

Obamacare defenders extol health care overhaul as boon to corporate profits

By Kate Randall
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President Obama appeared on Capitol Hill Wednesday to urge congressional Democrats to defend his signature domestic measure, the Affordable Care Act (ACA). Vice President-elect Mike Pence also made an appearance, reiterating that President-elect Donald Trump's first order of business will be the repeal of the program popularly known as Obamacare.

The Republican-controlled Senate voted 51 to 48 Wednesday to take a first step toward repealing the ACA by agreeing to take up a budget resolution that will clear the way for repealing major provisions of the health care law. It is unclear at this point what form this will take, but through the budget reconciliation process, Republicans aim to repeal or nullify provisions of the law that affect spending and taxes.

Trump and the Republicans have indicated that they may seek to retain some of the program's more popular features, such as allowing young adults to stay on their parents' plans until age 26 and prohibiting insurers from discriminating against people with preexisting conditions, although it is unclear how this would be funded.

House Minority Leader Nancy Pelosi, Senate Minority Leader Charles Schumer, former presidential candidate Bernie Sanders and other Democrats appeared at a press conference Wednesday saying that repealing the ACA will "make America sick again" and lead to "grandma living in the guest room."

But while the drama over the fate of Obamacare plays out on Capitol Hill, proponents of the legislation have come forward to make clear what, in fact, their defense of Obamacare is really about.

The health care overhaul was never about providing universal or even near-universal, decent quality health care for the American people. It was about restructuring the US health care system so as to sharply reduce costs for corporations and the government, at the expense of the health and longevity of working people.

An extensive article in Monday's *New York Times*, which begins on page one and fills two entire inside pages,

enthusiastically outlines far-reaching changes in the delivery of health care already implemented under Obamacare, and makes clear the changes are driven by an agenda of slashing costs, not for consumers, but for the insurance companies, hospital chains and pharmaceutical corporations.

The article quotes Nancy-Ann DeParle, a White House aide, who recalls Obama telling her he wanted a health care "reform" that would do away with the "creaky old delivery system."

The two major elements of the old system Obama targeted for destruction were employer-provided health insurance, deemed too generous and expensive, and the so-called "fee for service" model, in which insurance companies had to cover most or all of the cost of each exam, procedure or prescription ordered by health care providers.

By means of financial penalties and inducements to doctors, hospitals and other health care providers, Obamacare aims to replace "fee for service" with a so-called "value-based" system. As the *Times* article makes clear, the overriding criterion for "value" is not the quality of care, but rather the cost—the lower the cost to corporate interests and the state, the higher the supposed "value."

"Value-based" is a euphemism for the rationing of health care along class lines. The wealthy get the best care money can buy. The working class and poor get poorer care while paying higher out-of-pocket costs.

As Dr. R. Michael Meneghini, an orthopedic surgeon with Indiana University Health in Fishers, Indiana, told the *Times*, "These reforms are all intended to slow down the consumption of health care resources in the United States. We are careening at a rapid rate to a two-tier system. The public who can't afford it goes to a public hospital and gets free health care. Those who have money get to pay for really nice care."

The extension of health insurance—stripped down and loaded with high premiums, high deductibles and high co-pays—to less than half of the tens of millions of uninsured Americans was always a subordinate aspect of the Obama administration's health care overhaul. That part of the plan

was designed to benefit the insurance companies by forcing those not insured by their employer or the government, via Medicare or Medicaid, to purchase private insurance. It also benefited the hospital chains by reducing the number of uninsured they were forced to treat at their own expense.

And it served a marketing function, allowing the administration to package a deeply regressive program as a progressive social reform—a step in the direction of universal health care.

Under Obamacare, Medicare and Medicaid are used to push through cost-cutting innovations that are then extended throughout the entire health care system. In 2015, the Obama administration set a goal for half of all payments to Medicare—the government program that covers 55 million seniors and the disabled—to be tied to the “quality” of care provided by doctors and hospitals, instead of the quantity, by 2018. This measure passed with overwhelming bipartisan support.

In its January 3 article, the *Times* provides the example of the Indiana University Health (IU) system, which performed 3,900 hip replacements and knee replacements in the year ended June 30. Doctors there “are under pressure from Medicare and private insurers to manage and coordinate care for their patients before and after surgery. And, they say, payment for their services is continually being squeezed.”

For example, in an effort to slash costs, operating rooms at IU are now stocked with color coded “value trackers” that give a green light to lower-cost surgical products, a red light to high-cost products, and a yellow light to those in between.”

The *Times*, which has been the leading champion of Obamacare from its inception, expands on the virtues of these cost-cutting measures in an opinion piece by Tina Rosenberg posted on Wednesday, in which she writes that the “transformation of America’s health care system” under the ACA “moves health care away from a fee-for-service model, which pays doctors and hospitals according to the number of procedures they do, toward value-based care, which pays based on what helps patients get better.”

The column’s headline, “A Bipartisan Reason to Save Obamacare,” points to the right-wing basis of its defense of Obamacare. Rosenberg hails the fact that under the ACA’s Center for Medicare and Medicaid Innovation, more than a third of Medicare payments to providers now depend on “value” instead of volume. She praises the “ACA’s reform showpiece,” the Accountable Care Organization, a “team of providers” that has “financial incentives to keep the patient healthy and hold down costs.”

An op-ed piece in the *Wall Street Journal* makes a direct appeal in defense of Obamacare to private insurance companies and large employers on the basis of a benefit near

and dear to their hearts: bigger profits. Titled “Stand Up for ObamaCare, CEOs,” the piece is co-authored by Dr. Ezekiel Emanuel, a chief architect of the Affordable Care Act.

The piece argues that the replacement proposal for the ACA offered by House Speaker Paul Ryan would lead to 4 million fewer insured people by 2026, while 9 million would lose coverage under another Republican plan. Even though these people would be unable to pay for care, the authors write, they would end up in emergency rooms and urgent care centers, and the “costs will be rolled into the line item ‘uncompensated care’—which is ultimately paid for by higher prices on every one else.”

Dr. Emanuel has predicted that with Obamacare as its model, employer-sponsored health care, a benefit won in bitter struggles by American workers in the last century, will become a thing of the past by 2025, with employers providing small stipends to their employees to purchase private insurance, or dumping their coverage altogether.

Trump’s pick to head the Department of Health and Human Services, Tom Price, advocates the total or partial repeal of Obamacare as part of a scheme to begin the dismantling of both Medicare and Medicaid and their transformation into voucher programs, in which seniors and poor people would be given government subsidies that would cover only a fraction of the cost of private insurance.

The current debate over the Affordable Care Act is a debate between thieves. Neither Obama and the Democrats nor Trump and the Republicans have in mind the interests of the American population. Their sole aim is the defense of the capitalist system and the profits of the health care industry.

A genuine solution to the health care crisis requires putting an end to medicine-for-profit and providing free, high-quality health care for all as a basic social right. This can be taken forward only by establishing socialized medicine under a workers’ government based on socialist principles, including the nationalization of the health care corporations and their transformation into publicly-owned and democratically controlled institutions.

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