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Paul Ryan v. the President

The Republican dissects ObamaCare's real costs. Democrats stay mute.

'Every argument has been made. Everything that there is to say about health care has been said, and just about everybody has said it," President Obama declared yesterday as he urged Democrats to steamroll his plan through Congress. What hasn't been heard, however, is even a shred of White House honesty about the true costs of ObamaCare, or its fiscal consequences.

Nearby, we reprint Wisconsin Republican Paul Ryan's remarks at the health summit last week, which methodically dismantle the falsehoods—there is no other way of putting it—that Mr. Obama has used to sell "reform" and repeated again yesterday. No one in the political class has even tried to refute Mr. Ryan's arguments, though he made them directly to the President and his allies, no doubt because they are irrefutable. If Democrats are willing to ignore overwhelming public opposition to ObamaCare and pass it anyway, then what's a trifling dispute over a couple of trillion dollars?

At his press conference yesterday, Mr. Obama claimed that "my proposal would bring down the cost of health care for millions—families, businesses and the federal government." He said it is "fully paid for" and "brings down our deficit by up to \$1 trillion over the next two decades." Never before has a vast new entitlement been sold on the basis of fiscal responsibility, and one reason ObamaCare is so unpopular is that Americans understand the contradiction between untold new government subsidies and claims of spending restraint. They know a Big Con when they hear one.

Mr. Obama's fiscal assertions are possible only because of the fraudulent accounting and budget gimmicks that Democrats spent months calibrating. Readers can find the gory details in Mr. Ryan's pre-emptive rebuttal nearby, though one of the most egregious deceptions is that the bill counts 10 years of taxes but only six years of spending.

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The real cost over a decade is about \$2.3 trillion on paper, Mr. Ryan estimates, and even that is a lowball estimate considering how many people will flood to "free" health care and how many businesses will be induced to drop coverage. Mr. Obama claimed yesterday that the plan will cost "about \$100 billion per year," but in fact the costs ramp up each year the program exists. The far more likely deficits are \$460 billion over the first 10 years, and \$1.4 trillion over the next 10.

What Mr. Ryan calls "probably the most cynical gimmick" deserves special attention, which is known in Washington as the "doc fix." Next month Medicare physician payments are scheduled to be cut by 22% and deeper thereafter, though Congress is sure to postpone the reductions as it always does. Failing to account for this inevitability takes nearly a quarter-trillion dollars off the ObamaCare books and by itself wipes out the "savings" that the White House continues to take credit for.

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The House Budget Committee ranking Republican Rep. Paul Ryan, R-Wis.

Some in the liberal cheering section now claim that this Medicare ruse isn't Mr. Obama's problem because it was first promised by Republicans and Bill Clinton in 1997. But then why did Democrats include the "doc fix" in all early versions of the bill to buy the support of the American Medical Association, only to dump this pricey item later when hiding it would make it easier to fake-reduce the deficit?

The President was (miraculously) struck dumb by Mr. Ryan's critique, and in his response drifted off into an irrelevant tangent about Medicare Advantage, while California Democrat Xavier Becerra claimed "you essentially said you can't trust the Congressional Budget Office." But Mr. Ryan was careful to note that he didn't doubt the professionalism of CBO, only the truthfulness of the Democratic gimmicks that the budget gnomes are asked to score.

Yesterday Mr. Obama again invoked the "nonpartisan, independent" authority of CBO, which misses the reality that if you feed the agency phony premises, you are going to get phony results at the other end.

The President also claimed the reason his plan is in trouble, and the reason Democrats must abuse the Senate's rules to ram this plan into law, is that "many Republicans in Congress just have a fundamental disagreement over whether we should have more or less oversight of insurance companies." So most of Mr. Obama's first year in office has been paralyzed over nothing more than minor regulatory hair-splitting. This is so preposterous that the President can't possibly believe it.

Congress's spring break begins on March 29, and Democratic leaders plan on jamming this monster through Congress before then. Americans have to hope that enough rank-and-file Democrats aren't as deaf to fiscal honesty as this President.

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