



# The Phyllis Schlafly Report

## Save Freedom — Defeat Phony Health “Reform”

Congress is preparing to vote on what is falsely called “health care reform.” All the bills that the liberal Democratic majority will allow to be voted on are far worse than no bill at all. Everyone who values freedom should call on all Senators and Congressmen to vote NO on all health care plans because they all do one or more of the following bad things:

1. Raise taxes — or try to deceive us by raising federal spending and claiming it will be paid for by “savings” (which will never happen).
2. Define a one-size-fits-all “standard benefit package.”
3. Create a National Health Board (which will eventually expand its power to control and ultimately ration all health care).
4. Cancel our present insurance and force us all into a government-approved “plan” or “alliance.”
5. Put mandates on employers or individuals to pay taxes for health insurance — either right away, or in the future when some “trigger” kicks in.
6. Require individuals with healthy lifestyles to pay the same insurance premium or health care tax as those who smoke, drink too much alcohol, use illegal drugs, or engage in unsafe sex. (This is called “community rating” and it is fundamentally unjust. It also doesn't work — in New York, it made insurance more expensive, which forced thousands of people to drop their low-cost insurance.)
7. Impose penalty taxes on individuals who

choose to carry only low-cost, high-deductible “catastrophic” health insurance.

8. Threaten Americans with prosecution for Health Care Crimes if they choose health care or insurance other than what is federally approved.

9. Require doctors to report all care to a national computer data base.

10. Force us into a Managed Care system in which gatekeeper doctors are rewarded with bonuses for limiting access to specialists. (This technique produces rationing of health care.)

11. Force taxpayers to subsidize abortion or force employers to cover abortion.

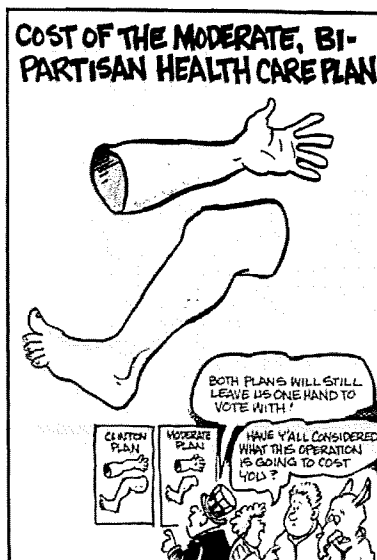
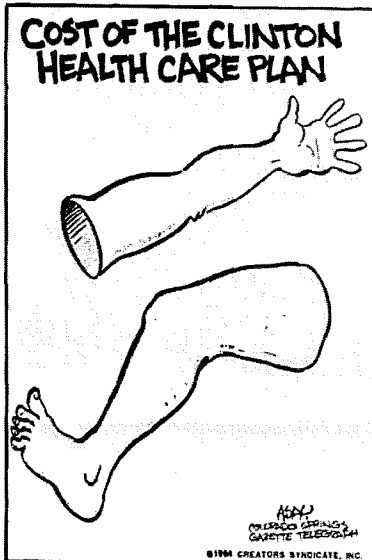
12. Exempt federal employees and large corporations from the rules for the rest of the people.

When your representative asks you if you are for

“universal” coverage, the correct answer is — not if it includes any of the above.

### So, what are we for?

1. Tax fairness — so self-employed and part-time employees will have the same right as big companies to (a) buy health insurance with pre-tax dollars and (b) self-insure for all but catastrophic medical expenses.
2. Individual Medical Savings Accounts — so we can spend or save our own health care dollars, and keep our Account when we change jobs.



## Public Opinion Against Health Care Bills

The most complete opinion survey on the health care issue, the USA TODAY/CNN/Gallup Poll of June 1994, shows that public opinion has moved massively against the Clinton-style health plan and even against the Clinton health-care rhetoric.

The best thing the Clinton health plan had going for it was the rhetorical question that all the liberal media hurled at critics: "You are for 'universal coverage,' aren't you?" This poll should give Congressmen the courage to say, "No, I'm not for government-mandated coverage; I'm with the 63 percent of Americans who prefer access to affordable coverage." Access is the key word.

Clinton threatened Congress that, if a bill reaches his desk without universal coverage, he will veto it. This poll shows the American people saying, "Go ahead and veto it; we don't want your plan."

The best way to get the affordable access that Americans want is to eliminate the current disgraceful discrimination in the tax code which allows executives and workers in employer-paid health plans to buy their health insurance before they pay their taxes, but requires workers who are part-time, self-employed, or work for a company that doesn't offer health benefits, to buy their insurance only after they pay their income and payroll taxes.

Most of the working poor and middle class without health insurance are not demanding a government handout of free health care. All they want is the same access (tax deduction) for buying health insurance that rich CEOs currently receive.

Some Congressmen, when confronted by their constituents on this issue, readily agree with the need to change to a system of tax fairness so all will be equally allowed to deduct their health insurance, but they complain that it "costs too much money" to make this change. The answer to that is, "There's no price tag on discrimination. Fairness requires that the part-time waitress be eligible for the same benefit as the corporate executive."

The second best thing that the Clinton health plan had going for it is the typical American attitude that,

when confronted with a problem, "there ought to be a law." This poll shows that the American people are too smart to fall for this line where their health is involved because they know the government cannot solve all their problems.

According to the USA TODAY/CNN/Gallup Poll, by a margin of 48 percent to 19 percent, people say they will be "worse off if health-care legislation passes," and by a margin of 48 percent to 16 percent, people say they will have "fewer choices." These polling figures should eliminate the fear that some Congressmen have of being left waiting on the dock if a health care bill raises anchor and sails. According to the poll, only 37 percent want a health care bill to pass this year.

Put another way, Congressmen no longer need worry about being accused of causing "gridlock" by opposing a big government health bill. Indeed, Congressmen will be better off if they wait for a better bill.

This poll shows that almost twice as many Americans think that the quality of medical care will decline, rather than improve, under Clinton's health care proposal. Three times as many people think that the Clinton bill will make health care cost more rather than less, and ten times as many Americans think it will mean too much

government involvement rather than too little.

Harvard Professor Robert Blendon, an expert on health policy and public opinion, summarized public opinion like this: "Not only are they nervous about the president's plan, but they are sufficiently nervous about reform in general that if it dragged on for a number of years, it wouldn't bother them."

Maybe one reason why public opinion has turned against national health care is the candor of the powerful ex-chairman of the House Ways and Means Committee, Dan Rostenkowski. He said that the Clinton health care plan will require "a broad tax increase that has some impact on virtually every American." He said that the "tens of billions of dollars" of additional money needed simply cannot come from the "health fairy" or from a cigarette tax plus savings that are promised to be carved out of current wasteful spending. Rostenkowski added that



we should all “belly up to the bar” and pay these tax increases. But the American people don’t want to “belly up” for Clinton-style socialism.

Public opinion continues to move away from government health care. On the two-hour health care special aired on NBC-TV and financed by the Robert Wood Johnson Foundation, Tom Brokaw admitted that 57 percent of Americans are so confused about various plans that they would rather wait until next year for Congress to act on health care.

### *Fake Republican Alternatives*

Realizing that the 1,342-page Clinton bill cannot pass, the liberal Democrats are now trying to pass the bill put together by Senator Daniel Patrick Moynihan. It has most of the bad features of the Clinton bill, but some of them are disguised. The job-destroying taxes on employers are implemented by a time-delay, called a “soft trigger,” instead of by immediate mandates.

It’s too bad that Republicans let Senator John Chafee spend the last year calling his health care bill the “Republican” bill. It’s known as Hillary Lite. The Chafee bill is just as destructive to patient freedom and to high-quality medical care as the Clinton bill. The Chafee bill would put mandates (taxes) on individual workers instead of on employers. The whole idea of taxing individuals (instead of employers) to pay for the giant federal takeover of the health care industry is offensive to a free society.

The Chafee bill would require every American worker to buy a health insurance policy with a standard benefit package determined by a five-person federal commission appointed by Clinton. What is in or out of the package will be politically determined without regard to how you might want to spend your money.

When the government forces you to fork out your own hard-earned cash, that’s a tax. When the government decides how that money is spent, that is totalitarian control, because your fate will be in the hands of the politicians and bureaucrats in a new health care monitoring bureau in Donna Shalala’s Department of Health and Human Services.

While the Chafee bill doesn’t overtly force Americans to pay taxes directly to a Clinton Regional Alliance, it accomplishes the same result by putting a low ceiling on the tax deductibility of the health insurance you are forced to buy. This would amount to a large tax increase on working Americans.

The Chafee bill requires all health insurance plans to adopt “community rating,” which means that everybody pays the same health tax whether you are young or old, and whether your lifestyle is healthy or you are a drug addict. Of course, this means a huge tax increase on younger and healthier Americans. The real purpose of the Chafee bill is to force all Americans into so-called Managed Care groups, commonly known as HMOs. HMOs are growing because employers are forcing their employees into them, but a Johns Hopkins study reported that workers don’t like them — especially when they get sick and discover how care is rationed.

Indeed, the primary purpose of an HMO is to limit the patient’s right to consult medical specialists. In an outrageous conflict of interest, the HMO gatekeeper physicians receive bonuses if they refuse to refer you to a specialist. In HMOs, physicians are paid more if they provide less care! That’s the mechanism by which HMOs are expected to “reduce



health care costs.”

The bottom line is, there is a big difference between choosing a plan when you are healthy, and choosing your doctor when you are sick.

When workers are dissatisfied with HMOs, there is little they can do about it (except quit their job) if their employer puts them in HMOs. However, if your Senator forces you into an HMO, you can retaliate at the ballot box. But the time to get after your Senator is **before** any bill is passed, not after.

Just before the July 4 recess, Senator Bob Dole introduced a modified Republican bill. The good news is that the Dole bill rejects most of the bad things in the Clinton, Chafee and other bills, but the bad news is that it still puts the Federal Government deeply into the business of health care. It includes an unfunded extension of welfare, a “modified community rating,” and modified price controls. It’s

another example of "me-too" Republicanism.

Incidentally, all the Democrats and renegade Republicans who voted for the Moynihan bill did so without seeing its text, and all the Republicans who signed onto the Dole bill did so without seeing its text. That's the kind of "careful" consideration the Senators are giving this important issue.

### ***Don't Lose High-Quality Care***

America today has the best health care in the world and 81 percent are satisfied with their present insurance. That's why people from all over the world want to come here — they want treatment from our superior specialists, our technology, and our wonder drugs that substitute for surgery.

America's poor in 1994 have access to better health care than our middle class enjoyed in 1950. Middle-class Americans today have high quality health care greatly exceeding what the wealthiest could buy in 1950.

On Tom Brokaw's two-hour NBC health care program in June starring Hillary Rodham Clinton, several people were given time to extol the supposed advantages of Canada's socialized medicine. Funny thing, while we hear about a great many Canadians coming to the United States for medical treatment, we don't hear about Americans going north of the border for health care.

If the government takes over the practice of medicine through any of the Clinton or Clinton Lite bills, the best and the brightest physicians will opt out rather than let petty bureaucrats tell them how to practice medicine or care for their patients. When Canada socialized its health care system, thousands of specialists immigrated to the United States.

The same exodus happened when England adopted socialized medicine in the 1950s. While Britain was offering mediocrity and income caps in order to pay for the welfare state, America offered private enterprise and commensurate pay. So, Britain's brightest physicians immigrated to the United States where they could use their medical, engineering and entrepreneurial skills. Britain's brain drain was our gain.

Talk to some of our country's specialists and you will hear frightening forecasts. You will find that

many of our best physicians are already planning to opt out; if they are over 50, they will probably retire now; if they are under 50, they are talking about setting up facilities outside the country, beyond the reach of Clinton's medical commissars. Some of them have already traveled overseas to investigate sites in Scotland, Switzerland, and even in former Communist countries. (Mexico might not be a safe haven under NAFTA's regulations.)

The real issue is freedom (a proven success) versus socialism (a proven failure). Senator Jay Rockefeller, leading advocate of Clinton-style health care, says, "We're going to push through health care reform regardless of the views of the American people."

It's time to say, "No, you're not!" Tell your Senators and Congressmen to vote NO on all health care bills this year, listen to the voters in the upcoming campaign, and next year give us tax fairness and Individual Medical Savings Accounts.

GUESS WHICH INSTITUTION HILLARY RODHAM CLINTON THINKS IS OUR BEST HOPE TO RESTORE "COMPASSION AND CARING INTO OUR SOCIETY" AND OFFERS RELIEF FROM "THE AVALANCHE OF PAPERWORK" THAT PLAGUES OUR HEALTH CARE SYSTEM:



Phyllis Schlafly is the founder and president of Eagle Forum, a conservative policy group working on issues that affect the family and national defense. She is the author of 16 books, including five books on strategic defense and foreign policy: *Kissinger on the Couch* (1975) and *Ambush at Vladivostok* (1976) covering the Kissinger years; and *The Gravediggers* (1964), *Strike From Space* (1965), and *The Betrayers* (1968) covering the McNamara years. An

attorney, she was a member of the Commission on the Bicentennial of the United States Constitution, by appointment of President Reagan, 1985-1991.

Call your Senators and Congressman today at 202/224-3121 and tell them to vote **NO** on all health care bills this year.

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