From: Physicians for a National Health Program <info@pnhp.org>
Subject: **Give Single Payer a Second Look - Updates from PNHP**
Date: September 9, 2009 1:12:16 PM PDT
To: Billy@WashoeGreens.org
Reply-To: info@pnhp.org

September 9, 2009

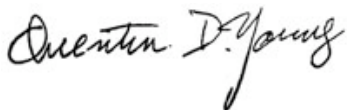
Dear PNHP members and friends,

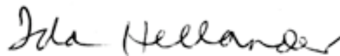
We are heartened by the increased attention to single payer in the media recently. In preparation for President Obama's speech on health care tonight, we write to share some recent articles and talking points that may be helpful to you in upcoming talks, letters or op-eds. We also invite your participation in our upcoming Annual Meeting in Cambridge, MA on Saturday, October 24.

1. Media highlights: **PNHP member Dr. David Scheiner, Obama's personal physician for 22 years, will be on Larry King Live tonight at 9:00 p.m. Eastern** to react to the president's speech on health care. Several other PNHP leaders will be featured in media interviews after the speech as well. A Q&A with Dr. David Himmelstein appeared in the New York Times. A recent column by Nicholas Kristof endorsed the "government-run" VA, while a lengthy article on single payer appeared in Rolling Stone magazine.
2. Rep. Anthony Weiner's op-ed at the Huffington Post yesterday anticipating the president's speech ("Give Single Payer a Second Look") was outstanding and worth distributing widely. **If you haven't done so already, please write your Representative to support the Weiner amendment for single payer**, which Speaker Nancy Pelosi has promised will receive a vote on the House floor. More information is available at www.pnhp.org/amendment/. A wonderful appearance by Rep. Weiner on MSNBC's Morning Joe program is highly recommended viewing!
3. Help us chart our next steps at the PNHP Annual Meeting. With your help single payer has gone from being "off the table" (Sen. Baucus) to being "on the Floor." Please join us in Cambridge on Saturday, October 24, to assess the status of health reform legislation (if any) and make plans for the future. Details and registration information are available online. Register and make your hotel reservations by September 23 for the best rate.

4. PNHP has a new chapter organizer on staff, Ali Thebert. If you would like to start or revitalize a PNHP chapter in your area, or would like assistance with setting up congressional visits or finding media contacts, please write her at ali@pnhp.org. We also invite chapters and activists to share your activities through a new section of the PNHP blog. We look forward to hearing from you.

Cordially,





Quentin Young, MD
National Coordinator

Ida Hellander, MD
Executive Director

Giving Single-Payer a Second Look

By Rep. Anthony Weiner
The Huffington Post
September 7, 2009

As President Obama prepares to address the nation about his vision for health care reform, we should not overlook the last, best truly transformative change to our health care system: Medicare. We have been staring so intently at the lessons of 1993 that we may have forgotten the universal rule of successful lawmaking: "keep it simple."

During the eleven town hall meetings I've held around my district, I've had some direct experience with the anxiety this debate has produced. Much of the fear comes from two groups: those who have Medicare and don't want it changed and those who have never had a government-run reimbursement system like Medicare and are worried about the impact it will have on their quality of care.

In both cases, a calm, reasoned and vigorous defense of the American single-payer plan is just what the doctor ordered.

The truth is that the United States already uses single-payer systems to cover over 47% of all medical bills through Medicare, Medicaid, the Veterans Administration, the Department of Defense and the Bureau of Indian Affairs.

Understanding that these single-payer health programs are already a major part of our overall health care system should help us visualize what an actual public plan would look like. These institutions also provide health care to millions of satisfied customers in every community who would heartily agree that the government can build and run programs that work quite well.

Medicare also provides us with a case study in the hypocrisy of our Republican friends who have built their party on a 44-year record of undermining this popular program. And now their Chairman sees no irony in ripping "government run" healthcare while publishing an op-ed opposing changes to Medicare.

If Medicare has been such a success, why not extend it? Why not have single-payer plans for 55 year olds? Why not have one for young citizens who just left their parents or college coverage?

So far, the answers we hear to these questions have simply not been very convincing.

At one town meeting the President responded that that he was worried about its "destructiveness."

Really? Americans would still go to the same doctor and the same neighborhood hospital. Sure, they would be able to delete the 1-800 number of their insurance company from their cell phones. And doctors would have to get rid of all those file cabinets full of paperwork while their assistants who spend time fighting with insurance companies would be able to actually speak to patients.

But everyone would adjust, I'm sure.

The real reason we haven't seen the Democratic Party embrace the obvious and simpler idea is that it boils down to pure beltway politics.

We've been reluctant to tackle the real inefficiency in the current system, namely, the very presence of the private insurance companies. Too many in Washington would rather stay friends with the insurance and drug companies when real reform probably can't be achieved in a way that makes these powerful institutions happy.

That's not to say we should vilify the industry. When they pocket up to 30% in profits and overhead (compared to 4% for Medicare) or when their executives take multimillion dollar salaries, insurance companies are doing what their shareholders want them to do.

But let's leave it to the Republicans to defend those actions. I, and most Democrats, should not join the chorus that sounds like we care more about insurance companies than taxpayers.

The same is true for Big Pharma. If Wal-Mart can pool its customers to be able to offer the $4 prescriptions, why shouldn't the federal government drive the same hard bargain on behalf of the tax payers so they too get the best prices under Medicare? I pose this exact question at every town hall meeting I attend and if my colleagues and the President did the same on Wednesday night, they would mix good policy with good politics. Instead we have watched a puzzling dance as policymakers have effectively limited the savings we would find in the enormous drug expenditures that are a fixture in our current system. Is it any wonder citizens are confused?

I have no delusions about the muscle needed to overcome resistance from the insurance and pharmaceutical industries. But I believe that for every American we may lose to a slash-and-burn TV ad funded by these businesses, we will gain five among those who are looking for a clear rationale for what we are trying to

accomplish and an example for what it may look like.

We also achieve something else: realignment of the political universe. Democrats understand the role of government and are proud of our signature achievement: Medicare. The Republicans care most about big business.

I'll take that fight any day. And I'm hoping that the President will tell us on Wednesday that he is willing to do the same.

Anthony D. Weiner is a Democrat representing New York's 9th Congressional District.

Talking points in response to President Obama's speech tonight

1. The health care crisis in the U.S. is getting worse. Even middle-class families with supposedly good coverage are just one serious illness away from financial ruin. Millions of people have lost their jobs and with them their health insurance. Illness and medical bills contribute to 62 percent of personal bankruptcies - a 50 percent increase since 2001. And three-quarters of the medically bankrupt had insurance, at least when they first got sick.

2. Yet the health insurance reform bill being developed in Congress and by the president is looking like just another bailout - this time for health insurance and pharmaceutical companies. With their lobbying dollars and influence, these companies are crafting health insurance legislation to expand their profits and power.
A proposed individual mandate to force 47 million citizens to buy health insurance will be a windfall for private health insurance companies, and will be partially paid for with taxpayer dollars for subsidies to support premiums for people who can't afford health insurance. Even under the "best" of these plans, over 20 million people will remain uninsured.

3. These mandate plans would require everyone to buy the same private insurance that is already failing us. These proposals don't regulate insurance premiums, they don't keep the insurance companies from refusing to pay many of our bills, and they don't improve the insurance we now have. They would financially punish people who don't buy the insurance industry's defective products.

4. Some proposals include a "public option," but this will quickly become too expensive as the sick flee to the public sector as private insurers avoid them, abandon them, or make it too difficult for them to get their bills paid.

The debate over the so-called public option has been a very successful diversionary tactic on the part of the insurance industry. The real debate should have been over whether to replace the private insurers with a single public plan. The insurance industry won outright since we never had that debate.

In the event that the president states his continuing support for the public option, keep these things in mind:

A public plan option might cut into private insurers' profits. That's why they hate it. But their profits - roughly $10 billion annually - are dwarfed by the money they waste in search of profit. They spend vast sums for marketing (to attract the healthy); demarketing (to avoid the sick); billing their ever-shifting roster of enrollees; fighting with providers over bills; and lobbying politicians.

Hospitals and doctors would still need elaborate billing and cost-tracking systems. And overhead for even the most efficient competitive public option would be far higher than for traditional Medicare, which is efficient precisely because it doesn't compete. It automatically enrolls seniors at 65 and deducts their premiums through the Social Security system, contracts with any willing provider, and does no marketing.

Health insurers compete by NOT paying for care: by seeking out the healthy and avoiding the sick; by denying payment and shifting costs onto patients; and by lobbying for unfair public subsidies (as under the Medicare HMO program). To compete successfully, a public plan would have to copy private plans. Decades of experience teach that private insurers cannot control costs or provide families with the coverage they need. And a government-run clone of private insurers cannot fix these flaws.

5. Experience shows the leading proposals in Congress and from the president won't work, either to expand coverage or to contain costs. Plans like these have been tried in many states over the past two decades (Massachusetts, Tennessee, Washington state, Oregon, Minnesota, Vermont, Maine). They have all failed to reduce the number of uninsured or to contain costs.

6. These mandate plans will add hundreds of billions of dollars to the nation's health care costs. In this economic downturn, we need assure health care for all without adding to the nation's cost and the government's deficit. The bottom line is: these proposals don't reform our fragmented, inefficient system, they just add to its complexity and costs.
President Obama's plan would finance reform by draining funds from hospitals that serve the neediest patients. His other funding plans aren't harmful, just illusory. He's gotten unenforceable pledges from drug companies, hospitals, insurers and the American Medical Association to rein in costs, a replay of promises they made (and broke) to Presidents Nixon and Carter. And Obama trumpets savings from computerized medical records and better care management, savings the Congressional Budget Office has dismissed as wishful thinking.

7. As long as we continue to rely on private for-profit insurers, universal coverage will be unaffordable. Their administrative costs consume nearly one-third of our health care dollar. We will never have enough money to provide everyone with decent care until we eliminate private insurance with its enormous waste and inadequate coverage. And we will never be able to keep costs down

and get the care we need as long as the wasteful and unnecessary insurance companies stand between us and our doctors.

8. The growth in health care costs must be addressed if any proposal is to succeed.

- Single payer offers real tools to contain costs: negotiated fees, bulk purchasing of drugs and devices, budgeting, especially for hospitals, planning of capital investments, and an emphasis on primary care and coordination of care.
- Mandate plans offer only hopes: competition among insurance companies, computerization, chronic disease management. Competition among the shrinking number of insurance companies has already failed to contain costs and, in the absence of single payer and reformed primary care, computerization and chronic disease management will raise costs, not lower them.

9. Every other industrialized country has some form of universal health care. None uses profitmaking, investor-owned insurance companies like ours to provide health care for all their people.

10. We have an American system that works. It's Medicare. It's not perfect, but Americans with Medicare are far happier than those with private insurance. Doctors face fewer hassles in getting paid, and Medicare has been a leader in keeping costs down. And keep in mind that Medicare insures people with the greatest health care needs: people over 65 and the disabled. **We should improve and expand Medicare to cover everyone.**

11. What we know from polls is that nearly two-thirds of Americans support a single payer national health insurance program, an improved "Medicare for All." So why have our president and Congress abandoned single payer health care when the majority of Americans support it?

12. We should step back and start over on health care reform.

13. A single-payer "Medicare for All" system is embodied in H.R. 676, sponsored by Rep. John Conyers and 86 other members of Congress. It would have:

- Automatic enrollment for everyone
- Comprehensive services covering all medically necessary care and drugs
- Free choice of doctor and hospital, who remain independent and negotiate their fees and budgets with a public or nonprofit agency
- Public or nonprofit agency processes and pays the bills
- Entire system financed through progressive taxes
- Help job growth and the entire U.S. economy by reducing the burden of health costs from business
- Cover everyone without spending any more than we are now.

14. Since health insurance lobbyists have effectively squelched discussion of single payer bill HR 676 as an option for health care reform in Congress at this time, Rep. Anthony Weiner, a single payer supporter, has filed an

amendment to the health reform legislation recently created in the House, HR 3200. Weiner's amendment would effectively change HR 3200 into a single payer bill.

Speaker Nancy Pelosi has promised an up or down vote on this amendment in September. For those of us who support single payer health care, we can make it clear to our representatives in Congress that this will be an important issue in their re-election as we go to vote next year.

15. Single-payer Medicare for All is the right answer:

- It is right on choice. It provides free choice of doctor and hospital, the choice Americans want and value. In mandate plans, we lose those choices.
- It is right on efficiency. Single payer would slash administrative costs and promote efficient primary care. It would also enhance evidence-based quality assurance.
- It is right on accountability. It will be a public, nonprofit system that will respond to what doctors and their patients need, not what corporate executives and their stockholders want.

Insured, but Bankrupted Anyway

By Anne Underwood
New York Times Prescriptions blog
September 7, 2009

Dr. David Himmelstein is an associate professor of medicine at Harvard Medical School and a primary care doctor at the Cambridge Hospital in Massachusetts. Dr. Himmelstein is also a founder of Physicians for a National Health Program. In 2005 and 2009, he helped write major studies finding that medical bills were a leading contributor to personal bankruptcies in the United States. He spoke to the freelance writer Anne Underwood.

Q. How many medical bankruptcies are there annually in this country?
A. The forecast for this year is that there will be 1.4 million to 1.5 million total bankruptcy filings. Our data say 62 percent of those will be medical. That works out to around 900,000 cases, and each one affects about 2.7 people. That makes roughly 2.4 million people who will suffer from new medical bankruptcy filings in 2009 alone.

Q. What's the fallout from declaring medical bankruptcy?
A. We know that bankruptcy in general is considered hugely shameful. People who will tell you the intimate details of their sex lives will refuse to tell you about their bankruptcies. It shows up for years on credit reports. It creates problems in obtaining housing and getting jobs.

What we don't have in our data is detailed knowledge of how medical bankruptcy affects people's lives in the long term. There's only short-term follow-up on these people. We know that six months later, they're having great difficulty getting

medical care. Their kids often have to change schools. Elderly relatives they cared for have their care disrupted. They often tell us they're suffering utility shutoffs, forgoing food and skipping meals.

Q. A major goal of health care reform is to cover the uninsured. But does covering more people necessarily mean that medical bankruptcies will decline?
A. No. Our most recent study found that nearly two-thirds of Americans who declared bankruptcy cited illness or medical bills as a significant cause (PDF) of their bankruptcies. And of the medically bankrupt, three-quarters of that group had insurance, at least when they first got sick.

Q. How do people go bankrupt in spite of having insurance?
A. We found two categories of problems. Some people were too sick to work and lost their jobs. Along with their jobs, they lost their insurance. The second group had continuous coverage, but their policies had so many co-pays, deductibles and loopholes that they were bankrupted in spite of having coverage. Most of those who declared bankruptcy were in the latter group.

Q. Would any of the plans under discussion on Capitol Hill reduce the rate of medical bankruptcies?
A. Only the single-payer plan sponsored by Representative John Conyers and Senator Bernie Sanders. The others pretty clearly do little or nothing for medical bankruptcy.

Q. How would a single-payer system reduce medical bankruptcies?
A. A single-payer system, such as the one proposed by my colleagues and myself, not only covers everyone, but also eliminates co-pays, deductibles and virtually all uncovered medical bills. Both the Sanders and Conyers bills would work that way. That's how it works in Canada. Every Canadian has coverage with zero co-pays and zero deductibles. As a result, when they get sick, they're not forced to pay for care. It's the coincidence of bills coming when you're least able to pay them that creates the problem.

Q. We're hearing a lot of criticism of the national health care system in Canada. What is the rate of medical bankruptcy there?
A. Colleagues in Canada tell us that medical bills per se almost never cause bankruptcies in that country. The relatively small number of medical bankruptcies seems to be among people who suffer a sharp drop in income because of illness. Canada does not have a full disability and joblessness safety net. We're planning a study with Canadian colleagues now to study this formally.

Q. Is there anything in the other plans under discussion on Capitol Hill that you like?
A. What's being discussed is pretty much a clone of what we've done in Massachusetts [since the state instituted an individual mandate in 2007]. From our study and from my own observations as a doctor in Massachusetts, more

people are now covered, but access to care hasn't improved substantially. For many people, it's worse. Saying that everyone now has coverage is like saying you're dressed when you have a hospital gown on. If you look at the back, not much is covered.

Q. Have medical bankruptcies declined in Massachusetts?
A. We don't know. We know that as of 2007, when we collected our data, Massachusetts was in line with the rest of the nation in the proportion of bankruptcies that were caused by medical problems. We're planning to update that to look at what's happened in the last two to three years. We know that with mandated coverage for someone my age - I'm in my 50s - the cheapest policy costs $4,800 annually and comes with a $2,000 deductible. That means you've laid out $6,800 dollars in premiums and medical bills before you have any coverage at all.

For many of our patients, that's worse off than they were before. We had a free-care policy in our state that was quite liberal. At the hospital where I work, anyone making less than 400 percent of the poverty level could get free or reduced-priced health care. Two surveys have shown that about one in six insured people in Massachusetts are still unable to afford medical care.

Q. In your opinion, then, the main plans under consideration on Capitol Hill miss the point.
A. It's like debating the difference between aspirin and Tylenol for a cancer patient.

Physicians for a National Health Program
29 E Madison Suite 602, Chicago, IL 60602
Phone (312) 782-6006 | Fax: (312) 782-6007
www.pnhp.org | info@pnhp.org
© PNHP 2009

If you no longer wish to receive alerts from PNHP, please email us