

# Barack Obama's health care counterrevolution

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**7 June 2013**

With the deadline for the full implementation of the Patient Protection and Affordable Care Act (ACA) set for January 1, 2014, it is becoming increasingly clear that what has been promoted as a progressive reform in fact constitutes a sweeping attack on health care for the vast majority of the American people.

On March 21, 2010, two days before signing the health care bill into law, Barack Obama declared that it represented “another stone firmly laid in the foundation of the American Dream.” More than three years later, this statement has been exposed as a cynical lie. From the beginning, the legislation has been crafted to serve the interests of private insurers, pharmaceuticals and giant health care chains, while cutting costs for corporations and the government, all at the expense of working families and the poor.

As states and the federal government begin to establish the insurance exchanges where individuals and families without employer-or government-provided insurance will be required to purchase coverage from private carriers, the Obama administration's claims that the Affordable Care Act would expand access to quality health care for millions are being refuted on virtually a daily basis. (See “US health reform to slash care, leave millions uninsured”).

A brutal assault on Medicare has always been a central component of the ACA, which will reduce reimbursements to the government-run program by more than \$700 billion over 10 years, severely limiting access to medical services for close to 50 million seniors and the disabled.

A reform that was touted by Obama and the Democrats as providing “near universal health care coverage” will leave an estimated 30 million people uninsured in 2016, according to a study released Thursday by a research team from Harvard Medical School and the City University of New York School of Public Health.

This will be the case for some 5.7 million people in the 26 US states that are refusing to expand Medicaid coverage under the ACA. Most states do not provide Medicaid for the entire poor population, and this will remain the case in those states where the program is not being expanded. In a cruel

twist, due to the way the law is written, some of the very poorest of the uninsured will also be denied government subsidies to purchase insurance on the exchanges.

For those with employer-sponsored coverage or who purchase insurance on the exchanges, numerous studies show that private insurers intend to hike premiums to boost their profits. The aim of the companies will be to offset any costs they may incur due to ACA rules that bar them from denying coverage due to preexisting conditions or charging more based on age. One congressional report estimates that individuals buying coverage on the individual market could face average premium increases of 100 percent up to as much as 400 percent.

Obama's promise that “If you like your health care plan, you can keep it” is being debunked in a multitude of ways. Businesses are scheming on how best to remain within the already pro-corporate framework of the legislation, while making sure these regulations do not impinging on their bottom line.

The law requires companies with 50 or more employees to provide “affordable” insurance to their full-time employees working 30 hours a week or more, or be penalized with an excise tax. Some employers have already responded by reducing workers' hours, thereby skirting the requirement. Many workers in local government, retail, health care and other sectors can expect to face the dual attack of having their hours cut and being denied insurance through their employer.

Some businesses are considering not offering coverage at all and paying the \$2,000 per employee per year penalty—far less than the cost of providing decent insurance. An increasing number of employers will offer bare-bones “skinny plans,” which offer some preventative services and office visits, but no coverage for hospitalizations and surgeries. White House officials have acknowledged that such plans are perfectly acceptable under the law.

One of the most despicable provisions of the legislation is one that penalizes companies that offer higher-priced insurance that could be considered more comprehensive in

the current insurance market. Dubbed “Cadillac plans,” such insurance is valued at over \$10,200 a year for individual coverage or \$27,500 for a family. Companies or health insurers that continue to offer these plans will face a 40 percent excise tax on the amount exceeding this threshold.

The aim of this provision is clear: to encourage employers to junk these plans and replace them with cut-rate insurance with higher deductibles and co-pays and drastically reduced benefits. To refer to such coverage—currently held by a significant section of unionized workers, professionals and others—as luxury “Cadillac plans” is obscene, coming from the well-heeled political establishment and its corporate and media backers who are the biggest supporters of health care “reform.”

The punitive attack on these plans—which have been won, in many cases, in bitter contract struggles—is in line with the central thrust of the Obama administration’s health care agenda. Medical care for the working class is to be gutted so that corporations can increase their profits by reducing health care outlays. The envisioned result is a class-based system of care in which the vast majority of workers and their families receive inferior, cut-rate services, while the wealthy continue to receive the best care money can buy.

The unfolding of the health care debacle is the outcome of the policy of the US ruling elite, particularly in the wake of the 2008 financial crisis, which has sought to place the full burden of the economic crisis on the backs of the working class, while bailing out the financial elite with trillions of dollars. This has been accompanied by a wave of job cuts, wage-cutting and attacks on the basic social conditions of workers and youth.

The Obama administration insists that the slashing of health care costs is one of the key requirements for reducing the budget deficit. Absolutely ruled out is any cut to military spending, the interest payments to the banks on the national debt, or any measures that cut into the wealth of the ruling class. As the *World Socialist Web Site* stated following the passage of the health care legislation, “All of Obama’s policies have been geared toward increasing social inequality... The claim that the health care overhaul is an oasis of progress in this desert of social reaction is simply a lie.” Backers of the health care overhaul—in the unions, among Democratic Party hangers-on and the pseudo left—have desperately sought to promote the illusion that there must be *something* progressive in the law. In fact, it is thoroughly reactionary.

Three years after the passage of the bill, one of the biggest cheerleaders of the legislation, the ostensibly liberal *New York Times*, continues to produce article after article calling for an end to “needless” procedures and railing against “overtreatment” and “overtesting” for a wide range of

medical conditions. The intent of such arguments is clear: despite the advances in medical techniques, the present profit-driven health care set-up cannot allow ordinary workers and their families access to decent medical services.

Passage of the Affordable Care Act in 2010 ushered in a new stage in an offensive against the working class, and is the first volley in an assault on the social programs wrenched from the ruling class in the wake of the Great Depression—Social Security and Medicare, which this same ruling elite is targeting to dismantle and ultimately privatize.

The details of the implementation of the ACA demonstrate the incompatibility of private ownership of the means of production with the basic social rights of the working class. Universal, quality health care requires taking profit out of the provision of medical care and placing the health care system on socialist foundations. The entire health care industry—insurance firms, pharmaceutical companies and the health care chains—must be nationalized and transformed into public utilities under the democratic control of working people.

A new NBC/Wall Street Journal poll shows that 49 percent of Americans believe the Affordable Care Act is a bad idea, the highest number recorded on this question since the poll began measuring it in 2009. When the ACA goes into full operation, millions will begin to recognize that the assault on health care is part of a massive transfer of wealth from the working class to the rich, creating the conditions for immense social upheavals throughout the country. The only alternative to a corporate-controlled health care system is socialized medicine, a system based on human needs rather than corporate profit.



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