A lie exposed

Jerry White
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Four months after the passage of Obama's health care legislation—hailed by most of the media and the entire liberal establishment as the most progressive social reform since the 1960s—the reactionary implications of the measure are emerging ever more clearly.

The centerpiece of the plan, the White House claimed, was the extension of coverage to tens of millions of uninsured Americans and the containment of costs that were making medical care unaffordable for average citizens. Cost-cutting and the implementation of "efficiencies" would not affect the quality of care, the president claimed. Moreover, those already insured would be able to keep their doctors and medical plans.

As the *World Socialist Web Site* explained, these claims were false. The purpose of the legislation was to slash health care costs for US corporations and the government by reducing coverage and rationing care for millions of Americans.

The ruling class saw Obama's "reform" as an opportunity for corporations to dump their employer-paid insurance plans, or, at the very least, restrict workers' ability to choose treatments, doctors and hospitals.

The result, the WSWS warned, would be the establishment of a class-based system where workers would be given inferior care while the rich continued to enjoy the best medical treatment money could buy.

Recent news reports have confirmed this warning.

A July 18 *New York Times* piece, entitled "Insurers Push Plans That Limit Choice of Doctor," reports: "As the Obama administration begins to enact the new national health care law, the country's biggest insurers are promoting affordable plans with reduced premiums that require participants to use a narrower selection of doctors or hospitals."

Insurance giants Aetna, Cigna, the UnitedHealth Group and WellPoint have already offered plans with "limited networks" to smaller employers in New York, San Diego and Chicago, the article notes, adding that insurers and their consultants expect that "businesses of all sizes will gravitate toward these plans in an effort to cut costs."

"The tradeoff," the *Times* writes, "is that more Americans will be asked to pay higher prices for the privilege of choosing or keeping their own doctors if they are outside the new networks. That could come as a surprise to many who remember the repeated assurances from President Obama and other officials that consumers would retain a variety of health-care choices."

In New York, for example, Aetna's "narrow network" plan provides access to only half the doctors and two-thirds of the hospitals offered by its traditional coverage, while in San Diego, 80,000 school employees, covered by UnitedHealth, have been put in a multi-tiered health plan where their out-of-pocket expenses depend on the quality and price of the physicians they choose.

By such means, the employers stand to save 15 percent.

"Affordability is the most pressing agenda item," Dr. Sam Ho, the chief medical officer for UnitedHealth's medical plans, told the newspaper. That Obama's health care "reform" was from the start about cutting costs, rather than improving coverage, is a fact of which the *Times* and the rest of the liberal establishment were well aware and which they assiduously concealed from the public. As the article points out, insurance executives at Cigna were sounding out CEOs about super-cheap plans even as the bill was being prepared.

"What this does is eliminate the Gucci doctors," Peter Skoda, the controller of Haro Bicycle Corporation in Vista, California, told the newspaper. "Facing a possible 35 percent increase in its rates," the *Times* notes approvingly, "Haro switched to an Aetna plan that prevents employees from seeing doctors at two medical groups affiliated with the Scripps Health system in San Diego. If employees go to one of the excluded doctors, they are responsible for paying the whole bill."

The *Times* notes that the last time corporations and insurers tried to restrict access to specialists and hospitals—with the establishment of Health Management Organizations or HMOs in the 1990s—it provoked an enormous public backlash. That is why Obama, with the help of the *New York Times* and other media, sought to conceal the real content of his health care "reform" from the population.

Under the terms of the plan, corporations are not obliged to provide insurance at all, let alone maintain present levels of coverage. On the contrary, companies that maintain insurance plans the government deems too costly will face a punitive tax. Moreover, employers are liable to pay only a small fine—well below the cost of continuing to pay premiums—if they drop workers from their insurance coverage.

In Massachusetts—where the state government enacted a health care overhaul in 2006—hundreds of employers are opting to dump coverage and force workers to sign up for the state subsidized health care program. According to a recent *Boston Globe* article, under conditions of rising costs and the continued economic downturn, companies say it has become far cheaper to pay the state penalty for not covering their workers—roughly $295 annually per employee—than to pay thousands in premiums.

Similar financial incentives will kick in nationally, once the Obama plan goes into full effect.

Under the legislation, workers who are stripped of their employer-paid benefits—along with those presently uninsured—will be forced to buy coverage on so-called insurance exchanges run by the states. If they fail to do so, they will be fined.

The insurance giants, which stand to make a windfall from the influx of approximately 24 million new customers, are betting that their cut-rate plans will be popular among workers who cannot afford quality coverage, the *Times* reported. "We think it's going to grow to be quite a hit over the next few years," Ken Goulet, an executive vice president at WellPoint, one of the nation's largest private health insurers, told the newspaper.

The *New York Times* led the campaign for the passage of Obama's health plan. On March 24, in a *Times* article entitled "In Health Bill, Obama Attacks Wealth Inequality," David Leonhardt wrote that the legislation was "the federal government's biggest attack on economic inequality since inequality began rising more than three decades ago." It was, he continued, part of a "deliberate effort to end what historians have called the age of Reagan."

This was a bald-faced lie, and the *Times*' well-paid writers and editors knew it. In fact, Obama's plan to gut health care was part of the unfinished business of the corporate-government offensive against the working class launched in the 1980s. This was also signaled by the Democratic president's attack on health benefits for auto workers during last year's forced bankruptcy and restructuring of General Motors and Chrysler.

The record of the WSWS on Obama's health care "reform" sets us apart from all those pseudo-left organizations and middle-class liberal publications like the *Nation*, which promoted the anti-working class legislation.

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