Obamacare’s stealth ambush of senior citizens

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Even Obamacare’s biggest cheerleaders won’t be able to ignore Medicare chief actuary Richard Foster forever. Based on current law, Foster says, seniors who rely on Medicare will replace Medicaid recipients at the bottom of the health care ladder as early as 2019, five years after the individual mandate kicks in. That’s when the fees Medicare pays to providers will be slashed below Medicaid rates, which are already well below market prices.

“And if you’re in a plan that pays the lowest rates, you’re in trouble,” John Goodman, president of the National Center for Policy Analysis, told The Examiner.

That’s because the $575 billion cut to Medicare over the next decade — which is needed to pay insurance subsidies for 32 million new people — will force one in seven hospitals, nursing homes, home health agencies and hospices out of business, according to the formal Medicare trustees report released on April 22. By 2050, 40 percent of existing health care facilities will forced to close their doors.

Nearly half of the 32 million newly insured people will be enrolled in Medicaid (those whose incomes are at or below 133 percent of the poverty line will have no choice), but they shouldn’t expect the level of care that current Medicaid recipients receive, Goodman adds.

“For many low-income people, there’s not going to be much difference. Now they get care at community health centers and hospital emergency rooms. The Medicaid system won’t be able to handle them in a substantially different way. They’ll end up going to the same doctors and the same facilities they go to as uninsured.”

But there will be one difference: The wait for care will be much, much longer. Obamacare will provide 100 million Americans with much more generous insurance than they have today, Goodman points out, with no co-pays and no deductibles. This will give people new incentives to access medical care even though there won’t be enough doctors to handle the increased demand. A looming shortages of nurses won’t help, either.

Many physicians already refuse to accept new Medicare patients. More will refuse when payments from the government fall below cost.

“It will be a game of medical musical chairs,” Goodman predicts. And when the music ends, it will be 15 million vulnerable senior citizens who wind up without a seat.