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Why Not Connecticut?

A model grassroots organizing campaign mobilizes public opinion for universal coverage in a state long dominated by private insurers.

MARC CAPLAN | THE AMERICAN PROSPECT *April 21, 2008*

Connecticut -- still known as the insurance capital of the United States even with takeovers and significant layoffs in the industry -- might be the last state conventional wisdom would expect to break new ground in the fight for universal health care. But it could well happen. Strong advocates and legislative proponents, significant business support for real change, and an innovative health-care foundation implementing a well-funded broad-based organizing campaign are positioning Connecticut to provide national leadership on the issue.

Connecticut's legislature has strong advocates for universal coverage in its top leadership, including state House Majority Leader Christopher Donovan and state Senate President Donald Williams. The 2007 legislative session expanded Connecticut's HUSKY health-insurance program for uninsured children and their low-income parents, and increased funding for community- and school-based clinics. But for the long term, the most important action -- led by Donovan and Williams -- was to create two state authorities that are charged with, in Williams' words, "moving our state toward universal health-care coverage."

The more important of the two, the HealthFirst Connecticut Authority, has the responsibility to provide the legislature by Dec. 1 with recommendations to achieve and pay for universal health care. The other authority, the State-Wide Primary Care Access Authority, is charged with developing a proposal for a universal primary health-care system by the end of this year and then producing a plan to implement the system by July 2010.

Signaling the activist direction the legislative leadership hopes these authorities will take, Tom Swan, the director of the Connecticut Citizen Action Group and probably the state's most visible proponent of a single-payer system, was appointed co-chair by state House Speaker James Amann, along with Margaret Flinter, former president of the Connecticut Nurses Association who helps run a network of health clinics. Not surprisingly, these and other appointments of people who appear sympathetic to ambitious universal plans have raised the hackles of the state's largest business lobbying organization, the Connecticut Business and Industry Association (CBIA).

However, other business groups, feeling the pinch of health-care costs, are surprisingly supportive. Kate Gervais, who has been organizing a small business health-care network, says there are "hundreds, if not thousands, of small and medium-size businesses are ready for reform," though she notes that there is a "deep-seated lack of trust in government, and many don't believe anything will ever change." As Christopher Bruhl, president and CEO of the Business Council of Fairfield County, says: "The current situation is untenable and the business community knows it. Broad reform of the health-care system, starting with a focus on wellness and condition management, is the only way to bring affordability, access, and equity in health-care to businesses and their employees." However, the two 600 -- maybe 6,000 -- pound gorillas of Connecticut's business community, the insurance industry and CBIA, remain deeply skeptical of the need for a comprehensive universal system.

A test of the willingness of the legislature to move toward any universal health-care plan is the *Connecticut Health Care Partnership*, a proposal by state Majority Leader Donovan, which would allow municipalities, small businesses, and nonprofits to opt in to the state employee health-insurance plan purchasing pool, the state's largest health-care purchasing pool, leading to increased bargaining power and lower administrative costs. Donovan has held meetings in 22 towns and claims many cities are expected to save over \$1 million each year. "It's especially attractive because everyone will know they have the 'same health coverage as the governor.'" On the other hand, Eric George, CBIA's associate counsel, says: "We have serious concerns. The bill doesn't insure one new person. It is the first step down a path towards a single-payer system."

Last, but not least, is the new engine driving health-care reform in the state. Until recently, the primary group leading the effort was Health Care for All, a coalition of consumer, labor, and community groups. Organized in 1988 by the Connecticut Citizen Action Group (CCAG), it won important victories over the past two decades. But that effort, like those in many states, never had the necessary participation and buy-in from a broad enough set of stakeholders. And, operating hand-to-mouth, the coalition lacked the capacity to pass universal health care.

But the equation changed with the emergence of the Universal Health Care Foundation of Connecticut as a major player. Formerly the Anthem Foundation, Universal was founded in 1999 as one of more than 165 foundations created by "conversions" of nonprofit health corporations to for-profit entities. As a condition of these conversions, the law requires that the assets of the nonprofit be retained for some public purpose, and not just transferred to the new for-profit entity. A new proliferation of health-care foundations is the result.

Led by Juan Figueroa, a former Connecticut state legislator, the Universal Health Care Foundation has persuaded many more of the stakeholders, including several chambers of commerce, large and small businesses, and the state medical society -- which would seldom, if ever, be seen around a traditional progressive coalition table -- to join with citizen, labor, and faith-based groups to chart a path for universal health care. By September, Universal will have developed a comprehensive proposal around which they will organize. Figueroa says, "I'm very optimistic that we will have the broadest coalition in the state around a specific proposal."

Further, Universal is putting its \$50 million in assets to work by sponsoring communications initiatives and launching an ambitious organizing campaign, also in-house, called HealthCare4Every1. The campaign is funded by what any coalition organizer would recognize as a dream come true -- about \$2 million annually in grants to boost the capacity and commitment of stakeholders. The grants, averaging \$50,000, go to a diverse set of 40 grantees, including chamber of commerce health councils, minority business councils, and labor unions.

The campaign, directed by Lynne Ide, who previously directed both CCAG and Connecticut's progressive political coalition, LEAP, is totally focused on building the base needed to win reform. It has identified as its primary 2008 goal building a list of 100,000 people who have signed onto the campaign (in a state of 3.5 million people).

So what can be expected to happen in Connecticut in 2009? How proposals for universal health care fare will depend on several factors.

One will be the outcome of the presidential election. A refrain echoed in almost every interview with public officials, advocates, and stakeholders was the impact of the national elections on the state. What if a Democrat wins? How soon might any proposal be moved by Congress? For financial and "business-climate reasons," some, like Williams, see a national program as the only vehicle through which broad-based universal health care can take place, though several, including Williams, advocate for a state "system of universal primary care." Christopher Bruhl says: "We want a national framework. Business doesn't want 50 different health-care programs." At the same time, the strongest advocates believe their work needs to proceed regardless of what happens nationally. Swan says: "In 1993, the national campaign sucked the air out of state efforts. This time there will be 1,000 flowers blooming, continuing to pressure for action at the state level."

A second critical question is what role Republican Gov. Jodi Rell will play. Will she sign any significant piece of comprehensive reform? No one seems to really know. An important indication will be whether she signs Donovan's bill to bring municipal workers and others into the state health pool.

A key point for Rell is her emphasis that the state can't afford an "expensive" health-care reform proposal. Her modest Charter Oak plan is only expected to cost \$17 million in its first year of operation, though Michael Starkowski, the commissioner of the Department of Social Services, says that figure will grow as more uninsured come into the system. Rell, using a legislative analysis, throws out \$17 billion as to what a universal health-care system would cost, a figure comparable to the size of Connecticut's state budget. Figueroa calls

these reports "grossly misleading. Connecticut currently spends between \$15 [billion] and \$22 billion on health care. Both the single-payer and purchasing pool approaches would reduce health-care costs and save Connecticut money."

The funding challenge should not be minimized. How to deal with major costs in an era of tight state budgets is a daunting question. Even presuming advocates are correct that a universal system will save money in the long run, many acknowledge government will at least have to come up with the funds to pay the "transitional costs" of getting from the present system to a universal system.

Another challenge is the opposition of the largest employer group. The insurance industry argues, not without some merit, the potential of major losses of jobs and profits in the industry. It also emphasizes the national impact if the state were to adopt a policy that was perceived to be hostile to the insurance industry. That is why many Connecticut proponents of universal health care say the ultimate answer needs to come from a national program. Yet the kind of grass-roots organizing and coalition-building that is occurring in Connecticut can help mobilize national opinion and legislative actions, whether success comes at the federal level, the state level, or both.

All the players are pointing to 2009 as the year in which to take important steps toward universal health care in the state. But there is also recognition of the height of the climb. Figueroa says: "Structural reforms, in terms of changes in delivery and new ways of financing health care, are challenging issues; to say they may not be resolved in 2009 should not come as a surprise to anyone." The challenge grows even bigger, advocates say, because part of the equation is changing people's attitudes about government, restoring the notion that any government program will really deliver positive changes in people's lives.

All this is a reminder that achieving universal health care will not come easily. Overcoming entrenched interests, rallying sufficient public support to "win," solving difficult policy, economic, and funding issues, and shifting deeply felt public attitudes and cynicism are no small matter, and will likely require a multiyear effort. But in this insurance enclave, forces are gathering that could hold the promise of success.

Marc Caplan, a program officer for the Proteus Fund, is responsible for its Piper Fund for Campaign Finance Reform.