



The corporate 'war chest' that's spending big to control your health care

"The industry that is profiting from our current broken system has been building their war chest for decades and they have unlimited, I would say, dollars to misinform the public." Jodi Reid

911. What's your emergency?

America's healthcare system is broken and people are dying.

Welcome to **Code WACK!**, where we shine a light on America's callous healthcare system, how it hurts us and what we can do about it. I'm your host, **Brenda Gazzar**.

(music)

This time on **Code WACK!** Why did California's latest single payer, Medicare for All bill fail and what can we do about it? What will it take to make Medicare for All a reality once and for all? To find out, we asked **Jodi Reid**, executive director of [California Alliance for Retired Americans](#) or CARA, California's largest grassroots senior advocacy organization. Jodi represents her organization on the board of [Healthy California Now](#), a single-payer advocacy coalition. *This is the second of a two-part series with Jodi.*

Q: Welcome back to Code WACK! Jodi! So how did you first become interested in the issue of healthcare reform and single-payer Medicare for All?

Reid: It's been a long time 'cause I've been working on it for a really long time before CARRA. I think it's just been so obvious 'cause I've worked with older adults for a long time in different environments and everybody has this belief that once you are on Medicare, all your problems are solved. That Medicare will cover everything and people wait to do procedures until they get on Medicare sometimes, and the way Medicare was originally imagined, it was imagined as a universal kind of single-payer system where starting with the most frail, older folks, that's why Medicaid was developed at the same time. They were both signed into law in 1965. So for other younger people to have access to care as well as once you're older and the idea originally was that eventually all of us would be in those systems, but it didn't go that way.

And actually both programs, Medicare first and Medicaid a little later, it became necessary as our healthcare systems developed with new procedures, new medications to manage chronic illnesses that more and more expenses would be potentially on the back of the government to pay for. And it wasn't funded to be able to take on all these new, life-saving procedures. So more services became outside of what Medicare covered, which originally was primarily hospitalization and a few out-of-hospital services. Medicare paid 80% for all this batch of services. And you paid for 20%. But as more and more services became uncovered by Medicare, that 20% became unmanageable. People couldn't do it. So here comes the private industry to sell plans to supposedly cover those uncovered Medicare services and those became more complicated then, you know, we added the Part D drug plan.

And so now Medicare, which was once an everybody's in, everybody gets the same coverage, is now this privatized program. And depending on how much money you have that determines what kind of care you can get. And that was never the vision of Medicare. And so it became very clear to me that Medicare needs to be improved and for many years the motto of the network of organizations fighting for, you know, guaranteed healthcare system called it a Medicare-for-All system. Let's all be in the one system as Medicare was originally

envisioned, Medicare and Medicaid combined. Now we're in such a chopped up, messed up Medicare system that it became ... and Medicare never covered certain benefits. Like it never covered dental or hearing or vision or podiatry or durable medical equipment or long-term care. Like there's this whole list of things that were not part of the traditional Medicare system.

So it's like, well if one of those body parts is the problem you're having, you're out of luck. And that's when private companies said, well, 'we'll include a dental plan if you buy our supplemental insurance.' And it became very clear to me and to all the people I worked with, that this chopped up system meant that people weren't getting the care they needed. You know, they could get the one thing done if they wound up in the hospital, you know, they could get that cared for. But if they came out and they needed a wheelchair and the wheelchair needed to be upgraded, they couldn't get it upgraded 'cause that wasn't covered.

Oh, no.

You know, it was just like so chopped up and it became very clear that all of the care should be in one place covered by one system. And even people on Medicare who are probably the most reluctant to jump into the fight for Medicare for All, because they still think Medicare, 'I got Medicare. Do I really need this? Will I have to pay more, you know, more taxes. I've already paid for Medicare and I'm still paying for Medicare. Why should I have to pay for something else?' So it's confusing this unified financing system to people on Medicare because they already think in their head, well don't I already have this? But they don't really have the full array of services that they need as they live their life. ... Even Medicare is broken and we need to transform the way we do this.

Q: Right. Which leads us to CalCare – California's single payer policy bill introduced by Assemblyman Ash Kalra was rejected once more – this time in the Assembly's Appropriations Committee. Why do you think it failed?

Reid: Well, there are so many reasons why I think it failed. But ultimately I think there's two things. One is corporate influence in our elections and in our legislative process and elected officials from the day they're elected, they're raising money for their next election, wherever that may be and a lot of the

corporate world is opposed to kind of ultimately eliminating from the healthcare profit making world. That would be the ultimate result of a unified financing system or a single-payer system like CalCare proposed. We wouldn't need thousands of different health plans that are competing against one and another to get more members so that they can make more profit, you know, and capture more of the healthcare marketplace. And also the flip side of that is fear of taxes. I think we have not done a good job of explaining to Californians and Americans why we need taxes and what they're living with dependent upon that gets paid for through taxes, whether it's garbage pickup or postal service or police and fire or education. I mean, there's this hatred and fear of taxes and yet how do people think they get their Medicare and social security? Like, did that come from the sky? But we all believe those are our earned benefits. Well they're earned because we pay taxes into them our whole working life. And we are still paying for some of taxes, sort of, for some of those benefits.

So I think the cost of the system is what gets put out there by the opponents and the fact that to pay for it, everybody's taxes will go up. But what is not talked about obviously is what is saved and that you're already in effect paying taxes through premiums and out of pocket costs for health care. And those would be eliminated and in exchange you'd pay one tax that would be less than what you're currently paying out of pocket to cover all of that without corporate interference.

And we have to do a much better job of educating the public and eliminating this fear of taxes. Fear that you'll be spending more money than you have for the care versus the way you're now spending money and the corporate interest in keeping the system the way it is and the role that they play both in our elected officials and in the public, you know, to misinterpret how the system would be paid for. And we're not there yet and we keep introducing this legislation in part to be a vehicle to continue to talk about this issue with the public and with the elected officials so that we have a reason to talk about our broken system and how much better it would be and so the legislation is a way to engage.

I see.

But you know, I know there's lots of people who wonder how many more times can we keep introducing this – the same bill the same way and expect a different

result when not enough of the environmental factors have changed and ultimately, and all of us in the movement, if you will, realize that ultimately this is going to be a decision that has to be made by the voters. Even if we were to have passed the CalCare bill this year, we would still have to, it didn't have financing in it. And because there would be a change in taxes and how all of us pay taxes, that will require a vote of the people. The legislature would not be able to do that alone. So do we need the legislation as a vehicle to engage? Maybe we still do but we also need to do a much better job of engaging the public because ultimately I think it's going to be in our hands to make that final decision. So I think we have some regrouping to do to think about how we move forward.

Do we do another bill next year? What would it look like? How would it be different? Or and possibly and, how do we do more in the public sphere to engage on this issue? You know, we know that if we put this on the ballot, and we have done that before, you know, many, many years ago, the industry that is profiting from our current broken system has been building their war chest for decades and they have unlimited, I would say, dollars to "inform" quote unquote the public misinform, the public, scare the public. And so we need a very, very well-funded and well-informed population to counter that. We'll never have as much money as they've been able to amass on our backs out of our pocketbooks. But we have to figure out a way to do it through using social media and other, you know, less expensive forms of public education to engage the public and kind of inoculate voters from the barrage of misinformation that will clearly come from the insurance industry with unlimited funds.

So it's a big task, but the thing that makes it easier, and this is sad to say, is that our system is unraveling that even with as much money as we are spending individually and publicly, people are not getting the care they need. They're not able to afford it. They postpone procedures and medications. They cut medications in half. They don't buy health insurance because the premiums go up. Employers are unable to afford to provide that as a benefit. So either they make their employees pay more and more into the system or they don't offer it at all. And, you know, we're losing providers because people aren't getting reimbursed to provide the care. I mean the system is falling apart. Hospitals are closing, clinics are closing. People are not getting access to care cause the money

is going into profits and not into care. And so we can't last much longer in the system that we're living with.

Right.

And so we need to be proactive and really talk about transformation. It's not little fixes anymore. We've been trying that and they haven't worked. You know, the Affordable Care Act, in my opinion, was a fix, but it's no longer working 'cause people are still not being able to access the care they need. And so Medicare is getting more and more privatized. People can't find providers. So whether we like it or not, even the corporate entities who are profiting from this, they're not gonna be able to make the profits they expect 'cause people are just gonna opt out altogether. And we're gonna have a lot more like what we had in the 1930s and 1940s when people were dying because of lack of access to care or going into, you know, poverty or becoming homeless. We'll be back there, you know, before we know it if we don't do something. And I think people are starting to get that when they see how broken our system is. And so I don't know if there's an argument anymore about 'our system's fine, let's just keep it.' There's less and less people, fewer and fewer who are willing to say that or believe that. It's the 'what do we do?' that folks are nervous about, not sure about, not given good information about.

Q: Yeah. You mentioned also how much we'll save and how the focus hasn't been, we haven't done a great job in educating people on how much this will save. And Governor Gavin Newsom's Healthy California for All commission final report found that California could save as much as \$500 billion in healthcare costs over the next decade. So why do you think finances were still cited as a reason for its failure? I know we have a huge budget deficit in the state, but do lawmakers even really understand how much this single-payer system would actually save the state and families?

Reid: No. <laugh> No. I mean that Commission's report has been shared through the legislature, but either they haven't read it, (or) they don't believe it, or they're being harangued by the insurance and corporate folks who are threatening them either with lack of support for their campaigns or efforts to elect somebody else if they don't do their bidding. I think we need both a very robust public campaign

around a unified finance system and the findings of the report of the Healthy California Commission. But we also need to talk about campaign finance reform. That's a key part of this conversation because as long as there's a way for corporations to buy elected officials and give untethered donations through independent expenditures and all these sneaky ways to give as much money as they do, you know, there are limits. But there's lots of ways around them until we do what some of the other developed countries do and limit how much, you know, have them be publicly funded-only elections, a limited time for the election season so it's starting the day after the last election. We're campaigning for the next election that you can only do advertising, et cetera. That it, you know, if it's publicly financed, then every candidate gets the same amount of money and there's not this buying of, you know, campaigns.

There's just so many ways that our campaign finance system needs to upgrade itself and limit the impact that corporations and wealthy individuals in Wall Street are able to influence. That's part of the problem that's impacting us right now and what legislators are willing to do and consider. But then money needs to go into educating the public. Because the corporations are disinforming, they are misinforming and if we don't have resources to properly inform folks....

There's this great tool that's on several websites, one of them is Healthy California Now, which is a coalition of groups working on single-payer healthcare and transforming our system. And there is a calculator created by the University of California and San Francisco and others that you can – based on some assumptions about what your tax might be to fund a single-payer system – you plug in what you're spending now both in premiums and out-of-pocket costs, et cetera. And then, you put in your age and blah, blah, blah and then it pops out with how much money you personally would save in a single-payer system and even, for example, for people on Medicare, they save thousands a year because we are paying for supplements and drugs and copayments, et cetera.

And if everybody tried that, those people who are spending some money out of pocket on health care and used the calculator, they would see it would actually save me money and all this fear about increased taxes could be negated.

Thank you, Jodi Reid of the California Alliance for Retired Americans.

Do you have a personal story you'd like to share about our wack healthcare system? Contact us through our website at heal-ca.org.

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Code WACK!'s powered by HEAL California, uplifting the voices of those fighting for healthcare reform around the country. I'm Brenda Gazzar.