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Pass the Health Care Bill - Then Improve It

There are many lessons to learn from the health care war that has raged over the past year. We'll get to some of them below. But here's the bottom line: Pass the bill, then improve it.

The health care bill that will emerge from the House-Senate conference committee won't be what most progressives had hoped for, but it is a major, historic turning point in American social reform legislation, comparable to the Social Security Act, the National Labor Relations (Wagner) Act, the Fair Labor Standards (minimum wage/40 hour week) Act, the Civil Rights and Voting Rights Acts, the Clean Air Act, and other progressive breakthroughs. None of those laws were what their advocates wanted. They all involved compromises that, at the time, were heart-breaking to activists. Each one was subsequently improved by amendments, although not without reformers doing battle with reactionary opponents.

It is incredibly irresponsible for some radicals and progressives to call for killing the health care bill. It is important to push for changes that would improve the Senate version of the bill. For example, the House funding plan (a tax on families with incomes over \$1 million) is [much better](#) than the Senate version (a tax on so-called "Cadillac" health insurance plans). That's what the labor movement, liberal and progressive Democrats in Congress, pro-choice advocates, and others will be doing in hopes of putting a better bill on President Obama's desk, as Harold Meyerson discusses in his latest [Washington Post column](#).

But the idea that we should scrap this bill entirely and start from scratch next year is both immoral and impractical. Like taking food out of the mouths of hungry children, killing this bill will hurt tens of millions of real people who are now suffering physically, psychologically, and economically. Moreover, if we don't pass health care reform now, we won't have another chance for at least a decade. Pass it, then, over the next decade or two, fight hard to make it better, in terms of regulating costs, expanding coverage, and increasing government-sponsored insurance.

Even the flawed bill passed by the Senate will improve the lives of tens of millions of Americans. For proof, check out this [chart](#), put together by Jonathan Cohn and Jonathan Gruber (a health care economist at MIT), based on CBO cost estimates of the Senate bill. It shows the health care cost projections for a family of four at different income levels. For example, a family of four earning \$60,458 -- 250 percent of the federal poverty line -- would pay an estimated annual premium of \$12,042 and an annual out-of-pocket maximum of \$12,600 without the legislation (in total, 41 percent of annual income). If the legislation passes, the comparable numbers are \$5,797 and \$6,300, respectively (or 20 percent of annual income). Families with lower incomes benefit even more. Here's [Cohn's article](#), that explains this in greater detail.

After the Senate passed its version of the health care bill earlier today, Obama said: "This notion that somehow the health care bill that is emerging should be grudgingly accepted by Democrats as half a loaf is simply incorrect. This is nine-tenths of a loaf. And for a family out there that right now doesn't have health insurance, it is a great deal. It's a full loaf for a lot of families who have nothing to fall back on if they get into a medical emergency."

We can differ with Obama on the math -- I'd say the House bill is 3/4 of a loaf and the Senate bill is 2/3 of a loaf -- but he's basically correct about the real human impact. The bill will make life better for most Americans -- those who don't currently have health insurance and those who currently have inadequate health insurance. Every serious progressive health care expert agrees that the bill is a significant step forward -- a stepping stone toward universal health insurance -- although they may differ on some particular issues. The health care experts writing this week in the left-wing *The Nation*, the progressive *American Prospect*, and even the barely-liberal *New Republic* share this view.

Here's what [J. Lester Felder writes](#) in *The Nation* :

"Despite these very serious shortcomings, however, the bill the Senate passed would reduce the number of uninsured Americans by 31 million by 2019. The Medicaid program will be open to new ranks of the country's poorest residents, and the near-poor and middle class will get subsidies to buy insurance. The Senate also advanced some important delivery system reforms that could chart a path towards reining in costs.

As disappointed as progressives are with the compromises Democratic leaders made to get this bill through the Senate--and as tempting it is to believe they may have gotten a better deal if they'd pursued a more aggressive strategy--they are on the verge of doing many other lawmakers have tried and failed to do. And if this effort fails, another generation may pass before another chance will come to try again."

Here's what Jacob Hacker, the policy expert and Yale political scientist who is credited with devising the original "public option" plan, [wrote in the New Republic](#) :

"Since the first campaign for publicly guaranteed health insurance in the early twentieth century, opportunities for serious health reform have come only rarely and fleetingly. If this opportunity passes, it will be very long before the chance arrives again. Many Americans will be gravely hurt by the delay. The most progressive president of my generation--the generation that came of age in the anti-government shadow of Ronald Reagan--will be handed a crippling loss. The party he leads will be branded as unable to govern..."

The public option was always a means to an end: real competition for insurers, an alternative for consumers to existing private

plans that does not deny needed care or shift risks onto the vulnerable, the ability to provide affordable coverage over time. I thought it was the best means within our political grasp. It lay just beyond that grasp. Yet its demise--in this round--does not diminish the immediate necessity of those larger aims. And even without the public option, the bill that Congress passes and the President signs could move us substantially toward those goals.

As weak as it is in numerous areas, the Senate bill contains three vital reforms. First, it creates a new framework, the "exchange," through which people who lack secure workplace coverage can obtain the same kind of group health insurance that workers in large companies take for granted. Second, it makes available hundreds of billions in federal help to allow people to buy coverage through the exchanges and through an expanded Medicaid program. Third, it places new regulations on private insurers that, if properly enforced, will reduce insurers' ability to discriminate against the sick and to undermine the health security of Americans.

These are signal achievements, and they all would have been politically unthinkable just a few years ago."

[Paul Krugman](#) in the New York Times, [Ezra Klein](#) in the Washington Post, [Paul Starr](#) in the American Prospect, and many others echo versions of these same sentiments.

The bill that eventually winds up on Obama's desk won't be what we'd hoped for a year ago. There will be lots of articles and even some books diagnosing what went wrong and what went right. Some initial thoughts:

1. **Lesson #1:** We need major campaign finance reform, preferably mandatory "clean money" public financing plan (<http://www.publiccampaign.org>), as an alternative to our current system of legalized bribery.

The biggest obstacle to more progressive reform is our system of *campaign finance*. The drug companies, insurance companies, the hospital lobby, and the American Medical Assn. have too much political influence because they've spent hundreds of millions of dollars in campaign contributions and lobbying -- something [I've written a lot about](#) over the past year. The Republican Party is a wholly-owned subsidiary of the medical industrial complex, as they've shown during throughout the battle over health care reform. Unfortunately, a handful of moderate Democrats in both Houses are also in the pockets of the health industry lobby - most obviously Senators [Max Baucus](#), Ben Nelson, Mary Landreiu, Blanche Lincoln, and Kent Conrad. And let's not forget one-time-Democrat-now-Independent-who-acts-like-a-Republican Joe Lieberman, whose vanity, hypocrisy, and double-cross should be rewarded by the Democrats by stripping him of his committee chairmanship. Moreover, all people of conscience around the country should unite in defeating Lieberman when he runs for re-election for his Senate seat from Connecticut in 2012. I've written about Lieberman as the "[Senator from Aetna](#)", but he's worse than that.

2. **Lesson #2:** Kill the undemocratic filibuster rule.

Lefties have been too quick to criticize Obama and the Democratic Party for compromising with the moderate Dems and their sponsors, the insurance industry. The truth is that of the 58 Democrats in the Senate, 53 of them (plus Bernie Sanders, the Independent socialist from Vermont) supported the public option and, later, even more supported the Medicare buy-in proposal (for people 55-64), as a way to create competition with the insurance industry. In a true democracy, 53 votes (out of 100) should be enough to pass a bill. So the second obstacle to real reform is the filibuster rule, which gave the five-member "Baucus Caucus" (who together represent states with 3 percent of the country's total population), and then Lieberman, too much influence.

3. **Lesson #3:** Grassroots organizing saved health care reform from an early death.

Recall, at the end of the summer, pundits were already writing obituaries for major healthcare reform. Particularly during the August Congressional recess, an epidemic of right-wing anger against Obama and his policy agenda--of which healthcare reform was simply an immediate and convenient target--captivated the media, which reported [disruptions at Congressional town hall meetings](#) as though they were an accurate reflection of public opinion rather than a pep rally for extremists, encouraged by Fox News and talk-show jocks. The right-wingers stoked fear and confusion by warning that Obama's "socialized medicine" plan would create "death panels," subsidize illegal immigrants, pay for abortions and force people to drop their current insurance. Republican officials, including Senator Charles Grassley, Senator Jim Demint, and Republican National Committee chair Michael Steele, and conservative pundits Glenn Beck, Rush Limbaugh, Sean Hannity, Bill O'Reilly and Betsy McCaughey repeated these myths. And support for the public option tumbled over the summer in response. In June, 62 percent of Americans told Washington Post/ABC pollsters that they favored a public option. By mid-August, support had slipped to 52 percent. Obama's popularity fell, too, as jobs continued to disappear and the administration's proposals to bail out the banks and the auto industry met with right-wing attacks and public skepticism. The death in August of healthcare reform stalwart Senator Ted Kennedy bolstered Baucus' influence as chair of the Senate Finance Committee.

As [Marshall Ganz and I wrote](#) in the Washington Post at the end of August, the grassroots momentum from the Obama campaign seemed to be stalled. To the rescue came Health Care for America Now (HCAN), a coalition of unions, community organizations, consumer groups, environmentalists and netroots groups such as MoveOn, that began spearheading the reform campaign since the group was launched in July 2008.

I've written about HCAN's influence [elsewhere](#). Suffice it to say that in late August, seeing defeat on the horizon, HCAN and other reform activists regrouped. They decided to act more like a grassroots movement and less like an interest group. That meant mobilizing voters, focusing attention on the insurance industry, humanizing the battle by giving insurance company victims an opportunity to tell their stories and using creative tactics to generate media attention. They sponsored rallies and protests, including civil disobedience, in cities around the country. They helped focus public attention on the insurance industry's outrageous profits and executive compensation, its abuse of consumers and its outsized political influence. And they warned Democrats not to get duped by the industry's pledges of cooperation.

Public support for the public option recovered after taking a tumble over the summer. In late October, a Washington Post/ABC poll found that 57 percent favored a public insurance option, while 40 percent opposed it. If a public plan were run by the states and available only to those who lack affordable private options, support for it jumped to 76 percent. Under those circumstances, even a majority of Republicans, 56 percent, favored it. That kind of grassroots pressure helped the liberal Democrats in the Congress fight to keep a decent bill alive, even though eventually Lieberman forced the Dems to compromise on the public

option and then the Medicare buy-in.

4. Lesson #4: Watchdog the media.

The mainstream media made it very difficult for Obama, the progressive Democrats, and health reform advocates. During the past year, the mainstream media gave right-wing activists a megaphone that gave them a much larger voice than they deserved. The ultra-right -- including the "tea party" lunatics, and reactionary Republicans like Senators Jim DeMint and Charles Grassley, egged on by Glenn Beck, Bill O'Reilly, and their Fox News colleagues -- got much more attention than they should have. As [Todd Gitlin and I noted](#), the media covered the right-wing protests AGAINST health care reform, but barely reported on the protests sponsored by health care reform activists like HCAN.

The mainstream media acted like stenographers, repeating the right wingers' lies about the health care plans, without trying to verify them or put their outrageous statements in context. At the same time, the mainstream media completely shut out the voices of the left wing of the health care debate, the advocates for a single-payer system. With a few exceptions, the media repeated the right wing's lies about Canada's health care system without correcting them, and allowed them to frame the mainstream Democrats' public option plan as "socialism." Trudy Lieberman, the nation's best media critic, has been keeping tabs on the media's misreporting of the health care debate all along. It is worth reading [her regular columns and blogs](#) to see how much the media set the public agenda and framed the debate in ways that undermined progressive activists and President Obama.

5. Lesson #5: This isn't just about health care.

Last summer, Republican Senator Jim DeMint of South Carolina said out loud what most Republican members of Congress were thinking and plotting. DeMint called the president's health care proposal "D-Day for freedom in America" and said that stopping Obama's plan for health care overhaul could be the president's "Waterloo," a reference to the site of Napoleon's bitter defeat in 1815.

What DeMint meant, and what his Republican colleagues and their allies like Glenn Beck, Rush Limbaugh, and others intend, is that defeating Obama's health care reform would undermine his presidency, and set the stage for major GOP victories in the 2010 elections and again in 2012, including defeating Obama's re-election bid.

DeMint, a fervent reactionary, is now almost in the mainstream of his party. Over the past 30 years, the Democrats have shifted slightly to the left, but as Jacob Hacker and Paul Pierson documented in their book, *Off Center*, the Republicans in office have moved dramatically to the right. According to political scientists [Nolan McCarty, Keith T. Poole, and Howard Rosenthal](#), there are now very few "moderate" Republicans in either the House or the Senate. Most Republicans in Congress have no interest in bipartisanship or compromise. They simply want to destroy the Democrats and their liberal policy agenda.

They have understood that if the unholy alliance of medical industry muscle, right-wing mob tactics, Republican Party hardline unwillingness to compromise, and a handful of conservative Democrats' obfuscation is able to defeat Obama's health-care proposal, it will write the conservative playbook for blocking other key components of the president's and progressives' agenda -- including action on climate change, immigration reform, marriage equality, a second jolt of economic stimulus, pro-consumer bank reform, and updates to the nation's labor laws. So those progressives, like Howard Dean and Dennis Kucinich, who say, "kill the bill" are doing more than dooming tens of millions of Americans to health care hell; they are setting the stage for a Republican resurgence.

Obama has certainly disappointed many progressives on a number of fronts, including the Wall Street bail-outs, the weak foreclosure program, the too timid stimulus plan, and most recently by expanding the war in Afghanistan. What's missing from these criticisms is the failure of progressive forces to mount an effective grassroots movement to push Obama and the Democrats -- and counter the power of big business, the Religious Right, and the NRA. Both grassroots groups (including unions, enviros, community organizing groups, gay rights groups, peace groups, and others) and the Obama administration haven't yet learned how to play the inside-outside strategy game as effectively as they could. Like FDR, Obama's success depends on the existence of a progressive movement that organizes, protests, influences public opinion, lobbies, and keeps the heat on so that the inevitable legislative compromises are stepping stones to further reform. When activists asked FDR to support progressive legislation, he told them, "I agree with you. Now go out and make me do it." Obama has [sent the same signals](#).

The Right understands this. That's why Glenn Beck, Limbaugh, O'Reilly, Congressmembers King and Issa, and others have been so persistent at attacking SEIU, ACORN, Van Jones, and others. They want to destroy the progressive movement and make it more difficult for Obama to be a successful (and two-term) president.

For example, the Right's persistent [attack on ACORN](#) over the past year and a half was effective. ACORN, with a strong constituency in Arkansas, was expected to play an important role in keeping the heat on Senator Blanche Lincoln, a moderate Democrat who seemed to be in bed with the insurance industry. ACORN did some effective grassroots organizing to hold Lincoln accountable, but it was weakened by the Right's attacks, and so busy fighting for its own survival, that it couldn't mount the kind of full-court press on Lincoln that was needed.

The failure of many Democrats, even many liberal Democrats, as well as many [liberal funders](#), to stand up for ACORN when it was under attack made it more difficult to pass health care reform, and to build the kind of progressive grassroots movement that is necessary to pass reform legislation. Their behavior is even more shameful in light of a new [report](#), released this week by the nonpartisan Congressional Research Service, documenting that the various accusations against the group by Republicans and the right-wing media echo chamber -- especially about alleged "voter fraud" -- are totally bogus. Here are some of the report's key findings:

- There were no instances of individuals who were allegedly registered to vote improperly by ACORN or its employees and who were reported "attempting to vote at the polls." Memorandum from the Congressional Research Service to the House Judiciary Committee, "ACORN Investigations" (December 22, 2009), at 1.
- As of October 2009, there have been 46 reported federal, state, and local investigations concerning ACORN, of which 11

are still pending. "ACORN Investigations," Table 1.

- No instances were identified in which ACORN "violated the terms of federal funding in the last five years." "ACORN Investigations," at 1.
- Recently enacted federal legislation to prohibit funding to ACORN raises significant constitutional concerns. The courts "may have a sufficient basis" to conclude that the legislation "violates the prohibition against bills of attainder." Congressional Research Service, "The Proposed 'Defund ACORN Act' and Related Legislation: Are They Bills of Attainder?" (November 30, 2009), at 25. [A recent court ruling did, in fact, find that the legislation violated the law]
- Concerning recent "sting" operations relating to ACORN, although state laws vary, two relevant states, Maryland and California, "appear to ban private recording of face to face conversations absent the consent of all the participants." Memorandum from the Congressional Research Service to the House Judiciary, "Allegations of Recording Conversations with Various ACORN Affiliated Individuals without Their Consent" (October 9, 2009), at 1.

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