

# WALL STREET JOURNAL

## A Very Bad Year

*And it'll only get worse, unless ObamaCare is repealed or struck down.*

By [PETE DU PONT](#)

A year ago today President Obama signed into law the broadest, most expensive, most intrusive health-care bill in our history.

So we the people are subject to a 2,700-page law that will cost us nearly \$1 trillion over 10 years and will put the federal government, in charge of everyone's medical care. The bill appropriates in advance some \$100 billion from now until 2020, making it more difficult for future Congresses or Presidents to defund it. The bill creates some 159 new government agencies to administer health care. As of Jan. 1, 2014, unless it is repealed, health care will be run, controlled, and totally supervised by Washington.

The federal government will soon mandate what it deems to be "essential" inclusions in health-care insurance. The increases in spending are already well under way. According to Health and Human Services Secretary Kathleen Sebelius, 48 states have already accepted around \$1 million each from Washington to start planning their exchanges. Wisconsin and Kansas, which have Republican governors and are among the majority of states suing to stop ObamaCare, have accepted, respectively, \$38 million and \$32 million from Washington to get their health-care information systems going. Never mind that the federal judge in a case they joined held ObamaCare unconstitutional.

And of course the new legislation also places a substantial Medicaid mandate on all 50 states. Cato Institute economist Jagadeesh Gokhale estimates that the largest cost would be for New York state, which must contribute \$66 billion over the first 10 years.

Health-care payments in America have changed over time. In the past 40 years people's out-of-pocket spending has fallen from 50% of medical expenditures to 10%, while the portion picked up by private insurance companies has increased from 25% to 40%. The portion paid by Medicare and Medicaid--that is, by taxpayers--has increased from 25% to 50%. Medicare expenditures averaged \$8,300 per beneficiary in 2006 and increased to \$11,743 in 2009.

But more important are the changes ObamaCare imposes on the health-care economy, and the cost of the new government-run health care. Those who are putting their hopes on defunding Obamacare should know that the bill added appropriated items that will make it more difficult to defund. A look at the Congressional Research Service's appropriation analysis reveals an allocation of federal funding to 49 new or existing authorities, for a total of \$103 billion, over 10 years. This money will be spent unless Congress passes new legislation reversing it.

Some of this is funded by taking considerable money out of existing programs and the Medicare trust fund. Examples: ObamaCare's Section 10203(d) appropriates \$19.1 billion in fiscal 2014 and \$21.1 billion

in 2015 for the Children's Health Insurance Program. Section 3403 creates a 15-member Independent Payment Advisory Board, and it takes \$15 million to cover their 2012 costs out of the Medicare trust funds, and a similar amount--adjusted upward for inflation--for each subsequent year. Section 4202(b) takes Medicare money for a "Medicare prevention and wellness evaluation." Sections 6402(i) and another together take \$350 million out of the Medicare Part A trust fund from 2011 through 2020. The list goes on. Ms. Sebelius was given way too much authority to spend pretty much as she likes, for whatever she likes. So defunding Obamacare is both important and very difficult.

A significant effort is underway to repeal ObamaCare. A majority of America's states have sued, and the House has voted to repeal it. One of the reasons is the massive complexity of the legislation; another is its huge cost, and again, the way the statute is drafted will make defunding nearly impossible.

Finally--and most important--is that the bill takes an individual's health care coverage and decision-making away, and replaces them with the federal government's decisions and regulation. The Europeanization of America is alive and well. Unless there is significant change, it will be with us forever.