


Yes, we **DO** that.

- Reprints
- Reprint Marketing
- Digital Licensing
- Managed ePrints
- Conference Materials
- Mailing Services
- Print Products

 FosteReprints
1 (800) 382.0808
www.fostereprints.com

UNITED PRESS INTERNATIONAL



February 9, 2007

Analysis: Dems miffed at Bush health plans

By Todd Zwillich

House Democrats railed against President Bush's health proposals Thursday, criticizing a plan designed to spread basic insurance coverage and attacking planned cuts to Medicare.

Hearings in the House Ways and Means Committee left little doubt that Democrats will seek to substantially alter health proposals in the annual budget plan unveiled this week by the White House.

"We may not be able to work as closely with the president as we will with each other," Rep. Charles Rangel, D-N.Y., the committee's chairman, said in an interview following the hearing.

Democrats took aim at an administration proposal to alter the tax code to make basic insurance coverage more attractive to workers. The plan would make coverage purchased by individuals tax-deductible for the first time, while forcing workers with employer-sponsored insurance to pay taxes on its value above \$15,000 per year per family.

The plan could make insurance more affordable for millions of middle-income employees who don't get health coverage through work, either because it's too expensive or their employer doesn't offer it, the White House says.

But Democrats said the plan would instead undermine the employer-based healthcare system, relied upon by 155 million Americans for coverage.

Rep. Allyson Schwartz, D-Pa, said that, if enacted, the plan would force 30 million Americans to pay more than they do now for coverage and would entice employers to downgrade the value of existing plans to avoid tax penalties.

Michael Leavitt, the secretary of health and human services, said the plan would promote fairness in the tax code and give more workers access to basic insurance.

"How you do it seems to hurt more people and help very few," said Schwartz, who represents Philadelphia.

Leavitt echoed President Bush, who in his State of the Union address two week ago decried the fact that individuals must use after-tax dollars to buy coverage, while those with employer-sponsored coverage get it as a tax-free benefit.

"It's indefensible for us to give this benefit to one group and not to another," Leavitt said.

The White House has also proposed \$76 billion in cuts to Medicare over the next five years. The cuts come from reduced payments to a range of health providers, including hospitals, skilled nursing facilities, home health agencies, and others.

Leavitt said the cuts would slow the spending growth in Medicare from an annual rate of 6.5 percent now to 5.6 percent in 2012.

Rangel suggested the proposed cuts, along with a White House proposal to cap eligibility in the State Children's Health Insurance Program, would likely get through revision.

"If we are able to produce something in the committee, I'm not the least bit worried about the president's veto," he said.

In a statement, Judith Stein, executive director of the Center for Medicare Advocacy, warned against the White House proposal.

"If the budget passes, there will be significant, on-going reductions in reimbursements to health care providers and a cap on all Medicare spending," she said.



Copyright © 2007 UPI. Displayed by permission. All rights reserved.

You may forward this article or get additional permissions by typing http://license.icopyright.net/3.5981?icx_id=20070209-124719-1044r into any web browser.