



**Congress of the United States
House of Representatives
Washington, DC 20515**

Health Insurance Reform Daily Mythbuster: 'Health Insurance Reform Will Lead to a Government Takeover'

10/08/2009

Health insurance reform opponents continue to spread myths about America's Affordable Health Choices Act, including that reform will lead to a "government takeover" of the health care system. In fact, the House bill builds on the current private, employer-sponsored health care system we currently have and will expand enrollment in private insurance plans by an estimated 16 million Americans.

But that hasn't stopped Congressional Republicans from continuing to spread misinformation. In the past 24 hours:

- House Republican Leader John Boehner has described the House bill as a "proposal for government-run health care" [10/7/09]
- House Republican Whip Eric Cantor has described health insurance reform legislation as a "government takeover" [10/8/09]
- House Republican Study Committee Chairman Tom Price has described the health insurance reform debate as the government running the "entire system of health care" [10/8/09]

MYTH: The House bill will lead to a "government takeover" of the health care system.

FACT: America's Affordable Health Choices Act builds on the current private, employer-provided health care system we have now – and, according to the non-partisan Congressional Budget Office, will expand enrollment in private insurance by an

estimated 16 million Americans.

Rather than creating a “government takeover of health care,” the bill is designed to help make the health insurance market work better – improving competition and choice for consumers through the creation of a one-stop shopping marketplace called a Health Insurance Exchange. (During the early years of reform, the Exchange is solely for the uninsured, employees of small businesses, and the self-employed.)

In the Exchange, a public health insurance option would compete with private plans to put downward pressure on premiums and increase quality of coverage. The competition is needed—many areas of our country are dominated by just one or two private insurers today. The public option will operate on a level playing field. It will be subject to the same market reforms and consumer protections as other private plans in the Exchange and it will be self-sustaining – financed only by its premiums.

While some critics claim that Americans will be “forced into” a new public health insurance option, the fact is that no one can be forced into the public plan. All those choosing plans in the Health Exchange will have a range of options – various private plans and the public plan. If an employer is providing their employees’ health insurance through the Exchange, it is the employee – not the employer – choosing the plan. The only way someone would be in the public plan is as a result of their own individual choice. In fact, CBO projects that only 11 or 12 million Americans – or just over 3 percent – will actually choose the public option.

Finally, many of the same voices spreading this myth most loudly are also lavishly praising America’s largest government-run health care program: Medicare.

The media is catching on. On Tuesday, FOX News anchor Shepard Smith didn’t let Republican Sen. John Barrasso get away with repeating this myth:

SHEPARD SMITH: “It’s not a government take over Senator. That’s not fair and we both know it.

“It’s not a government takeover because what it would be is a government option if you have insurance now and you like it you can keep it. If you want the government option, a government run, paid for by those who buy it, government run option to try to keep costs down. That’s not a government take over if we’re being fair is it Senator?...”

“Over the last 10 years health care costs in American have skyrocketed. Regular folks cannot afford it, so they tax the system by not getting preventive medicine. And we all end up paying for it. As the costs have gone up, the insurance industry's profits, on average, have gone up 350 percent...”

“But I wonder, What happens for the American people when we come out with legislation now which requires everyone to have health care insurance — or many more people — but does not give a public option, therefore millions more people will have to

buy insurance from the very corporations that are over charging us and whose profits have gone up 350 percent in the last ten years. It seems like 'we the people' are the ones getting the shaft here...

"But with every vote against the public option, is a vote for the insurance companies...

"It is. How can you disagree with that? It is the public option that would keep costs in check, which would keep prices in check, which would stop the big corporations, which have made 350 percent improvements in their profits over the last ten years. A public option would stop it, what else would stop that?" [10/6/09]