The Democratic Party and the assault on Medicare

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A bipartisan proposal presented last week would replace the traditional Medicare program for seniors and the disabled with a fixed federal contribution toward the cost of coverage for each beneficiary. The plan is the latest effort to open up to privatization and destruction the most significant social program enacted in the United States after World War II.

Under the plan presented by Senator Ron Wyden, Democrat of Oregon, and Representative Paul Ryan, Republican from Wisconsin, Medicare recipients would be given a set amount of "premium support" to be used to purchase insurance from private companies on a federally regulated Medicare "exchange," where traditional Medicare would also be available as an option. The plan would cap spending increases at the growth of the economy plus one percentage point and would require Congress to find ways to slash costs if this were exceeded.

The Obama administration has distanced itself from the Wyden-Ryan proposal, wary of alienating voters in the upcoming 2012 election. Tens of millions of American rely on the Medicare program, and moves towards privatizing it are broadly unpopular. However, the proposal is entirely in line with the administration's own attack on health care.

A proposal put forward by Representative Ryan last April, which would have phased out Medicare entirely and replaced it with vouchers to purchase private insurance, was opposed at the time by congressional Democrats. But "premium support" and other proposals aimed at dismantling the Medicare program are now gaining the support of significant sections of the Democratic Party.

An article last month in the *New York Times*, mouthpiece of the Democratic Party liberal establishment, noted that while "most Democrats have been fiercely opposed to privatizing Medicare," due to "concerns about the rising deficit and the long-term sustainability of Medicare, some centrist Democrats are backing the premium support idea."

The *Times* has carried out its own campaign, in editorials and articles, to justify cuts in health care and the rationing of medical tests and procedures. This month it has published two editorials supporting in principle the ending of Medicare as a universal government program in favor of a plan based on "premium support."

The Wyden-Ryan proposal makes further recommendations that would undermine Medicare. These include means testing, whereby "wealthier seniors would receive less help," a fundamental change that would transform Medicare into a welfare-type program.

These proposals constitute yet another boondoggle for the insurance companies. Through the mechanism of "premium support," funds would be taken from Medicare and handed over to the private insurers. The inevitable result would be substandard health care provision for America's elderly and disabled population, resulting in rationing and denial of services, increased illness and suffering, and death.

The position, supported by all factions of the political establishment, that "there is no money" to pay for Medicare and other vital programs is a fraud. Such claims are made under conditions where untold trillions have been spent to bail out the banks and hundreds of billions are appropriated year after year to finance the military operations of US imperialism, and the richest 400 Americans control $1.3 trillion in wealth.

Whatever Obama's current posturing, the privatization of Medicare is a logical continuation of his efforts to "reform" the health care system. Obama's

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health care overhaul has nothing to do with improving care, insuring the uninsured, or holding the insurance companies accountable. The pitch for universal health care made by Obama during his presidential bid has been exposed since he took office as a cover for a relentless drive to cut costs.

Even the minimal provisions included in the administration's health care bill to provide an illusion of "reform" have been whittled away as Obama has made concession after concession to those opposing the legislation from the right in the Republican Party and to corporate health care interests. Components of the health care bill now ditched include: a "public option" on the insurance exchange, long-term care, the ability of workers denied coverage to appeal to an independent arbiter, among others.

Last week, the administration said it would not require states to conform to a single uniform set of "essential health benefits" to be provided to beneficiaries under insurance plans offered.

The framework of Obama's health care overhaul—based on the claim that slashing hundreds of billions of dollars will result in improved medical services—now serves as a model for the assault on Medicare. Even the "premium support" mechanism takes its cue from the Obama plan: in both instances a government subsidy is provided to purchase coverage from private insurers.

The US ruling elite and its political representatives have no intention of stopping with the privatization of Medicare. They will use the same arguments to justify the dismantling of all vestiges of social reform enacted over the past 75 years—up to and including Social Security. Meanwhile, Medicaid, the joint federal-state health care program for the poor, is suffering from the relentless ax of budget cutting throughout the country.

This assault on the most basic social requirements—health care and a secure retirement, along with good-paying jobs, education and housing—can be combated only through the mass, independent mobilization of the working class. This requires a political struggle against the Obama administration and both big business parties on the basis of a socialist program.

It is an indictment of modern-day life in America that while some of the most advanced medical treatments, drugs and procedures have been developed in the US, millions of Americans lack access to decent health care and medical bills are responsible for the majority of personal bankruptcies. Decent and universal health care is incompatible with the capitalist system, which subordinates the health and lives of the vast majority of the population to private profit.

The Socialist Equality Party calls for an end to medicine-for-profit and the establishment of a system of free, high-quality, state-run health care for all. This requires the nationalization of the insurance giants, pharmaceutical conglomerates and health care corporations and their placement under public ownership and the democratic control of the working class.

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