

**“Game Over,” MoveOn.org, May 29, 2009**

<u><b>AD NARRATION:</b></u>	<u><b>DOCUMENTATION:</b></u>
<p>[Sound of Pac Man chomping away] <b>Rising health care costs are eating up our economy. We pay the price...</b> [Sound of coins going into machine]</p>	<p>Rising health costs are eating up American GDP at an unsustainable rate. Total national spending on health care has doubled in the past 30 years, and will double again by 2035, to over 30% of GDP. By 2060, health costs will rise to 40% of GDP, and by 2082, nearly 50%. This isn't about an aging population or better care – it's about rising costs and unnecessary procedures. [Congressional Budget Office, <a href="http://www.cbo.gov/publications/collections/health.cfm">http://www.cbo.gov/publications/collections/health.cfm</a>, accessed 5/28/09]</p> <p>Rising costs and slowing revenues are forcing smaller companies to stop offering health benefits or else lay off staff. [Wall Street Journal, “More Small Firms Drop Health Care,” by Dana Mattioli, 5/26/09, available at <a href="http://online.wsj.com/article/SB124329442612051953.html">http://online.wsj.com/article/SB124329442612051953.html</a>]</p> <p>According to a study by researchers at Harvard Law School, upwards of half of all home foreclosures are directly caused by unsustainable medical costs, and rising medical costs are undermining the financial stability of the American middle class. “Half of all respondents (49%) indicated that their foreclosure was <i>caused</i> in part by a medical problem, including illness or injuries (32%), unmanageable medical bills (23%), lost work due to a medical problem (27%), or caring for sick family members (14%). We also examined objective indicia of medical disruptions in the previous two years, including those respondents paying more than \$2,000 of medical bills out of pocket (37%), those losing two or more weeks of work because of injury or illness (30%), those currently disabled and unable to work (8%), and those who used their home equity to pay medical bills (13%). Altogether, we found that about 7 in 10 of our respondents either self-reported a medical cause of foreclosure, or experienced one of these indicia of medical disruptions in the years before foreclosure. In many cases, homeowners were hit with a perfect storm of factors – a few thousand dollars of medical bills, a few weeks of missed work, and perhaps a divorce or rising interest rate – all combined to push them over the edge into foreclosure.” [Health Matrix, “Get Sick, Get Out: The Medical Causes of Home Foreclosures,” 2008, by Christopher Tarver Robertson, Richard Egelhof, and Michael Hoke, available at <a href="http://works.bepress.com/christopher_robertson/2">http://works.bepress.com/christopher_robertson/2</a>]</p>

...while the insurance industry scores. [bonus sounds]

**But now Americans say it's time for that game to be over.** [Pac Man death sound]  
**President Obama and seventy percent of voters support health care reform that includes a public health insurance option to contain costs, increase competition, and guarantee coverage.**

Lack of competition is driving up insurance industry profits and CEO pay. "Profits at 10 of the country's largest publicly traded health insurance companies rose 428 percent from 2000 to 2007 (from \$2.4 billion to \$12.9 billion). In 2007 alone, the chief executive officers at these companies collected combined total compensation of \$118.6 million—an average of \$11.9 million each." Health Care for America Now report, "Premiums Soaring in Consolidated Health Insurance Market," May 2009, available at

[http://healthcareforamericanow.org/site/content/new\\_report\\_private\\_insurers\\_consolidate\\_and\\_control\\_prices](http://healthcareforamericanow.org/site/content/new_report_private_insurers_consolidate_and_control_prices)]

More than 70% of voters support a public health insurance option. "A new poll conducted by Lake Research Partners<sup>1</sup> on behalf of Health Care for America NOW! (HCAN) shows **intense and widespread voter support for the choice of a public health insurance plan as part of comprehensive health care reform. Nearly three out of four voters prefer having a choice of public or private health insurance over either an all-private or an all-public system...Voters overwhelmingly want everyone to have a choice of private health insurance or a public health insurance plan (73%)**, while just 15% prefer everyone having private health insurance and 9% support only public insurance. The preference for a choice of public and private health insurance plans extends across all demographic and partisan groups, including Democrats (77%), Independents (79%) and Republicans (63%)." [Lake Research Partners memo, 1/28/09, available at <http://healthcareforamericanow.org/page/-/documents%20for%20download/Memo.HCAN.f3.012809.pdf>]

Obama's health care proposal includes the choice of a public health insurance plan.

[http://www.whitehouse.gov/agenda/health\\_care/](http://www.whitehouse.gov/agenda/health_care/)

Obama continues to defend a system that gives Americans the choice of keeping their private care or opting into a public insurance plan; Secretary of Health and Human Services Kathleen Sebelius also supports this plan. [Los Angeles Times, "Obama Backs Public and Private Healthcare Insurance," by Noam Levey, 5/7/09,

[http://www.latimes.com/news/nationworld/nation/la-na-sebelius7-2009may07\\_0,157733.story](http://www.latimes.com/news/nationworld/nation/la-na-sebelius7-2009may07_0,157733.story)]

**The insurance industry says with new rules they can do it alone, but they'll find a way to put profits first.**

**We need a health insurance choice not run by the insurance companies to keep costs down and ensure access to quality, affordable care.**

Just three days after standing alongside President Obama for health reform, the health insurance companies and their industry groups began backpedaling from those commitments: lobbying against a public health insurance option and denying have made any commitments to reduce costs. [The New York Times, "Blue Double Cross," by Paul Krugman, 05/21/09, <http://www.nytimes.com/2009/05/22/opinion/22krugman.html>]

Industry leaders now claim they never committed to reducing costs and won't consent to Congressional Budget Office oversight. Such oversight is essential to a public health insurance option. [The New York Times, "Health Care Leaders Say Obama Overstated Their Promise to Control Costs," by Robert Pear, 5/14/09, <http://www.nytimes.com/2009/05/15/health/policy/15health.html> ]

A public health insurance option forces private companies to compete, ultimately reducing costs for consumers. See for example the Urban Institute's study "Can a Public Health Plan Increase Competition and Lower the Costs of Health Reform?," 10/3/08, available at <http://www.urban.org/publications/411762.html>.

An expanded public plan would have improved bargaining power, allowing it to reduce costs without reducing quality. When costs to consumers do rise, the increase would be smaller than that of private plans. This lowers costs for the consumer, forcing private plans to compete by cutting their own profits. [See "The Case for Public Plan Choice in National Health Reform," by Jacob S. Hacker, PhD, published by Berkeley School of Law and the Institute for America's Future, [http://institute.ourfuture.org/files/Jacob\\_Hacker\\_Public\\_Plan\\_Choice.pdf](http://institute.ourfuture.org/files/Jacob_Hacker_Public_Plan_Choice.pdf) , and "Cost Impact Analysis for the 'Health Care for America' Proposal," Lewin Group, February 2008, <http://www.sharedprosperity.org/hcfa/lewin.pdf>.]

Obama's public health insurance option would be a guaranteed backup for Americans. Consumers could never be cut from the plan, and it will always be affordable. "To quote the Obama campaign release on the proposal...No American will be turned away from any insurance plan because of illness or pre-existing conditions...Individuals and families who do not qualify for Medicaid or SCHIP but still need assistance will receive income-related federal subsidies to keep health insurance premiums affordable." [See "The Case for Public Plan Choice in National Health Reform," by Jacob S. Hacker, PhD, published by Berkeley School of Law and the Institute for America's Future, [http://institute.ourfuture.org/files/Jacob\\_Hacker\\_Public\\_Plan\\_Choice.pdf](http://institute.ourfuture.org/files/Jacob_Hacker_Public_Plan_Choice.pdf)]

**And it'll give small businesses an affordable choice to cover employees.**

**Call Senator \_\_\_ at 202-224-3121 and tell \_\_\_ reform without a public health insurance option is a game America won't play. [Pac Man death sound]**

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Creating a public insurance option to break the effective monopoly of private health insurance plans is essential to small businesses, which are currently hit hard by rising costs and market consolidation. [Health Care for America Now, "Premiums Soaring in Consolidated Health Insurance Market," May 2009]