

Editorial: Finally, some truth

Lawsuit forces Obama to admit that health-care mandate is a tax

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How refreshing to see the Obama administration starting to tell the truth about the health-care overhaul enacted in the spring by the Democratic majority in Congress.

The constitutionality of that law, which includes a mandate upon every American either to buy health insurance or to pay a penalty to the Internal Revenue Service, has been challenged by 20 states and several private organizations.

In response to the legal challenge, the Justice Department has admitted that the individual mandate is indeed a tax, something President Barack Obama denied repeatedly during a September television appearance.

When asked by ABC News interviewer George Stephanopoulos if the mandate is a tax, Obama said, "For us to say that you've got to take a responsibility to get health insurance is absolutely not a tax increase." When pressed further by Stephanopoulos, the president added, "I absolutely reject that notion."

Even supporters of the overhaul recognized the president's dodginess. Recently, Yale Law School professor Jack Balkin, who supports the new law and believes the mandate is constitutional, told a meeting of liberals that the president "has not been honest with the American people about the nature of this bill. This bill is a tax."

And it's a serious tax, too. The Congressional Budget Office projects it will squeeze \$4 billion a year out of those who fail to comply with the requirement.

Sad to say, the president's embrace of the truth did not come willingly. In the absence of a lawsuit challenging the overhaul, he still would be claiming that the mandate is not a tax.

But having taken this first step, the president should free himself from some other health-care-bill fictions: for example, acknowledging the accounting tricks and double-counting of revenues that make the overhaul appear to cost less than \$1 trillion over 10 years. Or the one about how the law will reduce, not increase, the deficit. Or yet another claim that it will bend the cost curve of health care

downward.

Obama even might want to admit the falsehood of his claim that no one who is happy with his current health-care coverage will have to give it up as a result of the overhaul. The law will push some large employers to drop employees' health-insurance coverage, and the plan's failure to control costs will lead even those employers who continue to provide coverage to seek out plans that reduce premiums by limiting the choice of doctors and hospitals.

A story in Sunday's *New York Times* said major health-insurance companies are designing such plans in anticipation of a demand for them from employers. Employees who want to stick with a family doctor who isn't included in their employer's reduced-choice plan will pay for the privilege out of their own pockets. In the case of one company cited by *The Times*, employees who go outside the network have to pay the entire bill by themselves.

Solving the problems of health care is a huge and complex problem that requires trade-offs and hard choices, and these should have been laid plainly before the American people. Instead, the overhaul was horse-traded behind closed doors and sold on false promises. Too bad it required a lawsuit to begin to pry loose the truth.

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