

# Everybody In!

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## What would universal, public healthcare mean for New York?

*\$45 billion in savings, 98% of households paying less, 200,000 jobs created, 14,000 deaths per year prevented*

New York would net savings of \$45 billion a year by creating a universal health plan, even after counting increased spending to cover the uninsured and eliminate co-payments, deductibles and out-of-network charges, according to an economic analysis released Tuesday, March 10. The Chair of the Economics Department at the University of Massachusetts at Amherst released the comprehensive economic study of the New York Health Act, a proposed universal health care program for New York State.

Key findings include:

**The Act would save \$71 billion** in its first year:

- » \$26.5 billion by eliminating private health insurance administration and profit;
- » \$20.7 billion by reducing healthcare provider administration of health insurance claims;
- » \$2 billion by eliminating employer administration of health insurance benefits;
- » \$5.4 billion by reducing fraudulent billing;
- » \$16.3 billion by capturing savings from overpriced drugs and medical devices.

**The Act would result in:**

- » **\$26 billion** would be used to increase coverage, meet demand for increased utilization, pay healthcare providers fairly and retrain displaced workers, leaving **\$45 billion (\$2200 per New Yorker) in net savings**;
- » **98% of New Yorkers** (families making up to \$436,000 a year) would spend less on health care coverage under the Act than they do now;
- » Overall savings to businesses would spur the creation of over **200,000 new jobs**;
- » Property taxes could be cut as local governments would save over **\$13 billion**, because New York Health would take over the local share of Medicaid and the cost of public employee benefits would be reduced;
- » **14,000** deaths per year would be prevented by providing universal access to healthcare

“Based on other studies of universal health insurance programs and the experience in every other industrial country that has one, I expected savings,” said Gerald Friedman, Chair of the Economics Department at the University of Massachusetts at Amherst. “But because New York’s

... continued page 3

## Vermont healthcare justice at a crossroads



*We spoke with Keith Brenner and James Haslam of the Vermont Workers' Center about Governor Peter Shumlin's about-face on single-payer reform for Vermont, and how the movement in Vermont is responding to keep the pressure on.*

**Healthcare-NOW:** Can you describe what your reaction was when Governor Peter Shumlin announced, on December 17, that he was recommending the state legislature not move ahead with a universal, public health plan for Vermont?

**Vermont Workers' Center:** On December 17th, when Vermont's governor Peter Shumlin announced in a surprise press conference that

... continued page 2

he would not be recommending moving forward with Act 48, our members and staff were shocked and angry, yet unfortunately not surprised. From the beginning, we were cautious about our relationship with this governor, who is a millionaire businessman. He adeptly used the grassroots movement for healthcare as a human right to carry his electoral campaigns in 2010 and 2012, but despite the rhetoric, it became unclear how committed he was to actually following through with the implementation of Act 48. The governor repeatedly missed deadlines for developing a financing plan, and then refrained from making healthcare a major focus in his 2014 election campaign. Also on top of that, his administration had numerous screw-ups in rolling out the state healthcare exchange and its website, severely damaging his political credibility.

With loss of credibility of the public and lack of trust with the movement, this set the stage for him receiving a major political scare this November. Despite outspending his non-name Republican opponent 8 to 1, the governor narrowly won the 2014 election only winning by a couple thousand votes. Vermont had a historic low turnout, especially from his former base who was less than inspired by his record of fiscal austerity and promise-breaking. Following the elections, which also saw super-pac money supporting anti-single payer candidates in the state, many within the Vermont political class adopted a false narrative that the election was a referendum on his healthcare plan.

However, despite the floundering in the upper echelons of Vermont politics, on the ground in our communities the healthcare crisis had continued to deepen. Many of our members and neighbors were facing enormous costs with the plans offered through the exchange, leading to them not being able to get the care they needed. When the Governor announced in mid-December that in his assessment "now [was] not the time," and that he was unwilling to raise the necessary taxes on wealthy individuals and corporations to finance our healthcare system, many of our members felt burned. It became clear that the Governor had built a progressive brand for himself on the back of our



*Activists occupied the Vermont State House on January 8 after Governor Shumlin's inauguration address to the State Legislature, during which he didn't raise the issue of his abandoned universal health plan.*

efforts, and once the rubber hit the road, his alliances with the wealthy won out over his supposed commitment to ensuring equitable, universal healthcare for all Vermont residents.

We responded the following day, with dozens of people burning their medical bills on the front steps of the statehouse, and a spirited delegation delivering a platter of toast to the Governor's office. The message to the governor was clear: Our lives and health are not pawns for politicians' career ambitions, and if he was going to burn poor and working-class Vermonters, then his career as a progressive politician was toast.

**HCN:** The Governor's primary responsibility in this process was to propose a financing plan to pay for universal coverage. It was on the basis of his financing proposal that he recommended against moving ahead. What have you learned about this proposal?

**VWC:** The Shumlin administration was required by law to release a financing plan in January 2013. They finally released the plan on December 30th, 2014 -- almost two years behind schedule.

Once it was released, our policy committee worked with our longtime partners National Economic and Social Rights Initiative (NESRI) to review the plan. It became immediately obvious that the governor's claim that it would pose too

much of an economic shock to the state -- especially to small businesses -- was due to their use of inequitable tax models, and a failure to identify all possible sources of revenue. Ironically, the plan proposed to cap contributions from those making more than \$290,000/year -- a tax loophole which corresponded almost exactly with the state's 1% top income earners.

After adjusting the tax models to be based upon the principle of equity -- making the administration's flat payroll tax into a graduated payroll tax, for example, and including taxes on unearned income -- we came to the conclusion that if financed based upon ability to pay, Green Mountain Care was absolutely viable in the state of Vermont. On February 26th we released our financing plan, along with a letter signed by over 100 economists calling for Vermont to continue forward with a publicly-financed, universal healthcare system. On March 10th, Rep. Susan Hatch Davis submitted a bill with our financing plan into the legislature.

**HCN:** What is the grassroots strategy to win healthcare as a human right in Vermont after the Governor's announcement?

**VWC:** As many of our members have pointed out, despite the governor's failure to lead, the healthcare crisis in Vermont continues. This spring we launched a healthcare call-line after hearing from people facing enormous healthcare costs when

**New York...** from page 1

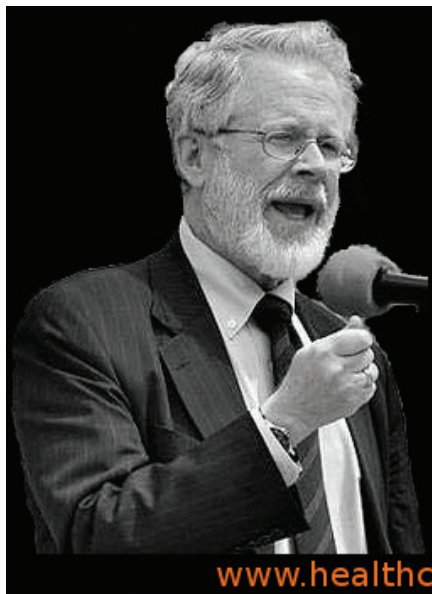
healthcare spending has increased so rapidly compared to income, the savings available in New York are even greater than in other states. Economically, this plan makes total sense. The only thing stopping New York from implementing it is the political power of the insurance industry and its tens of billions of dollars in profit from the current system.”

“This detailed economic study gives us clear proof that a universal health care plan is the right move for New York,” said Assembly Health Committee Chair Richard N. Gottfried. “We’ve always believed New York Health could reduce costs for families, employers, health care providers and taxpayers; create jobs; reduce

property taxes and make sure every New Yorker has high-quality health care. Now we have actual numbers, and the benefits are extraordinary. This really changes the debate in New York.”

“Exorbitant insurance company profits and incessant red tape don’t improve health care,” said Senate bill Prime Sponsor Bill Perkins. “This study resoundingly proves that and demonstrates the efficacy of our universal health care plan. It is time to finally put patients before profits for the good of all in New York State.”

[Adapted from the March 10, 2015 press release of New York Assembly Health Committee Chair Richard N. Gottfried.] **HCN!**



**“If you want to find a country that rations care according to wealth, if you want to find a country where people have to go without health care in the midst of enormous wealth, if you want to find a country where people go bankrupt trying to keep themselves healthy, you’re living in it...  
And I want to change that!”**

New York State Assemblyman  
**Richard Gottfried**

[www.healthcare-now.org](http://www.healthcare-now.org)

## **High stakes with next Supreme Court ruling on Affordable Care Act**

The Supreme Court will rule in late June or early July on King v. Burwell, which challenges the federal government’s right to offer subsidies to those purchasing healthcare through an exchange, in states that have opted not to create their own exchange.

The Urban Institute estimated for the New York Times that a SCOTUS ruling against Obamacare in this case would lead to 7.5 million losing their health insurance. Of those, fully 61% would be in the South, and 85% lack a college degree, further exacerbating inequities in healthcare based on geography and race that are inherent in our commercial insurance system. In Florida, currently 9.5% of the population is receiving subsidies through a federal exchange, followed by 6.1% of the population in North Carolina and Maine.

Regardless of the Court’s ruling, the case exposes the incompatibility of state-level discretion over national social or economic rights. **HCN!**

doing their taxes, due to overestimating their 2014 income and having to pay back subsidies they received over the year. We’re also hearing about potentially serious rate increases for the exchange plans next year, so we’re expecting that frustration with the exchange will only continue to grow, and looking to harness that frustration to make sure we transform the root cause of the issue; the market-based healthcare system.

Another strategy involves building a cross-issue progressive movement alongside our partners in the migrant justice, climate justice, disability rights, faith, and labor movements in order to shift the power relationships in our communities and also in Montpelier. The governor is currently pushing an austerity budget through the legislature, targeting public programs and state workers, and we’re seeing that unless

we work together, the tide will continue to shift towards austerity and an abandonment of our fundamental human needs. On March 15th we held the first of a statewide round of community forums along with our partners, aiming towards a People’s Convention this fall bringing together hundreds of people to discuss a shared movement for people and the planet.

Lastly we’re continuing to

push in the legislature for our financing plan to move forward, through call-in days and testimony to the healthcare committees. Over the next few weeks and months, we’ll be assessing where things stand at the statehouse, and working with legislative allies to identify steps towards ensuring the state builds a universal, publicly financed healthcare system by 2017 as laid out in Act 48. **HCN!**

# Why is the AIDS crisis so much worse in the U.S. than in Europe?

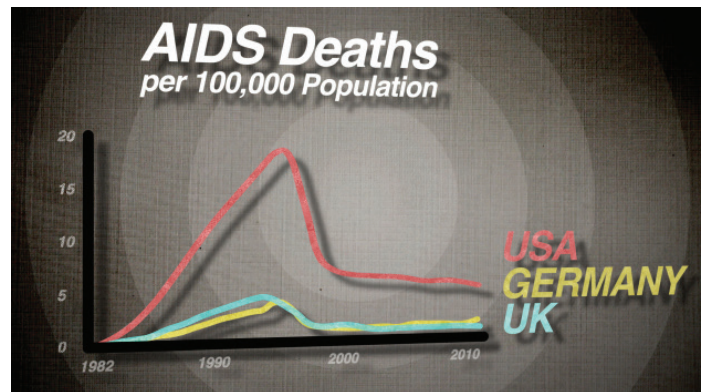
Michael Hobbes of The New Republic this year published a stunning article and short video documentary on why the United States has astronomically higher incidents of - and deaths from - HIV/AIDS. The primary reason? The inability of people with HIV/AIDS to receive appropriate treatment in the U.S., which in turn leads to higher infection rates. From Hobbes's article:

"In 2010, the United States had 47,500 new HIV infections. The entire European Union—with a population more than one and a half times that of the United States—had just 31,400.

So what gives? "Keeping

people alive is about getting them diagnosed, getting them into care, then making sure they stay in care and on HAART," Sabin says. "And that, unfortunately, is where the U.S. differs from the U.K." It turns out that, just as the AIDS virus seems almost designed to perfectly exploit the weaknesses of the human immune system, treating it seems designed to exploit the weaknesses of our national health care system."

Roughly twice as many people who are HIV+ in European countries are receiving appropriate treatment and living with suppressed viral loads. Hobbes's documen-



tary goes even deeper, and chronicles how AIDS in the United States has evolved since the 1980s, becoming a disease that preys primarily on communities marginalized by our healthcare system: people of color, and those living in the South.

The reality of the AIDS crisis in the United States is a painful but important lesson on the senseless human cost of our healthcare system, and the public health dangers of leaving individuals to fend for themselves in a marketplace for healthcare. **HCN!**

## HR676 Re-Introduced: Take Action!

*Rep. Conyers' bill would create single-payer system, "expand and improve Medicare for all"*

This February 3, Representative John Conyers reintroduced HR676, the Expanded & Improved Medicare For All Act with an extraordinary 44 "original" co-sponsors. This year will mark Medicare's 50th anniversary, a testament to universal, public healthcare, and a lesson on how the United States has diverged from the rest of the world in turning healthcare into a commodity instead of a public service - a commodity we can now no longer afford, as individuals or as a society.

If you don't see your Representative listed as a co-sponsor below, make sure to call the Capitol Switchboard at (202) 224-3121 to be connected to your Representative and ask them to co-sponsor HR676!

Rep. Bass, Karen [D-CA-37]  
Rep. Beatty, Joyce [D-OH-3]  
Rep. Brady, Robert A. [D-PA-1]  
Rep. Cartwright, Matt [D-PA-17]  
Rep. Clark, Katherine M. [D-MA-5]

Rep. Clarke, Yvette D. [D-NY-9]  
Rep. Clyburn, James E. [D-SC-6]  
Rep. Cohen, Steve [D-TN-9]  
Rep. Cummings, Elijah E. [D-MD-7]  
Rep. DeSaulnier, Mark [D-CA-11]  
Rep. Doyle, Michael F. [D-PA-14]  
Rep. Edwards, Donna F. [D-MD-4]  
Rep. Ellison, Keith [D-MN-5]  
Rep. Engel, Eliot L. [D-NY-16]  
Rep. Farr, Sam [D-CA-20]  
Rep. Fattah, Chaka [D-PA-2]  
Rep. Green, Al [D-TX-9]  
Rep. Grijalva, Raul M. [D-AZ-3]  
Rep. Gutierrez, Luis V. [D-IL-4]  
Rep. Hastings, Alcee L. [D-FL-20]  
Rep. Honda, Michael M. [D-CA-17]  
Rep. Huffman, Jared [D-CA-2]  
Rep. Jackson Lee, Sheila [D-TX-18]  
Rep. Jeffries, Hakeem S. [D-NY-8]  
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]  
Rep. Kaptur, Marcy [D-OH-9]  
Rep. Lee, Barbara [D-CA-13]

Rep. Lewis, John [D-GA-5]  
Rep. Lieu, Ted [D-CA-33]  
Rep. Lofgren, Zoe [D-CA-19]  
Rep. McDermott, Jim [D-WA-7]  
Rep. Moore, Gwen [D-WI-4]  
Rep. Nadler, Jerrold [D-NY-10]  
Rep. Nolan, Richard M. [D-MN-8]  
Rep. Norton, Eleanor Holmes [D-DC-At Large]  
Rep. Pingree, Chellie [D-ME-1]  
Rep. Pocan, Mark [D-WI-2]  
Rep. Rangel, Charles B. [D-NY-13]  
Rep. Roybal-Allard, Lucille [D-CA-40]  
Rep. Rush, Bobby L. [D-IL-1]  
Rep. Schakowsky, Janice D. [D-IL-9]  
Rep. Scott, Robert C. "Bobby" [D-VA-3]  
Rep. Serrano, Jose E. [D-NY-15]  
Rep. Takano, Mark [D-CA-41]  
Rep. Tonko, Paul [D-NY-20]  
Rep. Welch, Peter [D-VT-At Large]  
Rep. Wilson, Frederica S. [D-FL-24]  
Rep. Yarmuth, John A. [D-KY-3]