

There Is a Train Wreck Ahead – in fact, it’s here!

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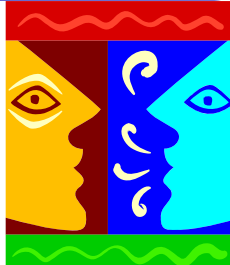

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What is the Healthcare Train Wreck?

-- and how can we talk about it so people “get it?”

“Of all the forms of inequality, injustice in health care is the most shocking and inhumane.”

– Martin Luther King, Jr.




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Do we have the best healthcare in the world?

- Dick Cheney does. He has a single-payer healthcare plan provided by the Federal government.
- Do you?

The government is not an alien force. It is us.



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Just the Facts, Ma’am!

- **Highest Cost of Medical Care in the world!**
- **We are number 37 in the world for med. outcomes (between Costa Rica/Slovenia)**
<http://www.who.int/whosis/indicators/2007compendium/en/index.html>
- **47 million uninsured in the country**
- **Millions of underinsured**

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Who are the uninsured?

- Working poor
- Students
- Those who work part-time jobs: temp, teachers, seasonal
- Between jobs
- People who are **really** sick and c insurance (the dreaded pre-existit
- People who got really sick and go by their insurance company



Without Health Care for All, we will not regain our dignity as a nation.

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How did this happen? (History: 1700 to 1860’s)

- Cures happen at home.
- Hospital is where the indigent and mentally ill get stuck.
- Anyone can practice medicine.
- Sickness is caused by moral turpitude or imbalance with nature.
- No financing except charity or barter
- Doctors for the AMA in 1847.

<http://faculty.smu.edu/tmayo/health%20care%20timeline.htm>

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1860s - early 1900s

- In Germany, Bismarck provides "safety net" to workers
- Hospital becomes place of Healing
- Medicine becomes a Science (Crimean and Civil Wars)
- Surgery and Nursing
- Pasteur's germ theory
- Laboratories for diagnosis, X-rays and anesthetics. Enhance role of hospitals.

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1910-1930

- **1914 American Association for Labor Legislation (AALL), first national conference on "social insurance": free medical care, paid sick leave and small death benefit. Doctors and insurance companies kill it.**
- Samuel Gompers, AFL, denounced it as a "menace to the rights, welfare, and liberty of American workers."
- Insurance companies offer health insurance to kill future efforts.

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1930's

- Depression: Social Security Act passed. FDR fought for health insurance but failed.
- Hospitals create the first structured, non-profit, pooled financing mechanism: Blue Cross. Blue Shield for surgery for
Insurance companies hate it.



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1940's to 1950's

- 1942: WWII, wage and price controls are imposed on employers; offer health benefits to compete.
- 1945: Truman proposes universal healthcare system. Denounced by AMA, doctors, US Chamber of Commerce. Plan called a communist plot.
- Southern politicians feared healthcare would lead to federal action against segregation.



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1960's: Pressures for gov't Ins. System fought by org. medicine and insurers

- Price of hosp. care doubles
- People (esp. aged) can't afford healthcare or insurance (over 700 for-profits cherry pick young and healthy people and costs go up.)
- 1960: Fed. Employees health benefits
- In Europe, organized labor worked with politicians for HC for everyone. Not here!

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1965-70's: Johnson Years

- **1965: Medicare and Medicaid authorized.** Signed in Independence MO with Truman present.
- 1971: Sen. Edward Kennedy chairs Senate Health Services Subcommittee. Issues report, "The Health Care Crisis in America."
- Pres. Nixon fears Kennedy in 1972 election and releases his own health-care plan, the National Health Insurance Partnership Act, aimed to p private insurance market while requiring either cover workers or make payer government insurance fund. (Sound Watergate! Both plans die.



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Late 1970's to now

- Carter wanted national program but focuses on reining in costs. Proposed caps on hospital charges, but hospitals and business lobbied fiercely against it.
- Reagan elected on promise to limit government; no one tries again until Clinton.
- Managed care resurrected.
- Hillary promotes Clinton plan: "Harry and Louise" kill it!

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...And how's that working for us?



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What do we have?

- Millions uninsured
- Millions underin
- Millions dumped
- Millions getting hospitals
- Millions refused conditions
- Millions hounded collectors
- Millions forced to pay hospitals tens of thousands of dollars before they can even be seen



ditions form
re-existing
hospital debt

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Let's start by agreeing on universal principles

- Every working parent *must* be able to take kids to the doctor
- Medical decision *must* be made by us and our doctors, not insurance company bureaucrats
- No one should profit from people's suffering
- Pricing for care *must not* be a secret
- We should not be herded to a "panel" of physicians because it's good for insurance company executives



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Part D: Who Wins??

- Average senior: saved \$9 per month
- Jay Gellert, Health Net: \$11,639,834
- William McQuire, United Health Group: \$10,697,442
- Larry Glasscock, Wellpoint (Blue Cross): \$8,523,139
- Edward Harnway, Cigna, \$12,373,300
- Insurance Company profits increased 234% from 2000 to 2004



Modern Healthcare: April and July Issues 2006

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Anyone have the answer?

"I don't believe there's any problem in this country, no matter how tough it is, that Americans, when they roll up their sleeves, can't completely ignore."

George Carlin



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Solutions

- SB 840: Sheila Kuehl



- HR 676: John Conyers



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How do we talk about Health care?

- Iraq War, Economy, Healthcare. Combine them!
- Voters are concerned will cost more
- Voters are frightened and resent that insurance companies deny coverage
- Voters support reform proposals in principle — but are afraid they will lose what they have.
- Voters strongly support Medicare but believe it has problems. (Part D has hurt us)

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Core Beliefs of Americans

- Core value – pursuit of American Dream, our country's destiny, family's well-being and future.
- No American should be denied health care.
- Market forces are not enough.
- Voters believe everyone should have access to quality, affordable health care — but don't want to pay for "undeserving".
- Voters want an "American" solution.

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Dealing with Barriers

- Incorporate "personal responsibility"
- Include options and choices in proposals
- Talk about preventive care
- Find a uniquely *American* solution
- Emphasize security and peace of mind
- Focus on support for small business
- Define a role for government as watchdog and rule maker
- Animate anger, not fear

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Myths and Misinformation #1

- **America has the best health care system in the world.** There is an ever-widening disparity between rich and poor, and esp. in HC. We are #1 in spending and technology, 37th overall, 54th in fairness (tied with Fiji).
- **Everybody has access to care through the emergency room.** (Most expensive and inconvenient way possible.) Many don't go till it's too late.
- **The free market is always the solution.** We've given it a century. It isn't getting better. ("How's that working for you?")

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Myths #2

- Private is always better than public.
- Government does lots of things best:
 - Socialized military
 - Socialized schools
 - Socialized Airport security
 - Socialized Defense
 - Socialized Road construction
 - Socialized Police
 - Socialized Firefighters

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Myths #3

- **Medicare is wasteful, “the Market” is not.** Private ins. companies pay as much as 30% in overhead costs, such as advertising and administration. Medicare pays 2-3%.
- **Medicare is going broke.** Every developed industrialized country assures coverage for everyone, and they spend much less than we do. The AMA intentionally spread this myth and the Insurance/Pharmaceutical industries perpetuate it.
- **Americans will not accept health care rationing like they have in other countries. We already have rationing.** And in this country we ration based on money, not need for care. Is this fair or rational?
- **Canada’s health care system is terrible and failing.** Not true.

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Myths #4

- **Drug prices are higher in the US because our pharmaceutical industry spend billions of dollars on research and development.**
 - Highest profit margin, 19%, of all US corporations. (Avg. is 5%.)
 - They spend three times as much on marketing and admin. costs as on R&D.
 - They have manipulated patent law to keep cheaper generic products off the market; given kickbacks to doctors who overcharge Medicare for drugs; price fixing, paying off various professionals including physicians, bribed legislators (Medicare Part D), and created phony grassroots groups like “Citizens for a Better Medicare.” (See Marcia Angell, editor of *The New England Journal of Medicine*.)

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Myths #5

- **We can get to Universal Coverage through Incremental Changes.** Until insurance companies are out of the picture, nothing will change.
- We have successful single payer models: Medicare, Medicaid, Indian Health System, VA, SCHIP, Federal employees plan (“Cheney-care.”) They all work better than the private system.

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Myth #6: Will populations change?

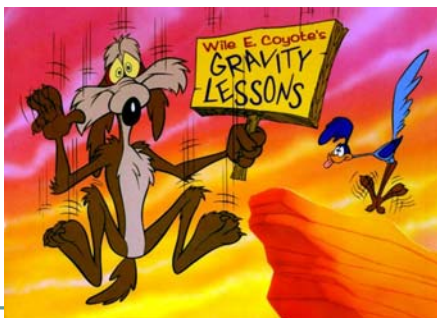
- **The masses will move to California if we pass SB 840**
 - SB 840 requires residency
 - Will the masses move here from other states?
- **Doctors will leave**
 - Earnings twice as much as elsewhere –incomes 6. 6 times greater than the average patient



Tactics used to scare us

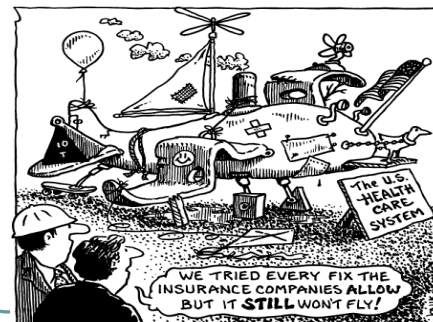
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“You Can’t Cross a Chasm in Small Steps” – David Lloyd George



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Why have incremental reforms proven so ineffective in practice?



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What does single payer save schools?

- Eureka City Schools – \$1.5 to \$2.6 million
- Salinas UHSD -\$4 to \$6.5 million
- Stockton USD- \$9.9 to \$17 million
- San Diego USD- \$15 to \$41 million
- Elk Grove USD- \$2 to \$12 million
- LAUSD- \$127 to \$279 million
- Long Beach Combined Employer and Employee Savings of \$22 million
- Visalia USD- \$8.7 to \$12.8 million



Assumptions

Use payroll tax rates suggested by the Lewin Report, 8.17% for employers, 3.78% for employees, for a combined 11.95%

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What do we need from you?

- Talk about this with your community
- Get the stories of those who are struggling (human tragedy)
- Fill out the cost calculation
- Pass Resolutions
- Recruit volunteers
- Participate in Campaigns



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Obama To Team Up With Elizabeth Edwards On Health Care Reform

Democratic Presidential candidate, Barack Obama, kicked off his two week, swing state tour today in Raleigh, NC. In a speech about economics, Senator Obama made clear the differences between his health care platform and the failed Bush/McCain policies that cater to the "healthy and wealthy" and have left some 47 million Americans without health insurance.

Obama pledged to make it easier for every American to get good health care, do away with exemptions for pre-existing conditions, stop drug companies from price gouging, and then said something that was greeted with great enthusiasm by the crowd:

"By the way, I'm going to be partnering up with Elizabeth Edwards, we're going to be figuring all this out."

Elizabeth Edwards backed Hillary Clinton's health care plan earlier in the primary season, but John Edwards's plan was always closer to single-payer.

Blog comment: As a symbolic gesture, Obama should refuse his government paid health insurance policy, then buy his insurance on the open market, and challenge McCain to do the same.

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...Only fear can stop us!



BETTER SICK & BANKRUPT THAN RED!

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