

## ***PPD Newsletter – The Special Collector’s Pinocchio Edition***



### **Lies**

The LA Times just published that California plans Anthem Blue Cross and Blue Shield have overstated the size of their physician network. In fact, fully 25% of the doctors listed as providers in these networks are not taking Covered California.

“So what”, you might ask? **Patients** have incurred huge unforeseen medical bills because they did not know their doctor was out of network. **Doctors** are not being paid because patients say it isn’t their fault that “no one” told them they were not covered. Furthermore, many patients chose a plan believing their doctor was a provider only to find out later that the doctor is not a provider, leaving the patient to find a different physician, if one could be found at all.

Is this a big deal? You betcha... these two insurances account for 60% of the California marketplace. Have the companies been penalized....not yet and don’t hold your breath. Oh and just remember, you, the physicians are to blame. To quote the insurance industry “physicians and their office staff bear some blame for giving patients the wrong information.”



### **Lies and More Lies**

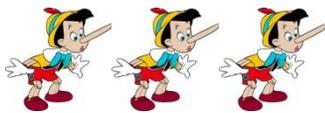
I am sure you have heard, but in case you have been living in a cave, the chief architect for Obamacare, Jonathan Gruber has just admitted that in order to get the law passed, it was written as ambiguous and deceptive for the express purpose of fooling the “stupid” American people. Using Gruber’s own words,

“Lack of transparency is a huge political advantage,” said Gruber. “Basically, call it the stupidity of the American voter or whatever, but basically that was really, really critical to getting the thing to pass.”

This deception was not a one step process, but instead a carefully crafted plan. Gruber stated that first the administration needed to manipulate the Congressional Budget Office. The bill was written in such a convoluted manner that the CBO did not score the Obamacare mandate as a tax. If it was perceived as a tax there was no way the law would pass.

Next the Obama administration and Mr. Gruber told us the health plan would not cost anything, in fact the average savings would be \$2500, even though tens of millions of people would be subsidized. But Gruber lied again. In his words, “if you had a law which . . . made explicit that healthy people pay in and sick people get money, it would not have passed.”

Finally, as even NBC news has noted, Gruber and the administration knew all along that if you like your plan you could not keep it. They realized very early that this statement was an out and out lie. In fact it was Jonathan Gruber himself who originally advised the administration that Obamacare would cause millions of Americans to lose their plans.



### Lies, Lies and More Lies

As we have mentioned previously in many newsletters, a new Obamacare challenge is headed to the Supreme Court. The law clearly states that subsidies can be given only to insurance purchased on “exchanges established by the state.” 37 states have opted not to build exchanges and the federal government has stepped in for these states. The IRS and the administration have ruled that the subsidies now apply to all exchanges no matter whether the exchange is state or federal and the Supreme Court has decided to hear this case. Jonathan Gruber, architect of Obamacare says this statement in the law was no mistake, “If you’re a state and you don’t set up an exchange that means your citizens don’t get their tax credits.” In other words, the law was meant to force the states to set up exchanges, but this did not work. The administration is now arguing that this was *never* meant to say “exchanges established by the state”, it was merely sloppy crafting of the law. They realize now that the whole system falls apart if most subsidized individuals lose their insurance. If Obamacare crashes and burns, blame the typists.



### Lies, Lies, Lies and More Lies

In 2009 as reported by CNN, President Barack Obama pledged to voters that he did not want any tax on health insurance plans he perceived as wastefully generous to ever impact average Americans.

Subsequently a tax on Cadillac plans was sold by Gruber et al. as a tax only on the rich. The 40% tax is on plans more than \$10,200 for an individual or \$27,500 for a family. To fool the masses, the administration and Mr. Gruber told the public they were going to tax “insurance companies” and not people.

To quote Gruber “[T]he only way we could get rid of it was first by mislabeling it, calling it a tax on insurance plans rather than a tax on people when we all know it’s a tax on people who hold those insurance plans.”

As if this wasn’t enough, they tied the Cadillac tax to the CPI (or slow-growing Consumer Price Index) not the fast growing Medical Inflation rate. As a result, as time goes by, more employer based insurance plans will be considered Cadillac and more people will be subject to the 40% tax. So what does this mean, just ask Mr. Gruber...“What that means is the tax that starts out hitting only eight percent of the insurance plans essentially amounts over the next 20 years essentially to getting rid of the exclusion for employer sponsored plans.”

What Mr. Gruber and President Obama wanted to do was make employer-based healthcare too expensive for most people, leaving only the government =-run system to join. In other words, single payer system.



**Lies, Lies, Lies, Lies and More Lies**

Obamacare was supposed to reduce cost. According to CBS news, in 2015 Obamacare will result in higher costs and higher penalties. In 2014, individuals faced a penalty of \$95 per person or 1% of annual income (whichever is higher) for failing to have health coverage. In 2015, the penalty will triple to \$325 per person or 2% of income. Children will be fined at half the rate of an adult. That’s a potential \$925 dollar penalty per family. Think about how that will affect the 76% of Americans living paycheck to paycheck. In case you were wondering, as of April 13.4% of Americans were uninsured. One quarter of those with an income below \$36,000 don’t have insurance.



**Lies, Lies, Lies, Lies, Lies and More Lies**

According to the NY Times, “The Obama administration on Friday unveiled data showing that many Americans with health insurance bought under the Affordable Care Act could face substantial price increases next year — in some cases as much as 20 percent — unless they switch plans. The data became available just hours before the health insurance marketplace was to open to buyers seeking insurance for 2015.”

What they don't tell you is that the reason this news was released so late was the administration realized people would not be happy and they did not want it coming out before the election. This means 7 million people who bought insurance on the exchanges will have to change plans if they want to avoid paying more. Remember, the claim if you like your insurance you can keep your insurance. Evidently, even within the exchange system this is not true. New insurance means new small physician networks. If you are required to join a new physician network, what happened to "if you like your doctor you can keep your doctor?"

### The Truth

We, physicians of PPD, are fighting the battle for our patients, our physicians and our healthcare. Won't you join us? Drop me a line at [reed.wilson@privatepracticedoctors.com](mailto:reed.wilson@privatepracticedoctors.com)

*The further a society drifts from Truth, the more  
it will hate those that speak it.*

George Orwell

