



# Newsletter of the Capital District Alliance for Universal Healthcare

Volume 2

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## Calendar of Events

**June 3:** Wednesday, June 3, 7:30 p.m. **CDAUH Monthly Meeting, B’nai Sholom Reform Congregation**, 420 Whitehall Road, Albany. All are welcome. 482-0420 for information.

**June 12:** Friday, June 12, 5:30 – 10:00 p.m., “**Everybody In – Nobody Out: Jammin’ for a Single Payer National Health Plan**” **Concert for Single Payer**, The Linda Norris Auditorium, 339 Central Avenue, Albany. Music by Broadcast Live! and Mother Mcrees; DJ Jardread; Comedy by Gregor Wynnyczuk. Sponsored by PHNP Capital District Chapter, co-sponsored by Single Payer New York, Hunger Action Network and area labor groups. Call Connie at 274-4863 or [Connie3049@earthlink.net](mailto:Connie3049@earthlink.net) for details.

**June 20-21:** **Clearwater Festival** at Croton Point Park, 1A Croton Point Avenue, Croton on Hudson NY. **SinglePayerNewYork** will have a table in the activist section. E-mail [healthylink@earthlink.net](mailto:healthylink@earthlink.net) if you can help at the table or want information.

**On Friday, May 22, 2009, the entire episode of Bill Moyers Journal was devoted to single payer healthcare. We commend it to you. It can be accessed at**  
[www.pbs.org/moyers/journal/05222009/profile.html](http://www.pbs.org/moyers/journal/05222009/profile.html)

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## *Comments from the Chair*

This past month the Senate Finance Committee, chaired by Senator Max Baucus (D-Mont), held three roundtables on health care reform. No advocate of single payer was invited to provide testimony. Senator Baucus has made his position known – single payer is “off the table”. Instead he has clearly aligned himself with the for-profit private health insurance industry which was well represented at the roundtables.

At the second hearing held on May 5 doctors and other single payer advocates decided they needed to directly confront the Senators at the Finance Committee roundtable about the lack of a single payer presence and they did so. They individually stood up and questioned why single payer experts were being excluded and each was removed from the Committee hearing room by Capitol police and arrested. Arrested!

The third and final roundtable on health reform was held on May 12. Again, no single payer expert was included. As the hearing opened, about 25 nurses in attendance stood up and turned their backs to the Senators. They each had signs on their backs seeking a single payer system. Later five doctors and nurses again protested the lack of consideration of a single payer system. They too were arrested and charged with “disruption of congress”! Where is our democracy?

These protestors are heroes. They were not afraid to stand up to the shameful charade being conducted by our elected legislators under the guise of “health care reform”. There is a message for all of us in this as well. As history has shown us, fundamental change will not occur unless people hit the streets. Persuasion and logic haven’t worked and it appears that drastic steps need to be taken to prove to the politicians that real reform means a complete overhaul of our health care system.

The momentum for a single payer system is growing, even if it has yet to manifest itself in Washington, DC. Just recently, the Albany Times-Union ran an editorial in support of including single payer as a viable option in the debate over health care reform and Bill Moyers *Journal* devoted an entire program to single payer. More and more articles are appearing in the media, and more and more television and radio time is being devoted to discussions about single payer. Maybe Senator Baucus has done the single payer movement a favor. His refusal to even consider single payer as an option may have reasonable people wondering why.

Just recently I, along with many others, received an email from President Obama advising us that on June 6<sup>th</sup> he will launch his grassroots campaign for health care. He sought our support and input. Unfortunately, so far, his plan to win healthcare reform has been short on details. He needs to hear loud and clear from us that the only way real reform will occur is when he and the other politicians stand up to the insurance companies and those that lobby on their behalf, and focus on the real issues in achieving a healthcare system which fulfils his campaign promise of a healthcare system that reduces costs, guarantees choice and provides quality care for ALL.

Richard Propp, MD, Chair

## *Letters to the Editor*

Please feel free to email your letters to the editors at [crangy@aol.com](mailto:crangy@aol.com) or [euthemia@nycap.rr.com](mailto:euthemia@nycap.rr.com).

### *Reprints of Interest*

Each month we will try to reproduce articles or columns we have read that we think are of interest to everyone. If you see something on the web or are sent an article that you think we should include, please feel free to forward it to either [crangy@aol.com](mailto:crangy@aol.com) or [euthemia@nycap.rr.com](mailto:euthemia@nycap.rr.com).

**The following article is reprinted from the Sunday, May 17, 2009 edition of CommonDreams.**

#### **Middle Class Healthcare Reform? Bend Over...**

By Donna Smith

It's coming. You and me and every middle class, working person in this nation is about to start handing over more and more of their hard earned cash to the private insurance industry, courtesy of our own elected members of Congress and our very popular President. Fire up those Treasury Department presses. We're going to be printing and providing money for insurance companies like no bail-out we've seen yet this economic crisis cycle. The healthcare legislation under design and so far under wraps for the American people is slowly being leaked via carefully staged forum and meetings and a few well-timed hearings and grand press announcements. Much of the work is still going on behind closed doors in private meetings attended by those who are deemed appropriate participants and industry friends.

Remember how open these proceedings were to be following all the Clinton plan debacles of the early 90s? Well, today's stagings are far more sophisticated and planned out. So learning did occur by the industry giants and their political friends over these last 17 years, I will give them that.

And what do we know so far about what middle class Americans can expect from the legislation being privately crafted?

First, no matter what percentage of your take home pay it takes, you will be legally required to buy private health insurance. Second, if all you can afford is a policy that leaves you financially exposed to bankruptcy and foreclosure, then you will still be legally required to purchase that private insurance product. Third, should you fail to buy a policy, you will pay a fine.

Like it so far? Feeling free and protected? Like the choices so far? It gets better.

The private, for-profit insurance industry has made concessions we are asked to celebrate. First, they'll issue every one of us a policy provided every one of us is legally forced to buy coverage. Second, they stop discriminating against women because they have uteruses and child-bearing capacity, provided we all have to buy their product. And third, and this was a real coup according to our leaders, the insurance companies, medical equipment folks and providers will slow the rate of increase in charging for their products to charge just a bit less in terms of percentages of overall costs than they had planned to do and as is predicted. Laughable concessions sold as real compromise.

It's as if we've been beaten a few times every month by an abuser whose violence and anger is increasing over time, and we know by calculating the trend that we'll be beaten daily within a very short time. Up steps the abuser to say, "Wait. I will still have to beat you more than I do now, but I think I can hold it to

25 times a month instead of every day." That's the sort of promises we're supposed to see as victories with the healthcare industry involvement in crafting the legislation that will determine our families' financial well-being and matters of life and death.

Let me spell this out for families like mine. You've been getting overcharged for underinsurance for many years and you've seen the costs out of your own pocket rise to the point where it is truly driving whether or not you even try to seek care when ill. You've seen premiums rise and coverage shrink in employer based coverage, and 14,000 of you a day are losing those employer based benefits in this stinking economy.

And most importantly to me and millions of other middle class folks, when you do get sick and need care, you are forced to see only those doctors and providers your insurance company says you can and those providers can only give you the insurance company says they can give you. That's the way our insurance companies want it now and forevermore, and that's what they are going to get.

Feeling free? Your choices broadening? Your costs lowering?

Wait. There's more. In order to make sure every single American buys the private products from insurance companies and knowing some families won't make enough to afford what is offered, we'll all chip in and pay our taxes to subsidize those who cannot afford to buy the pricey plans. So, when each of us calculates our own monthly costs for healthcare, we'll need to factor in not only our own health insurance premium, our co-pays and deductibles, our medications and other out-of-pocket costs, but also the percentage of our payroll taxes dedicated to pay for the subsidies for low-income folks, the agencies to collect the fines paid by health-insurance-mandate-evaders, and the agency envisioned to be our clearing house for selling us the private product we're all forced to buy. If our real costs are added up, there will be a substantial increase for most middle class families.

These folks are really hoping you will not do the math. They think middle class folks are too dumb to figure it out.

Let me repeat. This Congress and this President are about to give us healthcare reform that will make the middle class burden for payment higher and will even more deeply restrict personal choices in medical care. And they are about to do it all with great fanfare claiming just the opposite.

No doubt many of you have feared really looking at a single payer approach as something scary and restrictive of your personal freedoms. I can promise you that nothing could be further from the truth. In fact, your freedom to choose would be greatly enhanced under a publicly funded, privately delivered national program. Greatly enhanced freedom. Lowered costs as we each pay the percentage we can afford from our income. Greatly enhanced choice of providers - no more being told who is in-network or out. No more risk of financial ruin if medical care is not approved by a profit-driven entity. And no more being told a service we already received isn't covered after all - the great bait and switch the health insurance industry is allowed to do all the time, leaving so many people with bills they never even knew they were accepting responsibility to pay.

I like being free to choose. And if this healthcare reform plan restricts my freedom, takes my hard-earned money and makes my life more difficult, I won't have any problem at all assigning blame to the folks who forced it on me. Look, what's the old saying about excrement rolling downhill? This president is very popular. He won't get blamed when middle class folks figure out the ruse. And the Senate is pretty safe, as they get to sit for six years before answering to the people - and they get oodles of cash from the industry to make sure they are comfy, cozy. It's the U.S. House of Representatives - the people's house, they say - that will take the hit when the moms and dads of this nation figure it out that they didn't get healthcare reform at all. The middle class will get a huge burden to bail-out the health insurance and healthcare industry under the plan moving so carefully but swiftly through the process. The kicker? When it's finally unveiled in all its bi-partisan glory, it'll be sold as a human rights victory. And on that day, 60 more American families will bury a loved one denied care. And on the day after that, 60 more will die. And the day after that, they'll be a big damn party paid for by you and by me for all of those who helped craft

the monstrosity. And the insurance industry CEO salaries will be enhanced by your money paid to them. Bail-out bonanza for Karen Ignagni and America's Health Insurance Plans, an industry very fond of its government entitlements.

Costs will be successfully shifted even more heavily onto the backs of America's middle class workers. I mean, middle class chumps. And then, my fellow worker-bees, it will be mid-term election time again.

*Donna Smith is a community organizer for the California Nurses Association and National Co-Chair for the Progressive Democrats of America Healthcare Not Warfare campaign.*

**The following was published on May 15, 2009 on opednews.com**

## **Fire Departments and Health Care**

By Scott McLarty

Imagine for a moment that our public fire departments were privatized.

Imagine that you needed a special insurance policy before calling the fire department in an emergency, or you'd have to pay thousands of dollars out-of-pocket for the firefighters to put out the fire.

Instead of calling 911 for the nearest neighborhood fire department, you'd call whichever fire department is in your insurance plan, even if it's across town or miles away. You might have to call your 'Fire Protection Insurance Company' or 'Fire Protection Management Organization' for approval.

Depending on your fire protection insurance plan, the fire department might tell you they can put out the fire in your living room and bedroom, but not the kitchen or the garage... unless you pay an additional out-of-pocket fee.

An insurance company agent might tell you that they won't pay for a fire department to put out a fire, because your house has a 'prior condition' or is too old or in a high-risk area.

If you don't have coverage and don't want to pay an expensive out-of-pocket fee, you might try to put out the blaze yourself, or just let your house burn. The fire might spread to other houses in your neighborhood. An uninsured neighbor's housefire might spread to your own house.

Imagine that you complained to your US Senators and Representatives that the system doesn't work, that over 45 million Americans can't afford 'fire department coverage' and millions more have inadequate plans, that thousands are losing their homes every year, and maybe your own home has been damaged. And your Senators and Representatives replied that we can't have fire departments that are publicly owned and paid for with our tax dollars because that would be socialism. Even though public fire departments would be far cheaper and save lives and property, moving to a public plan would cause insurance companies to lose lots of money, and we can't have that.

Insurance companies would spend millions of dollars in political contributions to make sure that fire departments remain under their control. They'd hire PR firms and place ads on TV and in newspapers to convince you of the wonderful job they're doing, telling you how public fire protection is a radical idea, un-American, too expensive, inferior in the services they'd provide, etc.

The whole scenario is absurd, you might say. (In fact, it's close to what many Americans experienced before public fire departments were established in the mid 1800s, when homeowners without insurance often watched their houses burn while negotiating fees with fire companies.) Why have a bureaucracy of insurance company middlemen, demanding high fees as gatekeepers for fire protection without actually providing the service itself, when we can have a far less expensive public system that guarantees firefighters will show up in an emergency regardless of who you are, where you live, or what's in your

bank account? Any reasonably intelligent human would recognize privatized fire departments as a disaster, a menace to public safety and utterly irrational.

So why do we tolerate a health care system that's run the same way?

Private health insurance companies and HMOs don't provide medical treatment. Instead, they act as gatekeeping bureaucracies that make an enormous profit based on the likelihood that at some time in your life you'll suffer illness or injury and will need medical treatment. They provide cost but no value.

Physicians for a National Health Program notes that "[o]ver 31% of every health care dollar goes to paperwork, overhead, CEO salaries, profits, etc." ( [http://www.pnhp.org/facts/singlepayer\\_faq.php](http://www.pnhp.org/facts/singlepayer_faq.php) ) The overhead for Medicare, based on administrative costs but without the demand for profit, is about 3%. Why not convert to a public system, expanding Medicare to cover all Americans, perhaps saving us a third of the cost by eliminating the insurance and HMO middlemen -- a system comparable to our public fire departments?

That's what a Single-Payer national health care system would do. It would guarantee health care and medical prescriptions for everyone regardless of ability to pay, employment, age, or prior medical condition (criteria currently used by private insurance firms and HMOs to limit or deny coverage). Single-Payer would allow everyone to choose their health care provider -- you could visit the physician or hospital of your choice, rather than select from a limited list of those approved by an insurance company or HMO.

We'd pay for Single-Payer with a progressive tax plan. Tax sounds like a bad word, until one realizes that the amount most middle- and low-income working Americans would pay would be far less than we currently shell out for private insurance and HMO plans, and any additional fees when you go to the hospital or clinic or doctor's office would be zero or minimal. That's because HMO-insurance company profits, big CEO salaries and bonuses, and administrative waste would be eliminated. Just as public fire departments have created an incentive for public education and measures to prevent fires, Single-Payer would create an incentive for encouragement of good habits, like a healthy diet, exercise, and quitting cigarettes.

### **Obstacles to Real Universal Health Care**

Why can't we get a Single-Payer/Medicare For All system? Because the profit-making health insurance and HMO industry holds svengali power over most Republicans and Democrats in Congress and the White House, thanks to campaign contributions. According to the Center for Responsive Politics, the amount of such contributions was over \$46 million in 2008 ( <http://www.opensecrets.org/industries/indus.php?ind=F09> ). Sen. Max Baucus, chair of the Senate Finance Committee, thus declares that Single-Payer is "off the table." Barack Obama once supported Single-Payer, before he launched his bid for president ( [http://www.youtube.com/watch?v=fpAyan1fXCE&feature=player\\_embedded](http://www.youtube.com/watch?v=fpAyan1fXCE&feature=player_embedded) ). Now he favors a plan that would leave the insurance industry in charge.

*Scott McLarty has served as media coordinator for the Green Party of the United States and for the DC Statehood Green Party.*

**The following article is reprinted from the May 23, 2009 edition of The Boston Globe.**

### **Held hostage by the health system**

By Dr. Marcia Angell

The Senate Finance Committee's hearings on health reform earlier this month did not include testimony from any advocate for single-payer insurance. Physicians for a National Health Program, which represents 16,000 doctors, asked the committee to invite me to testify, but it chose not to. If I had been invited, this is what I would have said:

The reason our health system is in such trouble is that it is set up to generate profits, not to provide care. We rely on hundreds of investor-owned insurance companies that profit by refusing coverage to high-risk patients and limiting services to others. They also cream off about 20 percent of the premiums for profits and overhead.

In addition, we provide much of our medical care in investor-owned health facilities that profit by providing too many services for the well-insured and too few for those who cannot pay. Most physicians are paid fee-for-service, which gives them a similar incentive, particularly specialists who receive very high fees for performing expensive tests and procedures. Nonprofits behave much like for-profits, because they must compete with them. In sum, healthcare is directed toward maximizing income, not maximizing health. In economic terms, it's a highly successful industry, but it's a massive drain on the rest of the economy.

The reform proposals advocated by President Obama are meant to increase coverage for the uninsured. That is certainly a worthwhile goal, but the problem is that they leave the present profit-driven and highly inflationary system essentially unchanged, and simply pour more money into it -- an unsustainable situation. That is what is happening in Massachusetts, where we have nearly universal health insurance, but costs are growing so rapidly that its long-term prospects are poor without cutting benefits and greatly increasing co-payments. Initiatives such as electronic records, case management, preventive care, and comparative effectiveness studies may improve care, but the Congressional Budget Office and most health economists agree that they are unlikely to save much money. Promises by for-profit insurers and providers to mend their ways voluntarily are not credible.

Nearly every other advanced country has a largely nonprofit national health system that provides universal and comprehensive care. Expenditures are on average about half as much per person, and health outcomes are generally much better. Moreover, these countries offer more basic services, not fewer. They have on average more doctors and nurses, more hospital beds, longer hospital stays, and there are more doctor visits. But they don't do nearly as many tests and procedures, because there is little financial incentive to do so.

It is often argued that the first order of business should be to expand coverage, and then worry about costs later. But it is essential to deal with both together to stop the drain on the rest of the economy and the further fraying of healthcare. The only way to provide universal and comprehensive coverage and control costs is to adopt a nonprofit single-payer system. Medicare is a single-payer system, with low overhead costs, but it uses the same profit-oriented providers as the private system and also preferentially rewards specialists for tests and procedures. Consequently, its costs are rising almost as rapidly as those in the private sector. Representative John Conyers introduced an excellent bill that calls for extending Medicare to everyone in a nonprofit delivery system. That could be done gradually, by lowering the Medicare age a decade at a time.

A single-payer system is ignored by lawmakers because of the influence of the health industry lobbies. They raise the specter of rationing and long waits for care. There are indeed waits for some elective procedures in some countries with national health systems, such as the United Kingdom. But that's because they spend far less on healthcare than we do. For them, the problem is not the system; it's inadequate funding. For us, it's not the funding; it's the system. We spend more than enough.

I urge you to consider a nonprofit single-payer system. The economic interests of the health industry should not be permitted to hold the rest of the economy hostage and threaten the health and well-being of the public.

*Dr. Marcia Angell is a senior lecturer in social medicine at Harvard Medical School and former editor-in-chief of the New England Journal of Medicine.*

**The following article is reprinted from Robert Reich's Blog of May 18, 2009.**

## **The Health Care Cave-In**

By Robert Reich

Don't make the perfect the enemy of the better" is a favorite slogan in Washington because compromise is necessary to get anything done. But the way things are going with health care, a better admonition would be: "Don't give away the store."

Many experts have long agreed that a so-called "single-payer" plan is the ideal, because competition among private insurers who pay health-care bills inevitably causes them to spend big bucks trying to find and market policies to healthy and younger people at relatively low risk of health problems while avoiding sicker and older people with higher risks (and rejecting those with pre-existing conditions altogether), and also contesting and litigating many claims. A single payer saves all this money and focuses on caring for sick people and preventing the healthy from becoming sick. The other advantage of a single payer is it can use its vast bargaining power to negotiate lower prices from pharmaceutical companies, hospitals, and suppliers.

Not surprisingly, insurance and drug companies have been dead-set against a single payer for years. And they've so frightened the public into thinking that "single payer" means loss of choice of doctor (that's wrong -- many single payer plans in other nations allow choices of medical deliverers) that politicians no longer even mention it.

On the campaign trail, Barack Obama pushed a compromise -- a universal health plan that would include a "public insurance option" resembling Medicare, which individual members of the public and their families could choose if they wished. This Medicare-like option would at least be able to negotiate low rates and impose some discipline on private insurers.

But now the Medicare-like option is being taken off the table. Insurance and drug companies have thrown their weight around the Senate. And, sadly, the White House -- eager to get a bill enacted in 2009 rather than risk it during the mid-term election year of 2010 -- is signaling it's open to other approaches. What other approaches? One would create a public insurance plan run by multiple regional third-party administrators. In other words, the putative "public plan" would be broken into little pieces, none of which could exert much bargaining leverage on Big Pharma and Big Insurance. These pieces would also be so decentralized that the drug companies and private insurers could easily bully (or bribe) regional third-party administrators.

Another approach now being considered in the Senate would have states create their own insurance plans. That's even worse: Big Pharma and Big Insurance are used to buying off state legislators and officials. They'd just continue their current practices.

A third option is to create a public plan that pays for itself and, according to the office of Senator Charles Schumer, who came up with it, "adheres to private-insurance rules." But adhering to private insurance rules is exactly what the public plan is *not* supposed to do. How can it possibly discipline private insurers and get good deals from drug companies and medical providers if it adheres to the same rules that private insurers have wangled?

It's still possible that the House could come up with a real Medicare-like public option and that Senate Dems could pass it under a reconciliation bill needing just 51 votes. But it won't happen without a great deal of pressure from the White House and the public. Big Pharma, Big Insurance, and the rest of Big Med

are pushing hard in the opposite direction. And Democrats are now giving away the store. As things are now going, we'll end up with a universal health-care bill this year that politicians, including our President, will claim as a big step forward when it's really a step sideways.

*Robert Reich was the nation's 22<sup>nd</sup> Secretary of Labor and is a professor at the University of California at Berkley. His latest book is "Supercapitalism".*

**The following article is a reprint from Don McCanne's May 26, 2009 *Quote-of-the-Day*, "More Small Firms Drop Health Care". Don McCanne's *Quote-of-the-Day* is available free from Physicians for a National Health Program. To subscribe to McCanne's excellent daily health policy comment, log onto <http://two.pairlist.net/mailman/listinfo/quote-of-the-day>.**

The Wall Street Journal  
May 26, 2009

## **More Small Firms Drop Health Care**

By Dana Mattioli

Accelerating health-care premiums and sharp revenue shortfalls due to the recession are forcing some small companies to choose between dropping health insurance or laying off workers -- or staying in business at all.

About 10% of small businesses are considering eliminating coverage over the next year, up from 3% in 2005, according to a recent survey by National Small Business Association.

That follows earlier declines in coverage, with just 38% of small businesses providing health insurance last year compared to 61% in 1993, according to the trade group. A Hewitt Associates survey found that 19% of all companies plan to stop providing health-care benefits in the next three to five years.

<http://online.wsj.com/article/SB124329442612051953.html>

**Comment:** Rampant health care cost escalation is a problem for everyone. In bad economic times the problems are compounded, threatening the viability of employer-sponsored coverage. Small businesses that operate on very narrow margins have no choice but to reduce health benefits by either shifting more of the health care costs to their employees, or by eliminating health plans altogether. The fault lies not with the small business owners, but with the flawed U.S. system of financing health care.

The recent Medicare trustees report indicates that Medicare is facing similar economic challenges. But there is a very crucial difference. Everyone recognizes that the high costs of Medicare reflect the excessive rate of increases in total health care spending, and that runaway costs must be harnessed. The stewards of Medicare would never consider reducing legitimate health care benefits, or worse, eliminating many Medicare beneficiaries from coverage.

The point is that the structure of the financing system really matters. We can have a system in which individuals or employers are forced by economic circumstances to reduce or eliminate the financing of essential health care services, or we can have a system in which the government is forced by economic circumstances to demand greater efficiency by the health care delivery system so that everyone can have the health care that they need.

Unfortunately, members of Congress are moving forward with a model that will leave individuals and employers financially vulnerable for our health care needs - a patchwork of private plans and public programs that grow ever less affordable for most of us.

The model that would work is a single payer national health program. But last week, after a recital of several options that are still on the table, Sen. Baucus finally admitted, "Just to be honest, (single payer) is not on the table because it cannot pass."

Hmmm... bad policies can pass but good policies can't? Is there something wrong with the way Congress operates?

**The following article is a reprint from Don McCanne's May 7, 2009 *Quote-of-the-Day*, "The Language of Healthcare 2009".**

## **THE LANGUAGE OF HEALTHCARE 2009**

By Dr. Frank I. Luntz

This document is based on polling results and Instant Response dial sessions conducted in April 2009. It captures not just what Americans want to see but exactly what they want to hear. The Words That Work boxes that follow are already being used by a few Congressional and Senatorial Republicans. From today forward, they should be used by everyone.

You simply **MUST** be vocally and passionately on the side of reform. The status quo is no longer acceptable. If the dynamic becomes "President Obama is on the side of reform and Republicans are against it," then the battle is lost and every word in this document is useless. Republicans must be for the right kind of reform that protects the quality of healthcare for all Americans. And you must establish your support of reform early in your presentation.

### **THE 10 RULES FOR STOPPING THE "WASHINGTON TAKEOVER" OF HEALTHCARE**

- (1) Humanize your approach.
- (2) Acknowledge the "crisis" or suffer the consequences.
- (3) "Time" is the government healthcare killer.
- (4) The arguments against the Democrats' healthcare plan must center around "politicians," "bureaucrats," and "Washington" ... not the free market, tax incentives, or competition.
- (5) The healthcare denial horror stories from Canada & Co. do resonate, but you have to humanize them.
- (6) Healthcare quality = "getting the treatment you need, when you need it."
- 7) "One-size-does-NOT-fit-all."
- (8) WASTE, FRAUD, and ABUSE are your best targets for how to bring down costs.
- (9) Americans will expect the government to look out for those who truly can't afford healthcare.
- (10) It's not enough to just say what you're against. You have to tell them what you're for.

[http://www.politico.com/static/PPM116\\_luntz.html](http://www.politico.com/static/PPM116_luntz.html)

**Comment:** This is an important document. It is Frank Luntz's recommendation to the Republican politicians on how to frame the debate over health care reform. If you have been listening to the

Republicans speak on reform, you have already heard some of the rhetoric, and you will recognize it as you read this report.

This is not a report on health policy. If you read it as if it were a policy paper, you will likely become angered over the liberties that Luntz takes with policy concepts. You will recognize a great many distortions and, worse, many instances in which his statements are not supported by the facts (i.e., "lies" in common parlance).

This is a report on political framing of the debate. It is designed to provide Republicans with political rhetoric that theoretically would shift support to the Republican positions for reform, and away from the Democratic positions. As you read it, you will see that there is a very strong emphasis on the latter, and very little on the former since the Republicans have almost nothing to offer in the way of substantial reform.

A note of caution: As you read the report, you will tend to fall into the trap of responding based on their framing of the issues. Do not do that. Always address the issues within our own framing structure. When you identify rhetoric that is blatantly untrue, you will tend to say, "That's a lie." Such 'tis so/'tis not debates are never productive and tend to favor the smooth talkers (predominantly Republicans). Instead, respond with highly credible facts that use the framing from our own arena.

Another word about lies. You will see that Frank Luntz does not have an issue with this. What counts is a strong message that appears to be credible, regardless of whether or not it is. On our side, we must never lie, nor even distort our message. We have established unblemished credibility with our message, and we must never do anything that might impair that credibility. That makes our task more difficult because we must be very careful that anything we say is supported by sound health policy science. But it also makes the Republicans vulnerable since they tend to concentrate on sound bites that are not based on sound policies. That risks exposing them as charlatans; we can do that with our carefully framed messages.

Some parts of the report actually provide good advice not only for the Republicans, but for the Democrats as well. In fact, you will identify some recommendations that have been lifted from our camp. We can continue to use these, and we should not attack them when they use the same rhetoric. Only when they twist it unfairly should we counter with our rhetoric describing the beneficial impacts of our policies.

Look at this example from the report: "What Americans are looking for in healthcare that your 'solution' will provide is, in a word, more: 'more access to more treatments and more doctors...with less interference from insurance companies and Washington politicians and special interests.'"

What Luntz left unsaid is that these are features that more closely describe the progressive position. Most of the Republican policies would make these worse. Again, you wouldn't respond by saying, "That's not true." You would respond by providing accurate sound bites on how the single payer proposal provides improved access by eliminating financial barriers to care, and single payer would eliminate the private insurance industry so it could no longer interfere with your care.

Wait. Progressive? Single payer? Isn't my comment supposed to be talking about the framing to be used the Democrats? Well, we have a problem here.

Look at another example from Luntz's report: "We suggest ratcheting up the rhetoric against insurance companies to almost the same degree as you do against Washington bureaucracy. Call the Democratic plan a 'bailout for the insurance industry' – both because it is, and because it will build lasting credibility by going after the two things the American people hate most: Washington bureaucracy and insurer greed."

Wow! Luntz is right! The Democratic plan IS a "bailout for the insurance industry." In fact, the Democrats have lost all credibility on this one when they have AHIP's Karen Ignagni front and center at every hearing, every forum, every summit, and her operatives providing input to the closed-door sessions, while they have

excluded from the process those who most vigorously attack the insurance companies - the single payer advocates.

Read Luntz's report. Be prepared to respond using our framing. Attack their credibility when they provide us with obvious openings.

What is sobering is that we have to use the truth to attack both the Republican and the Democratic politicians. And this was to have been our great opening to provide high quality care for everyone.

But don't give up. The Democrats' plan won't work. They'll still need us to fix our system when their failure becomes painfully obvious.

**The following article is a reprint from Don McCanne's May 11, 2009 *Quote-of-the-Day*, "Finance Committee Member Assignments".**

The American Prospect Blog  
May 6, 2009

**Exclusive: Max Baucus's Health Care Team**  
by Ezra Klein

I mentioned yesterday that Chuck Schumer's public plan compromise wasn't a freelance effort: Max Baucus had deputized him to work through the options on the public plan. But he's not the only Finance Committee member that received some homework from Baucus. In fact, Baucus has given every Democrat on the committee a different piece of health reform to focus in on.

This is the list:

Jay Rockefeller: Medicaid Expansion, Premium Subsidies, Quality Improvements

Kent Conrad: Comparative Effectiveness, Chronic Care Management

Jeff Bingaman: Pay-for-Performance, Bundled Payments, IHS

John Kerry: Health Information Technology, Exchange, Small Business Tax Credit

Blanche Lincoln: Small-Group Rating Reforms, Small Business Tax Credit

Ron Wyden: Tax Exclusion, Non-Group Rating Reform

Chuck Schumer: Public Plan

Debbie Stabenow: Employer Pay-or-Play, Medicare Buy-in, HIT

Maria Cantwell: Long-Term Care Reform, Workforce Issues

Bill Nelson: Graduate Medical Education, Medicare Part D

Bob Menendez: Disparities, Individual Requirement

Tom Carper: Fraud and Abuse, Prevention and Wellness, Transparency

[http://www.prospect.org/csnc/blogs/ezraklein\\_archive?month=05&year=2009&base\\_name=exclusive\\_max\\_baucuss\\_health\\_c](http://www.prospect.org/csnc/blogs/ezraklein_archive?month=05&year=2009&base_name=exclusive_max_baucuss_health_c)

**Comment:** Sen. Max Baucus has set an agenda to send a comprehensive health care reform bill to President Obama within the next few months. The significance of the assignments given to each of the Democratic members of the Senate Finance Committee is that they provide considerable insight as to the policies that are likely to be included in the legislative package.

Many of these categories involve significant increases in costs, especially through additional and more complex administrative functions. Potential cost savings here are merely wishes not supported by any solid policy studies. The quest to slow the rate of health care cost increases has been one of the most important driving forces for reform, yet these measures will only add more to the cost burden.

Providing health care for everyone seems to be elusive, and these measures would hardly budge the numbers. Perhaps that is why they changed the goal of universal coverage to a goal of "aim for" universal coverage.

Much of the demand for reform stems from public dissatisfaction with the waste and abuses of the private insurance industry. In response, we were promised much greater regulatory oversight of the private insurers. But where is it? Is that what the "Exchange" is? If so, can you imagine John Kerry crafting legislation that would convert our private insurers into a system of social insurance? Do you think that his conservative approach based on a foundation of sloth might be the reason that he received this important assignment?

The senators have some busy work to do. It's too bad that it's not on health care reform.

**The following article is reprinted from the May 23, 2009 edition of *The Albany Times Union*.**

## **Responding to a National Code Blue**

By Brian Ettkin, Staff Writer

In Andrew Coates' first week as a doctoral intern in Cooperstown, he learned a harsh reality that disturbs him to this day: His ability to care for patients is inhibited by their ability to pay for health care.

"As a brand new intern, I went to my teachers and I said: 'How can I have only learned the state-of-the-art practice of medicine when the ability to pay trumps our ability to provide that? I can't prescribe the drug that I want to because the patient can't afford it. I have to question whether or not I can order the test I want to because the patient can't afford it. What are we going to do about this?'"

"And so then began for me a very serious process about how I could make a difference on behalf of all of the patients."

Coates, an Albany internist and professor at Albany Medical College, sits on the board of directors of Physicians for a National Health Program and is secretary of PNHP's Capital District Chapter. He has advocated for single-payer health care for more than a decade (he recently started blogging on the subject at <http://blog.timesunion.com/coates/>) and is scheduled to speak at the single-payer lobby day and rally Wednesday at the state Capitol. At a pair of U.S. Senate Finance Committee meetings on health care access and coverage earlier this month, 13 medical practitioners and single-payer advocates were arrested when they protested that a single-payer advocate was not included in the discussion.

Coates, 47, speaks thoughtfully and argues persuasively for single-payer health care. A married father of three children who lives in Delmar, he speaks from personal experience too.

After Coates' father-in-law, Tom Williams, retired from his managerial job at Chrysler in Detroit with "gold-plated" health insurance, he was diagnosed with a rare sarcoma in his knee.

"The history of this tumor was that it would spread, and very few of the patients would survive a year ... very, very few patients would survive five years," Coates said.

Coates said his father-in-law's insurance covered health care provided by the surgical oncologist with the most experience treating that type of sarcoma. Through treatment, Coates said, his father-in-law was cured and his leg saved.

But about five years after the start of his father-in-law's treatment at the Mayo Clinic in Rochester, Minn., Coates said, he received a letter from his health insurer that stated, in effect: "Congratulations, you have lived five years. We will no longer pay for any follow-up for the care of your cancer. We have paid enough money for the care of your cancer."

"And that's the gold-plated health insurance," said Coates, who paused to compose himself several times as he recounted his father-in-law's story. "That's the Cadillac coverage that the conservatives decry."

His father-in-law's cancer has not recurred.

Wearing a bow tie and a sweater vest over a button-down white shirt, his long sleeves rolled up on a workday, Coates sat down for an interview this week with the Times Union, excerpts of which follow:

Q: What's at stake in the single-payer debate?

A: As I've gotten deeper into this cause, I begin to understand that it's a question of the American democracy. Of course I believe that health is a human right, I passionately believe that. I recognize that's not a universally shared viewpoint. But health is a necessity of modern life, an unbelievably expensive necessity of modern life, and the only way to provide the necessary care for the sick is for us to share the costs somehow as a society. So I really believe that this becomes a test of the democracy and whether we will have the will to do what's best for the people and best for the health of the nation, or will we choose profitability of a particular industry as the nation's priority.

Q: Some government agencies, it's been noted, don't operate efficiently. Why should we believe a single-payer health care agency would behave differently?

A: We have how many health insurance companies in the United States, how many different plans, how many different processes on each level? I think it's over 1,500. We have a massive tangle of bureaucracy now. How many different fee schedules, how many different plan options are there? How many formulary and prior authorization systems? There's a massive bureaucracy. We have the model of Medicare, which works with as little as one-tenth of the overhead costs of the private insurance industry. We have a positive model, and then we have a massive bureaucracy right now.

As far as the question of you can't trust the government: I realize that many of us all our adult lives have heard that everything private is good and everything public is bad, and even though I scratch my head and wonder what kind of a people that want to live in a democracy would say such a thing, I realize that that's kind of a political reality that we live with. I don't believe that a single-payer system would be perfect. I just believe that would be vastly superior to privatization and profiteering at the expense of the sick.

The health of individuals and the health of people are too important to leave to people who are trying to make a buck. It is the proper role of the public to say so.

Q: How do you respond to critics who decry this is socialism?

A: There are some services that the public has to share. I was being interviewed on the radio once and the caller said, "Isn't this socialism?" It was (WAMC's) Alan Chartock who said, "Oh, right, socialism, like the fire department, socialism like the public schools, socialism like the interstate highway system — next caller." And even with that said, single payer is not a proposal that the government should own the public

health care system. It's a proposal that the government should manage the money that pays for the care privately delivered.

Q: Has the absence of a single-payer system directly affected you as a patient?

A: My own physician dropped my insurance. I have the Empire plan, and over many years, the Empire Plan, which went from not-for-profit to for-profit status, has become increasingly impossible for many physician practices to deal with. So I myself am in the process of finding a new physician who will take my health insurance. These things intervene in all our lives.

**The following editorial is reprinted from the May 19, 2009 edition of *The Albany Times Union*.**

## **Put Single-Payer on the Table**

Earlier this month, eight courageous doctors, lawyers and other activists interrupted a Senate Finance Committee meeting on health care reform to ask why there wasn't one advocate of a single-payer health care system at the table. Chairman Max Baucus, a Montana Democrat, had them arrested. Shame on Senator Baucus, and shame on Congress if it continues to stifle debate on one of the biggest issues facing this country.

To claim, as they have, that "everything is on the table" except a nationalized health insurance system, similar to what many other modern, industrial Western nations have, is much like saying the Thanksgiving meal is complete, except for the turkey.

We are not saying single-payer is necessarily the answer. We are saying that a full discussion of the future of health care in America can't take place if all credible potential solutions aren't examined.

We are mindful that there are powerful pressures on President Obama and Congress against discussing a government-run health care program — whether it is one that coexists with a private insurance market or one, like single-payer, that replaces it entirely. There are the inevitable charges from critics on the right of the S-word — socialism — at any hint of the government suggesting it could do a better job than the private sector.

And then there's the vast and entrenched health care industry, looking to scuttle mere talk of a plan that might help the nation gain control of spiraling health care costs and provide decent, affordable coverage to the 50 million people without it. Hence its vague offer last week to trim an astounding \$2 trillion in costs over 10 years. That the industry could shave \$2 trillion, just like that, would seem to only hint at the excess there is in the current health care system.

And what exactly was this offer?

To trim future growth from a crushing 7 percent a year to a still- unsustainable 5.5 percent. And if costs grow faster anyway? Will we be told, well, it's still less than it might have been?

We recognize that Democrats would want to avoid the more uncomfortable discussion. There are many — including New York's own Sen. Charles Schumer — who agree a single-payer system is the solution America needs, but that it isn't practical right now.

Well, if we can't even discuss it now — when the country is in a recession and the ranks of the uninsured are growing; when major industries like automakers are buckling, in no small measure because of health care costs; when Americans are poised for change and the party that promised it is in power — then when?

Perhaps those who prefer to shy away from the uncomfortable yet absolutely necessary discussion could take courage from 75 members of Congress, including 10 from New York — among them freshman Democrat Paul Tonko of Amsterdam — who signed on to Rep. John Conyers Jr.'s single-payer bill. Or from the people who earlier this month, at the risk of arrest, went to Washington to say what they thought was best for the nation.

We'd like to imagine we sent our representatives there for the same reason.

The issue: Congress shut down debate on a single-payer health care system before it even started.

The Stakes: A solution that many believe is the best for the nation needs to at least be discussed.

**The following article is a reprint from Don McCanne's May 14, 2009 *Quote-of-the-Day*, "Insurers place burdens on physicians' practices".**

Health Affairs  
May 14, 2009

**What Does It Cost Physician Practices To Interact With Health Insurance Plans?**

By Lawrence P. Casalino, Sean Nicholson, David N. Gans, Terry Hammons, Dante Morra, Theodore Karrison, Wendy Levinson

Physicians have long expressed dissatisfaction with the time they and their staffs spend interacting with health plans. However, little information exists about the extent of these interactions. We conducted a national survey on this subject of physicians and practice administrators. Physicians reported spending three hours weekly interacting with plans; nursing and clerical staff spent much larger amounts of time. When time is converted to dollars, we estimate that the national time cost to practices of interactions with plans is at least \$23 billion to \$31 billion each year.

<http://content.healthaffairs.org/cgi/content/abstract/hlthaff.28.4.w533>

And...

Health Affairs  
May 14, 2009

**Peering Into The Black Box: Billing And Insurance Activities In A Medical Group**

By Julie Ann Sakowski, Jeffrey M. Newman, James G. Kahn, Richard G. Kronick, Harold S. Luft

Billing and insurance-related functions have been reported to consume 14 percent of medical group revenue, but little is known about the costs associated with performing specific activities. We conducted semistructured interviews, observed work flows, analyzed department budgets, and surveyed clinicians to evaluate these activities at a large multispecialty medical group. We identified 0.67 nonclinical full-time-equivalent (FTE) staff working on billing and insurance functions per FTE physician. In addition, clinicians spent more than thirty-five minutes per day performing these tasks. The cost to medical groups, including clinicians' time, was at least \$85,276 per FTE physician (10 percent of revenue).

<http://content.healthaffairs.org/cgi/content/abstract/hlthaff.28.4.w544>

**Comment:** Much has been said about the large amount of premium dollars that are spent on the administrative excesses of the private insurance industry. These two important studies add additional evidence that the excesses of the private plans also increase the administrative burden placed on physicians and their co-workers.

The price paid for continuing to tolerate our dysfunctional, multi-payer system is tallied not only in manpower hours lost, but also in the monetary value of this wasteful burden placed on our health care professionals. Not quantified here is the price paid in loss of job satisfaction and the potential negative impact that could have on the enthusiasm for advocating for the best patient care possible within the resources made available.

Yesterday President Obama, boiling it down to basics, said, "But whatever plans emerge, both from the House and the Senate, I do believe that they've got to uphold three basic principles: first, that the rising cost of health care has to be brought down; second, that Americans have to be able to choose their own doctor and their own plan; and third, all Americans have to have quality, affordable health care."

Americans have to be able to choose their own plan? Instead of having all essential care covered automatically by a single program, we have to choose a plan that limits coverage and limits choice of health care professionals? And for that we have to pay much more to cover the wasteful administrative costs of the insurers and the physicians? Why is that a basic principle?

**The following articles are reprinted from Diane Francis' blogs of May 12 and 13, 2009 in *The National Post*.**

## **U.S. health care lies about Canada**

By Diane Francis

Just who is this jerk, Rick Scott of propaganda-mongering Conservatives for Patients' Rights? He and his group are fabricating negatives about Canada's health care system and I resent this. I am an American who has lived in Canada for more than 35 years. I can vouch that the system is more than adequate and is not run by civil servants but by doctors who are able to treat everyone, rich or poor.

Mr. Scott, and other conservatives (code for rich) are against universal health care without any justification whatsoever. Their criticisms are inaccurate and should not be broadcast.

Where are the ethics in network broadcasting? I saw one of Scott's ads on CNN recently and wondered why the same curation of content was not imposed on CNN advertising messages as is upheld editorially. If CNN is unwilling to vet content, then where is the FCC?

The real story

Here are the facts as to why Canada's medical system, far from perfect, is dramatically better than America's:

1. It is cheaper even though it takes care of the entire population, or 10% of GDP compared with 15% in the U.S.
2. Canada's health care system which fully looks after 32 million people costs roughly what the private-sector health insurance companies make in profits in the United States looking after less than half the population for excessive premiums.
3. Canada's health care system is cheaper still if the litigation costs of fighting over medical bills is eliminated as it is when the government is the sole-insurer. Estimates are that court costs and judgments add another 2 to 3% of GDP to the total medical tab.
4. Canada's health care system enhances economic productivity. Workers diagnosed with illnesses can still change employers and be employable because they are not rejected by employers with health benefits due to pre-conditions.
5. Infant mortality is much lower in Canada and Europe than in the U.S.

6. Outcomes with major illnesses, such as cancer and heart disease, are better than in the United States.
7. Longevity is better in Canada and Europe than in the U.S.
8. No emergency is neglected in Canada.
9. Some elective procedures may take longer if compared to blue-ribbon U.S. health care but that's no comparing apples with apples. More appropriately, the overall population's care should be compared and there are tens of millions of Americans who are uninsured or uninsurable.
10. No one in Canada goes broke because of medical bills whereas ARP estimates half of personal bankruptcies are due to unpaid, high medical bills.
11. Canadians are able to choose their own physicians and to seek multiple opinions.
12. Canadian doctors and nurses are better trained than American counterparts and U.S. physicians must study for at least a year in order to qualify to practice in Canada.
13. Drugs made and invented in the United States are cheaper in Canada, Europe and Japan because our communal health care means volume discounts and savings passed along to society. Americans are overpaying.
14. Americans are being cheated by a patchwork quilt system where the highest risk people – veterans, the indigent and elderly – are insured by governments but the “gravy” or young, healthy people are handed over to private insurance companies.

Is Canada's system perfect? No and nobody said it was. Networks should stop allowing propagandists to tell lies and any arguments about other countries' practices should be ignored as totally irrelevant.

The United States is a rich and talented nation and it's very upsetting to me, as an American, that it does not have the world's best medical care for its citizens instead of one of the worst.

Americans deserve better.

## **U.S. healthcare lies Part II**

Posted: May 13, 2009, by Diane Francis

Universal health care is a cornerstone of smart economic policy. Take, for example, the effect of guaranteed health care on economic activity, business expansion or the public's sense of wellbeing.

If a worker in Canada or Europe or Japan has lost his or her job this recession, it's a psychological and financial blow. But if an American worker loses his or her job, the family faces financial ruin if sickness strikes any member because they are without healthcare coverage. Bridge coverage is available but unaffordable for anyone but the wealthy.

Worse yet, if a major illness is diagnosed during unemployment, a workers becomes unemployable, bringing about a life sentence of poverty. Little wonder, then, that consumer spending has ground to halt in the United States which makes the economic meltdown that much harder to combat or ever solve.

This underscores the fact that universal health care is not just smart and fair social policy but it is also smart economic policy.

But there are many other economic advantages to universal health care which makes one wonder why the

Republicans, conservatives and business interests haven't been pushing for it. Instead, they are gearing up for a battle against President Obama which is, frankly, acting against their own best long-term interests. Here's why:

1. The U.S. spent 16.2% of its GDP on health care plus up to 3% more on litigation concerning medical bills while other countries spend 10% and nothing on litigation because bills are paid by everyone. This is America's number one competitive disadvantage going forward.

2. People with serious illnesses are uninsurable and are stuck in jobs they cannot leave or remain unemployed because they are unemployable.

3. Tens of millions of uninsured people in the U.S. end up with health problems that become a drain on the society and economy in the long run.

4. Doctor, nursing, hospital and drug costs are out of control in the U.S. because of the profit motive, compared to countries where universal health care provides the basic underpinning. (By the way, in Canada only 50% of total healthcare expenditures are covered by governments and the rest by individuals such as eyewear, dental or elective surgeries.) U.S. costs are higher because doctors can over-service those with health insurance, and patients can over-demand. Litigation also leads to over-doctoring (too many tests or too many days in hospitals) as well as high expenses in the form of malpractice insurance, an overhead which, in comparison, is negligible in Canada or Europe.

5. Detroit's three automobile companies have gone bust in large measure due to "legacy" or gold-plated healthcare promises at America's excessive prices that made that were unaffordable. This is not unique to the auto sector and has driven many jobs offshore in manufacturing.

Canada has a better health care system than does America. So does Europe and Japan. Even developing nations, such as Ecuador or Mexico, look after all the basic needs of its population better than America looks after its hard-working citizens. As an American living in Canada, I find it embarrassing that America – rich and smart – has such a mediocre health care system.

I find it embarrassing that even educated and financially astute Americans buy the lies that the AMA and others spew about Canada and other "socialized" medical schemes.

Facts are that governments in the U.S. are suckers. They cover the high-risk populations – indigent, elderly and veterans – and leave the gravy to the private-sector health insurers. These companies, by the way, make profits off their operations which are the same size as Canada's entire health care tab for 32 million people.

It's pretty shameful, but delusions persist and the medical myth-makers are girding for battle. But Americans are capable of skepticism and change and deep down most realize that their health care system is sick, maybe terminal, and needs treatment as soon as possible.

**The following article is reprinted from the May 22, 2009 edition of *The New York Times*.**

## **Blue Double Cross**

By Paul Krugman

That didn't take long. Less than two weeks have passed since much of the medical-industrial complex made a big show of working with President Obama on health care reform — and the double-crossing is already well under way. Indeed, it's now clear that even as they met with the president, pretending to be

cooperative, insurers were gearing up to play the same destructive role they did the last time health reform was on the agenda.

So here's the question: Will Mr. Obama gloss over the reality of what's happening, and try to preserve the appearance of cooperation? Or will he honor his own pledge, made back during the campaign, to go on the offensive against special interests if they stand in the way of reform?

The story so far: on May 11 the White House called a news conference to announce that major players in health care, including the American Hospital Association and the lobbying group America's Health Insurance Plans, had come together to support a national effort to control health care costs.

The fact sheet on the meeting, one has to say, was classic Obama in its message of post-partisanship and, um, hope. "For too long, politics and point-scoring have prevented our country from tackling this growing crisis," it said, adding, "The American people are eager to put the old Washington ways behind them."

But just three days later the hospital association insisted that it had not, in fact, promised what the president said it had promised — that it had made no commitment to the administration's goal of reducing the rate at which health care costs are rising by 1.5 percentage points a year. And the head of the insurance lobby said that the idea was merely to "ramp up" savings, whatever that means.

Meanwhile, the insurance industry is busily lobbying Congress to block one crucial element of health care reform, the public option — that is, offering Americans the right to buy insurance directly from the government as well as from private insurance companies. And at least some insurers are gearing up for a major smear campaign.

On Monday, just a week after the White House photo-op, The Washington Post reported that Blue Cross Blue Shield of North Carolina was preparing to run a series of ads attacking the public option. The planning for this ad campaign must have begun quite some time ago.

The Post has the storyboards for the ads, and they read just like the infamous Harry and Louise ads that helped kill health care reform in 1993. Troubled Americans are shown being denied their choice of doctor, or forced to wait months for appointments, by faceless government bureaucrats. It's a scary image that might make some sense if private health insurance — which these days comes primarily via HMOs — offered all of us free choice of doctors, with no wait for medical procedures. But my health plan isn't like that. Is yours?

"We can do a lot better than a government-run health care system," says a voice-over in one of the ads. To which the obvious response is, if that's true, why don't you? Why deny Americans the chance to reject government insurance if it's really that bad?

For none of the reform proposals currently on the table would force people into a government-run insurance plan. At most they would offer Americans the choice of buying into such a plan.

And the goal of the insurers is to deny Americans that choice. They fear that many people would prefer a government plan to dealing with private insurance companies that, in the real world as opposed to the world of their ads, are more bureaucratic than any government agency, routinely deny clients their choice of doctor, and often refuse to pay for care.

Which brings us back to Mr. Obama.

Back during the Democratic primary campaign, Mr. Obama argued that the Clintons had failed in their 1993 attempt to reform health care because they had been insufficiently inclusive. He promised instead to gather all the stakeholders, including the insurance companies, around a "big table." And that May 11 event was, of course, intended precisely to show this big-table strategy in action.

But what if interest groups showed up at the big table, then blocked reform? Back then, Mr. Obama assured voters that he would get tough: "If those insurance companies and drug companies start trying to run ads

with Harry and Louise, I'll run my own ads as president. I'll get on television and say 'Harry and Louise are lying.' ”

The question now is whether he really meant it.

The medical-industrial complex has called the president's bluff. It polished its image by showing up at the big table and promising cooperation, then promptly went back to doing all it can to block real change. The insurers and the drug companies are, in effect, betting that Mr. Obama will be afraid to call them out on their duplicity.

It's up to Mr. Obama to prove them wrong.