



## Myth vs. Fact: President's Address to Congress

September 9, 2009

The Republican Conference has prepared analysis of President Obama's address to Congress on health care rebutting several of his claims:

**Quote:** "And every day, 14,000 Americans lose their coverage. In other words, it can happen to anyone."

**Fact:** The major coverage expansions in all the legislation being considered would not begin until January 2013—so according to the President's own methodology, Democrat bills will allow more than 15 million additional Americans to become uninsured.

**Quote:** "And it's why those of us with health insurance are also paying a hidden and growing tax for those without it—about \$1000 per year that pays for somebody else's emergency room and charitable care."

**Fact:** An even larger tax—of nearly \$1,800 per year—is paid by individuals with private coverage who are forced to subsidize lower payments made by government-run health plans like Medicare and Medicaid, according to a [study](#) conducted by independent actuaries at the consulting firm Milliman.

**Quote:** "Nothing in this plan will require you or your employer to change the coverage or the doctor you have. Let me repeat this: nothing in our plan requires you to change what you have."

**Fact:** Independent experts all agree that the legislation proposed would result in millions of Americans losing the coverage they have—the Congressional Budget Office believes [several million](#), the Urban Institute up to [47 million](#), and the Lewin Group as many as [114 million](#).

**Quote:** "Under my plan, individuals will be required to carry basic health insurance – just as most states require you to carry auto insurance."

**Fact:** [Senior Obama Administration official Sherry Glied has previously written](#) that a mandate "is in many respects analogous to a tax"—and furthermore has the potential to be a "very regressive tax, penalizing uninsured people who genuinely cannot afford to buy coverage." Thus this policy stance breaks the signal [promise](#) of the Obama campaign: "I can make a firm pledge. Under my plan, no family making less than \$250,000 a year will see any form of tax increase. Not your income tax, not your payroll tax, not your capital gains taxes, not any of your taxes."

**Quote:** "There are also those who claim that our reform effort will insure illegal immigrants. This, too, is false—the reforms I'm proposing would not apply to those who are here illegally."

**Fact:** Nothing in any of the Democrat bills would require individuals to verify their citizenship or identity prior to receiving taxpayer-subsidized benefits—making the President's promise one that the legislation itself does not keep.

**Quote:** "And one more misunderstanding I want to clear up—under our plan, no federal dollars will be used to fund abortions, and federal conscience laws will remain in place."

**Fact:** The National Right to Life Committee, among other independent pro-life groups, have confirmed that the legislation will result in federal funds being used to pay for abortions—both through the government-run health plan, and through federal subsidies provided through the Exchange, despite various accounting gimmicks created in an Energy and Commerce Committee "compromise."

**Quote:** "I will not sign a plan that adds one dime to our deficits—either now or in the future. Period."

**Fact:** The non-partisan Congressional Budget Office has [found](#) that H.R. 3200 would increase deficits by \$239 billion over ten years—and also [found](#) that the legislation "would probably generate substantial increases in federal budget deficits" thereafter. The Peter G. Peterson Foundation released a study today which found that in its second decade, H.R. 3200 would increase federal deficits by more than \$1 trillion.

**Quote:** "Not a dollar of the Medicare trust fund will be used to pay for this plan."

**Fact:** Among more than \$500 billion in proposed savings from Medicare, the Democrat bills also propose re-directing \$23 billion from the Medicare Improvement Fund to fund new health care entitlements. According to current law, the Medicare Improvement Fund is designated specifically "[to make improvements under the original Medicare fee-for-service program.](#)"

**Quote:** “Reducing the waste and inefficiency in Medicare and Medicaid will pay for most of this plan. Much of the rest would be paid for with revenues from the very same drug and insurance companies that stand to benefit from tens of millions of new customers.”

**Fact:** The Congressional Budget Office has previously found that the cuts to Medicare Advantage plans included in the Democrat legislation would result in millions of seniors losing their current plan—a direct contradiction of the President’s assertion that “nothing in this plan requires you to change what you have.”

**Quote:** “This reform will charge insurance companies a fee for their most expensive policies, which will encourage them to provide greater value for the money—an idea which has the support of Democratic and Republican experts. And according to these same experts, this modest change could help hold down the cost of health care for all of us in the long-run.”

**Fact:** While some Republicans support addressing the current employee exclusion for health insurance in the context of overall tax reform, the President’s proposal would raise “fees” in order to finance new federal spending—a tax increase of hundreds of billions of dollars, and one that many Republicans may not support.

**Quote:** “Add it all up, and the plan I’m proposing will cost around \$900 billion over ten years.”

**Fact:** The Congressional Budget Office, in its [score](#) of H.R. 3200 as introduced, found that the legislation would spend approximately \$1.6 trillion over ten years—nearly double the President’s estimate.

**Quote:** “I will continue to seek common ground in the weeks ahead. If you come to me with a serious set of proposals, I will be there to listen. My door is always open.”

**Fact:** On May 13, House Republican leaders all wrote the President a letter reading in part: “We write to you today to express our sincere desire to work with you and find common ground on the issue of health care reform....We respectfully request a meeting with you to discuss areas for potential common ground on health care reform.” Nearly four months later, that meeting has yet to take place.

---

---

#### STAFF CONTACT

---

---

For more information or questions, please contact Chris Jacobs at 6-2302.