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Republican election surge sets stage for test of wills over “Obamacare” in United States

One night last March, United States President Barack Obama brought dozens of aides to the Truman balcony of the White House. Champagne corks popped as the group, exhausted but exhilarated, looked out on the sparkling lights of the capital.

Obama toasted a fiercely fought health reform victory that none before him could achieve, former president Harry Truman among them.

Eight months later, that post-midnight celebration looks as premature as the Mission Accomplished banner stretched behind Obama's predecessor, George W. Bush, when he announced an end to major combat operations in Iraq years too soon.

Thanks to sweeping Republican gains in congressional and state elections last week, the epic debate over health care in America lives again.

Republicans vowed through the campaign to "repeal and replace" a law that promises to extend health coverage to nearly all Americans.

But even with their strengthened hand, they simply don't have the numbers in Congress to do that before the presidential election in 2012. Republicans do, however, have the power to run interference, slowing if not stopping the law’s implementation before it fully takes hold.

In an approach that has gelled in the days since the Nov. 2 elections, they say they will press forward on multiple fronts to starve “Obamacare” of money, subject the responsible federal agencies to delaying tactics and raise barriers in the states.

"I think it is important for us to lay the groundwork before we begin to repeal this monstrosity," said Representative John Boehner of Ohio, who is in line to lead the new Republican majority in the House of Representatives come January, as Speaker. Republicans seized control of the House from Democrats, bolstered their numbers in the Democratic-controlled Senate and added 10 more governors to their ranks. The party also took control of 19 more state legislative chambers, whose assent will be needed for major parts of the health care overhaul to take effect.

Obama had governed since 2009 with both houses of Congress in his party's hands, any president's dream. That's over. Post-election, a glum Obama allowed that Democrats took "a shellacking."

But he's not about to let his signature domestic achievement be erased from the history books with the ink still wet.

"I say to myself, this was the right thing to do," he asserted at a press conference.

"I think we'd be misreading the election if we thought that the American people want to see us, for the next two years, re-litigate arguments that we had over the last two years."

All of that sets the stage for a test of wills certain to stretch to the next election.
Dr. Jonathan Oberlander, an authority on health care politics who teaches at the University of North Carolina at Chapel Hill, expects to see Republican showboating on the issue but little action from them in the short term.

That's largely because Obama has the power to veto legislation to unravel the reforms, provided any such effort clears the Senate, where his fellow Democrats still hold sway. Also, Oberlander says, Republicans don't have a replacement plan of their own to fill the void if they were to "repeal and replace" Obama's law.

"They can sort of go to the right and push for a repeal bill knowing full well that there's a Democratic Senate," he says. "That might allow them to score symbolic political points with their base, without taking frontal responsibility for actually passing a law."

Americans seem as divided as ever on the matter. In surveys of voters as they left polling booths, almost half said they wanted the law repealed. About the same number wanted the law either strengthened or left alone.

There's no question the reforms have had a bumpy rollout.

The overhaul is unfolding in stages and is to peak in 2014 when all Americans will be required to have health insurance, with a few narrow exceptions. Extensive subsidies are to be in place by then, helping both employers and their workers afford health plans and casting a wide safety net for those who fall outside the private insurance system.

This fall, the first substantial benefits and protections came into being. Among them, insurance companies were barred from denying coverage to sick children. A federal insurance plan started for adults who are too ill to get coverage in the private market, a stopgap measure until insurers are required to cover both the healthy and the sick, without discriminatory rates.

At the same time, however, some employers began shifting more of their health insurance costs to employees in anticipation of the new federal requirements.

Many people saw premiums shoot up, after being told by Obama that costs would moderate or go down. Aerospace manufacturer Boeing told employees their deductibles will increase by half next year in preparation for a hefty tax on high-value insurance plans still eight years away.

The new federal plan for the medically uninsurable was expected to have 375 000 enrollees this year. Only 8000 have signed up. The coverage has proved costly — US$600 a month or more for many enrollees, with steep deductibles. The government said earlier this month that it will cut premiums 20% next year.

The progression to nearly universal coverage is spread out over years, with the main subsidies and insurance protections to come. Most people already have job-based insurance and have yet to see dividends of the highly complex law.

"It affects Americans in different ways — there's no coherent sense to it," Oberlander says. "This is an identity crisis. When people think about health reform, they don't think about the good things. Even if people are benefitting from it, it is not visible."

Kathryn L. Bakich, who helps employers comply with health laws as senior vice president of the Segal Co., a benefits, compensation and human resources consultancy firm, says the political uncertainty is not stopping companies from preparing for the multitude of legal requirements, which start now and accelerate.

Moreover, states need to set up insurance exchanges for people who do not get coverage on the job, or let Washington institute the exchanges in their areas. "I don't
think anybody's going to sit back and wait," she says. "There's too much to do. When you're talking about 2014 … that will be on us very quickly."

When Republicans take over the House, they will run the committees that shape the budgets of federal departments and conduct foot-dragging investigations. They promise to use those powers vigorously. The Internal Revenue Service, which will be responsible for fining people who don't get insurance, is expected to be in for especially rough treatment.

Obama has signaled willingness to negotiate changes at the margins, but his emboldened opponents want much more. They particularly despise the individual insurance mandate, which they consider the prime example of overbearing government.

That provision is at the very core of the reforms. It was the grand political bargain of the year-long debate. In return for being forced to cover the ill and the underemployed, and for paying medical bills no matter how high they go, insurers were to see millions more paying customers flood into the risk pool.

That bargain sits atop a mountain of innovation incorporated into the law and backed with federal dollars for public health programs, biotech advances, electronic recordkeeping, comparative effectiveness research and more. Letting citizens and businesses off the hook from the requirements would upend much else in the new order.

That's fine with many Republicans. In the heady aftermath of the election, they are the ones doing the celebrating as they prepare to ring in 2011 with toasts of their own.

Obama, meanwhile, must wait to see whether his opponents overplay their hand. He learned back in the season of cherry blossoms that breaking out the champagne may not be the end of the story. — Cal Woodward, Washington DC