

The Patient Protection and Affordable Care Act (ACA): An Endeavor in Social Reform or Another Trojan Horse?

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In his [State of the Union Address](#) last week, President Barack Obama claimed that over “nine million Americans have signed up for private health insurance or Medicaid coverage.”

Not surprisingly, the President’s speech and official (and unofficial) Republican responses lacked substance. But they all took it for granted that healthcare in the United States should operate on a for-profit basis. It is in this context that program popularly yet misleadingly known as Obamacare should be understood.

The Patient Protection and Affordable Care Act (ACA) is widely seen as an endeavor in social reform. Tea Party activists misrepresent – so far quite effectively – the ACA as leftist in nature. There are also astonishing misperceptions in progressive circles; [The Nation](#) and filmmaker [Michael Moore defend the ACA](#) view the ACA as a progressive accomplishment. Across the political spectrum, there is a conventional wisdom that confuses “universal healthcare” with “affordable healthcare.”

Misperceptions abound, but the program’s failings are nevertheless apparent. Yet the observation that the ACA program is a manifestation of the structural faults in a healthcare system controlled by private industry is cold comfort to millions of working Americans who hoped to be eligible to receive insurance subsidies. [A 2012 Census Bureau report](#) estimated that there were 48 million uninsured Americans in 2012. [The President has gone on record as putting the number at 41 million](#)

The ACA became law in March 2010. [The lack of urgency about disseminating information](#) to the public about its contents picked up tempo in the fall of 2013. Uninsured Americans in states without insurance “marketplaces” were urgently told that they must buy private health insurance through the website maintained by the Department of Health and Human Services (HHS) in order to get subsidized coverage and avoid fines. But following the much-bally-hood “rollout” of Healthcare.gov <http://www.healthcare.gov/> on October 1, low-wage applicants have been finding that they were not eligible for subsidies, let alone get dependable information about the program. Specific criteria used to determine eligibility for insurance subsidies were not posted for all to see like IRS tax tables are.

It is astonishing that so little is known about the ACA, a 1,000-page document accessible to the public (as are related federal regulations). To become informed about this most important subject, citizens should start [reading the ACA](#).

What follows are some details that should have been widely publicized long ago:

Section 1001 states that the HHS Secretary is to make rules for how accurate group and individual benefit information shall be made available to enrollees by health insurance issuers. This is to be done “Not later than 12 months after the date of enactment” of the ACA. The HHS Secretary will also make rules for when health insurance issuers shall make the information available. This is to be done “Not later than 2 years after the date of enactment” of the ACA.

To what effect, though, the HHS has been working along these lines since the ACA became law is an open question.

Section 1103 states that a “standardized format” shall be developed so the HHS Secretary can compile information about coverage options on the Internet website. This is to be done “Not later than 60 days after the date of enactment” and “through contracts entered into with qualified entities.” The Secretary, in consultation with state officials, will also establish a “mechanism, including an Internet website” so Americans can find “affordable health insurance coverage options.” This is to be done “Not later than July 1, 2010.”

Section 1311 states that the HHS Secretary will develop “an enrollee satisfaction survey system” to be available at the Internet portal so people can “easily compare enrollee satisfaction levels between comparable plans.” The Secretary will “operate, maintain, and update the Internet portal...” It is not specified when this should happen.

Fulfillment of these two sections has been shoddy at best.

Section 1312 states that “each State may allow issuers of health insurance coverage in the large group market in the State to offer qualified health plans in such market through an Exchange. Nothing in this subparagraph shall be construed as requiring the issuer to offer such plans through an Exchange.” This is to begin in 2017.

Section 1516 includes the statement that “The term ‘full-time employee’ means an employee who is employed on average at least 30 hours of service per week.”

A week before the President’s State of the Union address, the [Target Corporation announced](#) it would no longer subsidize health insurance for its part-time workers as they can now buy insurance through insurance marketplaces in the states where they live. But what if private insurers decide in a few years not to sell their plans on a state marketplace, as would appear to be their right under Section 1312?

What’s more, Target’s current action appears to be in conflict with Section 1516. Workers at Target – and those elsewhere whose predicaments have not yet come to light – will experience unnecessary hardship due to such inconsistencies. In fact, [a](#) just-released Congressional Budget Office report claims the ACA program will accelerate the trend towards part-time employment. There will be less “incentive to work” since subsidies decrease as wages increase.

The Obama administration does not have a monopoly on dishonesty concerning the ACA; members of Congress must share this dubious honor. Some self-described fiscal conservatives like Senator Mike Lee of the Tea Party Express faction [describe the ACA as a “train wreck”](#). But they do not aggressively seek out accurate information to bring to their constituents’ attention.

Members of Congress, whatever their voting record, have been party to debates over the

ACA, before, during, and after it became law in 2010. These same people either sit on committees that have received reports over the past three years from federal government fact-finders, or have been briefed about these reports by their staffs. So those opposed to the ACA should state their reasons free of heated rhetoric. Those who claim to support the ACA sabotage it by remaining silent about its flaws. It is not as if they lack information. Take, for example, the McKinsey and Company report commissioned by the HHS about technical problems building the Healthcare.gov website. [This report was delivered last March](#)

The inevitable plea that matters are complicated and nothing should be done to jeopardize compromise does not hold water. For legislation is not made in a willy-nilly fashion. [Nor is it free of lobbyist influence](#) . In order to discern which special interests benefit from any law, citizens do not have to look far or make incredible leaps of the imagination. Especially when so little is hidden.

Take this passage from Section 1511 concerning the general intent of the law:

Health insurance and health care services are a significant part of the national economy. National health spending is projected to increase from \$2,500,000,000,000 or 17.6 percent of the economy, in 2009 to \$4,700,000,000,000 in 2019. Private health insurance spending is projected to be \$854,000,000,000 in 2009... Since most health insurance is sold by national or regional health insurance companies, health insurance is sold in interstate commerce and claims payments flow through interstate commerce.

[The ACA] will add millions of new consumers to the health insurance market, increasing the supply of, and demand for health care services...by building upon and strengthening the private employer-based health insurance system, which covers 176,000,000 Americans nationwide. In Massachusetts, a similar requirement has strengthened private employer-based coverage...

This is not a “socialist” agenda, [a point seized upon by the U.S. Green Party](#). (Even rightwing [New York Times columnist Ross Douthat](#) understands this.)

In fact, consideration of a single-payer system is unacceptable to U.S. policy-makers. [Senate Finance Committee Chairman Max Baucus told healthcare providers](#) as much when they confronted him in 2009. Nor was the [Expanded and Improved Medicare for All Act](#) debated on the floor of Congress during the “health care debate” later that year. In the United States, the ACA program and precursors like the watered-down Clinton administration agenda are treated as “reforms” when true reform attempts are ignored.

A nationalized healthcare system in this country is in order. But it will not become reality as long as fundamental questions about the state of healthcare and social services are not asked.

This is the true train wreck.

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