proportion of the plan was devoted to a section entitled “Policies to Crack Down on Waste, Fraud and Abuse,” many of whose features were drawn from health care legislation introduced by the Republicans. At the summit, Obama also indicated he would be willing to incorporate other Republican-backed measures, including medical malpractice reform and opening up interstate purchase of insurance.

These overtures did little to sway the Republicans, and the meeting ended with no indication on their part that they would back the Democrats’ initiative. Obama concluded the summit on a cynical note, stating, “Politically speaking, there may not be any reason for Republicans to want to do anything. But I thought it was worthwhile for us to make this effort.”

Despite the media hype surrounding the event, the summit’s proceedings were not directed at the American public, who were not likely to have tuned with keen interest. There is growing skepticism and hostility to the Obama health care overhaul among the general population, who fear cuts to Medicare and other government-run programs, and see nothing being done to challenge the profits and skyrocketing premiums of the insurance companies.

Rather, the heavily promoted event was aimed first of all at shoring up support in the Democratic Congress for the health care bill. With their loss to the Republicans in the recent special election for the Senate in Massachusetts, the Democrats no longer have a filibuster-proof supermajority in the Senate to pass the legislation.

White House spokesman have indicated—as did Obama at the summit’s conclusion—that the Democrats may move to pass the legislation through a legislative procedure called reconciliation, which requires only a majority vote. But even a simply majority may be hard to muster, with opposition to the legislation among some Democrats, particularly from antiabortion forces who claim that the legislation does not go far enough in

restricting access to federal funds for abortion.

Another audience for the summit was the nation’s financial elite. Obama utilized the event to present the Democrats’ campaign for health care reform as the beacon of “fiscal responsibility” and austerity. Stripped down to its basic cost-cutting features, the legislation is exposed for what is really is: an unprecedented assault on the basic right to health care and an unabashed defense of the profits of the insurance industry.

Indeed, the top insurance companies—UnitedHealth Group, WellPoint, Aetna, Humana, and Cigna Corp, which raked in \$12.2 billion in profits last year—were well represented at Thursday’s summit table, having spent multimillions to lobby both Democratic and Republican members of Congress for business-friendly legislation.

The Democrats have set a new deadline of March 25 to pass some version of health care legislation, after which Democratic leaders say they must move on to more “pressing” issues. Failure to do so would be an embarrassment for the Obama administration, which has devoted the last year campaigning for its passage. Obama’s future agenda—whether or not some version of health care passes—will invariably include further attacks on social programs, in the form of budget cuts, and attacks on public education and other basic services.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact