

Testing the Political Waters Of Healthcare Reform

BY JANE H. WHITE

By electing Democrat Harris Wofford to the Senate over former Attorney General Richard Thornburgh in November 1991, the voters of Pennsylvania proved that healthcare reform is a politically salient issue. Policy analysts, amazed that Wofford's healthcare reform message was a key factor in his election, have debated during the past few months whether this was a fluke or the precursor to the significant issues of the 1992 presidential and congressional elections.

This column examines the latest round of healthcare reform data and debate under way. Key questions continue: Does the political will exist to take action on healthcare? Can consensus be reached? Will election year posturing intensify partisan politics? And does the current reform debate differ from that of previous decades? Future columns will examine the president's healthcare plan, along with the major alternative contenders.

READING THE POLLS

A poll of New Hampshire voters, conducted after that state's presidential primary, showed that healthcare ranked second after "jobs/economy" as a deciding factor in the vote. "These results confirm the staying power of healthcare as a domestic policy issue," said Kaiser Family Foundation President Drew Altman in releasing the poll on February 19. This poll was supported by Kaiser, designed by Robert J. Blendon and Ulrike Szalay of the Harvard School of Public Health, and conducted by KRC Communications Research, Newton, MA. A random sample of 1,001 New Hampshire primary voters was polled on February 18.

When asked to list which two issues mattered most in deciding their vote, 61 percent of New Hampshire primary voters said economy/recession/jobs, followed by healthcare/national health insurance at 39 percent. Taxes and education trailed at 15 percent and 10 percent, respectively. In looking ahead to the November elec-



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tion, 69 percent of New Hampshire voters said that healthcare would be one of several important issues to influence their vote for president. Healthcare was somewhat more important for Democrats (74 percent) than for Republicans (63 percent).

The Kaiser poll also compared New Hampshire voters' assessment of the U.S. healthcare system with findings from a nationwide poll conducted by Louis Harris in June 1991. The New Hampshire primary voters were more disenchanted with U.S. healthcare than were their fellow citizens some seven months earlier. Of New Hampshire voters, 45 percent agreed with the statement, "The American health care system has so much wrong with it that we need to completely rebuild it," compared with 35 percent of the Harris poll respondents. Forty-two percent of New Hampshire voters agreed that "there are some good things in our health care system, but fundamental changes are needed to make it work better," compared with 52 percent in the earlier poll. Fewer New Hampshire voters (9 percent) believed that "on the whole, the health care system works pretty well, and only minor changes are necessary to make it work better," versus 12 percent nationwide in June 1991.

New Hampshire voters are worried about the cost and coverage of their health insurance. Forty-eight percent worry a great deal, and 23 percent worry quite a lot, about "having to pay very expensive medical bills that are not covered by health insurance." Forty-two percent worry a great deal, and 31 percent worry quite a lot, that they "will have to pay a much larger premium for [their] current health plan." Forty-three percent worry a great deal, and 30 percent worry quite a lot, that "out-of-pocket costs for medical bills will increase rapidly over the next few years." Forty percent worry a great deal, and 20 percent worry quite a lot, about losing current health insurance coverage.

On the heels of the New Hampshire primary, South Dakotans gave Democrat Sen. Bob Kerrey,

D-NE, his first primary win on February 25. Kerrey has made national healthcare, via an all-government plan, a key part of his campaign message. Kerrey's strength on the issue of healthcare reform was confirmed in Kaiser's New Hampshire poll. When asked who would do the most to respond to the problem of providing affordable healthcare for all Americans, Kerrey led the candidates with 17 percent of the response. New Hampshire Democratic winner Paul Tsongas, the former Massachusetts senator, followed with 10 percent. Next in line were Arkansas Governor Bill Clinton, 8 percent; President George Bush, 7 percent; and Sen. Tom Harkin, D-IA, former California Governor Jerry Brown, and Republican contender Patrick Buchanan at 4 percent each.

"In 1990, healthcare started to pop up as a number four or five issue; now it's number two," Republican pollster Bill McInturff told Capitol Hill healthcare staffers and Washington policy analysts gathered at a special twentieth anniversary session of the National Health Policy Forum, February 18. "There is no question it is becoming a politically salient issue," said McInturff, of Public Opinion Strategies.

McInturff acknowledged that Democrats are currently better positioned on the healthcare issue than Republicans. He shared findings from a January focus group conducted by the polling firm of Mellman & Lazarus, Inc., showing that 52 percent of Americans believed Democrats would do a better job on healthcare issues, whereas 22 percent believed Bush would be better on healthcare. The Kaiser poll of New Hampshire voters showed strong disapproval (70 percent) of Bush's handling of the problem of providing affordable healthcare for all Americans, even after release of his healthcare reform proposal. This is an increase over a mid-1991 national poll by CBS/*New York Times* showing a 62 percent disapproval rating.

"Politicians cannot be for the status quo," said McInturff. But while the American public clearly wants change, they have "zero knowledge about what to do," he continued. Most opinion polls show the public split over the different healthcare reform options. In addition, most people's eyes glaze over when complex proposals such as the Senate Democrats' "play-or-pay" plan are described to them. Despite the Democrats' major lead on the healthcare issue, McInturff is not yet counting the Republicans out: "The people are very malleable on this issue. . . . Whichever side

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best frames their story has the ability to capture the electorate."

PUBLIC OPINION TO POLITICAL ACTION?

Analysts argue whether public opinion is strong enough to move politicians and providers to action. "I don't think polls and public opinion will push this system off the dime," said James Mongan, MD, executive director of the Truman Medical Center and dean, University of Missouri at Kansas City School of Medicine, in a presentation at the February policy forum. "I think Pennsylvania was just a little bounce and that fiscal realities and the underlying concern about government's role [in a healthcare system] will allow us to avoid this issue for a few more years," he continued.

In contrast, "the public won't let us *not* do something," argued another forum presenter, Stuart Altman, PhD, dean of the Heller School at Brandeis University and chair of the Prospective Payment Assessment Commission. Walter Maher of Chrysler Corporation also suggested that citizens, not business, will drive healthcare reform because "they're the end dumpee. Business can emulate the action of the government by shifting costs, restricting benefits, and limiting job growth" to pass on the rising cost of healthcare. And "Americans don't have a very high pain threshold," he added.

Presenters at the forum reminisced about the healthcare reform proposals of the 1970s and offered comparisons with the debate today. "My sense was that healthcare reform would never take place unless people were willing to go to their second-best option," said Altman, who served as deputy assistant secretary for planning and evaluation in the Department of Health, Education and Welfare from 1971 to 1976. In the 1970s, "doing nothing was the second-best position," he continued. The question remains whether doing nothing is viable for the 1990s.

William Fullerton—who served as the House Committee on Ways and Means' sole staffer for Medicare, Medicaid, and other health and welfare-related issues in the early 1970s—expressed concern with the ability of the federal government, as currently structured, to get consensus for action: "There was a strong sense of committee [in the 1970s] that I don't see today." The number of congressional committees overseeing healthcare has grown in both the House and the Senate, paving the way for turf battles and increased partisanship. The number of committee

staffers has also exploded in the past two decades. Now staffers are dedicated to serving the majority or minority members instead of crossing party lines. In addition, the national healthcare debates of the 1970s helped start the burst in interest group advocacy and fragmentation, suggested Fullerton. "We were getting at least two new organizations a week" lobbying for their position on healthcare.

Stan Jones, who served on the staff of the Senate Labor and Public Welfare Health Subcommittee under Sen. Ted Kennedy, D-MA, during the 1970s, recalled: "There wasn't as broad a groundswell of fear and anger [among the public] as there is now. We also had more confidence that we could solve the [healthcare] problem then." Jones agreed with Fullerton that the national healthcare reform debate of the 1970s "politicized the healthcare advocacy groups in Washington, and this has never changed."

After the various reform proposals of the early 1970s failed to gather enough votes for passage, the reform debate lost its momentum. President Carter introduced a hospital cost-containment initiative and a Child Health Assurance Plan in the late 1970s that also failed. By the 1980s, health policy debates shifted from expanding and reforming the broader healthcare system to tinkering with existing programs such as Medicare and Medicaid. This era ushered in the Medicare prospective payment system, Medicare physician payment reform, Medicaid benefit expansions, and the repealed Medicare Catastrophic Coverage Act.

The budget reforms and Gramm-Rudman-Hollings Act of the Reagan administration forced politicians to link any significant action on healthcare to the budget reconciliation process. It has become difficult to pass any freestanding healthcare legislation. Rather, healthcare bills are tacked on to the massive budget reconciliation bill with little time for legislative oversight and debate. Adding \$30 billion to \$40 billion for healthcare reform under current budget law will prove difficult, given federal deficit realities and the public's aversion to new taxes. Forum participants also pointed to other hurdles, such as increased bureaucratic layering in the administration and in Congress, as well as little institutional memory.

SEEKING CONSENSUS

Election year partisanship appears to be rearing its head, diminishing chances of swift consensus

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and political action. At a February 19 House Ways and Means Committee hearing on the president's health plan, Rep. Fortney H. "Pete" Stark, D-CA, had to be gaveled for shouting his frustration with administration witness Louis Sullivan, MD, secretary of the Department of Health and Human Services. Rep. Bill Gradison, R-OH, criticized Stark and expressed his "profound disappointment at the tone of this hearing. The level of mistrust is so great that nothing's going to happen."

The search for consensus looks bleak among providers, too. A roundtable on healthcare reform at the January American Hospital Association (AHA) meeting in Washington, DC, turned into "the most magnificent finger-pointing showdown," according to moderator Arthur Miller. "It's almost Kafkaesque," he said. Roundtable participants argued both sides of many issues—we need to talk more/talk less; government should be involved/no government; the blame goes to hospitals/physicians/lawyers/insurance companies/politicians; we should emulate the Canadian system/preserve the strengths of the U.S. system; we need consensus/real reform cannot be reached with consensus, but needs strong leadership. AHA President Richard Davidson concluded that, to achieve reform, "we have to have the will among *all* of us." However, James Todd, MD, executive vice president of the American Medical Association, remarked, "There's no solid will anywhere."

Mongan noted at the policy forum that "a lot of mistrust has grown over the past 20 years" between healthcare provider groups. They fear "deals made behind backs" between various interest groups and legislators, he continued. Altman added that if consensus and compromise cannot be reached and reform begun, "we're going to see a brown-out in the healthcare system. The system won't be able to feed itself, given its shrinking base for resources" as the population ages and the work force paying taxes and contributing to insurance premiums declines.

Although the prospects for healthcare reform are still murky, Stanford economist Victor Fuchs reminded the press at a January 21 briefing that "major changes in health policy are essentially political acts. With a change in political climate, all bets are off." An election year mandate for healthcare reform could be one such change in political climate that stimulates public and private players to action. The next few months should prove telling. □