

# Chart of the New Medical Care Law

## A SPECIAL CHART REVEALS PART OF THE MAMMOTH COMPLEXITY OF THE NEW MANDATORY MEDICAL CARE LAW

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Four months after U.S. House Speaker **Nancy Pelosi** famously declared *“We have to pass the bill so you can find out what’s in it,”* a congressional panel has released **the first chart illustrating the 2,801 page medical care bill** President Obama signed into law in March 2010.

Developed by the *Joint Economic Committee* minority [that is, Republicans who opposed enactment of the bill], led by U.S. Senator Sam Brownback of Kansas and Rep. Kevin Brady of Texas, **the detailed organization chart displays a bewildering array of new government agencies, regulations, and mandates.**

“For Americans, as well as Congressional Democrats who didn’t bother to read the bill, this first look at the final health care law confirms what many fear, that reform morphed into **a monstrosity of new bureaucracies, mandates, taxes, and rationing that will drive up health care costs, hurt seniors, and force our most intimate health care choices into the hands of Washington bureaucrats,**” said Brady, the committee’s senior House Republican.

Brownback, the committee’s ranking member, added, **“This updated chart illustrates the overwhelming expansion of government control over health choices and the bewildering complexity facing everyone affected by this law.** It doesn’t take long to see how the recently signed health care bill **causes a hugely expensive and explosive expansion of federal control over health care.** Personal choices that should be between a doctor and a patient will quickly be strangled in a never ending web of bureaucracy.”

Senate Steering Committee Chairman Jim DeMint (R-South Carolina) called Obamacare “a bureaucratic nightmare. The Democrats’ takeover of health care creates **a byzantine network**

**of 159 new federal programs and bureaucracies to make decisions that should be between just the patient and their doctor.”** It is a cause for concern that at the center of this regulatory web is the new CMS chief, Donald Berwick, who has championed rationing and European socialized medicine.

This big government bill was rushed through Congress before anyone read or fully understood the bill’s consequences. DeMint says, “Republicans will fight to repeal this reckless takeover and to ensure health care freedom to American families.”

In addition to showing part of the massive expansion of government and the overwhelming complexity of new regulations and taxes, the chart portrays **\$569 billion in higher taxes.**

Brady admits that committee analysts could not fit the entire medical care law on one chart. **“This chart portrays only about one-third of the complexity of the final law. It’s actually worse than this.”**

**—We can all be deeply concerned to elect non-Democrats into Congress,—so this terrible new medical law can be repealed. Otherwise, beginning in 2011, we will all have to begin paying several hundred dollars a month for drug care which we do not want!**

**This new law purports to cover nearly every American, but at a tremendous cost and with what will amount to a government takeover of the single largest sector of our economy.**

In order to achieve these goals, the law offers what would likely be **the largest tax hike in American history, a raft of subsidies and onerous penalties, and increasing union power and membership.**

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DATE OF PUBLICATION: SEPTEMBER 2010

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**TURN THE PAGE TO SEE THE COMPLETE CHART**

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**In November 2009, Nancy Pelosi declared “We have to pass the bill so you can find out what’s in it.”** President Obama signed it into law in March 2010.

**The Republicans who plan to repeal this 2,801 page medical care law** (as soon as they regain control of Congress) prepared this chart, so Americans can now obtain a glimpse of how complicated and expensive it will be. **The law will require \$569 billion in higher taxes** in order to function.

**This fabulously complex law has produced hundreds of new bureaucracies, mandates, taxes, and rationing that will drive up health care costs, hurt seniors, and place our most intimate health care choices in the hands of government agencies.**

**Yet this chart only shows about one-third of all the agencies that will be involved in dictating and policing how your body will be cared for by the medical establishment.**

**Last, but not least, even though you avoid drug medication and the hospital system,—as of 2011, you will be charged a sizeable amount each month for services you do not use—or be fined for not doing so.**

In order to achieve these goals, the law offers what would likely be **the largest tax hike in American history, a raft of subsidies and onerous penalties, and increasing labor union power and membership. This law will cost \$1 trillion in the next 10 years alone.**

According to the *Tax Foundation*, the plan “**pushes top tax rates over 50% in 39 states.**” It requires that **all individuals lacking medical care coverage, which is acceptable to the government, be taxed.**

4 **Here are some of the details of this new 2,801 page health care law:**

- **Imposes income surtaxes as follows:** An additional 1% for individuals making over \$280,000 or families making over \$350,000. 1.5% for family incomes over \$500,000 (individuals over \$400,000). And 5.4% for family incomes over \$1,000,000 (individuals earning over \$800,000). According to the *Tax Foundation*, **the plan “pushes top tax rates over 50% in 39 states.”**

- If (when) the government does not find that “Federal health reform savings” have saved at least \$150 billion per year by the end of 2012, the first two surtaxes increase to 2% for families making over \$350,000 and 3% for families making over \$500,000.

- **Creates a “tax on individuals without acceptable health care coverage” of 2.5% of income in excess of the filer’s exemptions** (essentially \$3,300 for a spouse and for each dependent. (Yes, the government will decide whether you have enough medical insurance and if it is “acceptable.”))

- **Penalizes employers with “8 percent of the average wages paid by the employer” during the relevant time period if the employer does not offer acceptable coverage**, with an exemption for companies with annual payroll under \$250,000, going up by 2% increments every \$50,000 of payroll to reaching 8% at \$400,000. Congressman Paul Ryan (R-WI) has concluded that **this provision alone will kill 5 million American jobs.**

- Subsidizes some families and **offers these subsidies to many or most noncitizen legal immigrants.**

- Creates an *Advisory Committee* of people who have expertise in health care, whether as providers, market analysts, administrators, educators, etc., but **which must include at least one representative of a labor union (trade union).**

- **It is reported as being expected to cost \$1 trillion over 10 years, but that cost substantially understates the cost of the bill because spending doesn’t ramp up until 2012.** According to the CBO’s initial analysis, **the cost in 2019 is expected to be over \$200 billion net of penalties assessed against employers, with an average subsidy of \$6,000 per subsidized enrollee.** And the CBO admits that their estimate does not “fully capture” parts of the plan.

Philip Klein points out, in *The American Spectator*, that it “would add hundreds of billions of dollars of spending to state budgets”—“a bankrupting increase,” according to Sen. Lamar Alexander (R-Tenn.).

- The law extends additional federal funding to all states for Medicaid. This “fix” is supposed to replace the scandalous requirement that federal taxpayers fund the Nebraska Medicaid expansion. **In both cases, however, the burden is again on the backs of federal taxpayers.**

- The law increases the individual mandate penalty for some by requiring the penalty be the greater of two options. **This mandate amounts to a new tax on those people who choose not to purchase a government-approved health plan regardless of income.**

- For those who prefer to take prescription drugs, **the law increases costs to seniors** by requiring prescription drug plans in Medicare to offer more coverage; and the law also undercuts any reform of Medicare by linking *Medicare Advantage* payments to the flawed fee for the services system and by eliminating demonstration projects that utilize competitive bidding to show how an alternative which uses real market pricing would work in practice.

- The law’s dependence on traditional cuts to providers is not fundamental entitlement reform. **It is basically the same old cuts in hospital and physician payments.**

- **The law would add millions of Americans to the already broken Medicaid program. Medicaid remains fiscally unsustainable (for state or federal taxpayers); and it is a notoriously poor performing program for those who are forced to depend on it.** Moreover, **when the new federal funding expires, states will be left with an even heftier cost.**

- The law would secure **a massive federal takeover of the regulation of health insurance.** It nullifies state authority in rate regulation of premiums, setting standards for solvency and reserves. It creates, instead, a new federal rate authority in charge of authorizing changes in politically approved premium levels and imposing penalties on health insurance companies. The law would undercut the ability of state and local governments to control state and local government employee health plans. As a condition of receiving federal money, state and local governments must abide by the new federal regulations and bureaucracy.

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FOR EVERYONE IS GOING TO BE AFFECTED BY THIS!**