



# KING COUNTY SOUTH VOTER

September 2009

*LWV Mission: The League of Women Voters, a non-partisan political organization, encourages the informed and active participation in government, works to increase understanding of major public policy issues, and influences public policy through education and advocacy.*

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## September Program

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### Health Care Unraveling the Message

**Unit meetings will be tackling this issue. Congress will be coming back in to session and we need to try and understand the issues. We need to talk to each other and talk to our congressional representatives.**

**League meetings are always lively!!!**

**Information in this Voter along with discussion questions. Come prepared!**

## PRESIDENT PRO TEM MESSAGE

What a surprise to find out I was “President of the month” having only been a member for a year. At the June meeting, the Board of Directors decided to rotate the leadership with each director taking two months for the 2009/10 year.

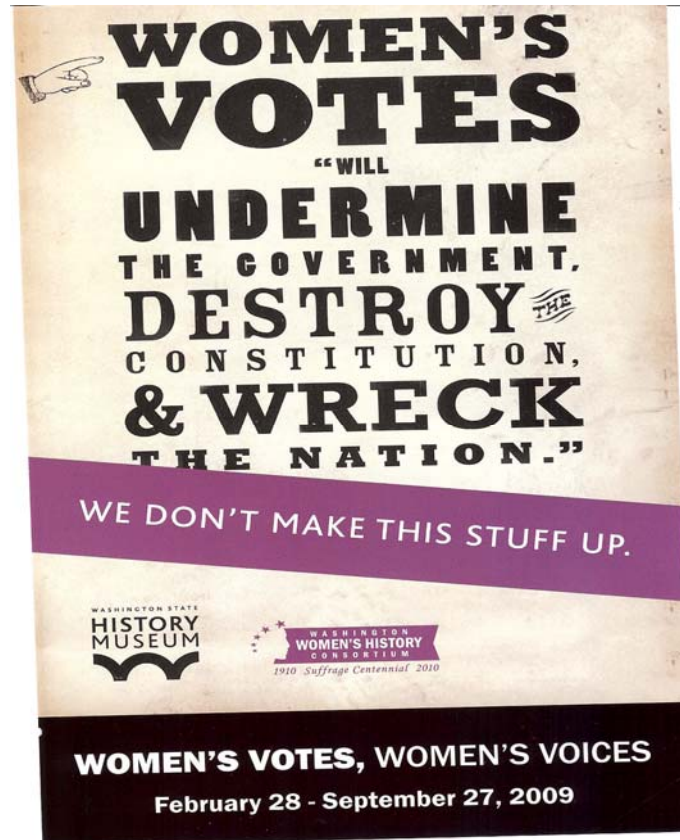
I attended my first League State convention and found it very interesting. The first day was very confusing, but Miriam Helgeland told me that was normal and it would get better. She was right. When I attended the electronic calendar seminar I thought “we can do that.” I also got a little charged up about how to increase our membership and as a result Becky Cox and I submitted a request for a \$500 LWVWA Civic Education Fund grant. Well, we got it! Now the LWVKCS has to put on two educational forums designed to attract new members. One will cover how your property value affects your taxes and the second will address rights and obligations of renters and owners. We are looking for interested folks to help put these two events together. Also, LWVKCS now has an on-line electronic calendar. You can find an article on how to access it in this issue.

I attended my first candidate forum in July and found it really helped me to get an understanding of the candidates that the voters’ pamphlet doesn’t enable. I have found my first month as your temporary leader educational and interesting. I look forward to my next stint later this year. Next month Karen Lunder is our President.

*Mary Ehlers*

## STATE CONVENTION, JUNE 2009

Imagine our surprise at convention when we discovered that our own Jane Shafer is a docent at the museum! She was decked out in a vintage costume. She has quite a story to tell! Go visit the History Museum in Tacoma and see the display.



## Second Part About the U.S. Health Care System

(See your June Voter for Part One.)

### From the National LWV

#### Has the Quality of Care Improved?

The 2004 NCHC reported on "an epidemic of sub-standard care."<sup>3</sup>

*The dominant finding of our review is that for most care that has been studied, there are large gaps between the care that people should receive and the care they do receive. This is true for all three types of care [preventive, acute, and chronic]. It is true whether one looks at overuse or underuse. It is true in different types of care*

*facilities and for different types of health insurance. It is true for all age groups, from children to the elderly.*<sup>3</sup>

The study went on to say: "The Institute of Medicine has estimated that between 44,000 and 98,000 Americans die each year from preventable medical errors in hospitals. That range of projections does not include the 88,000 deaths that, according to the Centers of Disease Control and Prevention, occur because of infections contracted during hospitalization, nor, obviously, does it include deaths due to preventable medical errors in settings other than hospitals."<sup>3</sup>

NCHC also cited a major study by the RAND Corporation.<sup>3</sup> "A major new RAND study makes clear just how vast those gaps remain. Researchers examined the medical records of random samples of thousands of patients across twelve metropolitan areas and evaluated the care that these patients received over a two-year period. Using 439 indicators of quality developed by multi-specialty expert panels, the analysts found that participants in the study received only 54.9 percent of recommended care — a proportion that varied little across the categories of preventive, acute, and chronic care."<sup>3</sup> While the Rand study provides an important quality benchmark, without electronic medical records, it is so labor intensive and expensive that it is rarely done and cannot provide an ongoing monitoring of the quality of health care delivery systems and help to improve it.

### **Are We Moving Toward Coverage for Everyone?**

- In 1994 there were 39 million uninsured people.<sup>8</sup>
- In 2002 there were 43.6 million uninsured people.<sup>9</sup>
- In 2003 there were 45.0 million uninsured people.<sup>9</sup>
- In 2004 there were 45.8 million uninsured people.<sup>9</sup>
- In 2006 there were 46 million uninsured people.<sup>10</sup>
- In 2007 there were 45.7 million uninsured people.<sup>10</sup>
- In 2009 it is estimated that there will be from 48 to 50 million uninsured people.
- As the costs rise, more businesses drop their health care benefit. The percentage of people (workers and dependents) with employment-based health insurance has dropped from 70 percent in 1987 to 62 percent in 2007. This is the lowest level of employment-based insurance coverage in more than a decade.<sup>11</sup>
- As more people lose jobs that provided coverage, the number of uninsured will continue to rise. There would be an even larger number of uninsured but for the fact that more people have become eligible for publicly funded insurance such as Medicaid and SCHIP (State Children's Health Insurance Program).<sup>10</sup> However, this increases both federal and state costs.

One could argue that, even with some early and temporary gains in reducing costs, the managed care model in the private sector has not stopped the deterioration of our health care system.

### **The Transformation of Health Insurance Companies**

Beginning in 1995, non-profit health insurance companies gradually transformed into for-profit companies, selling shares on the stock market in order to raise capital which could be used to expand market share by buying other insurance companies. In 1988, ten top insurers covered 27 percent of all insured Americans. Today, four

publicly traded corporations – WellPoint, Inc.; United Health Group; Aetna, Inc.; and Cigna – dominate the market, covering 85 million people, or almost half of all Americans with private insurance.<sup>12</sup>

One result of this change is that insurance companies have become responsible to shareholders to maintain profit margins. The "medical loss ratio" is the insurance companies' term for the amount of money a company pays for health services. Reducing the amount paid for services increases profit which is often translated into higher value for the company stock.

Four major ways that insurance companies manage risk and reduce their medical loss ratio are: 1) reducing covered services; 2) raising deductibles and co-pays; 3) refusing coverage for pre-existing conditions; and 4) marketing to the young and the healthy ("cherry picking"). "Even non-profits such as Blue Shield of California are obliged to follow prevailing market practices lest they be swamped with the highest-cost customers."<sup>13</sup>

In the individual market, another method of keeping medical losses down is to cancel customers who insurers say did not qualify for coverage in the first place. "Several insurance companies have established departments dedicated to reviewing applications of customers who file costly medical claims. The goal is to discover evidence that the clients failed to disclose pre-existing conditions when they applied. Insurers cite these omissions as grounds to cancel policies retroactively, a process known as rescission."<sup>13</sup>

For example, Health Net, Inc., a nation-wide insurer with 6.7 million members avoided spending \$35.5 million by cancelling the policies of 1,600 California customers over 6 years. Health Net paid bonuses to an employee based, in part, on how many policies of sick people she cancelled.<sup>13</sup>

### **Private Health Insurers: Managing Money, Not Health Care**

The development of Health Savings Accounts (HSAs) is rooted in the notion that health care expenses are rising in part because most Americans who receive health coverage as an employment benefit don't know how much their care actually costs. The argument continues: if people paid more out of their own pocket they would become more frugal and discriminating in their choice of doctors, hospitals and medications.<sup>14</sup>

In 1996, Congress approved a program providing tax relief for medical savings accounts. In 2003 the contribution limits were raised and indexed to inflation (in 2008 - \$2,900 for individuals; \$5,800 for couples). Under the rules, contributions to HSAs are tax-exempt, as are their investment gains. Withdrawals are also tax-exempt if they are used for qualified medical expenses. Over time, an HSA balance could grow to hundreds of thousands of dollars because the money can carry over year after year indefinitely.

Commercial banks, seeing the opportunity to collect fees for managing the account and transaction fees for investing the funds, jumped into the business. Medical insurers rushed to open their own banks. WellPoint, Inc., the nation's largest health insurance company, tried to convince the Federal Reserve Board that financial services was its core business. When questioned about its mail-order pharmacy and

its program for managing chronic diseases, which were overseen by WellPoint doctors and nurses, WellPoint convinced the Fed that those activities were merely "complementary" to its main business – financial services. It pledged to limit them to less than 5 percent of total revenue.<sup>14</sup>

"That a medical insurer would agree to keep a lid on healthcare expenditures so it could get approval to open a bank illustrates a fundamental change in the industry: Insurers are moving away from their traditional role of pooling health risks and are reinventing themselves as money managers – providers of financial vehicles through which consumers pay for their own healthcare."<sup>14</sup>

## REFERENCE

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*Doris Isolini Nelson (LWVCA) is a member of the LWVUS Health Care Education Task Force.*

**Produced by the LWVUS Health Care Education Task Force, 2009**

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(Ed. Note: LWVWA convention passed a resolution requesting LWVUS to support the "single payer" system.)

## **LWV of KCS HEALTH CARE DISCUSSION**

1. In your dealings with the medical profession, what problems would you like to see resolved?
2. Why is the total price of the overhaul so expensive, especially considering that it is theoretically designed to bring down costs?
3. What are the most likely ways to pay for the overhaul?
4. Politicians have tried for decades to push universal health insurance. Why did they always fail before? Why will this time be any different?
5. How can League further contribute to helping inform voters and encouraging citizens to get active in contacting Congress?
6. Has anyone contacted a congressional person with their opinion? Response?
7. What would your ideal health care plan contain? Be creative!

September 2009

### **ON-LINE CALENDARING FOR THE LEAGUE**

KCS now has an electronic calendar accessible by any league member on the internet. The calendar shows each unit meeting, board meeting, dates when Voter inputs are due and a variety of other items. If you have suggestions for other items to include on the calendar, please let us know. This is a living document and is available for anyone in the league to make inputs. We are still figuring out all the features, but it seems to be a very easy program to use.

If you want to look at the calendar, type in the url:

**www.google.com/calendar (to go to the website)**  
**sign in (upper right corner) with: walwvkcs@juno.com**  
**password: consensus**

You will know you are signed in because it will have the league email at the top right of the screen.

You can click on any event and it will let you edit or delete. If you click on any given day the program assumes you want to add an event and will bring up a screen to add an event. Just use the "back" arrow to get out. It is easy to correct, so don't worry about messing anything up.

Mary Ehlers has agreed to be the "calendar master" so if you want her to add events or make changes please send her an e-mail (maryehlers@comcast.net) or call her at 253-941-1930.

When you change or add something on the calendar, please let Mary know for coordination purposes as we get used to using this new tool. If you think you might have deleted or changed something that you need Mary to fix, please let her know.

## BOOK REVIEW

Title: The Truth About the Drug Companies: How They Deceive Us and What to Do About it

Author: Angell, Marcia

Publication: New York: Random House, c2004

Dr. Marcia Angell is a former editor in chief of The New England Journal of Medicine and spent two decades on the staff of the publication. I found her book to be quite an eye-opener. I now understand why we see all the ads on TV to ask your doctor about select drugs and I know why some drugs never seem to have a generic alternative available. The patent games are explained, the marketing that is suppose to be research, and the lack of true research for cures, and how the drug companies get away with all this stuff. This book made me rather anger to realize how manipulated I am by the drug companies.

Mary Ehlers

## ADVENTURE CALLS

Vashon League member, Rhoda Karusaitis, is off to Ghana, West Africa, for 27 months with the Peace Corps. She left June 1<sup>st</sup>. She will be teaching science in high school. A new challenge for her but her background should serve her well. She has a BS and

Masters in Biology and Chemistry. We will miss her but will be anxious to hear of her experiences in a couple of years.

### **JENNY HODGSON DAY**

Jenny Hodgson was honored with her very own DAY! The Vashon Community Council recognized Jenny for being a “devoted islander.” Jenny will be moving back east to be with family. She has been a school board member, League unit leader and board member and much else. We will miss her unfailing optimism and her sly spirit of fun! (Case in point, she had a “House Cooling” to help empty her house. Anyone that came had to leave with something!)

### **INTERNATIONAL MONETARY FUND (IMF)**

Creation of the International Monetary Fund was part of changes growing out of the creation of the UN and, specifically the Bretton Woods conference in 1945. The 186 members are governed by a Board of Governors; Tim Geitner represents the US. Headquartered in DC.

Purpose: to rebuild national economies after WWII; ensure rate stability & eliminate exchange restrictions that hinder trade. It helped during the 3 oil shocks, also helped the ex-communist countries convert to market driven economies.

The G 20 met in April & agreed to bolster IMF lending capacity by 500 B. US to give \$108 B, Japan \$100 B. It now faces the food, oil and economic crises.

Reasons to boost it's lending capacity; it extends our dollars-for every dollar we contribute, other countries contribute \$3.50; we are going to pay one way or the other (we couldn't let Pakistan or Iceland's economy collapse & now it is Hungary): it is an opportunity to show leadership again(the world blames us for the current economic crisis) and finally, we will be paid back--we are buying bonds backed by gold.

Submitted by MaryEllen Hamblin

### **WE HAVE \$\$\$\$**

The KCS League has been awarded a \$500 Civic Engagement Grant! This award will fund two public forums, in November and March. One forum will address how property values affect taxes and the second will explore renter and landlord rights. Mary Ellen Hamblin has agreed to chair a committee for the property tax forum. We are still looking for a chair for the renter and landlord forum, but Miriam Helgeland and Susan Sanders are ready to help with this one. We can use this grant money for printing, publicity, speaker honorariums, rentals and other supplies. With some aggressive publicity, it is hoped these forums will attract new potential members. We need several folks to help out in making these two activities a success. Please contact the chair or Mary Ehlers (206-898-7743) if you are interested in helping.

## THE LEAGUE IN ACTION

This letter was submitted by the two King County Leagues with assistance from the state Leagues wetlands expert, Ann Aagaard.

July 17, 2009

To: US Army Corps of Engineers, USEPA, Washington State Department of Ecology, King County

From: Allison Feher, President, League of Women Voters of Seattle  
Mary Ehlers, President League of Women Voters King County South pro tem

Re: King County Mitigation Reserves Program, NWS-2009-495

The League of Women Voters of Seattle and King County South have over 1000 members throughout King County. Our members have devoted significant time in working with local governments, the State, Port Districts, and King County to improve protection of shorelines, wetlands, rivers, and streams. The Principles of The League of Women Voters of Washington promote the conservation and development of natural resources in the public interest. Our King County positions place emphasis on the enforcement of the Shoreline Management Act and other environmental regulations.

Through action, advocacy, education and involvement we work to educate our members and the public about the need to protect wildlife habitat, water quality, and prevent pollution from stormwater and contaminants that affect King County lakes and waterways and Puget Sound.

As currently proposed, the implementation of the reserve program would result in net loss of habitat, a decrease in water quality, and an increase in stormwater runoff. We respectfully request that this proposal be withdrawn and abandoned. Our concerns are based on numerous issues in the proposal, however, the following items are of particular concern and are the basis of our request to withdraw the proposal:

1. The Mitigation Reserve Proposal(MRP) on page 4 makes the assertion that the MRP is "more efficiently meeting regulatory requirements by streamlining the compensatory mitigation process, thereby reducing conflict between conservation objectives and development interests." Compensatory mitigation is the last choice in the mitigation sequence criteria for mitigation of impacts to

wetlands and critical areas. While aspects of the mitigation process may necessitate streamlining, it is not apparent that compensatory mitigation itself requires streamlining, or indeed whether it may cause conflict between conservation objectives and development interests.

2. The MRP proposes that "publicly owned natural lands...could be used to satisfy permit applicants needs for off-site mitigation". These publicly owned lands are already protected. Use of these lands would result in net loss of aquatic resources and would result in double-dipping to include them in In-Lieu-of Fee (ILF) trades. ILF trades should not be permitted by county, state, and federal agencies.

3. Page 10 of the MRP document states that "this strategy supports no net loss policies." On the same page it is noted that "...in some cases receiving sites will be acquired after an impact occurs."

How does this compensate for the critical time necessary to acquire, develop, monitor, and regulate the site? There will be a net loss of function over time.

This cannot be a net gain in function that is required to recover the loss of habitat in King

County and aid the immediate and critical recovery of Puget Sound and endangered species. King County and Ecology have documented the record of failure of compensatory mitigation in King County and elsewhere.

Given that record, how can a 1:1 ratio possibly suffice to produce no net loss of function, or the necessary net gain? In fact, the stated goal of the proposed MRP program ( page13) is not to restore habitat and to increase function,

but to be " neutral". A goal of " neutral" does not support the no net loss policies of the

federal agencies or of the Growth Management Act.

Please withdraw the In-Lieu-of-Fee Mitigation Reserve Proposal.

Thank you for considering our concerns.

### **Further “Goodies” from MaryEllen Hamblin**

From the Progress [Report@americanprogressaction.org](mailto:Report@americanprogressaction.org)

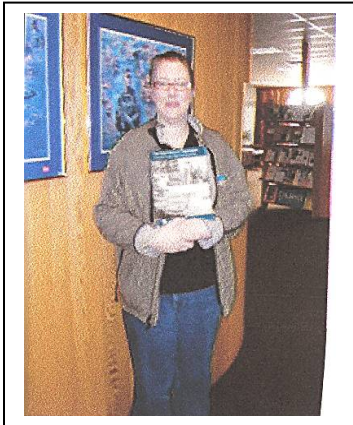
A Florida State Senator & a State Representative are proposing a state constitutional amendment to prevent residents from enrolling in a federal health care plan.

The Orlando Sentinel reports "nearly 4 million Floridians are not presently insured." I hope they are writing to

their state representatives like League members do.

From POLITICO-a web site ostensibly read by 6 M & whose focus is national politics, Congress & the Capitol: "When a handful of leading CEOs were invited to lunch at the White House, White House staffers collected credit card numbers from each executive & carefully billed each one for the meal with the President."

### MUCKLESHOOT TRIBAL SCHOOL RECEIVES CLASSROOM BOOKS



Kay Turner, Business Manager for the Tribal School, Muckleshoot Tribe, accepting a set of classroom books of "The State We're In" as a gift to the school.

## OTHER MEMBER NEWS

Miriam Helgeland was interviewed by Washington News Service regarding our August primary. WNS broadcasts to many smaller radio stations across Washington. Good job, Miriam.

Miriam also arranged for a group of Leaguers from Seattle and KCS to tour the elections office. The general impression was that there was virtually no way for your ballot to go astray once it arrives at the facility. We were appalled at the number of ballots returned with bad addresses. The Election's office is obligated by law to try and sort that mess out! **Folks, change your registration if it is not current.**

## CALENDAR

- Sept. 2: 9:45-12 noon, Board Meeting, 616 SW 152<sup>nd</sup> , Burien WA
- Sept. 7: Labor Day
- Sept. 8: Enumclaw Unit, 7-9pm, Highpoint Village, Enumclaw  
Topic: "Health Care". **Chair: Cathy Dormaier, 360-802-6799**
- Sept. 9: Voter article deadline
- Sept. 10: Seattle 1<sup>st</sup> Thurs. Forum, 7:30 pm, First Baptist Church, 9<sup>th</sup> and Harvard.  
Topic: Privatization. **Note: Date change from 1<sup>st</sup> Thursday.**
- Sept. 14: Highline Unit, League office, 616 SW 152<sup>nd</sup> , Burien, 1:30-3:30pm.  
**Chair: MaryEllen Hamblin, 425-255-6675.** Topic: Health Care
- Sept. 16: Federal Way Unit, 7-9pm, Foundation House, 32290 1<sup>st</sup> Ave So, Federal Way.  
**Chair: Barbara Cornwall, 206-870-2042.** Topic: Health Care
- Sept. 17: Vashon Unit, 2:00-4:00, Vashon Library. **Contact: Ellen Kritzman, 206-567-4837.** Topic: Health Care
- Oct. 1: Seattle 1<sup>st</sup> Thurs. Forum, 7:30 pm, First Baptist Church , 9<sup>th</sup> and Harvard.  
Topic: Ballot Issues
- Oct. 7: 9:45-12 noon, Board Meeting, 616 SW 152<sup>nd</sup> , Burien WA.

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