

Obama budget includes creation of 10-year, \$634 billion "health reform reserve."

Media reports are casting President Obama's first budget plan as a clear break with past US policies on a variety of issues. The story led all three network newscasts and appears on most major newspaper front pages. [ABC World News](#) (2/26, lead story, 3:20, Gibson) described the size of the budget as "staggering" and notes that "one out of every two dollars spent by the government will be deficit spending." But "it would lead to a seismic shift in policies, and would touch the lives of nearly every American."

The [CBS Evening News](#) (2/26, lead story, 3:10, Reid) reported, "The budget also includes a long list of White House spending priorities. The largest by far, \$634 billion over the next 10 years to take a big step towards universal healthcare. About half of that would come from taxes on high-income earners, the rest from cutting payments to insurance companies, hospitals, and doctors."

[NBC Nightly News](#) (2/26, lead story, 3:20, Williams) also noted that "the budget calls for \$635 billion over ten years, as a down payment on healthcare reform, paid for in part by cuts in Medicare spending."

In a front-page story, the [New York Times](#) (2/27, A1, Calmes) explains that "with higher taxes on the wealthy and savings squeezed from healthcare providers, drugmakers, and insurers, Mr. Obama would create a \$634 billion, 10-year 'health reform reserve' as a down payment to finance disease prevention, wellness programs and research on cost-effective treatments ultimately to cut healthcare costs. More than any other expense, healthcare is driving future projections of unsustainable deficits. The health reserve would also be used to create affordable insurance programs for individuals and employers."

In its front-page story, the [Washington Post](#) (2/27, A1, Balz) asks whether Obama will be able to build a coalition in support of healthcare reform noting, "The prospects for healthcare reform may be brighter than they were when President Bill Clinton tried unsuccessfully to enact his program in 1993-94, but Obama will still have to defeat the arm of interests and lobbyists that sank Clinton's plan." And "he may run into resistance from some Democrats as well, given the size of his ambitions."

The [Los Angeles Times](#) (2/27, Reynolds), [USA Today](#) (2/27, Wolf, Jackson), the [Financial Times](#) (2/27), the [AP](#) (2/27, Crutsinger), [McClatchy](#) (2/27, Thomma, Lightman), [The Hill](#) (2/27, Alarkon), [Bloomberg News](#) (2/27, Donmoyer), and [AFP](#) (2/27) also cover the story.