Waffling Democrats' Healthcare Hypocrisy

In the battle over healthcare reform, Senator Joe Lieberman of Connecticut, the former Democrat turned independent, and Democratic Senators Max Baucus, Ben Nelson, Mary Landrieu, Blanche Lincoln and Kent Conrad have at least two things in common. They all oppose a public option in healthcare reform, but each is nevertheless a fervent advocate of socialized medicine. How can Senate watchers make sense of this ideological contradiction?

Senator Majority Leader Harry Reid must get all six of these senators (or one renegade Republican) on board to pass a healthcare reform bill with the sixty votes needed to stop a filibuster. But although each of them recently voted to allow the Senate to debate the measure, they all say they oppose the public option President Obama supports.

“I’ve already alerted the leader,” said Lincoln, “and I’m promising my colleagues that I’m prepared to vote against moving to the next stage of consideration as long as a government-run public option is included.”

“I don’t believe Americans want a government-run healthcare system,” Landrieu said in October. “I’m not for a government-run, national, taxpayer-subsidized plan, and never will be.” “People who support a public option,” Lieberman, who has also threatened a filibuster, recently said on CBS’s Face the Nation, “really want to have a government-controlled health insurance system. That’s their right. I think they’re wrong.”

For years, however, Lieberman and the five Democrats have been boosters of one of the world’s largest government-run healthcare programs—the Veterans Health Administration (part of the Department of Veterans Affairs, often just called the VA). Whereas Obama’s proposed “public option” plan, and even Medicare, is simply a government insurance scheme that pays private providers, the VA actually owns hospitals and clinics. Last year, the VA, which has a $45 billion budget, treated 5.1 million veterans at its 153 hospitals and 900 outpatient clinics throughout the country. The VA’s 200,000 employees, including 14,500 doctors and 60,000 nurses, are government employees. You don’t get much more “socialized” than that!

Lieberman has often voiced strong support for the VA. In 2002 he fought the Bush administration’s efforts to close VA facilities in Connecticut. In 2004 Lieberman co-sponsored a budget amendment that would have increased veterans’ medical care by $2.7 billion. The next year, he helped pass $1.5 billion in supplemental funds to the VA to meet the growing medical needs of military retirees and the Iraq War. In 2007 Lieberman said, “Our nation has no greater moral and patriotic responsibility than to ensure that these brave Americans receive first-class treatment—not only immediately after their injuries but for their entire lives—through the Veterans Administration.”

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Likewise, the five Senate Democrats who are still sitting on the fence on the public option support VA hospitals and clinics without waffling or hedging. Earlier this month, for example, Lincoln issued a statement, posted on her website, declaring that she is “Fighting to improve health care for servicemembers and veterans by providing the VA with the biggest funding increase in its history, which has allowed the VA to better meet its current and future challenges by making needed investments in quality health care, expanding access and improving delivery of care, and enhancing numerous benefits provided to the estimated 257,000 Arkansas veterans and their families.”

In August, Conrad cut the ribbon at the opening of a new VA community-based outpatient clinic in Grand Forks, North Dakota. "Today is a good day," Conrad said. "It is the culmination of years of hard work to bring quality healthcare closer to our veterans. This clinic here in Grand Forks will ensure many of these men and women have access to the vital care they need and deserve." Similarly, Nelson has consistently pushed to expand VA facilities in Nebraska, especially in rural areas. Last year, Louisiana’s Landrieu proudly announced her success in getting the VA to build a new hospital in New Orleans to replace the one destroyed by Hurricane Katrina. The facility, she noted, will serve more than 39,000 veterans and employ more than 1,700 people. Last year, too, Baucus, the powerful chair of the Senate Finance Committee, claimed, "I've been working hard to expand the locations and services of the VA primary care facilities in Montana," citing funding for three new outpatient clinics and the expansion of four other clinics.

The overwhelming support for the VA isn't surprising. The VA provides first-class healthcare.

Two decades ago, it had a lousy reputation. But in the 1990s, the VA underwent a dramatic transformation that improved the quality of care and made it a model of medical efficiency. Experts say that the VA has an excellent track record for containing healthcare costs. A recent Congressional Budget Office report concluded that the VA had found a "substantial degree of cost control." The VA has been a pioneer in the use of electronic medical records, which has led to significant cost savings and better medical practice.

In 2003 the New England Journal of Medicine published a study comparing the VA and fee-for-service Medicare. On all eleven measures, the quality of care in VA facilities was "significantly better." Last year, according to the American Customer Satisfaction Index, patients at VA facilities gave the program an 85 satisfaction rating compared with 77 for private hospitals. Phillip Longman titled his 2007 book about the VA The Best Care Anywhere. He concluded that VA facilities provide "the highest quality care in the country."

Despite their support for the VA's system of socialized medicine, all six senators say they oppose the public option because it expands government and raises the deficit. The Senate plan "doesn't do enough to control costs, that's for sure," Nelson said on ABC's This Week. "If it's a robust public option plan, you bet I'm sticking to my guns." "There is general concern from constituents about spending and increasing the size of government," Lincoln said recently.

"I think that a lot of people may think that the public option is free," said Lieberman. "It's not. It's going to cost the taxpayers and people that have health insurance now; and if it doesn't, it's going to add terribly to our national debt." He told Politico he opposed "creating another entitlement that will end up increasing the national debt and putting more of a burden on taxpayers."

But the nonpartisan Congressional Budget Office says the Democrats' bill raises enough money to reduce the deficit. Most experts agree that a government-backed insurance plan would force private insurers to lower their costs in order to compete. Such competition, experts suggest, would keep the private insurance companies honest.

Of course, the health insurance companies prefer the status quo. In almost every state, one
or two companies dominate the health insurance market, according to a study by the
American Medical Association. Under those conditions, insurance corporations can drive up
premiums, restrict coverage and take advantage of consumers. Nationwide, for example,
health insurance premiums have been rising much faster than family incomes. The insurance
companies don’t want any competition from a government plan that would provide American
consumers with a choice.

In Montana, one insurer--Blue Cross Blue Shield--controls 75 percent of the market, with
New West Health Services a distance second, with 10 percent of the business. Blue Cross
Blue Shield dominates the market in Arkansas, Louisiana and Nebraska; its closest
competitor, United Health Group, covers most of the rest. Blue Cross Blue Shield has a
stranglehold in South Dakota, too, with 61 percent of the market. In second place is
Dakotacare, with 10 percent. The health insurance market in Connecticut is dominated by
two companies--WellPoint, with 55 percent of market share, and Health Net, with another 11
percent.

To maintain an oligopoly, the insurance lobby has been a generous contributor to Congress,
including all six waffling senators. Over their careers, the healthcare industry (including
insurers, drug companies, hospitals and nursing homes, and medical professionals) has
contributed $2.8 million to Baucus, including $464,850 just from health insurance companies,
according to the Center for Responsive Politics. Lincoln (who has received $1.7 million from
the healthcare industry, including $241,599 from insurers), Conrad ($1.4 million overall;
$201,015 from insurers), Landrieu ($1.3 million; $169,005) and Nelson ($1.1 million; $141,950)

After years of feeding at the health insurance industry trough, it’s no wonder these senators
oppose a public option plan to compete for consumers.

Voters in those six states have a right to ask these senators: which side are you on?

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