
CNBC
CNBC Reports
September 11, 2009
“Cost of Obama’s Health Care Plan”

Dennis Kneale: ...hey, and I’m taking aim now at Obama care. That health care rescue speech, that President Obama made this week. It was the best and most important pitch of his rookie Presidency. But, it held a disturbing element, and I call it Obama’s impossible promise. Well, actually two impossible promises, but it does not make as good of a headline. Bam promised that his healthcare overhaul will not add one dime to the federal deficit, ever. And he promised that he won’t cut Medicare one bit. But the Congressional Budget Office sees up to one point five trillion dollars added to the deficit because of Obama care and virtually every time government forecasts health care costs they are way too low. As for not cutting Medicare - guys that program for the elderly spends about four hundred twenty billion dollars a year for forty four million people. Now we want to add forty six million more people to the government dole, the uninsured. Yet, Medicare, even before adding all those guys, Medicare already faces a thirty eight trillion dollar deficit over seventy five years. It will spend almost forty trillion more than it will take in from taxes. Any you think Medicare won’t under go any cuts. It is an impossible promise. It is a ridiculous promise. The only question is whether President Obama already knows it. Let’s get the Real Deal Squad in here on this debate. Is the President right? Is he simply wrong? And if he is wrong, is he mistaken or is he fibbing? Who should we start with on these guys? Let’s start with Ben Ferguson. Is the President simply wrong or is he fibbing?

Ben Ferguson: No. He is wrong, and I will show you why he is wrong. You see this right here? This is the health care Bill. How in the world, and I ran out of toner so I am a hundred pages short. Dennis, how can that Bill that is that big possibly not cost us anything? Ask any state where they have any state run type of health care. My state, nine times more that what they budgeted for with ten care. Ask Mitt Romney, a conservative, he said they had no clue how much it was going to cost by the end of theirs, so yeah, the President is lying when he says it and he knows it is not true because the Congressional Budget Office said so.

Dennis Kneale: OK, let’s go to Obama supporter, Julie. At the very least do you think Obama will turn out to be wrong when he says I won’t cut any Medicare expense and also this won’t add one dime to the deficit. Do you think he is going to end up wrong on that?

Julie Roginsky: Well first I am glad that Ben is continuing the Republican tradition of calling the President of the United States a liar. That’s you know, we have seen a lot of that this week.

Ben Ferguson: Congressional Budget Office says I am right.

Julie Roginsky: But, the Congressional Budget Office has not yet scored the Senate Finance Committee Bill, because that Bill has not been produced yet.

Dennis Kneale: Ok, you are diverting into details. Stay on my broader question please.

Julie Roginsky: I am staying exactly on your broad question Dennis. If you are asking me if this Bill is going to cost any additional money to the budget, the answer is no because Barack Obama has said, it will not. He said he will veto legislation if it won't, and finally there is cost controls and triggers in there that if it does add to the deficit the triggers kick in and you and I both know that. You guys can keep calling him a liar all you want but why don't we just see if he comes through with his promise before calling him a liar.

Ben Ferguson: When the President ran for office he said he was going to cut the deficit down to five hundred and sixty six billion dollars. We are now saying it is going to be multiple trillions, up to nine trillion if he gets reelected. What would you say about that budget?

Dennis Kneale: One at a time.

Julie Roginsky: I'm sorry Ben, did he say he would do that in the first six months of his Presidency?

Dennis Kneale: One at a time.

Ben Ferguson: He said that by the time that he left office, by the end of his first term...

Julie Roginsky: Has he left office yet?

Ben Ferguson: ...he would have it cut in half and now he...his own White House said.

Julie Roginsky: Has he left office?

Dennis Kneale: But what has he projected? He has now projecting trillion dollar budgets for the next four years guys.

Julie Roginsky: He is not going to leave office for eight years hopefully. So I don't know what Ben is talking about.

Tanya Acker: But...speaking of...

Ben Ferguson: Ask Peter Ozman, his own budget director.

Dennis Kneale: You guys, you guys, hey both of you stop. You are irritating me. Let's go to Peter Flaherty. Help me out with this Peter. Was the President, is he just going to turn out to be wrong on this promise and does he already know it.

Peter Flaherty: No, and I think it is going to be shown that he deliberately fibbed. He is an intelligent man. Even the Congressional Budget Office, which is not the Heritage Foundation, says that over ten years it will add to the deficit two hundred and twenty billion dollars, and I believe that figure is low. You know, Julie descending into this talk of the Senate Finance Committee and so forth, shows the problem with Obama's speech. The fact is that he doesn't have a plan. At one point he said something like well we have to fill in some details and there was laughter on both sides of the aisle.

Tanya Acker: No.

Peter Flaherty: This has fueled doubts among the American people as to what exactly we are getting into here.

Dennis Kneale: Go ahead Tanya.

Tanya Acker: We know, the American people know far more about what it is we are getting into than they before the President took the podium...

Peter Flaherty: And they don't like it.

Tanya Acker: ..and tried to disabuse them, and try to take, excuse me, and try to disabuse them of a number of the blatant lies that the Republican machine was propagating. And by the way, they do like it....

Ben Ferguson: No they don't.

Tanya Acker: ...even amongst the President's opponents, excuse me, even amongst the people who oppose the plan, one in five of those people after hearing the President, changed their minds. But, you know, let's get out of the weeds as Denis likes to say...

Dennis Kneale: Yeah.

Tanya Acker: ...and talk about some of the bigger picture issues. Now if you really want to talk about larger benefits, I think something that we are not paying attention to are some of the longer term economic benefits that will we get by having a healthier population.

Dennis Kneale: Awe, bishop, I know a lot more about that you do, and let me tell you that every time that we promise that with more preventative medicine we are going to reduce medical costs, medical costs go up. The more benefits you give and the more people you cover the more usage goes up Tanya. I want to cut to a more basic question Tanya. Do you think that Obama will be able to fulfill these two key promises? I'm not going to add a dime to the deficit because of this health care plan and I'm never going to cut Medicare. Do you think he will be able to live up to those promises? Tanya.

Tanya Acker: You are missing my point. It depends on...

Dennis Kneale: No, I want you to answer my point dear.

Tanya Acker: ...you are missing my point because it depends on...I think it, my darling, I think it depends on weather or not you can show there will be increased revenues and increased tax base. The Commonwealth Fund demonstrates that...had a study a few years ago...

Dennis Kneale: So you don't believe him do you?

Tanya Acker: ...Hang on a second. We lose about two hundred, two hundred and fifty million dollars a year in lost productivity costs because people are sick. We need to pay attention to those figurers.

Ben Ferguson: Dennis.

Julie Roginsky: You know why Dennis...

Dennis Kneale: That is not going to solve any deficit problems. Go ahead Julie.

Julie Roginsky: You know why these guys do not want to be talking about details like the Senate Finance Committee and other studies? Because they like to throw out words like the President is a liar. The President is deliberately fibbing.

Ben Ferguson: Let me make it very clear, ok.

Dennis Kneale: Hang on Ben.

Julie Roginsky: Let me answer my question first. They like to keep talking about that there are death panels and other complete falsehoods that apparently you guys don't want to deal with the details of this legislation.

Ben Ferguson: Let me make it very clear.

Dennis Kneale: All right, go ahead Ben.

Ben Ferguson: Let me give you a detail. The President of the United States of America not knowing what it is going to cost and using your own talking points the Senate Finance Committee has not even come up with something, wants us to pass a Bill by August, by August. So how would you know what is in the Bill?

Julie Roginsky: August is over, we did not pass a Bill by August.

Tanya Acker: August didn't happen, so move on.

Peter Flaherty: The problem with Obama's speech is that it had a thematic contradiction. He said that there are doubts about this plan, he acknowledges them, but he says we have got to move forward. There is no turning back. Well, when somebody has doubts about something, they want to get into it incrementally, and they want to have the ability to turn back. That's why the speech backfired.

Tanya Acker: Wow that is absurd. I'm sorry excuse me sir.

Julie Roginsky: I wish we had this discussion about the Iraq war where people want to get into things incrementally when they have doubts, give me a break. You guys want to stop this because you want the status quo.

Peter Flaherty: Julie, it applies to dating too.

Dennis Kneale: I got to tell you guys we have got to wrap now. Thank you very much for being with us. The Democrats say the Conservatives are all so shrill, but I've got to tell you I think the Dems are sounding a little shrill now and then.

Peter Flaherty: Shrill tonight.

Dennis Kneale: You guys have a great weekend. I love you, now beat it.