

The Albatross Known as Obamacare

10-28-16

YouTube is full of wonders, and among the informative and the trash there recently appeared several videos of addresses by architects of Obamacare (AKA ACA – Affordable Care Act) that makes one wonder what they could possibly be thinking when they decided to publicize how they duped the American people.

The videos had been sitting their rarely viewed until one of the duped, Rich Weinstein, was angry enough to do some research, gather the videos, and publicize them on Full Measure and presumably other media sites. Weinstein, like the typical American, was naive enough to believe the pre-Obamacare promise that, *If you like your plan, You can keep your plan*. Most humans are more or less decent people and that lulls them into believing that on at least some rare occasions one, or perhaps even a few, will find their way into the positions that dictate how our lives will be ordered. Weinstein had a good plan, a so-called Cadillac Plan, and he could keep it alright but only after they saddle it with a 40% tax. It was a double whammy – first a person makes sacrifices to obtain the plan, then they are taxed if they want to keep it.

Two key elements were required to finance Obamacare – they needed to force healthy people into the system so they will pay for those in poor health, and they had to get a good chunk of the \$250 billion a year private health care benefits taxed for additional funding. MIT economist Jonathan Gruber describes how they disguised what they were doing by telling everyone that they are taxing the health insurance companies and not those with the plans. In his talks he frequently calls the American people stupid for not realizing that the extra costs of the insurance companies will simply be passed along to the consumer. Of course, Gruber is the bigger fool for, first, thinking that the American people have any significant say in what their two rotten political parties inflict upon them, and second, not knowing that they have seen this or similar scams pulled on them time and again. Americans are under constant attack by their government. The most efficient mode of defense to save your energy until damage is about to be inflicted.

McCain proposed the tax on Cadillac plans (he invented the term) in the 2008 election. Obama helped get himself elected by declaring his unalterable opposition. Two years later it's the law though McCain wanted to tax all of it and Obama promised to limit it to 40%. In any case, its implementation has been shifted from 2018 to 2020 in hopes that it will be a quiet time when the American people will be distracted by a more onerous shafting, or – Obamacare will have collapsed. By the administration's count there are 27 million uninsured, health insurers are pulling out for lack of sufficient profits, and premiums are expected

to jump much higher possibly causing many to leave the system regardless of the threat of being fined.

Ezekiel Emanuel is another of the featured architects. Much of his talk appears to be how the pre-cursor of Obamacare was enacted in Massachusetts. Someone should inform Michael Moore that this shitty plan was imported from his beloved Europe – the Netherlands. It's no wonder that Holland is the only country with administrative costs near that of the US – 20% to 25%. Emanuel notes that American health care costs total \$2.6 trillion annually – equal to the entire GDP of France. And for all of that life expectancy past the age of 65 is 12th in the world for males and 16th for females. 50% of the expenditure goes to 3% of the population. Below is the abstract of a proposal by the Physicians for a National Health System for a national health care program. Copy this link to read the entire document - <http://www.pnhp.org/beyondaca> (Please note that while the entire PDF is 43 pages – only 6 pages are text, the rest being signatures of physicians and medical students approving the proposal. It's a quick and easy read)

Abstract

Even after full implementation of the Affordable Care Act (ACA), tens of millions of Americans will remain uninsured or only partially insured, and costs will continue to rise faster than the background inflation rate. We propose to replace the ACA with a publicly financed National Health Program (NHP) that would fully cover medical care for all Americans, while lowering costs by eliminating the profit-driven private insurance industry with its massive overhead. Hospitals, nursing homes, and other provider facilities would be nonprofit, and paid global operating budgets rather than fees for each service. Physicians could opt to be paid on a fee-for-service basis, but with fees adjusted to better reward primary care providers, or by salaries in facilities paid by global budgets. The initial increase in government costs would be offset by savings in premiums and out-of-pocket costs, and the rate of medical inflation would slow, freeing up resources for unmet medical and public health needs.

Many may wonder why a country with such a huge national debt and so many other critical needs should allow such a costly, wasteful, private health care system to continue to exist. The easy answer is that the ruling class does it because they can get away with it. But that would miss the significance of the real story. The capitalists' ultimate goal is the maximization of profits. That has led to the shifting abroad of much of American goods production. In a few cases, one being Mexico, American firms move production intended for American consumption to foreign countries. But most of American goods production manufactured abroad is intended for foreign sale. It is important to understand that the bulk of what is being made abroad for American firms is produced entirely by foreign firms. When Apple designs a new phone and brings it to China

for manufacture. It's not only a Chinese company that makes the phone, but it's also a myriad of smaller firms that supply many of its components. The shifting of American production abroad has not only cost jobs in the main firms, but also meant the loss of many supplier firms. Those firms create more jobs than the big companies. The demise of so many large and small manufacturing companies along with many well paying jobs is a major reason why we have not yet had an economic recovery. The workers have shifted to low paying service jobs or left the labor force, thus, consumer spending, the main driver of the economy, has been as weak as the diminished pay checks. But the upper echelon of the capitalist system cannot allow capitalists and their administrative middle class of defunct companies to fall into a lower class. They need a protective cushion of support between them and the masses. Thus the creation of huge, wasteful, make work enterprises like the health care industry. Many others shift over to the financial sector of the economy where there is never too much buying and selling because nothing is really bought and sold. It's all traded in one form or another -- even real companies. And that causes even more damage to a real economy recovery. As described in earlier articles, we have too many capitalists feeding at the trough. They need to be dropped down a class or two.

Apple experienced its first annual profit loss in 15 years. Sales were down 8% from previous year, and down for three straight quarters.

Mergers and Acquisitions had its biggest month ever at \$248.9 billion, but for the year it's down 20% from 2015.

The CETA trade deal between Canada and the EU will be signed on Sunday. Next us -- the US.

Durable goods continued their long run of going nowhere. Shipments were down a bit and new orders were flat. Meanwhile, capital goods continued their slide, orders down 4% and shipments down 5.2%.

The big news on Friday was that the first GDP reading of the third quarter came in at a higher than expected 2.9%. Oddly, the markets responded negatively. Leaving out the usual idiotic reference to Fed concerns, it was either because The FBI has found more Clinton crimes worthy of their investigation, or investors

read the details and learned the GDP report was not so good. Consumer spending grew half as much as the previous quarter. Because of that there was an inventory buildup. In addition, net exports increased because of a reduction in imports. Adjusted for higher inventory and the large exports of soybeans, the GDP would come in at 1.42%.

Finally, Shkreli, the notorious drug lord and all around scumbag, seller of the life saving drug Daraprim, made for pennies and sold for hundreds, was interviewed by the Financial Times. He was asked if he had any qualms about gouging people in desperate need of his drug. Shkreli said he would be defrauding investors if had an opportunity sell something for \$100,000 that cost \$100 to make. Got to give this loathsome cretin credit for showing the true face of capitalism to the world.

<http://unrealeconomy.org>