



Health Care for All-Washington

An Information Pipeline for Members and Friends of Health Care for All-Washington
Formerly known as HealthCare2000

Medicare, Social Security at Risk for Major Cuts

By Martha Koester, Board Member

If Medicare eligibility was raised to age 70, and Social Security to 67 or 70, would you survive that long? If benefits are cut for current retirees or workers aged 55-64 who are soon to retire, could they survive?

It's hard to believe, but there are powerful people in Washington DC who want to "fix" Medicare and Social Security by destroying them. There is a special deficit commission, the National Commission for Fiscal Responsibility and Reform, asked to find ways to decrease the federal deficit in the long term. Most of the 18 members of this Commission are known for favoring benefit or eligibility cuts over raising taxes. (You can read about each of them at:

www.businessinsider.com/meet-18-people-who-could-determine-the-fate-of-social-security-2010-8). To quote from that article:

The general public takes both Medicare and Social Security for granted

"Last week former Republican Senator Alan Simpson, who co-chairs [the Commission], drew a storm of criticism for comparing Social Security to a "cow with 310 million tits." But Titgate isn't really about language. It's about both Simpson himself – who has long viewed Social Security as a bloated program for spoiled old people – and about the commission as a whole.

"Comprised of nine tax-averse Republicans and nine Democrats, many of whom have expressed support for Social Security changes in the past, the commission will almost certainly be biased toward benefit cuts, and away from raising taxes, when it presents its report on December 1."

The Congressional Progressive Caucus is already gearing up to oppose any reductions in benefits, increases in retirement age, or privatization of elements in the Social Security program, as expressed in a letter to the Commission. To quote from this letter:



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Health Care for All - Washington advocates for affordable comprehensive health care coverage for all Washington residents implemented through a unified financing system.

**ANNUAL MEETING
NOVEMBER 7**
At the Sky Lounge,
Horizon House, 1 p.m. to
4 p.m., for elections,
planning, and an address
by former P-I editor Mark
Trahan.. Potluck lunch
and snacks ---please
come and bring
something to share.

Health Care for All- Washington

October - December 2010

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Legislative Action Committee

By Mary Margaret and Paul Pruitt, Co-Chairs

The Half Full Part

On September 23, 2010, seven beneficial changes to the health insurance market took effect under the Patient Protection and Affordable Care act (PPACA):

- Children with pre-existing conditions can no longer be denied coverage
- No more lifetime limits on benefits
- No more rescission – insurers cancelling policies for flimsy reasons once the policyholder gets sick
- Tax credits for small businesses that provide health insurance for their employees
- No cost sharing for specified preventive services
- Young adults can get coverage under their parents' policies
- Medicare Part D enrollees who fall into the “donut hole” will get a \$250 rebate in 2010 and more help in the future.

The Half Empty Part

There are not enough health care providers willing to accept low payment rates for public programs like Medicaid and Medicare. Insurers are already raising their premiums, often by whopping amounts, causing more people to drop the coverage they have had. Insurers are already announcing that they will not issue any new policies for children other than those covered along with their parents. Health care costs continue to rise, making it less and less likely that it will be possible for insurers to offer affordable policies with decent coverage. Passing actual health care costs through to the patient is becoming a more common feature of both employer-sponsored and individually purchased health insurance. The result is underinsurance on a massive scale. No more help from PPACA is available until 2014, and even then health care costs are rising so fast it is doubtful that available subsidies will be sufficient to make quality private health coverage available and affordable to most Americans.

PROVIDING HEALTH CARE TO ALL WITH A CENTRAL FUNDING SOURCE WOULD BE SO MUCH MORE EFFICIENT, ECONOMICAL, AND SENSIBLE!

(Continued next page)

President's Message

President Larry Kalb has concluded his Congressional campaign. We look forward to his return after a well-deserved recovery period.

Support for Legislators in “The Nightmare Biennium” of 2011-2012

by Chuck Richards, Membership Committee

You will be reading this about the time general election ballots are appearing in our mailboxes.

Candidates will be holding campaign appearances with little good news to talk about – only “hard choices” and “across the board cuts”.

In times like these it is important to let our friends in the legislature know we appreciate the job they are doing, even as we remember that there are solutions available when legislators finally believe that opportunity is at hand.

As we say at the opening of each of our Single Payer Action Team meetings, we are not a partisan group; rather we work comfortably with folks who are in mainstream parties, who are third party adherents, and those who are proudly independent. But we certainly remember those in the legislature who have supported the Washington Health Security Trust – an ERISA-proof solution for our state – until the day comes that our country has an improved Medicare for all.

Many of our Action Teams will be meeting after the elections, in part to discuss conversations they are likely to have with legislators. Before the beginning of the session, we can assure them of our conviction that the Basic Health Plan and funding for low-income families can’t be cut without drastic social consequences.

But we also know at some point in the coming year, legislators will hear from voters who realize that nothing in the federal health insurance “reform” act

of 2010 (PPACA) spares them from rapidly increasing private health insurance premiums. Nor will voters fail to notice that many private as well as public employers are cost-shifting premium increases to employees, even as they reduce benefits.

Voters will also not be happy when they realize that the insurance exchanges coming in 2014 under PPACA will try to separate working families, middle-class families, and wealthier families into “bronze”, “silver”, “gold”, and “platinum” plans, perpetuating the undemocratic reality that in this country, unlike most others, our income limits the health protection we can offer our families.

The legislators below shouldn’t need to be persuaded of this. We can let them know we are out in their communities building support for a single payer solution to our increasingly unaffordable and unsustainable health care non-system.

- In northwestern Washington, **Rep. Maralyn Chase** (32nd LD – Shoreline), running for the state senate this year, as well as **Rep. John McCoy** (38th LD – Snohomish Co.) were co-sponsors.
- In southwestern Washington, **Rep. Sam Hunt** (22nd LD – Thurston Co.) supported the WHST, as did **Rep. Jim Moeller** (49th LD – Vancouver).
- West of Puget Sound, **Rep. Sherry Appleton** (23rd LD – Kitsap Co.) was our prime sponsor in the House.
- In Pierce County, **Rep. Jeannie Darneille** (27th LD) supported the WHST, as well as **Rep. Tami Green** (28th LD).
- In south King County, **Rep. Bob Hasegawa** (11th LD) along with **Rep. Geoff Simpson** (47th LD) signed on to the WHST.
- In Seattle, **Sen. Jeanne Kohl-Welles** (36th LD), **Sen. Adam Kline** (37th LD), **Sen. Ed Murray** (43rd LD) as well as **Rep. Mary Lou Dickerson** (36th LD), and **Rep. Eric Pettigrew** (37th LD) all supported a state single payer plan.

(Legislative Report, from page 2)

HCFA-WA plans to recruit legislators to introduce the Washington Health Security Trust legislation in the 2011 legislative session. We also plan to work with activists in other states who are working for the same goals, to remind Reps McDermott & Conyers, and Sen. Sanders to promote bills in Congress which would cover all people, and to encourage Rep. Kucinich to continue to work on providing support for individual states that wish to develop an alternative to PPACA. Lastly, Sen. Cantwell may help our state get funding to expand our Basic Health Plan under PPACA.

(Medicare, from page 1)

“Social Security runs an annual surplus of \$110 billion, and is by law prohibited from incurring any debt that would contribute to the national deficit. Because Social Security is not the cause of our national deficit, attempts to reduce it by cutting benefits would be misguided.”

However, protecting Medicare is not included in this letter. Some of the ideas for Medicare changes being touted by some members of this commission are:

- Raising the eligibility age to 67 or even 70. How will people aged 65-70 be able to get health insurance, when private insurers have never been willing to offer affordable coverage for seniors? That’s why Medicare was enacted in the first place in 1964, and the costs of health care for seniors are only worse now.

- Increasing co-payments and deductibles. Studies show that increased cost-sharing results in people postponing or doing without needed health care, leading to excess deaths or increased costs when they get sicker as a result.

- Issuing vouchers so Medicare recipients can buy private insurance. Again, such insurance would likely be unavailable or unaffordable. Experience with the current private Medicare Advantage plans shows that private insurers have to be paid extra to get them to offer plans to seniors. Even then they engage in cherry-picking – attracting healthier seniors and getting the sick ones to leave the private plans.

- Means testing. This would

merely increase bureaucratic waste and stigmatize Medicare enrollees. It would also further undermine support for Medicare among the powerful (like the people on this commission), which leads to underfunding and to underpaying providers for actual health care delivered.

- Reducing supplemental insurance (Medigap) plans that protect enrollees from out-of-pocket health expenses. Like co-pays and deductibles, increasing these expenses leads to people foregoing needed care as well as superfluous care.

How can we prevent these attacks on Medicare and Social Security?

The general public takes both Medicare and Social Security for granted, and we need a massive campaign to raise public awareness of the very serious threats to both programs. HCFA-WA is putting Medicare first in order to make sure that this critical program is protected along with Social Security.

Social Security and Medicare work together, and weakening either one will affect the effectiveness of both. Both programs are entitlements that people have paid into with every paycheck (and are therefore entitled to receive payouts from); both programs benefit families (for example: people who are disabled are entitled to Medicare coverage even if their families have too much money for them to qualify for Social Security disability monthly support payments); and both programs are more efficient than private pensions or health insurance. We owe it to future generations to

preserve and strengthen both.

We only have until December 1, 2010 to affect the deficit commission, seemingly over-focused on cutting these programs, and under-focused on increasing taxes to support them. (Never mind that many of Medicare’s problems, and the rapid rise of health care costs at the heart of those problems, could be brought under some control if Medicare were expanded to cover everyone in the U.S., with taxes paid into it instead of outrageous premiums to private insurers.) The commission, working without public exposure, will make its recommendations to Congress safely after the November elections. Congress will be required to vote the package up or down without hearings, debates or floor amendments.

The pressure needs to be applied to members of Congress NOW. Contact your member of Congress and ask him/her to co-sponsor the House resolution against raising the Social Security retirement age. Use this link: http://afl.salsalabs.com/o/4055/p/dia/action/public/?action_KEY=651

Contact your senators and ask them to co-sponsor Sen. Sanders’ resolution to oppose privatizing Social Security, raising the retirement age, or making other similar benefit cuts. The text of the resolution can be found at: www.sanders.senate.gov/graphics/social_security_res.pdf.

You can help stir the public out of its apathy

Note that Medicare tends to

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(Medicare, from previous page)

get left out as the clamor rises over Social Security. In your efforts, be sure to include Medicare in your comments. You don't need to be specific, just mention that **both** programs are needed to keep our seniors out of poverty.

Things you can do as an individual that will help:

- Ask friends and relatives to inform themselves and become active
- Write a letter to the editor
- Arrange for a speaker on this issue at organizations you may belong to (contact us for help finding someone)
- Email the White House (www.whitehouse.gov/contact/ or phone 202-456-1111) and/or the Democratic National Committee (<http://my.democrats.org/page/s/contactissues> leave your demand for preserving Medicare and Social Security in the question box) and/or the Commission itself (email comments to: commission@fc.eop.gov)
- Call talk show hosts like Ed Schultz, Rachel Maddow, Thom Hartmann, and Norman Goldman to ask them to devote more air time to this subject.

Other resources

Strengthen Social Security <http://strengthensocialsecurity.org>

Social Security Works-WA <http://ssworkswa.org/>

Health Care for All – WA www.healthcareforallwa.org

Don't Cut Our Medicare <http://dontcutourmedicare.org/>

For more detailed information:

Economist James K. Galbraith:

www.newdeal20.org/wp-content/uploads/2010/06/deficitcommissionrv.pdf This testimony before the Commission both attacks the Commission's credibility and its economic reasoning.

Economist Dean Baker:

www.truth-out.org/time-put-deficit-commission-out-our-misery61095 This commentary attacks the credibility of the Commission and its members.

Economist Paul Krugman:

<http://krugman.blogs.nytimes.com/2010/06/21/zombies-have-already-killed-the-deficit-commission/> This commentary attacks the thinking of Co-Chair Alan Simpson, and explains very clearly how Social Security is NOT about to become bankrupt.

Economic Opportunity Institute publications:

www.eoionline.org/retirement_security/fact_sheets/StraightFactsonSocialSecurity-Aug10.pdf

www.eoionline.org/retirement_security/reports/SocialSecurityWorks-Aug10.pdf

Want more involvement?

Contact Kathleen Myers (kdm00001@gmail.com or 206-412-3655) or Martha Koester (fomalhaut2003@yahoo.com or 206-762-6417).

One Payer States

by Roger Fulton, HCFA-WA Board Member

On April 10, 2010 in Wayne, Pennsylvania, single payer activists from several states started a loose coalition called One Payer States (OPS). Activists from at least 20 states have participated in weekly conference phone calls since that time. These are notes from the most recent call (10/1/10):

Colorado – Work is underway on necessary studies (environmental impact and start-up costs, for example) before trying to pass single payer state legislation. The political climate after the coming election is uncertain.

Illinois – A single payer bill has been introduced since 2005. It does not address funding, and its likelihood of getting through the legislature is low, no matter how the election turns out.

Pennsylvania – A strong bill has been created, with a cost-effective financial plan to fund it. Most candidates in the state have been reluctant to speak on the issue. They express much ignorance and fear. The state's government may be in the hands of Republicans after the election.

Wisconsin – A single payer bill has been in the legislature for about 10 years. The single payer coalition working on advancing this bill is working on changing from a left-wing Madison-based organization to a more inclusive group. There is now a larger board, with one member from each congressional district. The coalition has lined up supporters in both chambers of the legislature, but needs more money to pay for an executive director, etc., to be more successful in lobbying.

Maryland – The state is heavily Democratic, with a few strong single payer advocates in the legislature. Activists are working on fundraising to pay for an environmental impact statement, and to hire a lobbyist.

Minnesota – Even though Democrats are expected to hold on to control of the state government, and the Democrat running for Governor prominently campaigns on single payer, there still may not be enough legislators convinced to pass a single payer bill. They are focused instead on getting the PPACA exchanges ready ahead of schedule.

New York – Although there is strong support for single payer among Democrats in the legislature, they do not have enough of a majority to pass a bill. The current lame-duck governor has a panel dominated by industry people working on implementing PPACA.

Oregon – Activists are working on a single payer bill to submit to the legislative council in the next 6 weeks. It's not clear what the political climate will be after the election. The Democratic candidate for Governor, John Kitzhaber, is very knowledgeable about health care issues (he's a former Emergency Room physician), but his views on single payer are not clear.

Ohio – Activists have written an initiative petition that was evaluated by the state legislative services, thanks to a friendly legislator. The evaluation indicated the amount of funding needed to implement the bill. They are looking at a tax package like the one in Pennsylvania, that would include a 3% income tax. They like the fact that this would require everyone to contribute.

For more information on the founding and mission of One Payer States, visit the HCFA-WA website (www.healthcareforallwa.org) and look for the links at the bottom left of the home page.



We Need Your Help!

Health Care for All—Washington, despite being an all-volunteer organization, relies on membership dues and donations to promote the cause effectively. Please join in helping to make our movement even stronger.

Membership donation	<input type="checkbox"/> \$35	<input type="checkbox"/> \$50	<input type="checkbox"/> \$100	<input type="checkbox"/> other.	Organization level	<input type="checkbox"/> \$250	<input type="checkbox"/> \$500		
Credit Card No.	_____			exp. Date	_____				
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As Health Reform Act Squeezes Insurers, Public Feels the Pain

by Sarah K. Weinberg, M.D.

The Patient Protection and Affordable Care Act is unlikely to work as intended. Why?

Private insurers are raising premiums at rates well above inflation all across the nation, both in the individual and the employer-sponsored market. Large insurers are pleading for a special dispensation from the Obama administration because they can't meet the requirement to spend at least 80% of their collected premiums on actual health care. In Washington State, some individual policies' premiums have risen by 50%, and Regence Blue Shield says it will no longer write new child-only individual policies since they can't exclude children with pre-existing conditions. As a staff person in the Office of the Insurance Commissioner stated:

“We can't make them [insurers] offer a product that loses money. What [Insurance Commissioner] Mike Kreidler is trying to do is hold this really fragile market together until 2014.”

Let's look at the mandates regarding preventive services in PPACA. As presented by Secretary Sebelius (of DHHS) in the September 30 issue of the *New England Journal of Medicine*¹, there are no less than 28 “major sections” related to prevention in PPACA. For the purposes of this article, we'll look at the seven that relate services for individuals:

1. States are required to cover tobacco-cessation drugs in their Medicaid programs.
2. Insurers are required to include (in “new” plans) without cost-sharing the preventive services “rated A or B by the U.S. Preventive Services Task Force (USPSTF)”, immunizations recommended by the Advisory Committee on Immunization Practices (ACIP), preventive care and screening for children of all ages, and additional preventive services for women as recommended by the Health Resources and Services Administration (HRSA).
3. Co-payments are eliminated for annual wellness exams in Medicare, which must include a health risk assessment and personalized prevention plan.
4. Co-payments are eliminated for preventive services in Medicare as listed in #2 above.

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Health Care for All-Washington

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dba HealthCare 2000, and Washington Single-Payer Action Network

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(Squeeze, from page 7)

5. The federal matching funds to states for Medicaid are increased by 1% for those states that eliminate cost-sharing for preventive services as listed in #2 above.

6. “Provides coverage” without cost-sharing for tobacco-dependence treatments for all pregnant women covered by Medicaid. (Does this mean the federal government will cover the costs of these programs and reimburse the states?) Note that at least 40% of all births in Washington State are covered by Medicaid.

7. A pilot program to rate the effectiveness of individualized wellness plans at community health centers.

Covering these preventive services will be hugely expensive. Add to this what we already know about PPACA’s private insurance mandates: no more limits on lifetime coverage, expansion of parents’ policies to cover their 19-25 year old children, minimum medical loss ratios, and no more rescissions. The costs of all this increased coverage have to be paid for out of premium income, so of course, private insurance premiums are going to go up. Some of the increased costs will be covered by increasing cost-sharing, the nastiest of which will require patients to “share” in the cost of their cancer chemotherapy or other similar expensive therapies. The net result of these effects is to move the sick into public programs (Medicaid and Medicare). Medicare costs will also rise as these mandates go into effect, and the Medicare Advantage (MA) plans that have been cherry-picking the healthy seniors will themselves be skewered. Medicaid costs borne by the states will go up, and a 1% increase in the federal matching funds is unlikely to cover the increased costs.

By the time 2014 rolls around, it’s likely that most patients will have to pay 30% of all their health care costs (on top of the premium for the policy). Even at this level, subsidies will be required well beyond what the writers of PPACA expected. Our nation is going to have a very painful lesson in the need for centralized cost controls, elimination of administrative waste and profits, and why it’s actually cheaper to cover everyone with a publicly funded program, e.g., the Medicare for All that this legislation rejected.