SECURING UNIVERSAL HEALTH CARE:

Dialogue on recent grassroots
campaigns for universal health care
produced by Project EINO

Project EINO is based at **www.EverybodyInNobodyOut.org** and is dedicated to the autonomous state organizations which have taken on enormous task of grassroots organizing for Universal Health Care. We believe that these organizations and the activists within them constitute the critical leadership of the movement for Universal Health Care in the U.S.A.

Project EINO is in dire need of funding, being funded for several years by two state activists of only moderate income. As of this first edition of the Dialogue on State UHC Campaigns (November 2002) the project has received no more than a few hundred dollars over the 5 years of operation towards expenses. The project is actively seeking serious foundation support to support staff and expansion of services. In the meantime we are also greatly appreciative of any individual donations (large or small) to help us continue our work until some initial funding is found.

We hope to continue publishing updated editions of this dialogue - depending on the interest and the rate at which we receive contributions to the dialogue. Please email all contributions to **director@ProjectEINO.org** or to **webmaster@EverybodyInNobodyOut.org** Contributions can either be pasted into the email or sent as text of MS-word attachments (doc or txt file types). Send contributions to director@ProjectEINO.org and in the subject field enter "OR discussion". All contributions are subject to editing, but authors have final say in approving editorial work. DO NOT mail contributions through U.S. Post, but you can contact us at:

Project EINO
1815 MLK Parkway, Ste #2, PMB 142
Durham, NC 27707

Tele: 919.402.0133

Remember to include a two-sentence biography mentioning current affiliations and involvement with health policy and/or community organizing.

TABLE OF CONTENTS

TABLE OF CONTENTS 2

Purpose of this discussion 3

Project EINO perspective and assumptions 4

Summaries of main myths propagated 4

Sampling of news coverage, excerpts and links 5
Wall Street Journal -11/4/02 du Pont 5
Eugene Weekly of Oct 24 Response to du Pont by HCAO 7
NY Times - 11/3/02 Surprise Contender, P.Y Hong 8
HCAO: Measure 23 will work, with affordable care 9
Health Care Fares Poorly - New York Times of Nov 7, 2002 10

Email Responses from Oregon activists 12
#329 Yahoo group Date: Wed, 06 Nov 2002 12
Yahoo Group #331 Sun, 10 Nov 2002 12
#332 Yahoo Group Wed, 13 Nov 2002 13
#322 Yahoo Group 14
Fairness & Accuracy In Reporting November 12, 2002 15

Remaining Questions 16

Further resources 17

ENDNOTES 17

Purpose of this discussion

A major goal of Project EINO (at **www.EverybodyInNobodyOut.org**) is to encourage discussion between the autonomous state organizations working for universal health care. The purpose of this dialogue is to come to a deeper understanding of our weaknesses and how to improve the grassroots campaigns for UHC and SP in every state. **The current edition is only intended as a beginning** and we hope to add many additional voices as questions, perspectives and criticisms of what stands here. We intend to represent the breadth of opinion among the activists in Oregon (and hopefully later a Massachusetts section based on their 2000 campaign) who have some direct experience, while including perspective from UHC activists in other states as well. Ultimately, we hope this will contribute towards many more states getting to the culmination of their work and completing the final steps successfully, so that universal health care might become a reality.

Additional opinions and resources are appreciated. Please send either an original article or a piece with prior copyrights waived. Contributions can either be pasted into the email or sent as text of MS-word attachments. Send contributions to director@ProjectEINO.org and in the subject field enter "OR discussion". Please also identify yourself in a two sentence biography (UHC work, health policy or organizing expertise). All contributions will be subject to editing, but authors have final say in approving editorial work. Check the website every few weeks for the most recent edition. New editions will be announced on our twice-monthly news headline service, you can subscribe by clicking on "Sign Up for Free Emailed News Headlines" on the homepage.

Project EINO perspective and assumptions

The mission, principles and strategic perspectives of Project EINO have been published in great detail on our website. Here we limit ourselves to very brief points and referring to the more detailed documents. Often the comments of the editor at Project EINO appear in square brackets [ ]. All individuals involved with Project EINO are also devoted state UHC activists with considerable experience and expertise. Our agenda is to strengthen all state UHC work. Project EINO's FAQ and the entire EverybodyInNobodyOut.org website should be considered territory that has been set aside for state UHC organizations' benefit and subject to change, expansion and extension to better serve during the coming years. Some states have been contributing material regularly while the project rarely hears from others, including your perspective and state experience is dependent on your time and interest.

For the current discussion we assume:

1. There will always be mistakes and weaknesses in any movement or political campaign - even one which might be successful in establishing UHC.
2. The airing and discussion of such weaknesses and ways to better build our organizations will strengthen all the state UHC organizations.
3. All significant weaknesses are "organizational" not personal. Even if the state leadership makes a huge error on its own, one must ask why there was not effective board or membership control and review.
4. Our opposition is extremely well-funded and is willing to spend whatever they think it will take to defeat UHC. We need to be aware of this and of their specific methods, but we cannot justifiably plea ignorance of either their strength or of their tired myths and tactics.
5. If it is worth pursuing our goal at all, then it is worth doing so in the current environment where we know our opposition, their tremendous power, capability for deceit and specific tactics - these do not invalidate our approach, nor do they predict our defeat.
6. Using our resources efficiently, becoming masters at harnessing the existing public (majority) view that sees health care should be a right of all Americans rather than a privilege for some, we will eventually emerge victorious.

Summaries of main myths propagated

Most of the arguments appearing in the press before and following Oregon's Measure 23 vote are very familiar to UHC activists and the informed public. They have been treated at many of the state organizations' websites and certainly also at www.EverybodyInNobodyOut.org where a thematically organized "Frequently Asked Questions" section has been present for several years.

These are the main myths (linked to examples from press):

- Universal health care is a communist plot. Ex.1 Ex.2
- UHC will overtax the citizens. Ex.1 Ex.2 Ex.3 Ex.4 Ex.5 Ex.6
- UHC will drive businesses from the state. Ex.1 Ex.2 Ex.3
- UHC is a "big government" bureaucratic boondoggle Ex.1 Ex.2 Ex.3
- UHC will drive all sick people in the country to the state. Ex.1 Ex.2
- People will overuse medical services they don't pay for. Ex.1
- UHC is unnecessary our present system just needs some reform. Ex.1 Ex.2

Sampling of news coverage, excerpts and links

MEASURE 23: Oregon votes down measure to offer free medical care for all, By JEFF BARNARD Associated Press Writer November 5, 2002 Original Link The News Register

Oregon voters took the advice of the health insurance industry on Tuesday to overwhelmingly defeat an initiative to make Oregon the first state in the nation to offer free tax-financed medical care for everyone. With 59 percent of precincts counted, Measure 23 was defeated with 646,687 "no" votes, or 80 percent, to 163,636 "yes" votes, or 20 percent.

Mark Nelson, who managed the $1.2 million campaign against Measure 23 that was financed largely by health insurance providers, said voters were not ready to take a chance on sweeping change. I think people are concerned about access to health care and the cost of health care, but they don't want to throw the baby out with the bathwater," said Nelson. "They see a system they believe needs to be constantly reformed and modified, but not by throwing it entirely out the window." [Important to note that even Single Payer Health Care, as in Oregon's proposal, does not change the way health care is provided, only the way that providers are paid, cutting administration and the insurance industry profits currently being sucked out of our health care system.]i

Len Hagen, legislative affairs manager for Regence BlueCross BlueShield of Oregon, said he felt voters showed they want to fix the problem of more than 300,000 Oregonians without health insurance, but do not feel another government program is the way to do it, especially with such a high cost. "Part of the silver lining out of this, I would say health plans, hospitals, physicians — we all have heard the message: ‘Fix the uninsured problem.' We need to continue to work toward that goal." [Yes the insurance industry and its PR consultants aim to be seen as the realistic 'Advocates for the uninsured' while promoting the idea that only incremental band-aid reforms are realistic]ii

Health Care for All Oregoniansiii campaign chairman Mark Lindgren said he was undaunted by the defeat and planning to try again in 2004. "I expected not to make it — not the first time around," he said. "It took years for this country to come to a decision what it wanted to do about slavery and getting women's right to vote [or accepting the "Right to Education", similar to the current struggle for the "Right to Health Care"]iv.
"Some organizations that opposed this measure have encouraged us strongly to come back with modified language," he added.

"I have a lot of friends from Canada and they think it's a good idea," said Helen Merrow, 22, who works at a clothing store. "But I was worried about how much it could cost." [Here a crucial point in the insurance industry attack and their achievement in being able to turn around the strengths of the proposal, saving workers money and making high quality care accessible to all, into its opposite costing working families more than the current system]v. Postal worker Daniel McMahan, 33, said it was the most important issue on the ballot. "There are social issues like getting good health care for people that are just more important than the cost," he said.

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Wall Street Journal -11/4/02 du Pont

OUTSIDE THE BOX: Beaver State Bolshevism Will Oregon voters approve a Leninist approach to health care? BY PETE DU PONT

When Lenin took control of Russia in 1918, his goal was to replace the market economy with government control of prices, wages and industry. Lenin said he would rather have the people of Russia starve than allow a private market in grain, and of course millions of them did starve for exactly that reason. The Soviet dream came to a disastrous end--famine, shortages, a lack of everything needed for life from food and freedom to employment and opportunity.

But none of this seems to have registered on Democrats, Greens and the NAACP in Oregon, where they have put on the ballot in next week's election a Leninist plan for health care under which the government and only the government would provide, deliver, regulate and finance medical services to Oregonians. The services provided would include comprehensive health care and everything related thereto-- from brain surgery and prescription drugs to marriage counseling and massages, from inpatient hospital care to long-term care for the elderly. And they would all be absolutely free to individuals and families--no deductibles, no copayments, no premiums.

The cost to taxpayers would be enormous. The ballot initiative would authorize $9 billion in new expenditures on top of the $16 billion Oregon currently spends on all government services, a 56% increase in the cost of government. The American Association of Health Plans estimates that about $15 billion in new taxes will be required to finance the program, an average of $5,000 per resident. [But all the savings on insurance paid by individuals and businesses, current spending out of pocket as well as enormous savings on indirect costs to society are left outside their insurance industry's equation here. If your right hand spends ten dollars but saves your left hand twelve dollars, you are saving two dollars not spending an extra ten!vi Furthermore covering all Americans for all medically necessary care is not comparable to what we have now. We'd be getting new Lincoln town cars to replace a 15 year old failing, unsafe Ford Escorts that only sits two instead of the whole family, what's that worth?]

To pay for these "free" services, Oregon would increase its top income-tax rate--which applies to married couples earning as little as $12,500--to as much as 17% from an already high 9%, giving Oregon by far the highest income-tax rate in the country. Payroll taxes on employers would increase to 11.5%, doubling or tripling the current rate (depending on salary levels), an enormous financial burden on businesses that would guarantee a significant drop in employment.

And as anyone can tell you, people overuse services they don't have to pay for. If health services are free and their use is unlimited, the number of hospital admissions, doctor visits, and drug prescriptions will rapidly escalate, and so will costs. Sick and dying people will move to Oregon to take advantage of the free care; all the initiative requires is that they have "the present intention to remain within Oregon for a period of time" and be able to show their presence there is not "transitory." On the other hand, as government imposed price controls squeeze down fees, doctors will flee to more hospitable communities. [Nothing like the flight of qualified nurses now, or insufficient reimbursements from insurance closing practices currently? Also with UHC governments would become THE responsible party to insure availability of health care and would not depend on market and extractable profits to determine what care is available.]vii

It gets worse. The tax rates needed to pay for this plan and the regulations governing it would be set not by the state's Legislature, but by an independent commission (some of whose members will be elected) that will have the power to govern the content, delivery and costs of health care services. The commission would have the authority to raise income and payroll taxes, set doctor fees, and borrow unlimited amounts of money to finance the system. HealthCare for All Oregon, the organization pushing this plan, says costs would be controlled by "drastically reducing the 25% of health care expenditures that are currently spent for insurance companies' advertising, paperwork, shareholder profits, CEO salaries, etc." In Lenin's phrase, "unjust capitalism" is, so they say, the root cause of Oregon's health-care costs. [Author doesn't deny the extraction of profits and egregious billion dollar salaries and benefits of top CEO's.viii Better to have a government commission including health care professionals setting rates and services or an insurance industry bureaucrat who knows nothing about health and whose only responsibility is to the shareholders and CEO's, i.e. extracting the maximum profit from the system?]

Mr. du Pont, a former governor of Delaware, is policy chairman of the Dallas-based National Center for Policy Analysis. His column appears every Wednesday.

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Eugene Weekly of Oct 24 Response to du Pont by HCAO

Medically Necessary Measure 23: information & disinformation.

Measure 23, the "Oregon Comprehensive Health Finance Act," is comprehensive and well financed by combining current local, state and federal expenditures with a progressive tax on employers' payroll and a progressive family health tax that replaces all insurance payments, co-pays, prescription costs, vision care, mental health service and less costly licensed alternative medicine providers. The plan was recently recognized in the American Journal of Public Health with the potential for prevention, healing and patient satisfaction.

The coverage is what we may all need at some time, with financing achieved by the large risk pool of all Oregonians. The current profit-making and growth-oriented health corporations are creaming off the healthy, leaving the sick to fend for themselves. Under Measure 23, no one is excluded for pre-existing conditions by rule or high-cost premiums. "Medically necessary" treatment returns to clinicians who recommend treatment according to professional practice standards, and patients with a choice in the decision. When bureaucrats deny care, patients end up in the expensive emergency room. Cost estimates were prepared with advice of the State Revenue Office, data from the U.S. Census Bureau, the General Accounting Office, our consulting health economist, seven national studies and three very recent state studies authorized by the Legislature. All indicate that single-payer plans similar to ours save money.

Savings, estimated at 25 percent, come from the elimination of wasteful paperwork, marketing and excess staff to administrator multiple systems. For-profit corporations' obligation to reward stockholders adds to our health bill with no improvement in access or quality of health, let alone problems of fraud and abuse. With an employer payroll tax of 3 to 11.5 percent capped at 9.5 percent of total statewide wages, many employers would pay less than they do now (average 13 percent and still rising). With a family health tax of zero to 8 percent not exceeding 3.9 percent of total taxable income, most families would expend much less than they do now with better benefits. Given the present $48,000 average Oregon family income and 4.6 percent average tax for the measure (estimated by the State Revenue Office), an average family would pay $1,755/year or $147/month to cover all health expenses. Those at 150 percent of poverty or less would pay nothing.

The residency requirement "intent to remain in Oregon" is defined in state statute and supported by court decisions with the only exception being tuition to state colleges and universities. No evidence exists that people move from state to state to get health care. They move mainly for employment or other opportunities. Opposition to Measure 23 is financed by health insurance corporations with lobbyist Mark Nelson, who also lobbies for the tobacco industries. Corrections to their disinformation campaign follow.

"The plan will bankrupt the state, costing billions and causing an education shortfall." The plan is state revenue neutral, financed by the existing taxes we already pay (45 percent) and payroll and family health taxes. Although collected by the state, all monies go directly to the plan specifically for health care, not to the Legislature. The Oregon Health Plan administrative costs will be absorbed by the plan, saving those funds for education. "The plan brings mountains of red tape." Conversely, by having a single payer, costly, time consuming multiple record keeping systems of insurance companies' and providers' offices will be eliminated, saving money for actual care!

"The system is a free nirvana of unneeded care." It's not free; all contribute according to income to a big pool, the very principle of insurance. Comprehensive benefits save money by attending to problems early on. The average patient has five medical visits per year, and the plan accounts for extra use in the first two years due to a backlog of those previously unable to get care. "No traditional cost controls." The plan will establish utilization controls within a global budget, negotiating with providers for fair reimbursements. Money saved in the single system should

allow for fairer reimbursement to providers. "Traditional" controls that ration care only by cost deny care to those who can't pay. Policy decisions on organ transplants and other expensive heroic interventions will be subject to supply, effectiveness and clinical judgments, as is now the case.

The "power of the board" worries some. Ten elected members and five governor appointees (representing the providers, employers, labor and consumers) are accountable directly to us and to the state. The multiple self-perpetuating boards of our present health systems have no direct accountability to the public other than to grow in a competitive race for marketing and money. Their accountability to patient care has been lost.

Mary Ann Holser, MSW, Ph.D., has worked in the health care system for 40 years as a licensed clinical social worker, agency administrator and professor of health policy and administration. She founded the Lane County Leadership Team of Health Care for All-Oregon and currently serves on the Lane County Budget Committee.

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NY Times - 11/3/02 Surprise Contender, P.Y Hong

On a crisp fall morning, Dan Isaacson and Britt McEachern walk door to door in a neighborhood of tidy bungalows, eagerly selling their health insurance plan. They promise a health care paradise: no deductibles or co-payments, free prescription drugs, choice of any doctor, free mental health care, dental, vision and long-term care. "This is not an HMO," they tell anyone who will listen. "The only one who will say you can or can't have a procedure is your doctor."

The catch? Oregonians would pay for that care through new income and payroll taxes. And the state would manage all medical coverage. Isaacson, 22, and McEachern, 23, are managing a ballot initiative campaign to make Oregon the first state to guarantee medical coverage for everyone. Oregonians -- who already are voting by mail -- will decide by Tuesday whether to adopt Measure 23. Because it calls for new taxes, Measure 23 faces long odds. But with roughly 13% of Oregon residents without health insurance (close to the national uninsured rate of 14.6%), frustration over health care runs deep in the state.

A recent newspaper poll found the health plan trailing by just 3 percentage points, within the poll's margin of error. The plan's sponsors, a grass-roots group calling itself Health Care for All Oregon, achieved that statistical dead heat despite being outspent 20 to 1 by the opposition, which is funded mostly by insurance companies. Health Care for All Oregon was created by a handful of volunteers, including retirees, physicians and community activists. With a campaign headquartered in Isaacson's 10-year-old Dodge Spirit and 3,000 volunteers, the plan's backers have stunned their opponents, who thought the measure would never get enough signatures to make it onto the ballot. If the measure passes, Oregon will accomplish what the Clinton administration failed to achieve nationally when its health-care reform plan -- spearheaded by Hillary Rodham Clinton -- was shot down in 1994.

Under Measure 23, private medical insurance in Oregon would disappear. The state would pay medical bills, which are expected to total about $20 billion in 2005, when the program would begin. Oregon's state budget is $16 billion. To finance the program, individuals would pay up to an additional 8% in income taxes, capped at $25,000. People with income at or below 150% of federal poverty guidelines would be exempt. Employers would face a new payroll tax from 3% to 11.5%. Backers of Measure 23 contend that the new taxes would be largely offset by eliminating insurance premiums, deductibles, co-payments and out of pocket drug costs.

Opponents say the mere specter of tax increases will be enough to defeat the measure. Even liberals routinely vote against tax increases in a state without a sales tax, said Mark Nelson, the lobbyist chairing Oregonians Against Unhealthy Taxes, the campaign against the initiative. Nelson said eliminating private insurance would be too radical for most voters. "Everyone

believes we should continue to find ways to further cover the uninsured, but their method is to toss out the entire system," he said. Measure 23's opponents also have warned that sick people from other states would move to Oregon and wealthy individuals or businesses would move away to escape higher taxes.

If anything is more frightening to the public than a new government bureaucracy, it might well be the health-care industry. Measure 23 is offered at a time when health insurance and drug companies are routinely cast as villains in movies, television shows and books. "People may not like us, but they hate the insurance industry," Isaacson said. McEachern likened the behavior of insurance companies to free advertising for Measure 23. "The insurance companies end up becoming our biggest supporters. Every time they cut benefits and raise premiums, it helps us."

By election day, insurers and other health industry donors will have spent about $1.3 million to defeat the health plan, Nelson said, adding that his group was late to begin fund-raising because its backers thought the measure would not get enough signatures to qualify for the ballot. Isaacson and McEachern have less than $50,000 -- raised mostly from individuals -- to run their campaign. They say they've been paid about $1,000 each for their work over the last three months.

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HCAO: Measure 23 will work, with affordable care

By MARY ANN HOLSER and MARC SHAPIRO

This document originally appeared as a commentary in the October 17, 2002 edition of the Eugene-Register Guard. CLICK HERE

Mary Ann Holser, MSW, MPA, PhD, Retired Professor Health Policy and Administration, SUNY, Cortland, NY, 2620 Cresta De Ruta, Eugene, OR 97403, 541-343-5132, mahols@efn.org and **Marc Shipiro, BS**, Health Care For All Oregon, self-employed, 84697 Arlie Lane, Eugene, OR 97405.

A dedicated group spent four years researching the most effective way to provide health care for all Oregonians resulting in the **Oregon Health Care Finance Plan (Ballot Measure #23)** on the November 5, 2002 General Election.

Financial estimates were prepared with the advice of the State Revenue Office and data from the U.S. General Accounting Office, the federal Health Care Finance Administration, our consulting health economist, seven national studies and three very recent intensive state studies. All indicate that single payer plans, similar to ours, save money and that incremental approaches would end up costing more without improving quality or access to health care.

The plan includes hospital coverage, outpatient care, prescription drugs, dental care, vision care, mental health treatment, long-term care and alternative health care - are what we all want when we need them. Deductibles, co-payments, out-of-pocket expenses and refusal to insure people with pre-existing conditions are cost controls that ration care by denying treatment. The insurance industry has been using this approach for 40 years, and it has failed. Costs continue to escalate at a rate that threatens the economic viability of the state and the nation. Care provided is less costly than care denied! What is wrong with “unrestricted access” to health care when you are sick? Will people abuse the system by getting care they don’t need? Will providers milk the system? No; the average number of medical visits - five per year - has not changed in five years, and reimbursements for providers have gone down for some and up for others.

The plan would be administered by the accountable board of a nonprofit public corporation, independent of the Legislature. Health tax dollars would go only to health care, not to other state services. Elected and appointed board members would determine overall policy and standards to ensure high-quality health services.

The determination of what is “medically necessary” care would be in the hands of the professional provider, not restricted by insurance bureaucrats without clinical knowledge of individual needs. Measure 23 would control costs by:

- providing preventive care and care when it is needed, eliminating the high cost of deferred treatment for conditions that could have been easily and economically treated at their onset
- operating within a global budge
- insuring a large risk group - the entire population of Oregon
- reducing the average 25 percent administrative costs of insurers and providers to a maximum of 5 percent
- purchasing prescription drugs (the biggest contributor to rising costs) in bulk
- negotiating fair reimbursements directly with providers, without the expensive overhead of huge corporate health systems. Costly transplants and other heroic interventions such as end-of-life treatments would fall within the clinical judgment of physicians and their patients.

Opponents of the plan - almost all insurance companies, with their hired gun, tobacco lobbyist Mark Nelson - distort the nuts and bolts of the plan. They warn of a doubling of taxes, without mentioning that the health tax replaces costly insurance premiums, co-payments, deductibles and out-of-pocket expenses. Opponents emphasize the top income tax rate of 8 percent, paid by those with more than $300,000 taxable income, while the average Oregonian’s gross income is $48,000. The measure’s average tax rate on gross income would be 4.6 percent. Figure what you pay now, and compare that to what you would pay under Measure 23.

For example, this writer’s total health expenses (with Medicare and a subsidized supplement) last year was 8 percent (equal to the measure’s top tax rate) of her $37,000 taxable income, or $2,960. Under Measure 23, she would pay 4.6 percent of her gross of $44,000, or $2,024. However, by 2005, when the measure takes effect, the $2,960 cost of services would inflate by about 25 percent to $3,700. Her savings would be around $1,676, or 45 percent.

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Health Care Fares Poorly - New York Times of Nov 7, 2002

By CHRISTOPHER MARQUIS CLICK HERE

Oregon voters resoundingly defeated two health-related initiatives that captured national attention and even drew financing from supporters and opponents overseas. A proposal to provide universal health care reprised many of the debates over President Bill Clinton's national overhaul effort a decade ago. The plan would have replaced existing health insurance with a statewide program at a cost of as much as $1.7 billion in new taxes the first year. Health care and insurance interests rallied against the initiative, Measure 23.

"As soon as Oregonians got beneath the surface of Ballot Measure 23, they realized how flawed it was," said Dave Fiskum, a spokesman for Oregon Against Unhealthy Taxes, after the initiative was defeated 79 percent to 21 percent. "It would have imposed a huge tax burden on individuals and businesses throughout the state. Many companies would have been forced to close their doors for good." Christie Quirk, a Democratic pollster who was not involved in the initiative, said their proponents were overwhelmed by industry's deep pockets.

"So much money was spent against them," Ms. Quirk said, though she also faulted advocates as hastily drafting the health care measure. Ms. Quirk voiced pessimism that similar proposals would emerge anytime soon, despite considerable support in polls for change. "If they go down by large margins," she said, "the issues become toxic."

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Measure 23: Health care plan gets little backing Nov 6 2002
By Tim Christie, The Register-Guard of Eugene, Oregon CLICK HERE

Oregon voters on Tuesday overwhelmingly rejected a ballot measure to establish an ambitious universal health care system that aimed to cover every Oregonian, rich and poor, young and old. Measure 23 was going down with 80 percent of voters casting "no" votes and 20 percent voting yes - after 61 percent of the ballots were counted. Had it passed, Measure 23 would have made Oregon the first and only state to institute a single-payer health system. To pay for it, the measure would have raised personal income and payroll taxes and redirected current state and federal expenditures on health care into the new system.

Proponents of the measure said they weren't expecting Measure 23 to pass the first time but hoped for a stronger showing. "It was a long shot," said Marc Shapiro, Lane County chairman of Health Care for All Oregon. "We were hoping to play on the tremendous frustration of people who have lost access to health care." About 470,000 Oregonians, or 14 percent of the population, are without health insurance. Shapiro said backers may try again in two years but he was not optimistic that voters would pass a similar measure then. "There is no escape now," he said. He decried the special interest money spent to defeat the measure, saying, "$1.3 million was spent on telling (voters) things that aren't true." Backers raised less than $50,000.

Charlotte Maloney, treasurer for the yes campaign, said proponents struggled to get the word out about how a universal health care system would work. "I see this as a statement that the majority of citizens were not fully educated about what this meant," she said. "The scare tactics made people vote out of fear."

Dave Fiskum, spokesman for the anti-Measure 23 campaign, said voters knew exactly what they were voting for. He denied that the anti-campaign used misinformation or scare tactics. The coalition opposing Measure 23 included health insurers and business groups. "I think it shows Oregonians were able to go beneath the surface of a measure like this and see how flawed it was and they voted accordingly," he said. "This was a tax increase measure as opposed to a health care policy measure." The new system would have paid for just about any medical treatment available, including alternative and complementary treatments, supporters said. That means brain surgery and chemotherapy as well as acupuncture and aromatherapy. It means prescription drugs and long-term nursing care, eyeglasses and hearing aids, mental health counseling and immunizations.

The idea was to take a complex, convoluted, multi-layered system and create a streamlined, single-payer system, starting in 2005. Doctor or hospital bills would have been paid by a new state agency called the Oregon Comprehensive Health Care Finance Board. Backers of the plan said most businesses and individuals would have paid no more than they're now paying for health care, and in some cases, they'd have paid less. Businesses would have paid higher payroll taxes, ranging from 3 percent to 11.5 percent, depending on the size of the business, but would no longer have had to provide health benefits for employees. And the income tax, ranging from 0 percent to 8 percent, would have replaced what most individuals now pay for premiums, co-payments, deductibles and out-of-pocket costs for such items as prescription drugs, glasses and alternative medicine, backers said.

Email Responses from Oregon activists

From healthcareoregon@yahoogroups.com

#329 Yahoo group Date: Wed, 06 Nov 2002

While it would have been wonderful if Measure 23 had passed, the campaign has achieved indeed, surpassed my personal goals. While other organizations have only complained about the problems with the current health care system and suggested band-aid solutions, we put a concrete proposal on the table, a proposal that will have to be part of any discussion of health-care reform in this country in the future. And we have done so not only in Oregon but across the country through the attention that the campaign received in the national media. [And in no small part to the similar grassroots campaigns going on in 16 other states.][ix]

Our campaign has given fresh hope and excitement to health care activists around the U.S. We will analyze the Measure 23 campaign and share what we have learned from Oregon¹s campaign with them. [And Project EINO will assist in publishing and distributing any such analysis.] The public debate over the last few months has generated valuable feedback on what Oregonians want in their health care system. Even some opponents encouraged us to modify Measure 23¹s language and to try again. Single-payer was not taken seriously when we began this campaign. The success of the Measure 23 campaign means that organizations which did not return our calls last time will do so in the future.

It is my hope that in the coming months, key stakeholder groups will work with Health Care for All-Oregon to shape legislation that will overcome the millions of dollars that the insurance industry will throw at a Son of 23 in 2004.My thanks and gratitude go out to the thousands of Oregonians who gave of themselves to get this campaign this far. Over several years, many Health Care for All-Oregon volunteers spoke with countless Oregon labor, civic, senior and other citizens groups around the state to shape and promote the prescription for secure, affordable health care for all Oregonians that eventually became Measure 23.

Volunteers gathered thousands of signatures to put Measure 23 on the ballot and set a record in gathering enough signatures to place eight Arguments in Favor in the Oregon Voters¹ Pamphlet. They staffed phone banks, canvassed and distributed literature at public events. They contributed financially whatever they could. Our work to achieve secure and affordable health care for Oregonians has just begun.

Mark Lindgren
Chair, Health Care for All-Oregon

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from healthcareoregon@yahoogroups.com

Yahoo Group #331 Sun, 10 Nov 2002

To The McLaughlin Group:

To say I was disappointed would be an understatement. In your program that aired over Oregon Public Broadcasting on November 9, 2002, there was a discussion of what was represented as the more significant initiatives which appeared before the voters in the Nov. 5 elections. Conspicuously absent from that discussion were two "grassroots" initiatives in Oregon. Measure 23 would have established the first US, comprehensive, universal, single payer health care system which would have covered all the residents of Oregon.

The Health Care Insurance industry outspent the proponents of Measure 23 by between twenty and thirty to one, expending over $1.2 million of their customers premiums to disseminate frightening and misleading information to defeat the measure. Likewise, the national and

international food producing industry as well as those companies involved in genetic engineering of crops poured over $5 million into Oregon to defeat Measure 27. Added to the difficulties for the proponents of Measure 23 was the fact that the news media, both printed and broadcast, which stood to loose substantial advertising revenue from the passage of Measure 23, readily hopped on the opposition's "band wagon" to help bombard the voters with unfounded claims of potential costs and negative effects on the state's economy, should Measure 23 pass.

The Measure was based on extensive research and multiple studies, conducted by both government and private institutions, all over the US. ALL these studies concluded that the type of plan proposed in Measure 23 would be able to successfully expand access to health care services and simultaneously control costs. It would be refreshing for The McLaughlin Group to actually discuss the ramifications of these measures on national television.

Sincerely,

Marc Shapiro
Eugene, Oregon

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healthcareoregon@yahoogroups.com

#332 Yahoo Group Wed, 13 Nov 2002

Whoever's ox is getting gored will generate the money to fight any plan that is proposed.

1. Insurance companies, both profit and non profit consume a large part of the health care dollars. In Oregon, the Medical Insurance sales agents have a $350 million payroll that makes no contribution to health care. In 1990, it required 1.7 clerical workers to support each doctor. In 2002, that number has grown to 4.2 paper-pushers per doctor. All the money spent on those clerical workers and the space and equipment they require makes no contribution to health care.

2. Hospitals have a paper work overhead of about 30%. That probably could be cut in half by a single payer plan that did not involve insurance companies. The money saved could be spent on health care.

3. Insurance companies, hospitals and health care practitioners spend vast amounts of money on advertising that would not be necessary under a universal single payer health care delivery system. The money saved could be used to provide health care.

4. There are over 500 companies in Oregon that self-insure saving vast amounts of money over what the same coverage would cost them. That savings is small compared to what they would save under a single payer system.

5. As you have noted, companies would not be put at a competitive disadvantage by providing health care under the charges of a reasonable system which does not include the waste caused by insurance companies. Competitors would be in the same situation. Companies operating under a plan such as what we had proposed would finally be able to compete internationally, where universal health care is the rule, not the exception.

No matter what plan you devise, someone must pay. That someone is always the consumer. It doesn't matter how you mask it, the consumer always pays the bill. However, at this time, 2/3 of all health care is paid for by tax dollars. In spite of that fact, 470+ Oregonians are without coverage, 420,000 are on the OHP, and 25,000 apply each month, most of which are turned down because there are insufficient funds to provide the coverage. Countless people are trapped in poverty buy the rules of the OHP which cut particpants off if the earn $1 too much.

Based on data from the Legislative Revenue Office, under the Plan we proposed employers would have been taxed according to the following table:

PAYROLL ($)	Payroll Tax
0-100,000	3%
100,001-500,000	6%
500,001-1M	7%
1M+ - 2M	8%
2M+ - 3M	9%
3M+ - 5M	10%
5M+ - 10M	11%
11M+	11.5%

Please note that for a small employer having a payroll up to $500,000 , the 6% payroll tax represents the $2.00 per hour you propose on a wage of $33 per hour. Most large employers are presently paying between 10 and 20 percent of their payroll for health care benefits. Those numbers will inflate easily by 30 percent by 2005 when our plan would have gone into effect.

There was a viable plan on the table. The insurance companies scared the voters away. Had it passed, it could have been adjusted to make it work. That opportunity is no longer there. There is nothing else on the table. There will be nothing else on the table, because there is no mechanism available to get it there. The insurance companies have no incentive to put themselves out of business or even correct the way they do business. The legislators will not take any action that does not support the insurance companies, because so many are well paid by the insurance companies to keep the money flowing as it is.

It will be two years before another initiative can be placed on the ballot. No matter what it is, it will meet the same opposition, because it can only work if it eliminates the middle man. In this case the middle man has unlimited funds to defeat what ever the measure is. Only when a large enough part of the society is really suffering, which will be in the near, not distant future, will it force people to look beyond the lies in negative advertising and take a chance on what works everywhere except in the US - please note, there are UHC plans in effect in Puerto Rico and Hawaii. [This is a widespread misconception. Hawaii is not an example of state UHC and neither is Puerto Rico, although we haven't heard this claim before.][x]

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Non- HCAO UHC ACTIVISTS

healthcareoregon@yahoogroups.com

#322 Yahoo Group

I thought Mark and Brett did great on Seven Days - interrupting appropriately and getting the debate back on point. The opponents were given incredible latitude to talk off issue - and they had few direct responses to Mark and Brett's points. Showing that they are stooping so low to suggests that a hairdresser is a health care provider who will be covered was great.

Here's a few tips:

1. Note that state income taxes are deductible on federal tax returns for those who itemize - typically, this means about 20 to 25 percent of the tax increase is offset by lower federal income taxes. Read the three most recent reports - especially the tables - on the www.ocpp.org webpages. It sounds like LRO or the insurance industry may be coming out with new numbers

on Monday - one response is that they are ignoring the federal income tax offset (note that LRO/the leg counted the offset in their ballot title for Measure 28).

2. To the question "why should we trust government to do it well?", aside from being angry at the moderator fueling/taking advantage of the anti-government mood among some Oregonians, the response should be, "First, why should we think it is better to trust the insurance industry and pharmaceutical companies? Our reliance on that market scheme has resulted in soaring costs and a high rate of uninsurance. Second, remember how successful the OHP has been in lowering the uninsurance rate - even with its current problems it is filling a tremendous need. This is just taking that government program to the next level. This isn't about not trusting government, this is about further restrictions on the private market's failures to allow people to have a basic need."

3. Regarding the point that the tax money comes from the metro area: That's right - just as now the metro area's unemployment insurance (UI) taxes go to rural Oregon as a economic stabilizer, just as today income taxes from the metro area boost school budgets in rural Oregon, just as today metro income taxes fund health care in rural Oregon, this will be another example of redirecting the wealth of the metro area to help rural Oregon - all Oregonians.

4. To the argument that it comes out of workers' pockets, not employers: this promotes the power of collective bargaining to then demand higher wages as the employers' costs (health insurance) go down. In collective bargaining the demand for wages is coupled with the demand for benefits such as health care. This just changes the mix that collective bargaining can demand. Those who do not have collective bargaining agreements should want to unionize so they can collectively bargain to get the higher wages vs. the employer getting more profit from the reduced costs of health care.

5. When they say "but the record before the AG is that you don't want any changes" the response should be: We didn't write a constitutional provision, and you are now saying that it can't be changed by the legislature. Are you promising the listeners that you won't lobby to change the measure if it passes? Of course you won't make that promise, so stop raising a red herring.

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Fairness & Accuracy In Reporting November 12, 2002

Media analysis, critiques and activism

ACTION ALERT: NBC Slams Universal Health Care

On Election Day, Oregon voters rejected a ballot proposition called Measure 23 that would have instituted universal healthcare in the state. Outspent more than 30 to 1 by a coalition of insurance companies that blanketed the airwaves with negative ads, the only hope for proponents of the measure was fair coverage in the media. Unfortunately, some of the coverage was as slanted as the insurance industry's advertisements.

On NBC Nightly News's election night broadcast--which aired before polls closed in Oregon--anchor Tom Brokaw previewed a report on Measure 23 this way: "Is universal health care a good idea? It's on the ballot in Oregon." Brokaw set the tone from the start, saying the plan "is called free health care. But is it?" Correspondent Roger O'Neil echoes this framing in the first line of his report: "If it sounds too good to be true, the saying goes... Oregon voters will decide if universal free health care is free."

Actually, Measure 23 supporters did not promise "free" healthcare; they promoted their plan as affordable healthcare. "Eliminating the costs incurred for insurance premiums, co-payments, prescription medications, deductibles and all other health care costs, most people will spend less

than they do now," the Yes on 23 website said--never suggesting that their tax-supported plan would cost nothing.

O'Neil prefaces his criticism of Measure 23 with an odd assertion: "With insurance companies raising premiums, with co-pays for prescription drugs going up all the time, with HMOs telling doctors they can't use the stethoscope on some people anymore and be paid for it, you'd think the industry would welcome the spotlight on universal health care. But Oregon's big three health insurers are pouring money into the campaign against."

Actually, the healthcare industry--with the exception of many doctors and nurses--has traditionally opposed universal healthcare plans; a key premise of such proposals is that government funding for health could lower costs--and therefore profits. The insurance industry in particular has strenuously opposed so-called "single-payer" plans for the simple reason that they would eliminate private insurance in favor of government coverage. Yet O'Neil presents predictable industry opposition to Measure 23 as a damning criticism of the proposal.

O'Neil then finds the catch: Insurance companies say "Oregon could go bankrupt, too, since the devil is in the details, spelled T-A-X-E-S. More payroll taxes on business, more taxes on personal income, as much as $25,000 for top wage earners." Since government-funded healthcare proposals all rely on taxes for funding, it's hard to see how this is a "detail." Furthermore, O'Neil distorts the personal tax issue by selecting the $25,000 figure, which is a ceiling that the initiative would have placed on taxes paid by the wealthiest households; these would have to earn at least $300,000, and probably much more than that. To be fair, O'Neil could have noted that poor families would be exempt from the personal income tax.

A serious journalist would investigate whether tax-funded healthcare would be more or less expensive than a system that is largely privately funded. But O'Neil never even mentions that the current system costs money. [In fact, twice per capita what Canadians pay for a system which doesn't leave anyone out.] Another detail missing from O'Neil's report is the disclosure that NBC is owned by General Electric, which is heavily invested in the insurance and medical industries. O'Neil concluded his slanted presentation by dismissing a ballot measure that people were still voting on: "This dose of medicine apparently too strong for what most agree is an ailing patient."

Remaining Questions

1. Several of the news reports Ex.1 Ex.2 indicated that many UHC activists did not expect passage of this measure in 2002 and that it was merely the first of many attempts. How effective is the strategy of waging unsuccessful referendum fights against our much better funded opponents, compared to spending all our scarce resources on educating the public across a state in a planned fashion over several years and aimed to firmly win over the clear majority to UHC?

2. How can HCAO take advantage of what it has learned during this campaign to begin a winning campaign now for 2004?

3. What will HCAO change about its methods in order to accomplish securing UHC for their state?

4. How will it be possible to overcome 30:1 spending (or even more) in 2004 in order to win the 2004 campaign?

5. Has there been any net loss to the Oregon movement for UHC due to spent energy, loss of momentum or activist discouragement?

6. Was the state covered well geographically? In terms of ethnicity and class?

7. Were those who are most at risk and disadvantaged by the current system empowered and mobilized through the campaign to actively participate in achieving their "Right to Health Care"?

Further resources

See text of Oregon's proposed measure 23 along with supporting materials at the website www.healthcareforalloregon.org CLICK HERE

See the Charles Andrews book, dealing with California's UHC initiative containing analysis of weaknesses in that earlier campaign. CLICK HERE "PROFIT FEVER: The Drive to Corporatize Health Care and How to Stop It", Common Courage Press, 1995 was written with a purpose similar to ours here - an improved assessment of how we must guide our struggle towards success, or at least avoid some predictable pitfalls. A discussion with Charles Andrews has also been published at EINO - click blue menu on "Discussion Threads" or CLICK HERE

ENDNOTES

[i] For idea of enormous profits of insurance industry see EINO website at www.EverybodyInNobodyOut.org FAQ section on Financing especially Q.5, or CLICK HERE

[ii] See Q.7 of FAQ section on Strategic Considerations at EINO www.EverybodyInNobodyOut.org or CLICK HERE

[iii] See website of Health Care for all Oregon CLICK HERE

[iv] See great deal more historical analogy on "Right to Education" in Secn 12 of EINO's FAQ or CLICK HERE

[v] More details about the US outspending Canada 2:1 on healthcare even though we don't insure all our people at the EINO website FAQ under Existing Models Q.7 or CLICK HERE

[vi] Indirect costs for not treating illnesses in timely fashion, added expenses of jamming up the ER's, for not treating mental health and drug abuse appropriately are staggering but have gotten little government and foundation attention. A hint of these current costs (and UHC cost savings) can be found in the recent Institute of Medicine Report "One Out of Five Families". See summary and link to download free report from EINO website CLICK HERE

[vii] See more on industry plan to disempower nurses and to make it impossible for them to provide high quality care (so called "nursing shortage") at Sec 7 of EINO's FAQ CLICK HERE

[viii] See EINO website, FAQ section on Financing especially Q.5, or CLICK HERE

[ix] See distribution of state UHC organizations and visit them at EINO CLICK HERE

[x] See Q.2 in EINO FAQ on "Existing Models of UHC" or CLICK HERE also search on "Hawaii" in news folder finds several articles on lack of coverage in Hawaii CLICK HERE