Good afternoon.

I’m honored to be with some of the most active citizens in the country. You see, we have an opportunity to do something big and this is the perfect time for me to be here with you.

Yesterday, President Obama said that one of the key reasons he wants a second term is to finish implementing health care. Well, he may want to finish putting Obamacare in place, but I want Obamacare finished. As in repealed. All gone.

STATE POWER
Until that day, we must and we can stop it from being implemented. We can blow the President’s plan out of the water.

That’s where you come in. The power to stop Obamacare is not in Congress. It’s in the States. And the way to stop it is by stopping Obama’s Health Insurance Exchange.

I’m going to explain to you what the health insurance exchange is so that you understand that the Exchange is Obamacare. And even better, without it, there can be no Obamacare.

WHAT IS AN EXCHANGE?
So here’s what I know. I know that most of you probably have no idea what a health insurance exchange is. This has worked in President Obama’s favor as his administration has provided more than $1 billion to create them -- and has slated nearly a billion more next year. In an article this week, Robert Laszewski, president of Health Policy and Strategy Associates in Virginia, said,

“The ACA cannot be implemented without an insurance exchange in each state. It’s a go or it’s a no-go. It’s that simple.”

Two years ago, a similar statement was made. Terry Gardiner, national policy director for the Small Business Majority, said,

“The exchange is the foundation of health care…Without these exchanges we’re really not going to reform anything.”
So, to be clear, if you want to stop Obamacare, if you want to stop the federal takeover of health care, if you want to stop national health care, what do you need to do?

You need to stop Obama’s health insurance exchanges.

Specifically, you need to stop Obama’s health insurance exchange from being set up in your state. You need to make sure there’s no such thing as a Wyoming exchange or a Texas exchange or a Virginia exchange.

You also need to make it clear to your legislators that they should not pass a law setting up the exchange and that the state should not agree to join with the federal government to operate a “federally-facilitated exchange” in your state. A “federally-facilitated exchange” is an exchange that is basically run behind the scenes by the federal government with a state name and a facade of state control.

So let me explain what a health insurance exchange is.

I’m going to tell you what they say an exchange is, and then I’m going to tell you what it really is.

They say the health insurance exchange is a simple “one-stop-shop” in each state for buying health insurance. They say the Exchange is a new state-established “marketplace” for health insurance. They said it’s like “Travelocity” for health insurance.

Nothing could be farther from the truth.

**A state-established exchange is a federal takeover center.** It must follow the federal law. It must follow federal regulations. It must annually report to the U.S. Secretary of Health and Human Services. And it must comply with any and all requirements issued by the Secretary, including a list of required Essential Health Benefits and if she decides to issue it, a list of prohibited services.

There is no state control because there is no such thing as a “state exchange.” Every exchange is under federal control. Or better put, every exchange is part of the National exchange.

**NATIONAL EXCHANGE**

Look at the diagram that I had handed out. You’ll see that each state has a portal. That’s the state-run exchange. Each state-run federally-controlled exchange is connected to the “Federal Data Services Hub,” which will transmit
your private data between and among state agencies, federal agencies and employers for tracking and enforcement.

So the national exchange is the federal “Hub” with 50 state arms – 50 state-run, federally-controlled Exchanges. Refusing to build the arms – the state exchanges -- is key to stopping Obamacare.

The purpose of the exchange is not what it seems.

It’s not about selling health insurance. The exchange is actually a registration and enforcement system for national health care. It’s the way individuals will annually register their compliance with the Obamacare mandate to purchase health insurance. And it’s the way the IRS will track compliance with that requirement and enforce the penalty-tax on those who choose to stay uninsured. It’s also the way 17 million more people will be forced into Medicaid.

Every person, or their employer on their behalf, must go every year to the online Exchange – the government’s website portal -- to either purchase health insurance or claim an exemption to the mandate. Registration of your insurance status happens when you or your employer buys insurance on the exchange, when you are put into Medicaid, or when you claim an exemption to the mandate.
But what if you don’t register? What if you never go to the website?

A state government bureaucrat in Minnesota told me that they are trying to figure out what state databases to use to pre-populate the exchange. Clearly they want everyone’s data in the system so they can not only track registrations, but so they can know who has not registered and who must be found and fined, or forced into Medicaid.

**PAYING THE TAX**

Speaking of the fine for being uninsured, a government report issued this week found that the penalty-tax for not buying insurance is now going to be paid by 2 million more people than they first estimated and that the revenue from the tax will be $3 billion higher each year.

I’ll bet there will be even more people and there will be even more revenue once people realize how expensive insurance will be under Obamacare. According to some accounts, the young people are going to experience “sticker shock” when the cost of older folks is shifted onto the premiums paid by the young. I think even more people will pay the fine rather than buy the insurance. OK, back to the Exchange.

**INTRUSIVE DATABASE**

The amount of data available to the Exchange, and the IRS for enforcement, is unprecedented. According to a Minnesota contract signed by an exchange developer and the State, Minnesota agencies will provide the developer with all sorts of data on individuals including public data, private data, non-public data, confidential data, chemical health records, electronic medical records, personal health information, tax records and other records.

The exchange will be a massive database on the American people; a database that people must annually report to. No such database exists today. And once they have it in place, I believe this national tracking system could be used for much more than imposing national health care.

**RATIONING CARE**

I also want you to know that the exchange is not just about buying insurance or tracking compliance. It will also be used to ration care. Under Obamacare, the exchanges are required to make sure all plans selling health insurance on the exchange “improve health outcomes.” This means they’ll be tracking what happens between you and your doctor.

The question you should ask yourself is how do they define “improve” and how do they define “outcomes.” In short, they will be using their access to your medical records to control and penalize doctors who do not practice according to
government directives. This will lead to standardized care and health care rationing.

**BIG GOVERNMENT PRINCIPLES**

Let me share a few things from Minnesota which is considered to be one of the states farthest along in building an Obamacare exchange. As a result of our efforts state legislators refused to establish an exchange, so Governor Dayton issued an executive order to design and develop it. But he can’t spend a dime of state money without a state law, so he’s using federal dollars.

The Minnesota exchange staff just issued a draft of **six guiding principles** for the exchange. They are quite instructive. The six principles are:

1. Universal coverage
2. High-Quality, Affordable Health Care
3. Consumer-Friendly
4. Eliminate Health Disparities
5. Accountable
6. Competition

If it weren’t so serious, it would be amusing. The **real principles** under the euphemisms, are:

1. National Health Care
2. Rationed Care
3. Government-Friendly
4. Tracking by Identity Politics
5. Accountable to the Federal Government, and
6. The End of Competition

Let’s talk about competition for a moment. Here is their proposed principle:

*The task force will develop the Exchange in a way that fosters vigorous and fair competition in the health care system among both providers and payers.*

Well this sounds nice, but it’s all euphemism. The plan is to eliminate all competition. The plan, according to Joel Ario, the person who used to head up President Obama’s Exchange office, is that eventually everyone will buy health insurance on the exchange:

“So, first vision, the exchange as the new marketplace of the future, not just for tax credit people, not just for Medicaid and other public program eligible people, but I think ultimately for a much broader swath of Americans…” (3/13/12, Mpls)
Everyone. The only insurance options then will be health plans favored by the government, and there will be no where else to go outside the Exchange. And from there, single payer is easy.

AIM AT THE HEART
The exchange has been called the centerpiece, the lynchpin, the cornerstone of health care reform. The exchange has also been called the heart of health care reform. Now I don’t know about you, but when there’s a beast in the room and you want to kill the beast before it kills you, you don’t cut off it’s little toe. You aim for the heart.

Likewise, if you want to permanently put an end to Obamacare, you must aim for its heart. You must aim for the exchanges. Any and all government-established exchanges must be defeated. If you don’t succeed, it’ll be like a lobster trap. Once you’re in it, you’ll never get out.

TWO MYTHS
Some of you may have heard that Obamacare requires states to set up an exchange. This is not true. The federal law says states “shall” set up a state-run exchange, but because that would be unconstitutional commandeering of the state, the law has a fallback: a federal exchange – a website and tracking operation run by the U.S. Department of Health and Human Services (HHS).

But, fortunately for us, the administration never gave itself money in the law to build a federal exchange. They thought states would just bow and build them. So they’ve now asked for $750 million but the U.S. House has refused. They may never get the Federal Exchange built, in which case it can’t be imposed.

Therefore, federal officials are now trying to get states to agree to join with them in running a “federally-facilitated exchange.” The federal government would run almost everything behind the scenes. Each state would have a website with a state name so it doesn’t look like a federal takeover. There would be a few state functions and the states would pay the federal government a fee for operating it.

There is only one answer to all these iterations of federal control.

Just say no. Absolutely, unswervingly, no.

State legislators have also been told they must build their own exchange so that the state will have control over it. They’ve been told that if they don’t, the federal government is going to impose a one-size-fits-all federal exchange on the state. As I hope you can see, these are all tall tales. Every exchange is under federal control – and the so-called Federal Exchange has no money.
State control will only happen if states refuse to build a state-run exchange, refuse to join in a federally-facilitated exchange, and refuse to cooperate in any way with a Federal Exchange.

REASONS TO OPPOSE THE EXCHANGE
There are so many reasons to oppose the exchanges. We’ve put together a list of 15 reasons. It’s online (nixthehix.org) There are no doubt even more. Of all the possible reasons, I’ll share just five with you today:

1. The state operating cost of an Exchange is between $10 million and $100 million per year. This is one reason the Obama administration wants states to build them. They not only want to hide the takeover, they don’t have the money to do it. They want you to fund the federal takeover of your own state.

2. The exchange puts every business at financial risk. If even one employee buys insurance on the exchange and gets a subsidy, the employer must pay a fine of up to $3,000 per employee in the company. If there’s no exchange, there’s no fine.

3. 98 percent of Obamacare spending goes directly into the pockets of managed care health plan through the expansion of Medicaid and the payment of premium subsidies on the Exchange. Without the exchange, health plans can’t pocket nearly $1 trillion from taxpayers.

4. As part of something called “risk adjustment,” the law requires states to calculate “individual risk scores” on every person in the State, so money can be transferred by the State to the plans that have the riskiest patients. Expect health plans to do everything possible to make you look more sick than you are to get an even bigger share of the pot of available dollars.

5. If you buy health insurance on the exchange and you receive a subsidy because of your estimated income, but at the end of the year your income is higher, the government can come back and require you pay back part or all of the subsidy even though that subsidy went directly to the health plan. This is called a “clawback.”

STOP THE EXCHANGE
Bottomline, the exchange is the heart, body and soul of Obamacare and it must be stopped, prohibited and banned.

Even better, it can be stopped.

At least 28 states are refusing until after the election.
But they must refuse no matter what happens with the election. They must stand up against national health care for their constituents. They must write and enact laws prohibiting any government-run exchange.

They must also refuse to expand Medicaid or share any Medicaid data with a federal exchange because then it will be difficult for HHS to even run a federal exchange in a state that refuses to establish a state-run exchange.

If the states don’t cooperate, Obamacare – the federal takeover of health care -- is virtually dead.

YOU CAN DO IT
I’m asking you to help stop all state cooperation. States have the power to stop Obamacare.

After all, what are the Feds going to do? Send in the Army to put your legislators in jail for standing on their 10th amendment rights?

I am asking you to do whatever you can to stop the Obamacare Exchange.

You can ask me to come to your state to give a presentation. You can contact our organization for advice. We helped Wisconsin, North Dakota and Michigan stop the exchange last year. Or we can help you with legislation or help to create a petition and put it online. We just did that for Michigan.

Our life, our liberty, and our future as a free nation hangs in the balance. Will the government get control of our health care, and with it the power to decide whether we live or die?

And remember, we’re talking about a massive national tracking system that once built can probably take over more than health care.

The Exchange is vulnerable. There are so many reasons to oppose it.

We can and will stop Obamacare if States just say no.

Please go to nixthehix.org or StopHealthInsuranceExchange.org for more information.

Please do whatever you can to win this critical battle for freedom and the future of America.

Thank you.