

# Health Care for All

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## *The Problem*

America's health care system is broken. Health costs are rising out of control. The number of Americans without health insurance is growing. And the likelihood of losing – or not being able to afford – good health care is striking fear in the hearts of many family breadwinners. Meanwhile, private insurance and drug companies – and their CEOs – are raking in huge profits.

Skyrocketing health care costs are pricing care out of reach for more and more families and businesses. The number of uninsured in America has shot up to 47 million, including 9 million kids. Employers are passing more costs onto employees or finding it difficult to offer coverage at all – and many are dropping coverage altogether for early retirees. Private insurance companies make money by avoiding insuring those who are sick, and insurance agency clerks tell doctors what treatments they can prescribe. Many families are one medical emergency away from bankruptcy.

## *The Reason*

Seven years of Bush and Republican rule in Washington has made the problem worse. Right-wing Republicans in Congress joined Bush to block bipartisan legislation expanding health care for children. They lavished billions in subsidies on insurance companies, while seeking to cut billions from Medicare and Medicaid. They stood with the drug lobby and blocked efforts to let Medicare negotiate lower drug prices and allow Americans to import affordable medications from Canada.

Even Republicans can't ignore public demands for health care reform, but their proposals would make problems worse – encouraging employers to drop health care coverage, while offering individuals the illusion that tax breaks would be enough to help them buy health insurance for their families in the private market. They preach freedom to choose, yet they have left too many Americans stuck with only bad health care choices. It's time for a progressive solution: real health care choices guaranteeing quality health care for all at an affordable cost.

## *The Solution*

High quality health care is a right for all, not a privilege for the few. It's time to guarantee health care for all, while getting costs under control. And let Americans enjoy the same choice of plans that their elected U.S. representatives enjoy.

With guaranteed affordable choice, insurance companies won't be able to discriminate against those who are sick. If you have insurance you like, you can keep it. If you don't have insurance you like, or don't have it at all, you can choose from the private plans now available to Congress, or opt into a new public insurance plan.

No longer will Americans be denied health care because they can't afford it, or because they lose their jobs, or because they have pre-existing medical conditions.

Guaranteeing health care for all will help save up to \$120 billion as we emphasize preventative care and move towards electronic medical records. This guarantee will help limit costly emergency room visits and unnecessary medical procedures. And a new report by the Lewin Group for the Economic Policy Institute finds a health care plan combining the best elements of today's employer-based system and a public plan would save more than \$1 trillion over the next 10 years and cover 99.6 percent of all Americans.

## *Telling the Story*

### ◆ **Stories to Look for**

- ◆ Children without SCHIP coverage because expansion was vetoed
- ◆ Families who went bankrupt because of high medical costs
- ◆ People who had insurance but their insurance company refused to cover the costs of treatment for an illness or injury, leading to extreme debt or medical problems
- ◆ People who lose coverage because they are laid off, and cannot get coverage because of a pre-existing condition
- ◆ Seniors who fall into Medicare prescription benefit “donut hole” and face large drug bills
- ◆ Congressional recipients of pharmaceutical or insurance company donations, who then vote to protect corporate interests

### **Spotlight Story**

When Steve and Leslie Shaeffer's daughter, Selah, was diagnosed at age 4 with a potentially fatal tumor in her jaw, they figured their health insurance would cover the bulk of her treatment costs.

Instead, almost two years later, the Murrieta, Calif., couple face more than \$60,000 in medical bills and fear the loss of their dream home. They struggle to stave off creditors as they try to figure out how Selah can keep seeing the physician they credit with saving her life.

"We're in big trouble," Leslie said.

Shortly after Selah's medical bills hit \$20,000, Blue Cross stopped covering them and eventually canceled her coverage retroactively, refusing to pay for treatment, including surgery the insurer had authorized in advance.

The company accused the Shaeffers of failing to disclose in their coverage application an undiagnosed bump on Selah's chin and physician visits for croup. Had that been disclosed, the company said in a letter, it would not have insured Selah.

The Shaeffers say they weren't trying to hide anything. When they applied for coverage, Selah did not have a tumor, at least as far as they – or any physician – knew. The doctor visits occurred after Leslie filled out the paperwork, and they seemed routine, the Shaeffers say. They believe Blue Cross was looking for any excuse to dump their daughter and dodge her bills.

*Los Angeles Times, September 17, 2007<sup>1</sup>*

## Hot Facts

### ◆ **Our health care system is broken...**

- ◆ 47 million Americans are uninsured, up from 38 million in 2000, including 9 million kids.<sup>2</sup>
- ◆ Between 2000 and 2006, family health insurance premiums rose 57%.<sup>3</sup> Incomes went down 2%.<sup>4</sup>
- ◆ More than half of all personal bankruptcies are due to medical bills.<sup>5</sup> Every 30 seconds, someone files for "medical bankruptcy."<sup>6</sup>
- ◆ Only 60% of American businesses offered health benefits in 2007, down from 69% in 2000.<sup>7</sup>
- ◆ Co-pays are on the rise. The percentage of workers with HMO plans subject to a high \$20 co-payment for a physician visit increased tenfold between 2000 and 2007 (from 3 to 34 percent).<sup>8</sup>

### ◆ **...and Bush and congressional Republicans have made it worse.**

- ◆ Bush and a Republican minority in Congress blocked bipartisan legislation – twice – that would have provided health care to 4 million uninsured children.
- ◆ Republicans used a filibuster to prevent Congress both from allowing Medicare to negotiate with drug companies for lower prices, and allowing us to get affordable medications from Canada.
- ◆ Rep. Billy Tauzin (R-LA) designed the law banning Medicare from negotiating lower drug prices. After the law passed, he immediately resigned and took a \$2 million job as CEO for the drug lobby.<sup>9</sup>
- ◆ Medicare has become partially privatized, as billions in wasteful subsidies are doled out to private insurance and drug companies through Medicare Part D<sup>10</sup> and Medicare Advantage.<sup>11</sup>

### ◆ **Republicans protect insurance companies that make money trying to avoid insuring those who need it most.**

- ◆ Insurance companies are raking in record profits, with the top five health insurance companies grabbing a combined profit of \$10 billion.<sup>12</sup>
- ◆ Insurance company profits rose an amazing 1,084 percent in five years.<sup>13</sup>
- ◆ The health industry spends hundreds of millions in lobbying and campaign contributions,<sup>14</sup> then reaps billions in government subsidies in return.
- ◆ They promote caps on jury awards in malpractice cases even though that would do nothing to lower health care costs<sup>15</sup>, because they're more interested in protecting insurance companies than the middle class.

## Public Pulse

### ◆ Health care reform is a top priority for America's voters.

- ◆ Health care is right behind the economy in voter priorities for the 2008 election.<sup>16</sup> (*Fortune Magazine, January 2008*)
- ◆ 81% of Americans are “dissatisfied” with health care in this country.<sup>17</sup> (*Gallup, November 2007*)
- ◆ 74% of voters believe that the “number of Americans who do not have health insurance” is a “very serious” problem. An additional 19% believe it is “somewhat serious.”<sup>18</sup> (*NPR/Kaiser Family Foundation/Harvard School of Public Health, February 2008*)

### ◆ Voters want government to guarantee health coverage for all, if they have a choice in plans.

- ◆ Voters prefer “guarantee[d], affordable health insurance coverage” by a three-to-one margin over Republican proposals such as health savings accounts or tax credits.<sup>19</sup> (*Lake Research Partners, November 2007*)

In head-to-head polling, the statement “an approach that would **guarantee affordable health insurance coverage for every American with a choice** of private or public plans that cover all necessary medical services, paid for by employers and individuals on a sliding scale,” wins **67% support** at the same time “a Health Savings Account program that would provide tax-deductible savings accounts to all Americans if they purchase a private insurance plan with at least a thousand dollar deductible,” which garners **only 20% support**.

Similarly, **guaranteed affordable choice wins 65% support** when matched against “an approach that would provide tax credits that will reimburse individuals and families for 25 to 50 percent of the cost of their private health insurance policies,” garners **20% support**.

Lake concludes: “Voters often support reform proposals in principle – but pull away from policy specifics fearing higher costs or lower quality *for them personally*. They don’t want to lose what they have. Choice is key to reassure them.”

- ◆ Nearly two-thirds (64%) agree that “the federal government should guarantee health insurance for all Americans.” The same share agrees “it is the responsibility of the federal government to make sure all Americans have health care coverage.” (*CBS/New York Times, February 2007*<sup>20</sup>; *Gallup, November 2007*<sup>21</sup>)

◆ **Voters are willing to pay for health care reform, to a point.**

- ◆ “If you had to choose, which do you think is more important for the country to do right now, maintain the tax cuts enacted in recent years or make sure all Americans have access to health care?” (*CBS/New York Times, February 2007*)

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Access to health insurance:	76%
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Cutting taxes:	18% <sup>22</sup>
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- ◆ “Would you be willing or not willing to pay higher taxes so that all Americans have health insurance that they can't lose no matter what?” (If “willing”) “Would you be willing or not willing to pay \$500 a year more in taxes so that all Americans have health insurance they can't lose, no matter what?” (*CBS/New York Times, February 2007*)

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Willing:	60%
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<i>Willing to pay \$500:</i>	<i>49%</i>
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<i>Willing, but not \$500:</i>	<i>10%</i>
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<i>Willing, not sure about \$500:</i>	<i>1%</i>
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Not willing:	34% <sup>23</sup>
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## Message Box

Us on Us	Them on Us
<p>Affordable high quality health care should be a right, not a privilege. It's time to guarantee quality affordable health care for all.</p> <p>Ban insurance company discrimination against those who are sick. Like what you have, you keep it. Don't like what you have, you get a choice between quality private and public plans like that enjoyed by your congressional representative. We'll cover everyone and save money. And have government act as a watchdog to monitor costs, coverage and quality.</p>	<p>They want socialized medicine, a government takeover of health care.</p> <p>You think health care is expensive, wait until liberals make it "free."</p> <p>Your treatment should be provided by doctors, not by bureaucrats.</p>
Us on Them	Them on Them
<p>Our health care system is broken, and the Bush administration and congressional Republicans have made it worse. And their reforms would encourage more companies to drop health insurance altogether.</p> <p>Why? Because they cater to insurance companies that make money trying to avoid insuring those who need it most, and would let insurance company clerks tell doctors what they can prescribe.</p> <p>Their proposals encourage employers to quit providing insurance to employees, leaving you with little choice of unaffordable insurance plans in a rigged market.</p> <p>They opposed creating Medicare by calling it socialism. Now they're trying to stop health care for all.</p> <p>Capping jury awards would have almost no impact on health costs – but it would protect insurance company profits over patients victimized by fraud or negligence.</p>	<p>The way to get costs under control is to provide competition, and to help patients make informed decisions.</p> <p>We'll provide you with tax credits, and tax-free health savings accounts, so you can purchase the plan that fits your needs best.</p> <p>Lawsuits are driving good doctors out of practice. We need to stop excessive jury payouts and frivolous lawsuits.</p>

## *Words to Avoid*

The following words and phrases trigger skepticism of a government role in health care reform, according Lake Research Partners:

- ♦ Universal coverage
- ♦ A system like Social Security
- ♦ Canadian-style health care
- ♦ Government health care
- ♦ Regulations
- ♦ Required

## *Additional Resources*

Campaign for America's Future: Health Care For All  
<http://ourfuture.org/healthcare>

Lewin Group analysis of "Health Care for America" plan  
<http://ourfuture.org/healthcare/Lewin-Group-report>

AFL-CIO: America's Health Care Crunch  
<http://www.aflcio.org/issues/healthcare/crisis.cfm>

Stories about health care problems (searchable by state)  
<http://www.healthcaresurvey.aflcio.org>

Economic Policy Institute Agenda for Shared Prosperity – Health Care:  
<http://www.sharedprosperity.org/topics-health-care.html>

The Henry J. Kaiser Family Foundation:

Kaiser Health Security Watch, December 2007  
<http://www.kff.org/healthpollreport/CurrentEdition/security/upload/HSW1207.pdf>

Employer Health Benefits: 2007 Summary of Findings  
<http://www.kff.org/insurance/7672/upload/Summary-of-Findings-EHBS-2007.pdf>

Wages and Benefits: A Long-Term View  
<http://www.kff.org/insurance/snapshot/chcm012808oth.cfm>

Kaiser Commission Key Facts on Medicaid and the Uninsured  
[http://kff.org/uninsured/upload/1420\\_09.pdf](http://kff.org/uninsured/upload/1420_09.pdf)

The Uninsured: A Primer. Key Facts about Americans Without Health Insurance  
<http://kff.org/uninsured/upload/7451-03.pdf>

Current polling on health care:  
<http://www.pollingreport.com/health3.htm>

## Endnotes

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- <sup>1</sup> "Sick but Insured? Think Again," *Los Angeles Times*, 17 September 2007.  
<http://www.consumerwatchdog.org/nw/?postId=6833>
- <sup>2</sup> United States Census Bureau, "Income, Poverty, and Health Insurance Coverage in the United States: 2006," August 2007. <http://www.census.gov/prod/2007pubs/p60-233.pdf>
- <sup>3</sup> The Henry J. Kaiser Family Foundation. Employer Health Benefits 2007 Annual Survey: Exhibit 6.2 Average Annual Firm and Worker Premium Contributions and Total Premiums for Covered Workers for Single and Family Coverage, by Plan Type, 2007. 11 September 2007.  
<http://www.kff.org/insurance/7672/sections/ehbs07-6-2.cfm>. (Adjusted for 2006 dollars)
- <sup>4</sup> Bruce H. Webster Jr. and Alemayehu Bishaw, "Income Earning, and Poverty Data From the 2006 American Community Survey," United States Census Bureau, August 2007. Available from:  
<http://www.census.gov/prod/2007pubs/acs-08.pdf>.
- <sup>5</sup> Health Affairs. "Marketwatch: Illness and Injury Contributors to Bankruptcy." February 2, 2005.  
<http://content.healthaffairs.org/cgi/content/full/hlthaff.w5.63/DC1>
- <sup>6</sup> "Sick and Broke," Elizabeth Warren, *Washington Post*, 9 February 2005.  
<http://www.washingtonpost.com/wp-dyn/articles/A9447-2005Feb8.html>
- <sup>7</sup> "Whither Employer-Based Health Insurance? The Current and Future Role of U.S. Companies in the Provision and Financing of Health Insurance," Sara R. Collins, Ph.D., Chapin White, Ph.D., and Jennifer L. Kriss, Commonwealth Fund, September 2007.  
[http://www.commonwealthfund.org/publications/publications\\_show.htm?doc\\_id=522916](http://www.commonwealthfund.org/publications/publications_show.htm?doc_id=522916)
- <sup>8</sup> The Henry J. Kaiser Family Foundation. Employer Health Benefits 2007 Annual Survey: Exhibit 7.23 Among Covered Workers in HMOs With a Copayment for a Physician Office Visit, Percentage with Various Copayments, 1999-20007. 11 September 2007.  
<http://www.kff.org/insurance/7672/sections/ehbs07-7-23.cfm>
- <sup>9</sup> Ted Barrett, "Congressman Under Fire for Job Offer," *CNN.com*, 26 January 2004.  
<http://www.cnn.com/2004/ALLPOLITICS/01/26/tauzin.ethics/index.html>; See also: "Under the Influence" *CBS News- 60 Minutes*, 29 July 2007.  
<http://www.cbsnews.com/stories/2007/03/29/60minutes/main2625305.shtml>.  
[http://www.tompaine.com/print/drugs\\_for\\_money.php](http://www.tompaine.com/print/drugs_for_money.php)
- <sup>10</sup> The waste and inefficiency built into the structure of the Medicare Part D prescription drug program will add more than \$800 billion to the cost of prescription drugs to the government and beneficiaries over its first decade. See "The Excess Cost of the Medicare Drug Benefit," Dean Baker, Ph.D., Center for Economic and Policy Research and Institute for America's Future, February 2006. Available at <http://www.ourfuture.org/report/excess-cost-medicare-drug-benefit>
- <sup>11</sup> Our government pays Medicare Advantage plans roughly \$1,000 more per beneficiary per year than it would cost to cover the same person through traditional Medicare, costing \$149 billion over 10 years. See "Curbing Medicare Advantage Overpayments Would Strengthen Medicare," Center for Budget and Policy Priorities, 5 December 2007. <http://www.cbpp.org/12-5-07health.htm>
- <sup>12</sup> "Industry: Health Care: Insurance & Managed Care," *CNNMoney/Fortune* 2007.  
[http://money.cnn.com/magazines/fortune/fortune500/2007/industries/Health\\_Care\\_Insurance\\_Managed\\_Care/1.html](http://money.cnn.com/magazines/fortune/fortune500/2007/industries/Health_Care_Insurance_Managed_Care/1.html)
- <sup>13</sup> "Insurance Company Profits are Fat and Healthy," AFL-CIO 2008. <http://www.cbpp.org/4-23-04tax.pdf> Profits of the 18 health insurance companies that make up the Corporate Library's health insurance industry classification, based on an AFL-CIO review of 10-Ks
- <sup>14</sup> The health industry spent more than \$380 million on lobbying in 2006 and another \$460 million in campaign contributions since 2000. Center for Responsive Politics, Health Industry.  
<http://opensecrets.org/lobbyists/indus.asp?ind=H&year=2006> and  
<http://opensecrets.org/industries/indus.asp?ind=H&cycle=2008>

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- <sup>15</sup> “Even a reduction of 25 percent to 30 percent in malpractice costs would lower health care costs by only about 0.4 percent to 0.5 percent”. See “Limiting Tort Liability for Medical Malpractice,” Congressional Budget Office, 8 January 2004.  
Available at <http://www.cbo.gov/ftpdoc.cfm?index=4968> .  
More at <http://www.saynotocaps.org/factsandfigures/justthefacts.htm>
- <sup>16</sup> *Fortune* Magazine poll conducted January 14-16, 2008.  
<http://money.cnn.com/magazines/fortune/electionpoll/2008/pollresults.html>
- <sup>17</sup> Gallup Poll. November 2007. <http://www.pollingreport.com/health3.htm>
- <sup>18</sup> NPR/Kaiser Family Foundation/Harvard School of Public Health, February 14-24, 2008.  
<http://pollingreport.com/health3.htm>
- <sup>19</sup> “How to Talk to Voters About Health Care: Framing + Messages,” Lake Research Partners, 2 November 2007. Available at <http://www.herndonalliance.org/pdf/celindaLakeNov07.pdf>
- <sup>20</sup> CBS/NYT poll Feb. 23-27, 2007.  
Available at [http://graphics8.nytimes.com/packages/pdf/national/03022007\\_poll.pdf](http://graphics8.nytimes.com/packages/pdf/national/03022007_poll.pdf)
- <sup>21</sup> Gallup Poll. November 2007. <http://www.pollingreport.com/health3.htm>
- <sup>22</sup> CBS/NYT poll Feb. 23-27, 2007. See note 18.
- <sup>23</sup> *Ibid.*