

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

April 25, 1994

REMARKS BY THE FIRST LADY
AT NEWSPAPER ASSOCIATION OF AMERICA
SAN FRANCISCO, CA

MRS. CLINTON: Thank you very much. Thank you very much, Frank, and I'm delighted to be here at this event. I'm here because I sat next to Frank at the Grid Iron and he lobbied me throughout the entire dinner to be here and to have an opportunity to visit with you and he made it so inviting that before I knew what I'd done -- as I bet many of you in dealing with Frank have experienced -- I said yes, and so here I am.

I do have to, as they say in your trade, set the record straight. The real story about Harvard Law School is that I was very seriously thinking about attending there. In fact, I had been accepted and went to a reception where a young man I knew there introduced me to one of the most distinguished professors on the law school faculty, someone who looked like the character in the old movie and TV series Paperchase, introduced me by saying, professor so and so, this is Hilary Rodham, she's been accepted here and by our closest competitor and is trying to make up her mind. This man looked down at me and he said, well, first of all, we don't have any competitors and secondly, we do not need anymore women. So I thought that he must know what he was talking about.

I am so pleased to have a chance to come and visit with you about health care and then to take time to answer some of your questions. I would like a chance, if I could, to briefly describe where we are in this great historic debate about health care. I was speaking with Lou and Frank at lunch and talking about how we have been making progress and we are very optimistic about the outcome, but it is a complicated and challenging time for the Congress, for the country and for you who have the responsibility for covering what this historic debate is all about. It is something that takes an enormous amount of coverage because everyone I've learned as I began to work on this has an opinion about health care, every one of the 250 million Americans who have

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either been sick or tried to avoid getting sick. So we have personal experiences that we bring to this debate. So what I would like to do is describe the underlying principles in the President's approach and which are really serving as both the touchstones and the reaction points in the debate in Congress and maybe give you a little insight into why we made some of the decisions that we did make because as I follow the coverage, I see how uneven it is, which is often due to the very demanding efforts that are being undertaken to try to cover all that is happening and to try to make sense of it.

Let me start with the first and most important principle. That is that every American should be guaranteed private insurance. This is an important distinction that some have lost in the debate because what the President has talked about is private insurance. There is a strong argument that can be made, and some of the papers you represent because I follow this editorially, have come out in favor -- not many, but some -- of a single payer system that would substitute for the private insurance market and the private investment in that private insurance a government-paid, health care system. We have one of those already which people often overlook. That is what Medicare is. Medicare is a single payer, government-financed health care system. When people at meetings often stand up and say, why is the President supporting a government-health care system, explain the President is for private insurance for every American and then I often ask, but do you know about Medicare. The person always says yes, and I say, well, do you know how Medicare is paid for. In most instances, even in audiences that are predominantly made up of medical professionals, people do not know how we pay for Medicare. It is paid for, as I'm sure you do know, from a payroll contribution by both employers and employees. So it is government-financed but it is not government-run. No one tells a Medicare recipient what doctor to go to. Medicare pays the bill up to the point that Medicare coverage extends, but it is not a government-run health care system in the way people often think of such a beast. So I want to make that distinction at the very beginning.

The President wants privately-guaranteed insurance for every American with comprehensive benefits and a set of benefits that would be available no matter who you were, where you lived or whom you worked for, and benefits that would emphasize preventive health care because we began to insure against acute and catastrophic medical problems back

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in the late 1930s and that became the norm. So we would not insure very often for the prenatal care or the well-child care, or the immunization, or the mammogram or the other diagnostic tests. We would insure if you ended up in the emergency room and you got really sick. We want to begin to promote wellness by having people be insured for preventive services which they then take advantage of in order to remain healthier as opposed to seeking health care at the most expensive time. So privately-guaranteed insurance with comprehensive benefits, not a government-run system, keeping the insurance market, but beginning to try to provide more opportunities for real competition and consumer choice.

This is where the idea of beginning to have more buyer control or the alliance -- some call it the purchasing coop, some call it the buyers club -- comes into guaranteeing that such private insurance which carries with it these comprehensive benefits will be available to every American. These are not designed to provide health care, to tell you who your doctor is. They are designed to pool the money available from small business, from individuals in order to maximize the buying power in the marketplace. There are beginning to be such alliances of purchasing cooperatives in a number of States now. California has started one. I was recently reading an article about what was happening with these State alliances in California and for those businesses which have joined the State alliance in California, their premiums will actually be reduced starting July 1st.

The problem is, until we get everybody to pool their bargaining power, their purchasing power, you will always have leakage in the system which enables costs to be shifted onto whoever is not being able to take advantage of those discounts. So although we're beginning to see some alliances and some purchasing coops begin to form in States, there needs to be an effort to have everyone be able to participate in such buying power so the marketplace can be more responsive. This is all meant to be a way of making the private market work better.

There is a very poorly organized market in health insurance. Big business and government get the best deals. If you are members of huge groups, you may also be able to have some advantageous purchasing power but most of the rest of us pick up the slack because we have to pay through our premiums for the uninsured and the underinsured who do

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eventually get help in our system but then the rest of us pay the price for it. That's why you pay \$25 for a Tylenol in the hospital, to pick up the cost that would otherwise be unreimbursed.

The second point is, in order for this to work, there has to be a reformed insurance market. We need an informed insurance market to guarantee this affordable access to private insurance. Under the President's approach, we would outlaw preexisting conditions exclusions. There would no longer be the opportunity to charge one person more than the other because of the first person's health status. We would also eliminate lifetime limits so that if you need health insurance, you don't run out of it when you need it most, and we would end the discrimination against older people, people who begin to be 40 or 50 who are pre-Medicare eligible pay a much higher price for insurance than people in their 20s and 30s. We believe everyone ought to be community-rated the way Blue Cross/Blue Shield used to provide insurance, all of us paying something in order that all of us are insured and once everyone is in the system, you can begin to control and contain costs but you cannot do that until you eliminate the underriding and experienced rating costs that are inherent in the insurance market today.

If you compared the administrative costs of Medicare -- which as I said is a direct government-paid health care system -- with the administrative costs of private insurance, you see what I'm talking about. The administrative costs of Medicare are between 2 and 3 percent. The administrative costs, on average, of private insurance are between 20 and 26 percent. That is not money that goes to provide health care. That is money that goes to determine who should be insured, at what cost, who gets the best deal, who gets the biggest discount. So we literally spend billions and billions of private dollars, yours and mine, on an administrative mechanism that does not deliver one penny of health care.

The third point of the President's approach, which I want to emphasize, is that the President's approach actually guarantees choice of doctor and choice of health plan. This is an important point to me because it is one of the points that has been probably the subject of more misinformation than any other.

In the current insurance marketplace -- many of you

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as employers know this -- you have increasing pressures every year to try to control costs in your insurance plans. One of the ways you try to do that in conjunction with your insurance broker or your benefits people is to try to figure out how you can get the best deal for the dollars you spend. Increasingly, those deals are driven by your willingness to tell your employees which doctors they can use, what hospitals they can use. As it currently stands today, fewer than half the employees in America have choice as to what doctor, hospital or health plan is available to them because, understandably so, their employers have bought plans which provide limitations.

As I travel around the country I hear increasingly from families who say, my employer just switched our plan and my child has been going to the same specialist since birth, now we can't go see that doctor anymore, or I've been told I can't use the children's hospital without paying a whole lot more even though that's the only place that has the treatment my child needs. You probably have heard it from some of your own employees.

We believe the reason you have to get into that decision is in a desperate effort to try to do the best you can for your own people and your own bottom line. If everybody is in a system and everybody is contributing to it, then you can maintain choice for your employees by making them pay the differential between what the standard package would be at the lowest price and whatever else they might choose. Because the overall costs we believe would be lower, that's a choice that would be affordable for the vast majority of working Americans. If we do nothing about the current marketplace, choice will become more and more illusory for most Americans.

The fourth principle is to preserve and improve Medicare. Medicare was a very important step in providing health care for our older Americans and providing a floor, a basic set of services that would be available. There were two omissions that have cost us money and also caused a lot of heartache. One is prescription drugs. Most older Americans are the largest users of medication compared to younger Americans and for many of them, it is often a choice between food and medication at the end of every month. Medication has gotten increasingly expensive, there is no help in buying such prescription drugs unless they have some kind of additional or supplemental policy. We believe by

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providing some help with medication, you not only are removing a lot of the insecurity older people feel, but are doing some that is very cost effective because if you can keep people on the appropriate regimen for medication, you are more likely to keep them out of hospitals. I talk to countless doctors and pharmacists who know, based on their own experience, that when they hand those prescriptions to their older patients and watch that worried look on their faces, or when they're standing at the counter waiting to get them filled at the pharmacy, they know their making choices. They sometimes don't fill all of them and if the doctor gave them two or three that are supposed to work together, they only fill one or they take the bottle which says take 4 a day for 10 days and they say to themselves, I'll take 1 a day and they'll last a lot longer. What happens is about 23 percent of the conditions of older people in hospitals is because of medication-related problems. So providing some help with prescription drugs will actually save us money on hospitalization and other acute care costs.

The other piece we think needs to be there is providing some long-term care options to older Americans and Americans with disabilities. Right now, too many people have to make the choice between either bearing the full responsibility at home with their relatives or being put into a nursing home. It makes so much more sense in terms of human dignity and again, in terms of cost effectiveness to provide some options. If you provide for respite care for the family with the patient with Alzheimer's, they will be able to continue taking care of their loved one at home. If you could provide some support for an adult day care center so that the stroke victim can be taken from home and left at the center during the day while the daughter or the son goes to work and is picked up at night, the family feels better because they are doing what they should, it costs us less than it would if we subsidized that person in a nursing home. So again, we believe there are human and economic reasons for adding those services to Medicare while using Medicare dollars to do it, not new money but the existing funds in Medicare.

The final principle which we have promoted is how do we pay for this, which is through extending employer-employee responsibility to every person in the workplace. If you believe, as we do, that we need to achieve universal health care coverage for every American, and we believe it should be through guaranteed private insurance, then you have

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to look at the existing employer-employee system as the means and the place where health care should be delivered.

I brought with me today because I thought it was so fitting some excerpts from President Nixon's health care plan. I was telling Frank and Lou at lunch I only met President Nixon once. He came to the White House last spring and met with my husband before the President's first visit with Yeltsin. Chelsea and I waited to greet him and we both said hello to him and he was extremely gracious. He talked with Chelsea about her school, which is the same school his daughters attended, and then he talked to me about health care. I, by that time, had learned from reading everything I could about previous proposals that President Nixon, first in 1971 and then in 1974, proposed an employer-employee system and he did it for many of the same reasons that this President is. He did it because, as he pointed out in his address in 1974, "The overall cost of health care has risen. In 1974, it was by more than 20 percent in the last 2-1/2 years. For the average family, it is clear that without adequate insurance, even normal care can be a financial burden while catastrophic illness can mean catastrophic death."

He went on to talk about the Americans who did not have health insurance. In 1974, the number was 25 million; now it is nearly 40 million. He talked about how most health plans do not contain built-in incentives to reduce waste and inefficiency. The extra costs of wasteful practices are passed on, of course, to consumers. And he said, the way to deal with our health care needs in America was to build on what we already had, namely a system in which employers and employees share the responsibility. President Nixon required, under his plan, that every employer would offer all full-time employees a comprehensive health care package which would be jointly financed, starting with employers paying 65 percent of the premium for the first three years and 75 percent thereafter. The Federal Government would provide subsidies to certain employees to ease the burden and would provide subsidies to low wage workers. He also wanted to expand the Medicare program to include prescription drugs.

When I first read that, I thought there really is a wonderful way in which our political system, if you care about the issues that confront you, really transcend partisan politics because much of the same speech that President Nixon gave in 1974 was given by Presidents Johnson and Kennedy,

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President Eisenhower in 1952, 1953 and 1954 talked about a need for national health care; President Truman presented a comprehensive plan; President Roosevelt knew that it was necessary.

Sometimes it takes us in our country a cycle or two of history to get around to doing what is required. Some have argued like the historian, Arthur Schlesinger, that we run on 30-year cycles and we deal with domestic problems in that cycle by finally confronting them and overcoming partisan or ideological roadblocks. If so, then we certainly are on track. It was 30 years ago that we did Medicare and 30 years before that we did social security. The reasons for confronting health care now fall into a broad number of categories that tell us something about who we are as a nation. Certainly for economic reasons, I hope that you have followed. We spend a large part of our GDP now on health care than we did when President Nixon was in office or President Truman with no end in sight. It's an upward curve.

Some say look at the last year, prices have gone done. That has always happened when a President has proposed health care reform. Those who make cost decisions hold their ground, hold onto prices, and as so as the pressure is off, they go up even more dramatically. At least that has been the history. So there isn't any real reason for us to believe that we will be able to overcome the economic imperative of higher and higher prices in the health care field unless we act.

There is also a reason to do it because it will help us deal with some of our social problems. It is hard to imagine how we can achieve welfare reform for example when one of the reason welfare recipients stay on welfare is because to leave welfare and to go into a minimum wage job is to have health care benefits. We are in this ironic and I think tragic situation in which hardworking Americans, the kind who wait on tables, pump gas and work in small factories, pay taxes to provide health care benefits to welfare recipients that they themselves are not entitled to have.

There is also a moral, ethical dimension. If you have traveled with me as many of you are reporters have over the last year, you would have seen that face-to-face. I've been privileged to hear stories from people who live lives of

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quiet, heroic courage day in and day out. I've seen firsthand the wonders of our health care system which is, without a doubt, the finest in the world, but I've also heard tale after tale of how the way we finance our health care system makes no sense economically or humanly.

So for me, as we continue this debate and as we watch what is happening in Congress, we'll see members of Congress wrestling with these problems and trying honestly to overcome differences to find solutions, I want us to remember the people who stand behind the statistics and the stories because I hope that as we do resolve to deal with our health care crisis, which is real in the lives of millions of Americans, we understand that there, but for the grace of God, go any of us because no one of us has the kind of assurance of health care security that I would like us to have. There are those who are among the richest of Americans who will always be able to achieve what they need with respect to health care but none of the rest of us can say with any certainty that we will have the same health care coverage at the same price covering the same services this time next year.

So if we resolve to provide that level of security to all of us, then we will be saying something about our capacity to solve our problems and to deal with the issues that have too often divided us and putting that us behind and moving forward to build a stronger economy with more productive and secure citizens to face the challenges of the future.

Thank you very much.

Q The Administration's health reform plan envisions an 80-20 percent employer-employee payment split. Would the President sign a 50-50 copayment? What is the highest acceptable employee payment that would be acceptable?

MRS. CLINTON: I can't really tell you that because I don't know what the Congress is going to finally decide. The 80-20 is a little misleading though because with the discounts that are built into the system that are particularly aimed at small employers and particularly those small employers with low wage workers, there will be many firms that, in effect, are paying 50-50. That's not a point that has actually gotten across as clearly as I would like, but the sliding scale will go already from an 80-20 to a 50-

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50 split. The numbers affirm it will be at those various levels of payment schedules which will depend upon how much of a subsidy and how much of a discount will be available. So at this point, we are not prepared to comment on what the President will or will not sign other than to say we think in the President's approach there is a lot of room for firms to get the financial support they need to be able to carry this burden.

Q President Clinton has promised consistently that the new national health plan will not require a general tax increase. The Chairman of the House Ways and Means Committee now says it will take a general tax increase. Which one is right?

MRS. CLINTON: It depends upon how it is structured and it depends on how it is phased in, and it depends upon what is in the package of benefits, and it depends upon whether the Congress would prefer to have a general tax increase instead of an employer mandate. That has always been one of the choices. There are really only three ways to get to universal coverage -- you have some kind of general tax increase, or you have an employer-employee shared responsibility, which is mandated, or you have an individual mandate. There isn't any other way to get there. I don't know exactly what Chairman Rostenkowski is looking at in terms of the makeup of the proposal that he thinks would require a general tax increase but I would guess it would have to be in some way dependent upon his view as to whether or not that was politically more palatable than building on the employer-employee system. I don't really have a comment on that until he finishes and actually presents what he thinks will work.

Q No matter how you cut it, health reform seems to mean an inevitably larger role for government. Why should we think government will be anymore efficient than private industry has been?

MRS. CLINTON: Well, let me just make a few points about that. I think my comparison between Medicare administrative costs and private insurance costs suggests that at least with respect to administering delivery of health care benefits, the Medicare Program, despite all of its flaws of which I am very well aware, does not spend as much money on administration as do private insurance companies. We are not trying to eliminate private insurance

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companies but we are trying to create a market in which they have to be more competitive, competing on price and quality.

The way private insurance now competes is by trying to figure out who they can insure that is least likely ever to become sick. That is how you make your money in the insurance business, through underwriting, experience rating, and all of the other risk management strategies that are being undertaken now. So we believe there must be a private insurance market, we believe there must be a mixed system as there currently is today between public and private financing and delivery of health care. Government control has misunderstood what it is we were trying to achieve. Let me just give you one quick example that might help make it even clearer.

You currently pay for the health care benefits for members of Congress and the Administration through your tax dollars. The Federal Government, as the employer of nearly 9 million civilian employees, makes a contribution of 75 percent for the health care benefits. The Federal Government then takes its enormous purchasing power, goes into the private marketplace and solicits health plans. Every year -- and we've now done this and my husband is a Federal employee -- we are given choices. None of them is a government system; none of them have government doctors. Every year during the enrollment period, we sit down with this blizzard of brochures and maybe we go to a session where it's explained and we then make our choice, if we want to choose an HMO, if we want to choose a PPO or some other alphabet soup or we want to have the traditional Blue Cross/Blue Shield plan, it is our choice. All the government does as our employer is maximize our purchasing power so we that we get a better deal than most of you would for the same health plan that is not government run, they are not government doctors. It is using the power of the marketplace. That is the model we want to be able to offer all Americans so that as you join these alliances or these buyers clubs, you would have maximum choice for the least possible dollar. That is why we think this is such a good plan and it is not government medicine or government doctors. That is a misnomer for what it is we are trying to achieve.

Q You spoke Friday of being rezoned, about the need to be more accessible to the national media. Do you envision holding monthly news conferences or taking other specific steps to guarantee greater media access?

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MRS. CLINTON: Well, I don't know. I mentioned at the (inaudible) conference on Friday that I had learned earlier that week about Mrs. Roosevelt having I guess 340-some press conferences during her time in the White House. I really was stunned by that, I had no idea. I knew that she had some but I didn't know they were that numerous and she actually had them nearly every week when she was in residence.

I don't know exactly what I will do but I do intend to fully comply with my rezoning and do what I can to try to provide more opportunities in Washington as well as those I provide as I travel around the country.

Q Based on my viewing of that, you ought to do more of them.

This is from a small newspaper. What do you feel is the most significant difference between Washington Press Corps reporters and those you talk with in small communities as you travel around the country?

MRS. CLINTON: Well, if you all promise to keep what I say just in this room.

I didn't have much experience before the presidential campaign outside of Arkansas with a few exceptions of some national coverage when I was with the Children's Defense Fund or working on national immunization and some of the other volunteer work I did. My first real exposure to both the national press and the broad cross section of both local and regional press really started in the campaign and it's always difficult to know how accurate a picture that might be.

My experience has been that I'm often asked more substantive, more penetrating question about issues by local and regional press. It may be because the reporters that interview me have really taken to heart their preparation and they often come with reams of questions and all kinds of backup material, but I have genuinely enjoyed my encounters with many of your reporters and editorial writers around the country because I often felt that the interests that you brought to the interview were very deeply rooted in what something would mean to your community or to your region of the country.

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The national reporters, particularly in Washington, have a different responsibility perhaps. It is driven mercilessly by the 24-hour news coverage that we are now the victim of and so partly they are constantly on the run. There is a kind of hit and run sense of their questions and that is, I think in large measure because of the circumstances they find themselves in. Certainly from my perspective, I have been extremely impressed by the quality of reporting that I have seen and read as I traveled around the country. I think part of what maybe led to my misimpression of my accessibility is that I tried very hard to be accessible as I travel and have given interviews everywhere, have had press availabilities, have done what I needed to do to make myself available, but there is a different role between the national press and the local-regional press which I think now I have a better understanding of and I'll try to cooperate and work with both. I'm really impressed by what I see going on in the country.

Q Some day health care will be done with. Have you talked with the President about what you might do next?

MRS. CLINTON: Well, I thought a very long world tour sounded great.

I really came to the White House and the responsibilities there with a hope that I could be a voice for children and to follow up on the work that I had done for 25 years in the volunteer sector on behalf of children and their needs. When he asked me to do health care, one of the compelling arguments he made to me was that certainly getting children off to a healthy start and ensuring that every child had the same right to health care that we take for granted for our daughter was something that would be very important to me and certainly it has been.

I am very distressed by the continuing deterioration in the quality of life for America's children. Some of you may have seen and even covered the recent Carnegie Corporation report about children ages 0 to 3. If you haven't, I commend it to you. It is not pleasant reading. It basically indicts all of us as responsible adults for neglecting and in other ways advocating our responsibilities to our children, particularly the most vulnerable, defenseless of those among us, the very youngest.

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So I hope that in some way we can begin to pull together all the various strands of what the President is trying to do. There is a linkage in his mind between changing the tax code as it was last year to provide more earned income tax credit for working families so they can actually spend the money on their families and children as opposed to teetering on the brink of poverty and welfare, a linkage with the Brady bill and other efforts, and the crime bill to try to make our streets and neighborhoods safer so children don't have to worry about walking to school or playing in a park, health care, welfare reform to try to break the cycle of dependency. So there are programmatic things I think are important but there's much more at stake in terms of our values and our feelings about what we owe our children, owe them in our own families, in our workplaces, in our communities. I think we need to talk about that.

It's not an either or issue, it's not family values rhetoric versus government programs. It is understanding that children are the result of both their parents' values and society's values. We have to look at the media, we have to look at the messages we send, we have to ask parents to be responsible in ways that really pay attention to their children's needs. So I'm hoping we can think of ways to make that a national commitment and try to begin to undo some of what the Carnegie Corporation says we have done to our children.

Q One last question. From your perspective as a wife, mother and current occupant of the White House fishbowl, has the presidency been worth the effort? What defines this worth to you as an individual?

MRS. CLINTON: It certainly has been different from what I would have expected and I'm not sure even if you read history and you follow the news, and you watch from a distance the people who live there that you ever can fully appreciate what it's going to mean in your own lives as you walk through that door after the inauguration. So it's been different. It has been challenging, it's been a difficult year in the personal way that we lost my father and my mother-in-law, so we've had a lot to go through.

Having said all that and having kind of lived through it, thought about it and tried to understand it better, it is worth it. It's worth it because there is so much that is wonderful and vibrant and exciting about what is

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going on in our country right now. There is such a sense that I feel as I travel around of people beginning to face up to problems, working them through and being willing to take responsibility and maybe take some risks to try to deal with some of the issues that need to be dealt with.

I think we've made some progress. I'm very proud about what's happening with the economy and proud of the responsible budget that was tough to get done but has proven its worth.

So as I go through the days, there are certain many aspects of living in the White House and in the fishbowl that I wish we did not have to live with. I wish there was a way to wave the magic wand and go back to Harry Truman taking his walk or Eleanor Roosevelt riding by herself in her army car through the streets of Washington, but those days I guess are gone.

So part of what my husband and I try to do is to figure out how we can bring to his responsibilities the feelings that we took into the campaign which motivated us largely because we thought there was a need for a different vision of the future and we had to try to rise to the occasion and make this country what it is meant to be.

So for me, it's been worth it, tough but you know my favorite line and my favorite baseball movie that you all read about apparently in some article that was written about me where the coach turns to the Gina Davis figure in A League of Her Own and she has to quit, it's just too hard. He says, "Hard is what makes it great. If it weren't hard, anybody could do it." For me, it is hard. It's hard every single day but I feel like I'm growing and I'm learning and for me, that makes it worth it.

Thank you very much.

THE WHITE HOUSE
WASHINGTON

July 12, 1994

MEMORANDUM FOR THE CABINET

FROM:

HAROLD ICKES
CHRISTINE VARNEY

SUBJECT:

THE CASE FOR UNIVERSAL COVERAGE

The attached document outlines why Universal Coverage is imperative for *real* health care reform.

Opponents of real reform would have us believe that our goals can be met by incremental, piecemeal reform. That approach won't work, and will leave millions of hard working Americans at risk.

The coming weeks will be marked by House and Senate consideration of health care reform legislation. The Administration's position is clear: universal coverage is imperative if we are to deliver on our promise to guarantee true health security to every American.

I hope this document will be of use in your editorial board meetings and interviews.

The Case Against Non-Universal Reforms

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INTRODUCTION

Making History. We are on the verge of an historic step forward for the American people. Since Franklin Roosevelt, Presidents have been trying to pass health care reform. Three years ago the issue was not on the political radar screen. All that has changed. Amidst polls showing overwhelming popular support for reform, committees in both houses of Congress have approved bills that guarantee health coverage to every American family.

Improvements in the Proposal. The legislative process has transformed our original proposal. We have listened to the ideas and apprehensions of the American people. With Congressional help, many important improvements have been incorporated into the bills now under consideration. While different committees have taken varying approaches, these bills contain a number of features that will ultimately be included in a better and more effective reform plan. Among the improvements under consideration are: cutbacks in bureaucracy and regulation; the transformation of mandatory alliances into smaller voluntary purchasing cooperatives; greater protection for small businesses; and greater choice for consumers and businesses. A stronger fail-safe budget protection device is under consideration, to ensure that the program does indeed pay for itself.

Congressional Challenge Ahead. We have made dramatic progress in our effort to guarantee lifetime health security for every American. But there remains one major stumbling block to overcome. Opponents of true reform would have us believe that our goals can be met by incremental, piecemeal reform. Having bought the land, surveyed the site, and designed the structure, they would have us build the bridge only half way across the river. That approach won't work, and will leave millions at risk.

The coming weeks will be marked by House and Senate consideration of their respective reforms. As the nation watches, they will choose either true reform -- true security for every single American -- or an unfortunate, piecemeal reform that may actually leave working families worse off.

The Administration's position is clear: universal coverage is imperative if we are to deliver on our promise to guarantee true health security to every American.

Today, we want to talk to you about why non-universal reforms just don't work.

NON-UNIVERSAL REFORMS: What They Claim, What They Deliver

There are several non-universal reform alternatives floating around Washington. They claim to be less filling than universal coverage but taste just as great. These alternatives fall short of what they promise.

DOLE PLAN

CLAIMS: The Dole plan claims that insurance market reforms alone will enable more people to get coverage and that -- according to GOP strategist Bill Kristol -- it will "bring more people into the system and provide more security and flexibility for those already in it."

DELIVERS: The Boston Globe said that "a number of health policy analysts from all parts of the ideological spectrum" have reached a "remarkably congruent verdict: It's not likely to do much to expand access to health insurance. And it might make things worse for many who are now insured." *[Boston Globe, 7/3/94]*

A conservative health economist, Mark Pauley at the University of Pennsylvania, predicts that such measures would "probably do almost nothing, or maybe even make things worse" for the millions of people who aren't poor enough to get subsidies. *[Boston Globe, 7/3/94]*

OTHER INCREMENTAL REFORMS:

CLAIM: That they will eventually cover as many as 95% of Americans.

DELIVER: The Wall Street Journal says that the Senate Finance plan "doesn't raise enough money to achieve that goal." *[Wall Street Journal, 7/8/94]* And the Congressional Budget Office points out that the Cooper plan -- a plan with a similar subsidy scheme -- would leave 24 million people uninsured, most of them middle class working people.

Even Bush's OMB director for health, Thomas Scully, said that "without additional funding, I don't think there's any way, the bill (Senate Finance) will lead to 95% coverage."

NON-UNIVERSAL REFORM: Hurts The Middle Class

"I'll tell you why I'm fighting so hard for real health care reform...People like Jim Bryant, who told the Boston Globe he works 70 hours a week but has no health insurance for his family. He wonders if it's fair that he misses his sons' soccer games to go to his Saturday job while people who depend on welfare have health benefits. In a moment of frustration, he even suggested to his wife that they might be better off if they broke up, so that she and their sons could get the benefits that working families like theirs can't afford." --

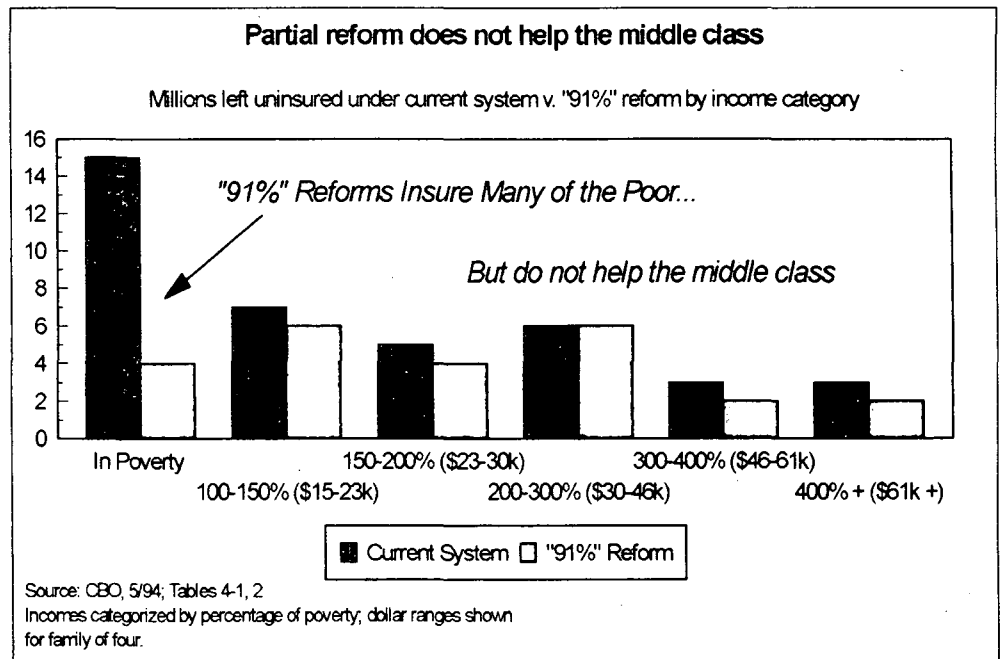
PRESIDENT BILL CLINTON

"I guess I'm a little bitter. It is harder for working people to make ends meet, pay for their own medical, get jobs." -- JIM BRYANT, SOMERVILLE, MASSACHUSETTS.

1) Non-universal reforms cover the poor, but not the middle class.

Half-measures and quick fixes would leave every American at risk of losing their insurance. And at least 24 million Americans, most of whom work for a living, would have no coverage at all. [CBO analysis, 5/94, p. 20]

The Congressional Budget Office also says that under a 91% proposal, "health insurance coverage would probably be more limited for middle-income people than the rich or poor." [CBO analysis, 5/94, p. 17]



A 91% solution would help 11 of the 15 million uninsured Americans in poverty get health coverage, but would leave 16 of the 18 million middle-class Americans without insurance.

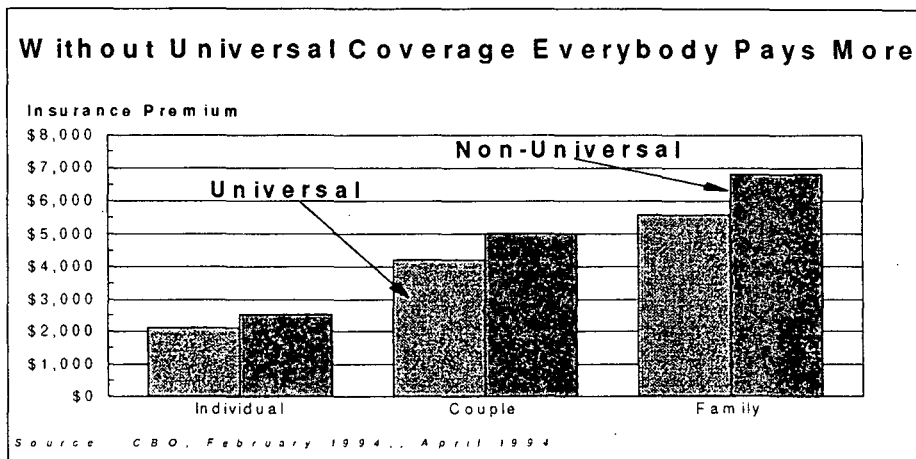
According to a new study by Families USA, over one million Americans a month will lose their insurance under a partial solution. [Families USA Special Report, 6/94, p. 1] We need universal coverage because all families -- including the middle-class -- must be protected.

While the U.S. population as a whole grew by only 1.3 million between 1988 and 1993, the number of uninsured Americans grew by 6.4 million people. Of the newly uninsured, nearly 4.8 million of them -- more than 75% -- work. [1988 and 1993 March CPS, Bureau of the Census]

2) Non-universal reforms increase insurance premiums.

"With a portion of the population uninsured, per capita insurance costs for the insured population would be higher, compared to universal coverage." [CBO, April 1994, p. 9]

And The Wall Street Journal says: "The result...is the start of an upward spiral in rates" for those who still have insurance.



3) Non-universal reforms tell working Americans that their health is less important than the health of Members of Congress, federal employees, welfare families, and jailed felons.

Think of the message that non-universal reform would send to literally millions and millions of working Americans: If you are very poor, we'll guarantee your health care. If you get elected to Congress, we'll guarantee your health care. If you are employed by the federal government, we'll guarantee your health care. If you get thrown in jail, we'll guarantee your health care. If you are rich, you can guarantee your own health care. But, if you get up every day and work for a living, your health coverage is always at risk.



Mike Peters, Dayton Daily News, in the Washington Post, July 9, 1994

NON-UNIVERSAL REFORMS: State Experience Shows It's Not Enough

"At least 37 states have enacted insurance reforms essentially identical to the [non-universal] reforms proposed in Congress. I think any insurance commissioner would say these reforms are a necessary but not sufficient way to decrease the number of uninsured. To say they're going to improve access is a bit misguided." -- PATRICIA BUTLER, HEALTH CARE CONSULTANT, BOSTON GLOBE 7/3/94

Many federal health reform proposals, such as the Dole plan, reject the goal of universal coverage and focus instead on expanding "access" through a patchwork of incremental reforms including small group market reforms, insurance reforms, low-income subsidies, community rating, medical savings accounts, voluntary alliances, tax credits and malpractice reforms. All told, more than 45 states have passed many of the reforms proposed in the Cooper and Dole bills.

However, state-level experience with non-universal reforms, implemented in recent years, has demonstrated no appreciable effect on total coverage levels or costs. Since the late 1980s, state-level health care reform activity has significantly increased, with more than 32 states passing incremental health reform measures between 1989 and 1992, and more than a dozen more acting in 1993 and 1994. [Intergovernmental Health Policy Project, George Washington University]

- The recent experience of one state, where community rating was implemented without universal coverage, bears out the unfortunate forecasts. A Wall Street Journal analysis noted that almost one year after this state had *"adopted stiff insurance reforms, fewer people have health coverage than under the old system."* [Wall Street Journal, 5/27/94] The reason: young people dropped coverage as rates went up, causing rates to rise further: between 20-35% for some insurers.
- In Hawaii, however, where reforms include universal employer/employee contributions, coverage approaches universal and, *"health insurance premiums are about 30 percent cheaper, while almost everything else in Hawaii is more expensive than on the mainland."* [New York Times, 5/6/94;]

Nor has the promise of better rates or cheaper benefits brought non-insuring small businesses into the system.

- Beginning in 1986, 11 states and non-profit groups began a demonstration program specifically aimed at increasing coverage by making health insurance more affordable and available to uninsured small businesses and individuals. Of the 11 demonstration projects, all used voluntary measures: 10 developed new, less expensive insurance products or subsidized existing insurance products, and one developed a health insurance information and referral service.

These demonstrations reached relatively few of the small businesses and individuals previously uninsured, leading the study to conclude that *"there is little evidence that voluntary efforts alone will close the gap on the uninsured problem."* [testimony of W. David Helms, Ph.D., before the U.S. Senate Committee on Finance]

States Have Already Tried Non-Universal Reforms

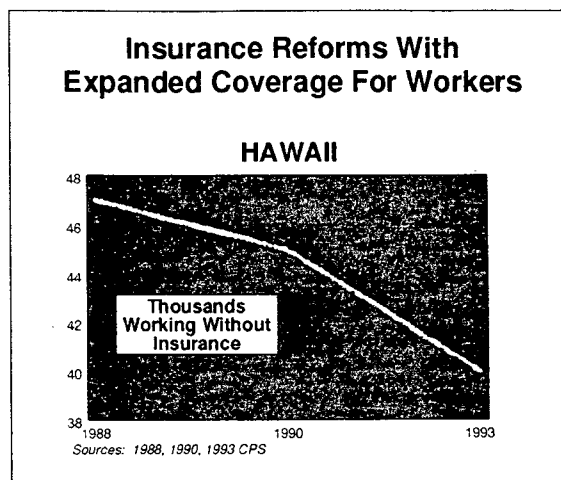
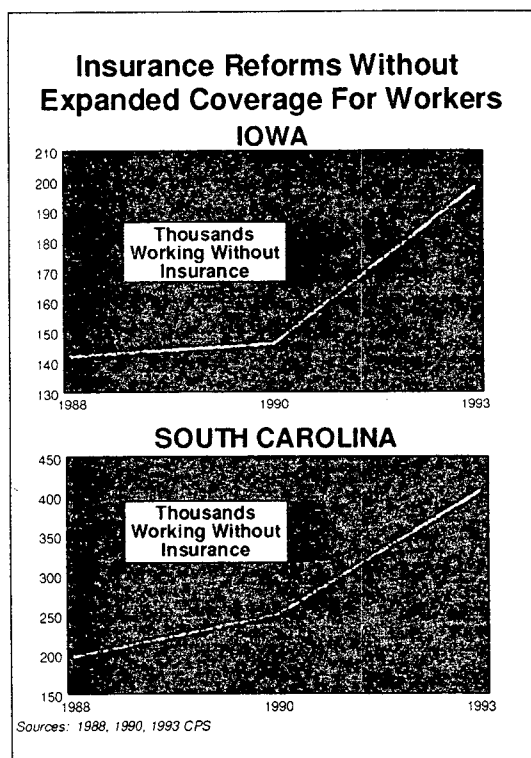
Reform Measure	Number of States
Guarantee Issue	35
Guarantee Renewal	42
Portability	37
Community Rating	19
Rating Bands	34
Voluntary Alliances	20
Tax Incentives	13
Medical Savings Accounts	7
Low-Income Subsidies/Medicaid Expansions	46

Source: Intergovernmental Health Policy Project, George Washington University, June 1994

The results of these reforms are illuminating: tens of thousands more working people left uninsured, and massive increases in insurance costs. Even in the states that successfully increased the total number of individuals covered from 1988 to 1993, half had a decrease in coverage among working people [March CPS, 1988 and 1993, Bureau of the Census].

A brief examination of representative states gives a taste of the differing outcomes that follow universal and non-universal reforms. Iowa's reforms resemble those suggested by the Dole plan. South Carolina's resemble the Cooper/Finance Committee plans. Hawaii is the state that has come closest to providing universal care.

1) Non-universal reforms leave more working people uncovered.



2) Non-universal reforms have hurt state budgets -- and raised working people's taxes.

Iowa and South Carolina -- states that most closely resemble the Dole and Cooper/Senate Finance plans -- enacted insurance market reforms with subsidies for poor people five years ago. Since reform, state spending on health care has continued to increase, forcing state officials to reduce funding for education and crime prevention. In these states, income taxes on working people continue to rise, even as more working people go without insurance. The message is clear: non-universal reform means that working people pay more for insurance and in taxes for the poor -- even as they lose health coverage themselves. [Sources: 1988, 1993 CPS. *State Government Finances* 1988, 1992. U. S. Bureau of Census, *State Government Tax Collection*, 1988, 1992]

NON-UNIVERSAL REFORM IS A HIDDEN TAX ON THE MIDDLE CLASS AND ON BUSINESS

"[S]o long as millions of Americans remain underinsured and uninsured, cost shifting will continue, leaving a mechanism for unwarranted price inflation in health care." --
MINNEAPOLIS STAR TRIBUNE, 6/16/94.

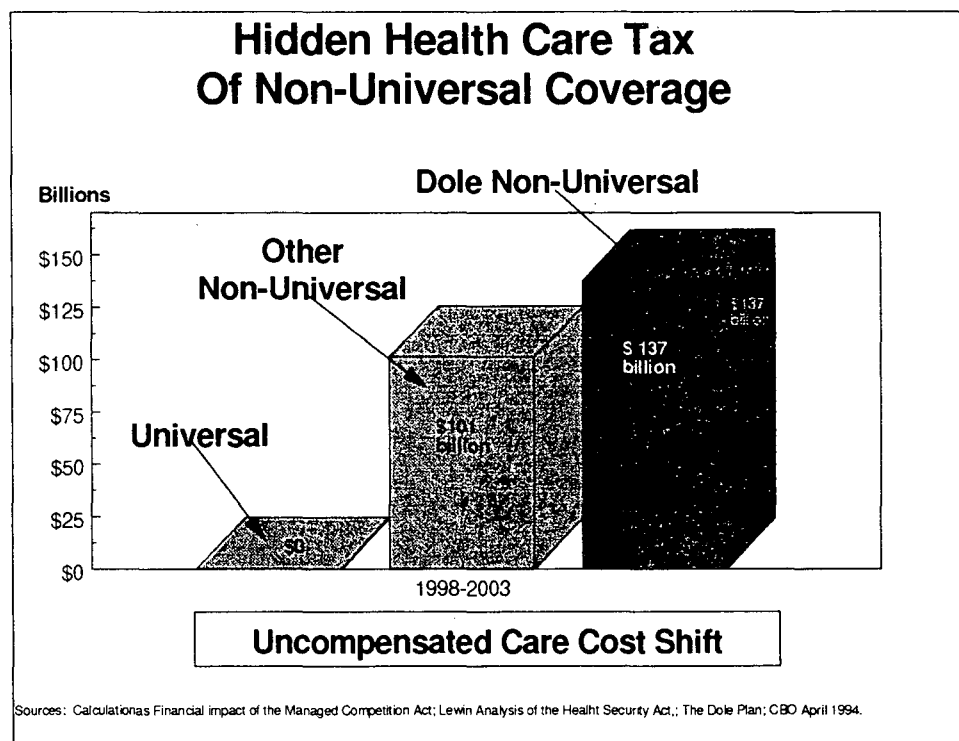
1) Non-universal reform leaves a hidden tax on working families.

People without health care coverage still get health care. But many of them don't pay for it. Their costs are shifted onto everyone who does pay an insurance premium. And their costs are higher because the uninsured often seek treatment after a problem has become a crisis, in a hospital emergency room.

A recent Department of Health and Human Services Study found that of the 90 million emergency room visits in 1992, fifty million were for ailments that could have been treated in a doctor's office -- at one-third the cost. [Source: National Hospital Ambulatory Care Survey; 1992 Emergency Department Summary; HHS, National Center for Health Statistics]

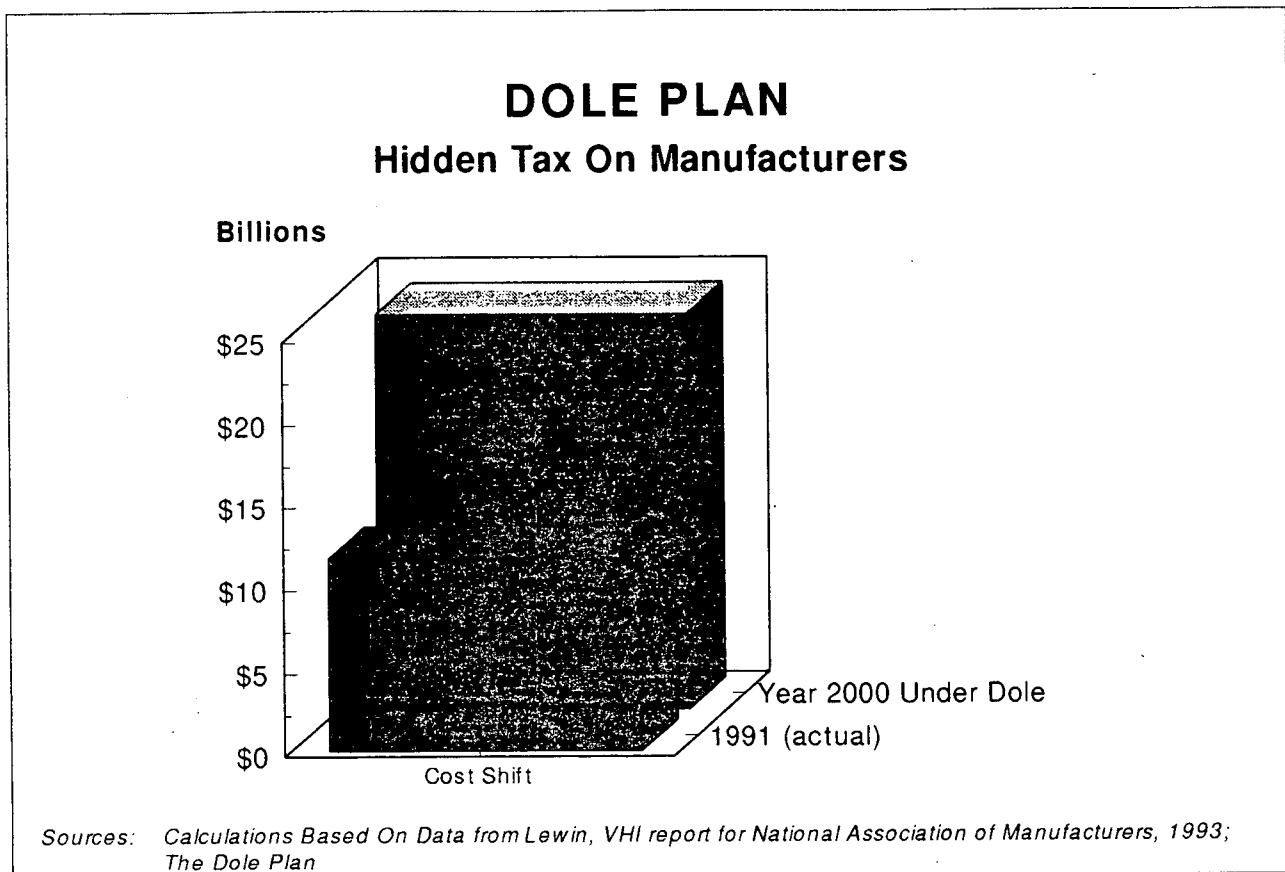
The methodology used by the Congressional Budget Office to analyze a similar plan indicates that the Dole plan would cover only 1 in 5 uninsured.

With 80% still uninsured, uncompensated care will remain at \$18 billion in 1998 alone. So the Dole plan leaves \$18 billion to be paid by working people who do have insurance.



2) Incremental reform is a hidden tax on businesses that provide coverage.

Another way to think of this Dole cost-shift is as a tax on businesses who provide coverage. Since most Americans get their insurance through work, businesses are forced to cut dividends, divert money from needed R&D, and cut back on hiring.



The middle class gets squeezed coming and going -- either paying higher premiums themselves, or seeing jobs lost as employers cut back to cover costs shifted onto them by businesses that don't insure their employees.

INCREMENTAL REFORM FAILS OTHER KEY TESTS

1) Half-measures perpetuate "job-lock" by failing to ensure portability.

"I have great trouble seeing how you get portability without universal coverage." --U.S. SENATOR JOHN CHAFEE

- If you move to a new job and your new employer doesn't contribute, all incremental reforms give you is the right to assume the full burden by yourself -- whether or not your family can afford it. Incremental reform means millions could still lose coverage when they change jobs, be dropped if they can't afford their premium, or forced to wait six months for new coverage. That's not portability.
- Until we have *true* portability, we will never eliminate "job lock". Surveys suggest that as many as one in three working Americans are trapped in their current jobs because they fear losing the health insurance their families depend on. The CBO concluded that incremental reforms can "*reduce*" -- but not solve -- this problem.

[*"Health Benefits Found to Deter Switches in Jobs," The New York Times, 9/26/91; CBO, 4/94, p. 28*]

2) Non-universal reform cannot eliminate pre-existing condition exclusions.

"It will be nearly impossible without universal coverage . . . to outlaw the common industry practice of refusing to cover people with known medical problems, so called pre-existing conditions."

-- THE WALL STREET JOURNAL 6/15/94

- Without universal coverage, pre-existing exclusions would mean many healthy people would choose to "ride free" and go without insurance, knowing they could buy it when they get sick. This would drive up costs for all the people in the system.

(*Wall Street Journal, 6/15/94*)

3) Incremental reforms perpetuate welfare lock and discourage work.

"At least one million adults and children are on welfare because it's the only way their families can get health care coverage" -- MOFFIT AND WOLFE, 1/90. "[an incremental approach] would produce devastating disincentives to work . . . the creation of a near poverty trap . . . would result." -- AARON IN NEW YORK TIMES, 2/13/94

- Even if the Dole proposal were fully funded -- which it is not -- it would only subsidize a portion of the premium for those families and individuals well below the poverty line. Welfare mothers going back to work would not only pay their own premiums, their taxes would pay for health care for those still on welfare. One expert says that the Dole plan would "make working irrational." On the other hand, an analysis of the effects of a universal proposal estimates that at least 840,000 people -- 15% of welfare rolls -- will seek jobs if the President's reform passes. [*Wolfe, University of Wisconsin, L.A. Times, 11/18/93; Boston Globe, 7/3/94*]

MEMORANDUM

To: Members of the Cabinet
Fr: Vic Fazio
Via: Harold Ickes
Re: Health Care and the 94 Election

June, 1994

Minority Whip Gingrich's activities over the past several days -- backed up by other Republican leaders -- have made it clear: they are approaching the legislative debate over health care from a harshly partisan perspective. Health Care will indeed define this fall's elections -- and Republicans are embarking on a political strategy that may cost them dearly. Once again, they are ignoring or even betraying the interests of the middle class, even in their own districts. Once again, they are arguing for perpetuating a system that does not value or reward work.

On Monday, HHS released data showing that the percentage of uninsured Americans rose to 17% during the 80s. 85% of the uninsured are in working families. Here, good policy and good politics are in alignment. **Universal coverage is a middle class issue; the people who are left at risk by the move to non-universal health insurance proposals are middle income working families -- families that will continue to have to pay for others' insurance when they cannot afford their own.** These facts are even more striking when viewed from a local electoral perspective. A simple, but important fact: *Likely Republican districts have large numbers of working uninsured people. These districts each have, on average, an estimated 56,166 working people who lack health insurance.*

Republicans who oppose workplace health insurance also pride themselves for opposing the President's economic program because it contained a tax rate increase on the rich. Yet, in the very districts they represent, *working uninsured people outnumber people who faced an income tax rate increase by substantially more than 10 - 1.*

In 1990, President Bush's budget policies raised taxes on the middle class and protected the wealthy. This strategy cost Republicans at the ballot box in the fall. In 1994, Republicans' health care policies are hurting the middle class and protecting employers and insurance companies. Thus, what we are fighting for legislatively -- because it is good policy -- will also be good politics, if we stick with it clearly and consistently.

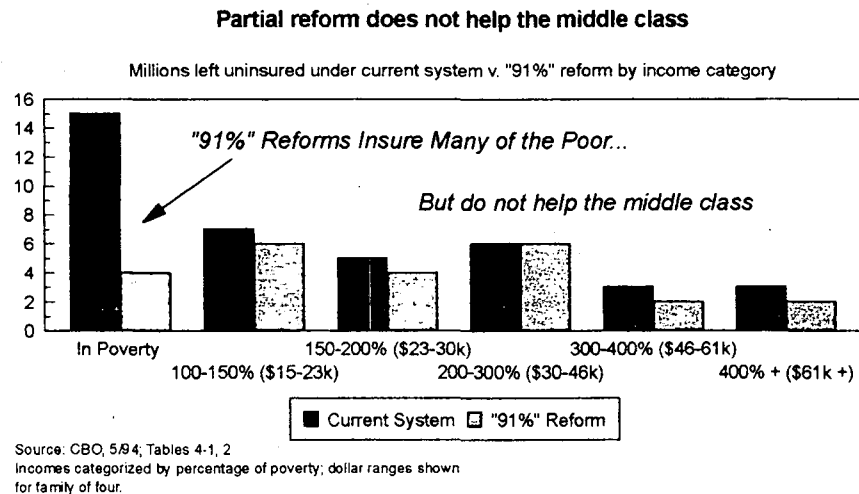
Overview

Health Care will be key to the 94 elections; it will play to our advantage if and only if we use every aspect of the debate to reinforce our key overall political/economic message -- Democrats believe in linking work and reward; we're on the side of the hard working middle class.

We know that the President's policy is right on the merits -- our argument is that the politics of the key health care issues work strongly in our favor for this fall. Let Republicans argue against universal coverage. They still haven't found an answer to Wofford's dictum: "Everyone has the right to a doctor." Then let them tell voters they want an individual mandate or just provide extra COBRA coverage. Dole is right on this -- he pointed out to the Post that we will clean their clocks if Republicans persist in supporting a policy that would push all health care costs onto individuals. As he said, "I can already see the 30-second television spots which would say: 'Well, the Republicans didn't want your boss to pay for it, they want you to pay for it.'" Universal, work based health care that can't be taken away -- we win on this when we stay on the offense.

We need to stand firm on universal coverage in the workplace -- the most powerful idea that drives health care reform. We must not let the Republicans off the mat. Two strategies are crucial from a political perspective, one factual, one thematic.

First, the debate over universality is a debate about the middle class. **"Incremental" (non-universal) solutions represent a desertion of the middle class.** Even plans which claim "91%" coverage leave every working American at risk of losing their insurance and millions of working Americans without coverage altogether. Those left uncovered won't be the poor, but will be working, middle class families.



Republicans, once again, are selling out the middle class in a show down, election-year vote. As in the Budget Deal of 1990, some elites may praise marginalism and moderation in the summer and September. But also as in 1990 (when the tax fairness issue added 9 Democratic seats to the House of Representatives), voters will be keeping a keen eye on their actual interests when they go to the polls in November.

Second, we need to discuss universality and overall reform in the context of work and reward: everyone who works hard and plays by the rules deserves to have health care that can never be taken away. It is wrong for people who work to have no health care; it is wrong for people who work to be forced to pay for the health care of people who aren't insured. Our system rights these wrongs -- their proposals don't.

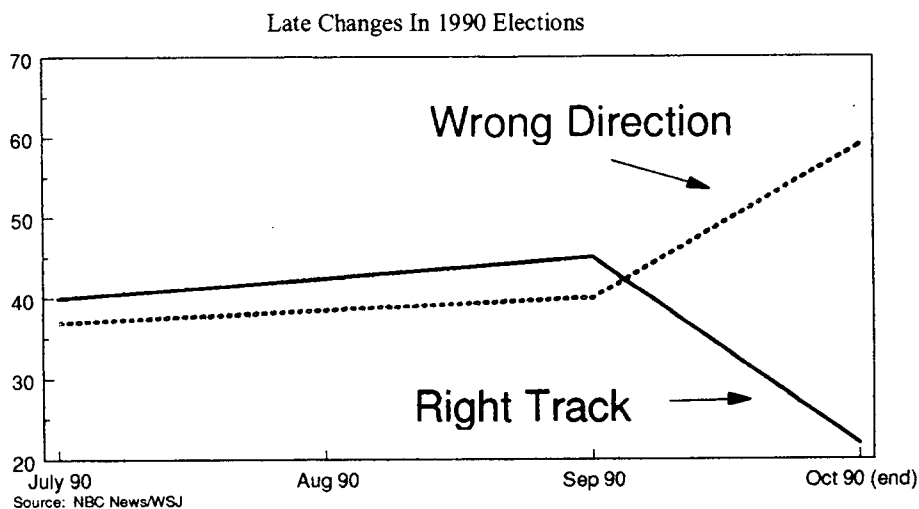
Indeed, turning the health care debate into a debate about the values of work and reward is going to be the key to passing real health care reform and turning late breaking 94 elections our way. Exposing incremental solutions as anti-middle class is the first step. Simply stated:

	DEMS	REPS
Universality	Everyone guaranteed HC that can't be taken away	Wealthy held harmless, some gain for poor: millions of working families still w/o insurance and all middle class left at risk of losing coverage.
Employer Mandate	Anyone who works gets Health Care	Employers are protected: individuals have to pay more

We are just twenty weeks away from election day for every House seat and 34 Senate seats -- 21 of them Democratic. We must keep our message clear and on point.

The 94 Elections and Middle Class Concerns

Health care is the make-or-break issue -- the centerpiece of Congressional activity. It will dominate the news from July through October, and leave the dominant impression in voters' minds about what their member of Congress is doing in Washington. In sheer magnitude terms, it will be to 1994 what the Budget debate was to 1990. Swing voters are thus likely to break late, as they did in 1990. If anyone had forgotten how quickly political weather can change around off-year election time, they need only look at graph one -- voters' opinion on "Right Track" v. "Wrong Direction" switched 43 points net in five weeks!

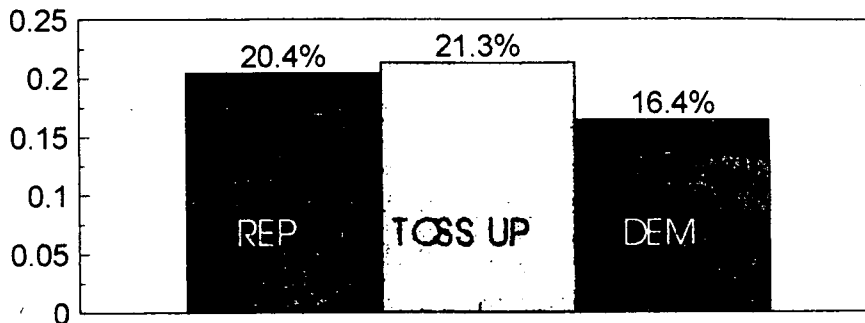


All the reviews of the fall campaign schedules point out that the members in tight races will be trying to persuade an audience whose central concerns remain focused on the value of work and playing by the rules.

For example, key tight House races are more heavily weighted toward the Midwest and, as can be seen in the graph at right, more heavily toward the middle class and the 92 Perot voter than safe districts. These voters want the sense that work is going to be rewarded.

92 PEROT VOTE by 94 Strategic Category

1992 Perot Vote



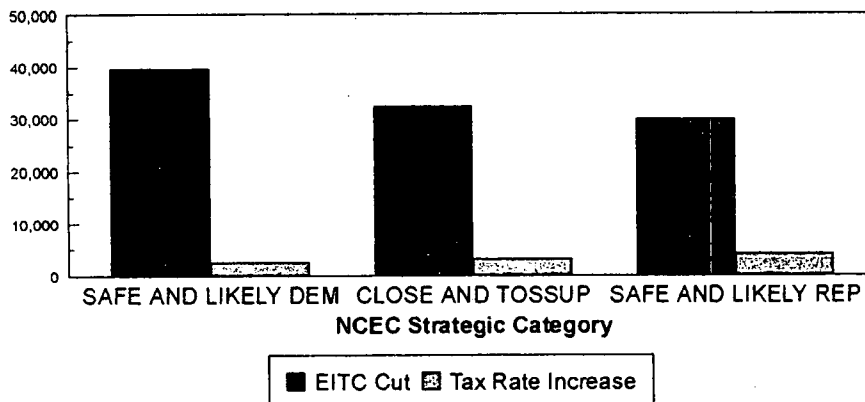
NCEC House Rankings

Universal, work based health care is one big step in the right direction -- it will provide tangible and direct benefit to everyday working families.

This will fit into the overall message that returned us to the White House and will continue to succeed for Democrats. This Administration is building a solid record of delivering for the middle class and strengthening the link between work and reward. The Earned Income Tax Credit, which rewards work over welfare, has helped millions of middle class voters -- particularly strongly in Democratic and toss up districts. (see below) At the same time, the tax

EITC Tax Cut v. Income tax rate increase

Average number per district



Source: Department of Treasury analysis of 1993 Economic Plan

increase on the wealthy has hit an order of magnitude fewer people -- and hit people in Democratic and tossup districts the least. Besides these issues, in each district there are people who have benefited from 3 million new jobs, Family and Medical Leave, and college loans.

Localizing the message of accomplishment for the middle class will be a key challenge for the Democratic Party this fall -- and ensuring members use the most up to date local statistics on our economic progress will be an important tool. But the key decision variable -- this fall's key piece of "new information" in Popkin's terms -- will be Health Care. This will be true no matter

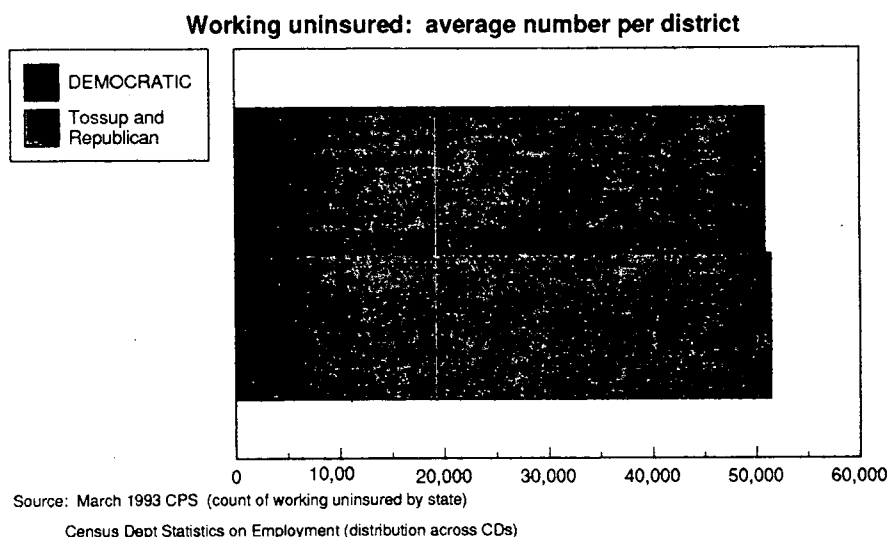
what the legislative outcome. A "no action" outcome will confirm many of voters' worst suspicions about Washington; passing and signing comprehensive reform that values work will, alternatively, yield strong gains.

Health Care as a Middle Class/Work reward issue

The conventional wisdom has much of the health care debate wrong, particularly when it comes to the politics (as wrong, we might add, as these same pundits had the 1990 Budget debate). Some even argue that the politics of our proposal are working against our own interests in these key fall races -- that universality will be seen as a debate about people who aren't in the middle class and that the employer mandate will be seen as being about big government. Thus, the punditocracy argues, we at least ought to be quiet about all this or, better yet, cut a quick deal. They have it EXACTLY wrong:

85% of uninsured people in this country are in working families -- and the working and uninsured are strongly present in Republican districts. This fact benefits us on both universality and the employer mandate -- if Republicans try to walk away from guaranteed health care for every American, they will have to answer to working people in their own districts. Again, "likely Republican" house seats have, on average, an estimated

56,166 working uninsured people, as many -- or in some cases more -- than many safe Democratic seats. For example, Newt Gingrich has an estimated 83,700 working people in his Cobb County district who do not have health insurance, compared to only 7,500 who faced higher taxes because of the economic plan's tax increases on the wealthy.



This means that, as the attached chart shows, making health care a work issue is as powerful in Republican as in Democratic districts.

The American people know how critical universality is as a test of seriousness of any plan. Indeed, a late May Harris poll found that 42% of independent voters consider universal coverage the most important goal for health reform, with no other goal

receiving more than 16%. And in the same poll, 77% of all voters called universal coverage "absolutely essential" or "very important" for reform. This is confirmed by many private and public polls: the Wall Street Journal and NBC News found -- in an open ended question -- that universality is offered by people as the most important goal of health care reform -- mentioned nearly twice as often as lower rates and nearly three times as often as the ability to choose your own doctor.

Non-universal reform -- the "91% strategy" -- has the potential for a serious political backlash because it hurts the middle class. Recent New York state insurance reforms without universal coverage raised rates by as much as 35% for the insured. **According to the Congressional Budget Office more than eighty percent of the people who would remain uninsured are working families.** (See graph on page two). Even those low risk individuals who kept coverage would -- according to CBO -- face higher premiums and greater threats to the security of their coverage.

Note the similarity to 1990: the sitting President's most remembered promise (Bush: no new taxes; Clinton: universal health care) becomes the showdown issue in fall campaigns -- with the middle class on the chopping block.

As we noted above, once we establish that reform must be universal, the key question becomes who pays. And in the absence of a broad-based tax, it's either the employer and employees together or an individual without help. On this issue, Democrats are on strong ground. Democrats think all jobs should come with benefits. Why? Because it reflects a core Democratic value -- that people that work hard and play by the rules should be rewarded. Democrats should be proud to go out there and say: no matter what you do or where you work or how much you make, we believe in the simple premise that every job should have health benefits.

Meanwhile, on this critical question of who should pay for health insurance -- you or your boss, the Republicans give the wrong answer. By favoring an individual mandate, they take their traditional position: protecting businesses at the expense of families. A recent Citizen Action analysis indicates that the individual mandate could shift the burden of over \$1.4 trillion from businesses to individuals -- including \$168.6 billion in California alone.

Middle class voters know which approach works in their favor. Data from a leading Democratic pollster shows that a majority of Perot voters (54 to 35 percent) oppose health care reform with an individual mandate, while a majority favors it with an employer mandate (50 to 39 percent). Overall, voters support the employer mandate 54-35, and oppose the individual mandate 49-38.

Message Strategy

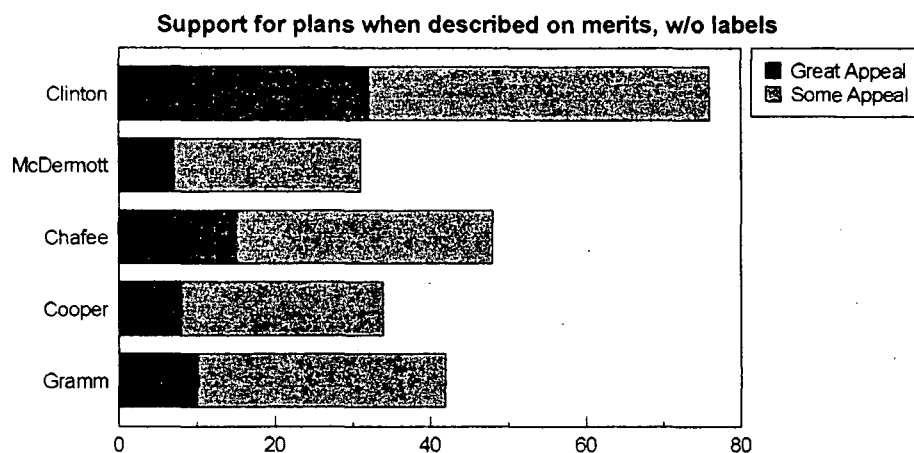
We need to let our candidates know what they can do in practical, campaign oriented terms to advance this message. Particularly as the fall campaign takes shape, turning

events to our advantage will require fewer new analyses and ed-board events, and more clear message guidelines. Our priorities should be clear:

1) Be aggressive on universality. Republicans who oppose universal coverage should be confronted on their stance directly. Their "I'll gladly consider insuring you Tuesday, for marginal reform today" approach puts them on their weakest (and most broadly defining) ground -- they are the party of the status quo. They are promoting a plan that sticks it to the middle class to protect their well financed interests. You cannot stay in the middle of the road by taking nothing but tiny steps -- incremental reform will continue the crisis. The degree of "populist" oratory needed may vary district to district -- but whether it is in a showdown midwest race or in a sunbelt satellite city, the face of the people left at risk by incremental reform must be made vivid. **These are the faces of hard working people, like Jim Bryant, who the President mentioned in his radio address -- two jobs, 70 hours a week, and less security than a Medicaid recipient.**

2) Be aggressive on the employer mandate. (Listen to Bob Dole) Fight for health benefits guaranteed at work. Dole's analysis of our party advantage in this debate is all the more potent because this debate highlights the trends of both parties in terms of policies and values. It

continues the Republican trend of the 80's -- sticking it to the middle-class -- the strategy that lost the 1992 election. It continues the Democratic trend of the 1990's -- rewarding work and helping the middle-class.



Source: NBC News, WSJ.
People were read descriptions of plans which were not named and asked for how much the plans appealed to them

We win on the merits and on the politics. But we must remember the results of the March Wall Street Journal survey, presented in the article "Many Don't Realize It's Clinton Plan They Like." This poll -- which offered descriptions of the competing reform proposals without identifying them as Clinton, Chafee, etc. -- reported a 76% approval rating for Clinton's bill, 48% for Chafee's, 34% for Cooper's, 42% for Gramm's, and 31% for single-payer. In other words, support for a universal, employer mandate reform is still overwhelming. **The only way for Democrats to lose on health care is to shy away.**