

## IS IT A TROJAN HORSE ... or SKELETONS IN THE CLOSET ... or WHAT?

Stephen L. Bakke – September 2, 2009

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*This is one of several topics which lead into my attempt at identifying reasonable and viable elements of health care reform – “soon to be completed”. My suggestions will recognize the compelling need for reform, accept those aspects which virtually all citizens agree must change, and provide an alternative to the undesirable, and ever less popular, government imposed system.*

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*“Now back in 1927 an American socialist, Norman Thomas, six times candidate for president on the Socialist Party ticket, said the American people would never vote for socialism. But he said under the name of liberalism the American people will adopt every fragment of the socialist program. One of the traditional methods of imposing statism or socialism on a people has been by way of medicine. It’s very easy to disguise a medical program as a humanitarian project. Most people are a little reluctant to oppose anything that suggests medical care for people who possibly can’t afford it” – Ronald Reagan*

### **A Trojan Horse?**

What’s causing all the “hoopla” in the press, on the street, and in the town hall meetings? Is it because people think they are being deliberately misled (a “Trojan Horse”)? Is it because they are just filling in the blanks, and reading between the lines, of vague and very poorly written legislation (“skeletons in the closet”)? I suspect they are both true, and which one applies depends on who’s doing the talking and promoting Obamacare.

No wonder people get suspicious about unspoken agendas in the current administration – Obama’s “faithful” seem to continuously be tipping us off with their unintended gaffs. Obama tipped off his agenda by saying he preferred a single payer system but that it would take up to 15 or 20 years to accomplish it. “Big Ed” Shultz, of CNBC’s “The Ed Show”, clearly states that the single payer government system is a long term goal of most “progressives”. Obama’s close health care advisor Ezekiel Emanuel has stated that people in the U.S. are guilty of overusing medical care. He also wrote: “When the worse-off can benefit only slightly while better-off people could benefit greatly, allocating to the better-off is often justifiable” (and they wonder how the idea of rationing develops).

Several liberal House members state that there will have to be sacrifices by some who are covered by our current health system. Does this mean Medicare/Medicaid will be cut? After it was discovered that Obamacare would cost much more and not save, supporters specifically stated they would find savings from the Medicare/Medicaid systems – but they leave it to our imaginations to tell us where those savings will come from. All of the above comments contradict specific “comforting” statements by the President and his

“disciples”. It seems that it isn’t what the draft legislation actually says that is causing much of the concern – because it doesn’t say anything specific.

Citizens are afraid of what may blossom from this legislation over time. This is understandably a legitimate concern if individual statements and legislative drafts are viewed in the context of known reform preferences held by those in power. Some of the “stomach acid” seems to be a reaction to what is easily inferred from the draft, and accusations and characterizations made by many in the administration and democrats in congress. Let’s not be brazenly smug by referring to the millions of concerned American citizens as being easily misled, misinformed, or uninformed. Patronizing or demonizing our bright citizens won’t work.

### **My Coverage Won’t Change?**

Some of Obama’s representations about insurance coverage going forward deserve a bit more scrutiny. This is one of the major “planks” in the “Trojan Horse” theory about this reform. President Obama is constantly telling us that he’s not trying to get rid of private health insurance and that we can keep our current plan if we are satisfied with it.

The current version of the bill would “grandfather in” many of our current private insurance options. But the insurance companies would not be permitted to enroll any individual if the effective date of coverage is on or after the first day of the legislation’s implementation. It also would not allow these carriers to make any changes in terms or conditions of the existing policies – presumably even if requested by the insured. The bill prohibits insurance companies from writing new private individual policies.

New policies would be written under the control of an “insurance exchange”. “Investor’s Business Daily describes it this way: “The exchange will be a highly regulated clearinghouse of providers that meet the government’s standards ... The government, through an unelected health choices commissioner, will set premiums, dictate benefits, determine deductibles, and establish coverage ... the weight of the mandates will mean only five or six providers will be able to survive and sell coverage in the exchange.”

Your employer provided plan would be required to conform to this new system in five years. This can’t be characterized as continuing our private insurance option, nor is it just implementing a creative new regulatory body over the system. Rather, it homogenizes all plans to a government run and mandated system. **That’s not adding competition, it’s just the opposite – all coverage and charges would be the same. They talk about providing options. This plan ultimately eliminates options.**

We should be careful what we ask for, we might get it.

### **Demonizing the Insurance Industry**

Mort Kondracke, certainly not considered a “right wing” commentator, recently discovered and pointed out that much of Obama’s demonizing of the insurance industry

as an enemy of reform, was unfair. The following hasn't been reported, or at least I haven't seen it. For example, consider the recent role of the insurance industry's lobby, American Health Insurance Plans (AHIP). AHIP CEO Karen Ignagni is a former AFL-CIO official and Democratic Senate Staffer. She has led a dramatic departure from one former role of the group which was to help scuttle health insurance reform. Ignagni promoted expansion of the State Children's Health Insurance Program (SCHIP) against fierce opposition from the Bush administration and congressional Republicans.

And in December 2008, AHIP unveiled its big proposal: Insurance companies would guarantee coverage for all, dropping exclusions for pre-existing conditions, and they would charge the same premiums to everyone in a geographic region, subject only to their age and benefit structure of their policy. This is a big change which we don't give them credit for. It makes sense that AHIP would champion this reform because it would give them an opportunity to sell policies to possibly over 40 million who are currently uninsured or underinsured.

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Next – my suggestions for reform.

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### **Sources of Information**

The major sources of information used in developing my health care commentaries will be included in my future report on health care reform recommendations. A preliminary, but not complete, list of sources can be found in my April 2009 report on the status of our health care system and reform.