

## Analysts contend Obama's healthcare proposals may face challenges.

The [Wall Street Journal](#) (11/5, Williamson) reports, "The prospect of universal health care -- or in the shorter term, an expansion of children's health care and changes in Medicare and Medicaid purchasing -- will create new winners and losers." In the health coverage debate, some "Democratic lawmakers have made it clear that payments to private insurers for Medicare plans are a big bull's eye in any health-care overhaul." Meanwhile, they say that requiring the healthy to have insurance could reduce costs for "collective insurance risk pool," and could "help millions of additional Americans afford drugs," increasing pharmaceutical profits.

According to [Bloomberg News](#) (11/5, Marcus), President-Elect "Barack Obama made revamping the \$2.2 trillion US health-care system a centerpiece of his presidential campaign." Yet "he will have to make good on the promise in the midst of a financial crisis." While Obama "said he will accomplish the makeover during his first term," some analysts argue that "fiscal and political realities may foil Obama's ambitions.

In a separate article, [Bloomberg News](#) (11/5, Woellert) comments that "health insurers UnitedHealth Group Inc. and WellPoint Inc. may be winners in the Barack Obama administration," while "drugmaker Pfizer Inc. may not be." This is because while "insurance companies would be barred from rejecting applicants with pre-existing medical conditions, they would also benefit from subsidies to make coverage more affordable for the 46 million uninsured Americans." On the other hand, "drugmakers may not do as well because Obama wants to give Medicare...authority to negotiate the price of medicines for its drug plans," and "let consumers import drugs from Canada and other countries."

In a report on the potential problems facing President-Elect Obama, the [AP](#) (11/5) reports that "expectations that [health] coverage can be broadly expanded were stoked by both sides in the presidential campaign," but "history has shown that interest groups and patients become more wary of overhauling the system once they learn the details and potential trade-offs of a specific proposal." Furthermore, "the financial crisis made significant changes even more unlikely because any proposal will be costly."

In her column in the [Washington Post](#) (11/5, A23), Ruth Marcus argues that upon taking office, "Obama will have to contend with the hydraulic force of pent-up Democratic demands for action." He will have to avoid "overreaching," but he "will also need to produce some evidence that he can produce the change that he promised." This may include "reversing President Bush's order prohibiting federal funding of embryonic stem cell research" and "signing the Bush-vetoed expansion of the State Children's Health Insurance Program."