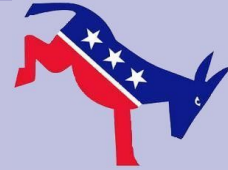


January
2010

DEMOCRAT

yavapai county



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We're on the Web.
Visit us at
www.yavdem.org

Find the Arizona
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www.azdem.org

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Health Care: There's More Than Meets The Eye

Early in the coming year Congress will enact health care reform following a long hard struggle. After it all, we Democrats are divided on the outcome. Is it the most important legislation of the

last 30 years or a gift to the insurance industry? We'll know only after it is enacted and we live with it for a few years. Despite the heated rhetoric, the truth probably resides in the middle.

Progressives are disappointed that the bill falls short of universal health care. Careful analysis reveals an array of meaningful changes for health care in this country. Below are key provisions of H.R.3590 passed by the Senate.

H.R. 3590, the Patient Protection and Affordable Care Act:

- Requires citizens and legal residents to have health insurance beginning in 2014.
- Exempts financial hardship cases, religious objectors, American Indians, undocumented immigrants, incarcerated individuals, and those without coverage for 3 months or less.
- Imposes a penalty for those who fail to get coverage. (A sliding scale will phase in)
- Creates state-based American Health Benefit Exchanges (administered by the states or a non-profit organization) where individuals can purchase coverage.

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OFA Honors Our Own LaBeth Pondish

It was Abraham Lincoln who said, "Don't worry when you are not recognized, but strive to be worthy of recognition," but it could just as well have been LaBeth Pondish of the Yavapai County Democratic Party. Everyone who knows LaBeth knows she is a generous spirit with an enthusiastic commitment to making her community a better place. As a teacher and political activist she has spent a lifetime helping others realize their dreams.

Although LaBeth did not seek it, last month Organizing for America recognized her as Arizona's Volunteer of the Week. Matthew Sanie of OFA said of LaBeth, "The knowledge

and patience she developed as a teacher shines through everything she does, and she is a joy to work with." Those of us who have had

the privilege of working with her couldn't agree more.

To see more about LaBeth, visit [Organizing For America](#).



I have been active in politics most of my life, beginning with the campaign of John F. Kennedy when I was in high school. During my teaching career of 31 years in Texas, I was active in the Texas State Teachers Association and the National Education Association. Those two organizations trained me in taking political action and developing leadership skills. Since retiring from teaching, I have supervised student

teachers, presented teacher staff development training, and worked actively for the Democratic Party. I am currently an instructor in the teacher education program at Prescott College and serve as First Vice Chair of the Yavapai County Democratic Party.



Ben Furlong
Yavapai County
Democratic Party Chair

Phyllis Roth, our representative on the State Resolutions Committee, would like to thank everyone who shared their thoughts on the recently proposed resolutions. Phyllis did not author those resolutions but she will share your input with the Committee when it meets in January.

First Yavapai County Democratic Party meeting of 2010

Thursday, January 14, 2010
Adult Center of Prescott
1280 E. Rosser St
5:30 p.m.

Guest Speaker:

Rodney Glassman

Tucson City Councilman
Democrat
Candidate for U.S. Senate

From The Chair ...

Governor Jan Drinkwine Brewer came to town in the middle of December to speak to the Central Arizona Partnership. She came bearing bad news - we still don't have a budget for 2010 and the projections of revenue shortfall for the 2011 budget year are greater. The Republicans who control the legislature act as if they're victims of the recession when in reality the greatest impact on the revenue shortfall has been their systematic cutting and diverting of tax funds.

Are there any Arizonans who don't know the story? Social services have been cut to the bone. The public schools are being greatly under funded and teachers face pay cuts. There may

be more lay-offs of government employees.

However, the Governor had good news. Those businesses that have stuck out the recession will be rewarded. The reward will be a reduction of corporate income taxes – again – AND property taxes. Does madness come to mind? And what of those business people who have gone under? They won't be rewarded because they simply aren't around anymore.

Our nation has the highest unemployment rate since the 1930s. Arizona is vying with Michigan for the highest unemployment rate. Yet Arizona's three Republican House members: Jeff Flake, Trent

Frank and John Shaddegg voted against an extension of unemployment benefits. Forget the fact these unemployed workers were so important in the heady days of our prosperity. Now they are a liability.

Democrats have long maintained that government must meet the needs of all Americans - not just those in the private sector; not just those with the power, wealth and position. In Arizona, Democrats have been locked out of the processes of governing. In Washington, Republicans are maintaining a campaign of obstruction and destruction. We must change that in the 2010 election. Are you ready to work?

First Meeting TO Kick Off a Critical Year

Mark your calendars for the important first 2010 meeting of the YCDP.

Election year 2010 is crucial for Arizona Democrats. We are busy identifying candidates and preparing for a defining off year election. We need to insure that the radical right wing ideology does not figure in Arizona's legislative future. We need to elect a strong ticket of statewide candidates led by Terry Goddard. Ann Kirkpatrick needs our help to return to Congress. We need to retire John McCain.

On January 14th come and meet Rodney Glassman,

Tucson City Councilman, who will challenge John McCain. This impressive candidate will address our first meeting of the year.

The recent resignation of Carol Cody as Vice-chair for Political Action requires us to hold an election to fill that position. Vivian Perry has agreed to run. Nominations will be made from the floor and the election will be conducted at the meeting.

Vivian, a native Arizonan and a lifelong Democrat, earned her B.S. and M.S. in Education from NAU. In 1967 she joined the Peace Corps and served two years

in the Philippines. She taught a year in Phoenix then left to teach in Dubai where she met her husband, Norman. They spent the 70's in the United Arab Emirates and Tanzania, before returning to the U.S.

While living in Virginia and Illinois, Vivian worked with local and congressional candidates. Returning to Arizona in 2005, she connected with the YCDP through monthly General Meetings and the Democratic Women of the Prescott Area. Virginia became a PC and joined the Precinct Leadership Committee. She became Co-Chair in 2009.

Vivian and Norman have two sons in Washington, DC.

Health Care Continued ...

- Provides subsidies based on income (100-400% of federal poverty level) for those who purchase coverage through Exchanges. Subsidies cannot be used for abortion coverage.
- Creates Small Business Health Options Program Exchanges (administered by the state or non-profit organization) where small businesses can purchase coverage. (Exchanges oversee health plans, rates, etc.)
- Offers four benefit plans plus catastrophic plan through the Exchanges:
 - *Bronze* - covers 60% of benefit costs – out of pocket equals Health Savings Account limit;
 - *Silver* - covers 70% of benefit costs (HSA out-of-pocket limits);
 - *Gold* - covers 80% of benefit costs (HSA out-of-pocket limits);
 - *Platinum* - covers 90% of benefit costs, (HSA out-of-pocket limits);
 - *Catastrophic* - for those up to age 30 or exempt from mandate.
- Establishes temporary national high-risk pool for individuals with pre-existing conditions. Those uninsured for at least 6 months can enroll and receive subsidized premiums.
- Allows states to form health care choice compacts and allows insurers to sell policies in any state participating in the compact. (Effective 2016)
- Permits states to create a Basic Health Plan for low income uninsured in lieu of them receiving subsidies for coverage in the Exchanges. (Effective 2014)
- Requires health plans to report the portion of premiums spent on clinical services, quality, and other costs and to rebate to consumers the amount spent on clinical services and quality that is less than 85% for plans in large group market and 80% for plans in individual and small group markets. (Rebate effective 2011)
- Requires Exchanges to review premium increases and companies to justify increases.
- Requires employers (more than 50 employees) to pay penalties for employees who get tax credits for insurance through an Exchange.
- Provides tax credit for qualifying small employers that purchase insurance for employees.
- Penalizes employers that set a waiting period for coverage of more than 60 days - \$600 for each full-time employee affected. (Effective 2014)
- Creates temporary reinsurance program for employers providing insurance to retirees over age 55 who are not eligible for Medicare. (Provides partial federal funding.)
- Requires coverage for children to age 26 for all individual and group policies. (Effective six months following enactment)
- Prohibits plans from placing lifetime limits on coverage and insurers from rescinding coverage except in cases of fraud. (Effective six months following enactment)
- Expands Medicaid to those under 65 (children, pregnant women, parents, and adults without dependent children) with incomes up to 133% of the poverty level. (States receive full federal funding for costs in 2014 to 2016 and share costs thereafter.)
- Requires states to establish health insurance consumer assistance or an ombudsman program for people with private coverage in individual and small group markets.

The Congressional Budget Office estimates the cost of H.R. 3590 to be \$871 billion over ten years. The costs are financed through Medicare and Medicaid savings and new taxes and fees.

Estimated savings from Medicare and Medicaid are \$438 billion over ten years They include reductions in updates in Medicare payment rates for hospitals, home health agencies and other providers (not physicians), reductions in Medicare Advantage plan payments, reductions based on recommendations by the Independent Payment Advisory Board, and increases in Medicare Parts B and D premiums for higher income beneficiaries, changing the Medicaid drug rebate provisions, and cutting Medicaid and Medicare DSH payments.

The largest source of new revenue (\$149 billion over ten years) will come from a tax on high-cost insurance plans. Additional fees on manufacturers and insurers, an increase in hospital insurance contributions for high high-income taxpayers, and other provisions will generate \$264 billion.

CBO estimates the proposal will reduce the deficit by \$132 billion over ten years.

- [continued on page 4](#)

Health Care continued ...

- Imposes a tax on insurers of employer-sponsored health plans that exceed \$8,500 individual coverage and \$23,000 family coverage. (40% of the amount over the limits)
- Provides grants to small employers that establish wellness programs.
- Permits employers to offer employees rewards for participating in wellness programs and meeting health-related standards.
- Imposes annual fees on pharmaceutical and medical device manufacturers, and health insurance companies.
- Establishes Independent Payment Advisory Board to submit legislative ideas to reduce rate of Medicare spending if it exceeds target growth rates. Proposals which would ration care, increase revenues, diminish benefits or eligibility are prohibited.
- Allows Medicare providers meeting quality thresholds to share in savings they achieve.
- Creates an Innovation Center to expand Medicare, Medicaid, and CHIP payment structures that reduce expenditures and maintain or improve quality of care.
- Reduces Medicare payments to hospitals with excessive (preventable) readmissions and for hospital-acquired conditions.
- Awards grants to states to develop and implement alternatives to tort litigations.
- Establishes Medicare program to pay hospitals based on quality performance measures.
- Creates Independence at Home program. Gives Medicare beneficiaries primary care at home and allows health professionals to share in savings if they reduce costs, hospitalizations and readmissions, improve health outcomes and satisfy patients.
- Requires disclosure of financial relationships between health entities, physicians, hospitals, pharmacists, other providers, and manufacturers and distributors of covered drugs, devices, biologicals, and medical supplies.
- Increases Medicare Part D initial coverage limit to reduce the coverage gap. (2010)
- Provides 50% discount on brand-name prescriptions filled in the Medicare Part D coverage gap for certain enrollees. (2010)
- Provides 10% bonus pay to primary care physicians and general surgeons practicing in shortage areas from 2011-2015.
- Creates incentives to increase the number of primary physicians and nurses and incentivizes working in under-served areas.
- Increases funds for community health centers and National Health Service Corps (2011), provides support to school-based health centers (2010) and nurse-managed clinics (2010).
- Reauthorizes and amends the Indian Health Care Improvement Act.

Mark Your Calendar

Jan. 14: County Meeting and Vice Chair for Political Action election
Prescott Adult Center
1280 E. Rosser St. - 5:30 p.m.

Feb. 15: Arizona's 98th Birthday Party and Fundraiser
Prescott Adult Center
1280 E. Rosser St. - 5-7 p.m.

For more detailed information about the bill, see the Henry J. Kaiser Family Foundation website at <http://healthreform.kff.org/>.

Things You Won't See On Fox News



The media has made much of Congressman Parker Griffith's (D-AL) decision to become a Republican. Some have asked, "Are the rats fleeing a sinking ship?" Nate Silver at 538.com has a smart analysis of what is really going on. Griffith, a first term from a heavily Republican district, faced almost sure defeat in 2010. His switch is an attempt to save his political neck. He had the third worst Democratic voting record in the US House, voting NO on the 10 most important Democratic bills of the session. Parker never was a Democrat.



The bi-partisan *Mayors Against Illegal Guns* announced the results of a recent poll by Republican pollster Frank Luntz showing that NRA members (not the NRA) strongly support gun control laws like closing the gun show loophole, requiring gun owners to report lost and stolen guns and keeping guns from being sold to potential terror suspects. It is encouraging that gun owners are more reasonable than the NRA itself.