

Ten Facts Every American Should Know About Democrats' Final Government Takeover of Health Care

NUMBERS TO KNOW:

- \$569.2 billion in tax increases
- \$523.5 billion in Medicare cuts
- \$48 billion more for Medicaid

1. **A Job-Killing Government Takeover of Health Care.** No amount of changes or legislative tricks can hide the true destructive nature of this bill: \$17 billion in new taxes on Americans who do not comply with the individual mandate, \$52 billion in new taxes on employers that do not provide health coverage deemed “acceptable” or “affordable” by government bureaucrats, and new taxes on capital gains, dividends and interest that will further stifle economic growth and job creation.
2. **New Tax on Capital Formation and Job Creation.** The Medicare tax on capital gains, dividends, and other investment income gets bigger, magnifying the destructive power of this new tax. The bill increases the tax from 2.9 percent to 3.8 percent, pushing the top capital gains rate to 23.8 percent and the top rate for dividends to 43.4 percent in conjunction with tax relief expiring at the end of this year. As *The Wall Street Journal* [editorialized](#) this week, this tax will “permanently skew the incentives to work, save and create jobs.”
3. **Democrats Continue to Say ‘I Do’ To Marriage Penalty.** The bill leaves in place a massive marriage penalty, which will mean higher premiums for those that tie the knot. As [highlighted](#) in January by *The Wall Street Journal*, “the disparity comes about in part because subsidies for purchasing health insurance ... are pegged to federal poverty guidelines.” The final bill leaves this unfair penalty on married couples in place.
4. **Lower Wages and More Unemployment.** The final bill imposes \$52 billion in new taxes on employers, including small businesses, that cannot afford to provide health coverage or that don't offer coverage. The effect of this type of tax, similar to a payroll tax increase, would ultimately fall squarely on workers in the form of lower wages or reduced employment. In fact, the Tax Policy Center [concluded](#) that “economists generally believe that the burden of payroll taxes is borne by workers in the form of lower wages, regardless of whether the tax is levied on the employer or the employee.” The tax proposed in this bill will likely have the same effect.
5. **Employers Targeted By Even Higher Taxes to Enforce Employer Mandate.** The final bill incorporated President Obama's suggestion to rake in a little more cash to pay for a massive government-takeover of health care by nearly tripling the job-killing mandate tax on employers who do not offer health coverage to \$2,000 per employee. Sure enough, the President's suggestion raises an additional \$25 billion on the backs of American employers, according to CBO.
6. **Individual Mandate Tax Reduced? No, Not Really.** Democrats are highlighting their generosity by lowering the amount of the tax for not complying with the mandate. But just how generous are they? Not very. Democrats propose to reduce the individual mandate tax flat payment amount by a scant 14¢ a day. And, while Democrats “reduce” the individual mandate tax flat payment amount, they actually raise \$2 billion more by making other alterations to the individual mandate, according to CBO.
7. **The Power to Tax Our Health Care.** The Democrats' final bill doesn't just tax individuals and employers if they don't comply with the complex mandates in the bill. The bill sends the IRS out to tax the very products Americans use to maintain and restore their own health. New taxes on medical devices, on prescription drugs, and on health insurance itself are all targets of the bill. And, with \$10 billion in new enforcement resources, you can bet the IRS will be taking its full share out of the pockets of every American who uses any of these products or services.

8. **Even More Subsidies, Even Greater Threat to the Economy.** The bill increases the subsidies provided under the bill from those provided in the Senate bill by \$65 billion, a significant and unsustainable increase. In fact, the *Associated Press* [reported](#) a warning from Massachusetts' state treasurer, who stated that Congress will "threaten to wipe out the American economy within four years" if it adopts a health care overhaul modeled after the Bay State's.
9. **Taxpayer-Funded Abortion Coverage.** The final bill does not include the Stupak amendment language that would prohibit federal funds from being used to fund elective abortions. Instead, states are given the option to opt-out of providing insurance coverage of abortions. Still, taxpayers in a state that opts-out would still see their federal tax dollars fund elective abortions in other states. Additionally, each state through the Office of Personnel Management (OPM) can provide access to two multi-state plans, and only one of them will exclude abortions. OPM's current health care program – the Federal Employee Health Benefits Program (FEHBP) – does not include any plans that cover elective abortion. For the first time, a federally funded and managed health care plan will cover elective abortions.
10. **Medicaid Rolls And Waiting Lines to Swell Even More.** CBO estimates that as a result of the Democrats' bill, one million more Americans will get their coverage from Medicaid, which is plagued with financial woes and wreaks all kinds of budgetary havoc on cash-strapped states. The Democrats' bill, as the *New York Times* [highlighted](#), will push even more Americans into a program where they will have trouble finding doctors and have to wait for potentially months to receive care. That's not meaningful reform by any measure.

BONUS: Republicans have proposed a health care bill based on common-sense reforms that, according to the non-partisan Congressional Budget Office, would reduce premiums for families and small businesses [by up to 10 percent](#). It is not too late to start over.