Obama and Romney's phony Medicare debate

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With less than three months to Election Day, the presumptive presidential candidates of the two big business parties in the US are accusing each other of targeting Medicare for drastic cuts and placing the government-run health care program for the elderly in jeopardy. The truth is that the policies of Barack Obama and Mitt Romney *both* pose grave dangers to Medicare—a program currently depended upon by some 50 million American seniors.

As always, in the arena of US electoral politics, the class issues are blurred by the candidates themselves and their media parrots. The Democratic president and his Republican opponent each attempts to strike a pose as the defender of the "middle class"—in this case, Medicare recipients. While an examination of their policies shows differences in how they intend to go about assaulting Medicare—and the speed with which the attack is to be mounted—both candidates agree that the cutbacks are necessary in order to "save" the program.

In the recent period, the Romney camp has gone on the offensive, denouncing the cutbacks to Medicare included as part of the Obama-backed health care bill signed into law in March 2010. Under the Affordable Care Act, $716 billion would be cut from 2013 to 2022 through reducing payments to hospitals, doctors, nursing homes, Medicare Advantage HMOs and other health care providers. The savings are to go toward funding subsidy for qualified individuals, who will be required to purchase private insurance on "exchanges," or pay a penalty.

The White House claims that this gargantuan cut will result in better care for seniors. Through the setting up of accountable care organizations (ACOs) and the Independent Payment Advisory Board, "unnecessary" and "wasteful" treatments and procedures will be targeted for rationing and elimination. The long-term vision is to move away from traditional "fee for service" payments to a system where health care providers would be budgeted a fixed amount for the care of each patient.

It is a testament to the retrograde nature of the Obama health care overhaul that the Republicans can posture as champions of Medicare. As Romney's running mate, Rep. Paul Ryan of Wisconsin, commented to Fox News last week, "We are the ones who are not raiding Medicare to pay for Obamacare."

What the Republicans are proposing, however, is to transform the government administered health insurance program into a "premium support" system—a voucher plan where government spending would be repackaged as a fixed-amount benefit for seniors to purchase insurance. In an effort to court senior voters, Romney insists that current Medicare recipients, and people currently 55 and older, would still be covered under traditional Medicare.

As the Republican campaign website describes it: "Mitt Romney has laid out the approach he would take to modernizing America's entitlement programs, guaranteeing their continued vitality for future generations." For Medicare, this "continued vitality" will consist of a market-driven model where Medicare will compete as an option for seniors' voucher dollars against private insurers. Medicare will continue as a viable option to the extent that "its efficiency and quality compares to that offered by other providers in the marketplace," according to the web site.

The Romney site asserts that "Lower income seniors in the future will receive the most generous benefits to ensure that they are able to get care every bit as good as that provided in the current Medicare program," then adds, "Future seniors will be able to enjoy the savings

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from selecting less expensive plans, or choose to pay more for costlier options."

In other words, older Americans facing the choice between paying for health insurance and other basic necessities—such as food, housing and utilities—would inevitably end up with the inferior plans. And this is where the similarities between the Obama health care reform and Romney's proposals begin to come into focus. Both are aimed at establishing a class-based health insurance system whereby medical care is cut and rationed for ordinary Americans, while the wealthy continue to pay for the best medical services, treatments and medicines out of pocket.

While denouncing Obama's plan for cutting $716 billion over a decade, Romney's web site speaks favorably of a bipartisan proposal for Medicare that includes similar cutbacks. Under the plan drafted by Paul Ryan and Democratic Senator Ron Wyden of Oregon, individuals would purchase private insurance using government-subsidized vouchers. The Ryan-Wyden proposal also includes more than $700 billion in cuts to Medicare. Romney has cynically dodged the question as to how this squares with his vow to immediately restore Obama's proposed Medicare cutbacks if he is elected, and how this would be in keeping with his pledge to gut federal spending on social programs.

The crossover between the Affordable Care Act and Romney's proposals for Medicare—the billions in dollars in cutbacks, the purchase of insurance on "exchanges," the funneling of money to private insurers, the cut-rate plans that would be imposed on working people—exposes the bipartisan attack that is being prepared against not only Medicare, but Social Security and other New Deal programs enacted in the 1930s.

Whichever party wins the White House, and whatever the party configuration of Congress, the new year will see an escalating assault not only on social programs, but on the working and living conditions of the American population. While corporations continue to amass record profits and CEOs haul in obscene amounts of cash, the political establishment and its media backers insist there is "no money" for vital programs such as Medicare.

Under conditions of widening social inequality in America, the policies of the Democrats and Republicans become even more closely aligned, and neither party can offer any solutions to the social crisis. The phony debate over Medicare serves as a warning of the austerity and class-war policies being prepared by the ruling elite.

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