

Sally Pipes on ObamaCare at Six Months

It's worse than we thought . . .

by Roger Aronoff – Accuracy in Media

AIM recently interviewed Sally Pipes, President and CEO of the Pacific Research Institute (PRI), a San Francisco-based think tank—and the author of the new book, *The Truth About ObamaCare*. Ms. Pipes has been president of PRI since 1991. The Institute promotes free market solutions to issues such as the environment, education, and health care. She is a renowned expert on health care and economic issues. In 2005, she was named one of the “Top Ten Women in the Conservative Movement in America,” as published by *Human Events*. She has written three books, including *The Top Ten Myths of American Health Care: A Citizen's Guide*, published in 2008.

While many in the media treated the six-month anniversary of the passage of the legislation as a reason for great praise and appreciation, most polls indicate that a majority of Americans disagree. According to Sally Pipes, “The American people are going to be very upset with *higher taxes, higher deficits, and, ultimately, rationed care*—because that’s what’s going to happen under ObamaCare as we move down the path to government run Medicare-for-all.”

Below are excerpts from the interview, which took place on September 16th. Ms. Pipes points out that Obama’s two goals were (1) to achieve universal coverage and (2) to bend the cost curve down. She addresses those issues:

“Well, we’re not going to achieve universal coverage: *23 million Americans will still be uninsured in 2019—and the cost curve is not going to bend down.*”

“[President Obama] originally wanted a bill that would cost \$900 billion dollars over ten years. The CBO says this will be \$940 billion over ten years, but I believe most of the tax increases and [other costs to taxpayers] do not come into effect until 2014. So between 2014 and 2024, I believe—and many other economists believe as well—that this legislation, if not repealed and replaced, is going to cost the American taxpayers about \$2.5 trillion dollars.”

“So we won’t have universal coverage; and the cost curve is not going to go down, it’s going to go up. These are going to be two of the things that are going to lead us to this single-payer government that’ll run our health care system.”

“If you think back, when Medicare and Medicaid came into being in 1965, Medicare cost \$3 billion dollars in the first year, and the precursor to the Congressional Budget Office predicted it would cost \$12 billion dollars by 1990. Well, in fact, it cost \$110 billion dollars. So you can’t rely on statistics that come out of government because they just don’t know what the increased demand for health care will be. No government program ever costs what people think it will cost.”

“Of the uninsured, the President said we would be adding 30 million to the rolls of the insured, and 18 million of them would be eligible [to] be put on Medicaid, the program for low income Americans. Well, I find it very interesting that today 14 million are [already] eligible for Medicaid, and haven’t signed up. I believe it’s because lower income people, who don’t have insurance, would [rather] turn up at an emergency room. If you have Medicaid, it’s becoming increasingly difficult to find a doctor, since doctors don’t want to take these patients because the reimbursement rates are so low. This is only going to get worse; it’s also going to have a major impact on our seniors, because this legislation is going to cut Medicare by \$529 billion dollars over 10 years.

Trouble for Seniors

“As Richard Foster, Chief Actuary at Centers for Medicare and Medicaid Services, has said, seniors are going to have trouble getting access to health care; and also, they will have a very hard time finding a doctor. One in three new Medicare-eligible people today are already having a difficult time finding a doctor.”

Not Health Reform, But Insurance Reform

“159 new boards and commissions are going to be established under ObamaCare—plus, 16,000 new IRS agents are going to be hired to monitor our tax returns to see whether we have health insurance—or if we’re going to pay a fine (\$695 dollars by 2016). But a more important point is this: during the health care debate—in February, before it was actually passed on March 23 this year—the President was very much in favor of the ‘public option.’ There isn’t a public option in the final bill. Also, he

wanted to have a health insurance rate exchange. Remember: He originally talked about “health care reform,” but he ultimately moved to talking about ‘health insurance reform.’”

“A number of regulations on insurance companies came into effect on September 23, 2010. That includes reducing, and finally eliminating (in 2014) annual limits or lifetime caps on an insurance company plan. [Another regulation] allows young adults to stay on their parents’ health insurance until they’re age 26, with no co-pays and no co-deductibles for preventative care, including an annual physical exam, mammogram, colonoscopy, and diabetes testing. All of these things are going to add significantly to the cost of insurance, and insurance companies are going to have to increase premiums.”

“Obama has done a great job of saying, ‘I’m offering you, the American people, all these wonderful things. . .’ But starting in 2011, there will be new excise taxes on insurance companies, medical device companies, and pharmaceutical companies—all of which, I think, are going to destroy research and development and innovation in these areas. And really, America is where innovation takes place, and where people come from all over the world in order to take advantage of the finest care.”

“The individual mandate, I believe, is unconstitutional. We have seen, in Virginia, Judge Hudson ruled that the Virginia suit against the federal Department of Justice can go forward. About a month ago, in Missouri, 71 percent of voters voted in favor of banning the individual mandate. And just this past week, in Florida, federal judge Vinson said that by October 16th he’s going to make a decision—but he’s probably going to allow a lot of that suit—the Constitutional challenge suit which is being filed by 20 states’ Attorneys General and the National Federation of Independent Business—to go forward. Ultimately, this will probably be the lawsuit [that] will have to go to the Supreme Court. I would hope that [Obamacare law] would be overturned, and [that] the individual mandate would be overturned in the Supreme Court. But, of course, one can’t always depend on the Supreme Court, because in many decisions of late, they have said that if the Congress approves something, they don’t want to go against what the elected representatives do. But my feeling is, we do want this to go to the Supreme Court; and if the individual mandate is ruled unconstitutional, it’s going to destroy ObamaCare.”

“I hope the Republicans can take the Presidency and the Congress in 2012, so that in 2013 there would be a great shot at repealing the whole legislation and replacing it with health care reform that will bring about competition, reduce the number of uninsured, and make changes that I think the American people will be happy with. Even today, 58 percent of American people polled want to have this health care legislation repealed. Obama, Pelosi, and Reid went against the will of the American people and pushed this through, and not a single Republican voted for it. And, as I say, the American people were against it.”

“I think the Don Berwick recess appointment was really very bad on the part of Obama. He did not keep his promise that he was going to bring transparency to the government. Everything is completely opaque.”

“I would say the mainstream media, of course, always like to increase the role of government in our lives; and Obama, Pelosi, and Reid believe that government can make better decisions for the American people than we can make for ourselves. It’s an ideological vision that they have, and that is not the American way. This debate on health care since has been [given] tremendous [coverage]. Fortunately, we have *Accuracy in Media*. We have *Fox*. We have *The New York Post*, *The Wall Street Journal*, *Investor’s Business Daily*, and a lot of talk radio. They have covered this debate very, very fairly. And then I have done a lot of media and speeches and debates on this.

“But if you read *The Washington Post*, *The New York Times* (I debated Howard Dean on CNBC, who’s a huge single-payer fan)—I think the mainstream media has definitely been biased towards government takeover of our health care. But, fortunately, as I say, talk radio, blogs—all of these things are at least educating the American people. I think that is why 58 percent of the American people would like to see this legislation repealed and replaced.”

Roger Aronoff is a media analyst with Accuracy in Media, and is the writer/director of the documentary, *Confronting Iraq: Conflict and Hope*.