

Democrats offer pro-corporate health care “compromise”

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Following the failure of Senate Republicans to pass legislation to repeal and replace the Affordable Care Act (ACA), a bipartisan group in the House of Representatives has drafted a plan to prop up the insurance companies in the name of “fixing” Obamacare. The authors of the proposal call themselves the Problem Solvers Caucus, a group of some 40 House members divided evenly between Democrats and Republicans.

The collapse of the effort to deliver on President Trump’s pledge to repeal and replace Obamacare came against the backdrop of broad popular opposition to the proposal passed by the House in May and the equally reactionary plan advanced by Senate Republicans, which would have cut taxes for the wealthy, raised premiums and reduced services for millions of Americans, and made anywhere from 22 million to 32 million more people uninsured. It would have, as well, marked the beginning of the end of the Medicaid program for the poor and disabled as a guaranteed social benefit.

The response of the Democratic Party to the debacle for Trump and the Republicans was to offer their services in implementing the demands of the insurance giants for “repairing” Obamacare so as to better ensure reduced costs and fatter profits. The last thing the Democrats wanted was for the mass opposition to the Republican plans to take the form of an organized movement to expand health coverage to the 28 million people totally abandoned by Obamacare and replace that corporate-dominated, anti-working class scheme with guaranteed, good quality health care for all.

The Democratic mantra was the need to “stabilize the insurance markets,” i.e., meet the demands of the companies for changes in the ACA to further limit coverage for working people and more securely

underwrite profits. Hence the Problem Solvers’ five-point plan:

- Point one: Guarantee a continuation of the government cost-sharing reduction (CSR) payments to the insurance firms that Trump has threatened to cut off. The \$8 billion in CSR funds provide a tax-payer subsidy to private insurers to lower co-pays and deductibles for very low-income people on Obamacare plans. The insurance firms have been blackmailing the government—threatening to pull out of the Obamacare insurance exchanges if they are not assured that the CSR subsidies will continue.

- Point two: Create a “dedicated stability fund,” alternately referred to as a “reinsurance program,” to compensate insurance firms for the cost of covering people with high-cost medical conditions that eat into profits.

- Point three: Change the ACA mandate requiring companies to provide insurance to full-time employees to apply to firms with more than 500 workers instead of 50 workers, eliminating employer-sponsored coverage for millions of workers.

- Point four: Repeal the tax on medical device makers, saving corporations billions of dollars.

- Point five: “Provide technical changes and clear guidelines” to allow insurers to sell policies across state lines, encouraging a further monopolization of the health insurance market.

The pro-corporate character of the Problem Solvers’ plan serves as a warning that the bipartisan assault on health care has not been jettisoned with the Republican defeat. At most, it has been handed a temporary setback. Within the confines of Congress and at the direction of the two big business parties, forces are regrouping. Nothing is off the table, particularly the drive to end Medicaid, which currently serves 77

million poor, elderly and disabled people, as an entitlement program based on need.

Despite the defeat of the Senate legislation, a stealth attack on Medicaid is accelerating. A number of states—including Arkansas, Arizona, Indiana, Kentucky, Maine and Wisconsin—are seeking federal waivers for changes at the state level, including imposing work requirements, drug testing and time limits for benefits, as well as locking people out of the program for failure to pay monthly premiums.

It was Obamacare that laid the basis for the Republicans' offensive against health care. By establishing the mechanism of partially subsidizing the purchase of insurance from private companies by means of government vouchers it set a precedent for privatizing Medicaid, Medicare and, ultimately, Social Security.

Taking any measure of the nation's health—the opioid epidemic, the soaring rate of teen suicide, rising mortality among middle-aged men succumbing to “deaths of despair,” growing infant and maternal mortality, declining overall life expectancy—America faces a health care crisis of monumental proportions.

But the fight to secure a basic human and social right, the right to high-quality health care, cannot be waged based on a perspective of pressuring the Democrats. Decent health care for working people is incompatible with a system based on private ownership of the corporations and production for profit—that is, on capitalism.

The working class must advance its own class strategy, independent of the Democrats and Republicans, who are beholden to the private insurers, the pharmaceuticals and the giant hospital chains that profit off the misery, ill health and premature death of ordinary Americans.

The health care industry must be taken out of private hands and the health care system organized as a public utility under the democratic control of the working class, based on socialized medicine.



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