

INTRODUCTION

The following testimony proposes “blended” legislation, based on H.100/S.88, incorporating components of several of the half-dozen healthcare reform bills that have been introduced this biennium.

It begins by describing the Healthcare is a Human Right campaign of the Vermont Workers' Center and then introduces and attempts to explain the human rights principles that guide this campaign's analysis and evaluation of proposed legislation.

Vermonters overwhelmingly understand that healthcare is a human right, and we will not shy away from reminding you, in this testimony, of your moral obligation to the people of Vermont, who are asking you to enact the embodiment of this human right in law.

Though we are here to demand a system of healthcare that embodies that human right, our goal, in providing this testimony, is not to chastise you but to help you in crafting that system. To that end — in addition to providing a proposal in appropriate detail — we are prepared to answer your questions and address potential objections.

For example, some have argued that the current economic crisis precludes the possibility of a major overhaul of our healthcare system. We answer that, unless we fix our wasteful healthcare system, there can be no economic recovery.

Some are unwilling to consider raising taxes, which we dare to propose. We answer that spending a dollar on taxes to save a dollar and a quarter — or more — on insurance premiums, deductibles and copayments is a very good deal.

And some say that we must wait for the federal reform process to run its course. We note that our federal representatives do not agree. As we do, they believe that Vermont must lead the way in establishing healthcare as a human right.

ABOUT THE VERMONT WORKERS' CENTER AND THE HEALTHCARE IS A HUMAN RIGHT CAMPAIGN

The Vermont Workers' Center is a democratic, member-run organization committed to taking action on the full range of issues of concern to working people.

The Healthcare is a Human Right campaign is the Vermont Workers' Center's effort to change what is politically possible in healthcare reform. The campaign is a statewide, grassroots movement of Vermonters organized around the desire to have healthcare recognized (in law) as the human right that it is and embodied in a healthcare system that satisfies human-rights standards.

The Healthcare is a Human Right campaign began about two years ago, with a statewide survey of more than twelve hundred Vermonters. The results of this survey were released, on the sixtieth anniversary of the Universal Declaration of Human Rights, in our report, *Voices of the Vermont Healthcare Crisis*. This report details some of the suffering of Vermonters who lack health insurance, who lack adequate health insurance or who are unable to use what health insurance they have, along with many other aspects of the current

healthcare crisis in Vermont. These other aspects include crippling medical debt, homelessness, domestic violence and many other ways in which Vermonters currently suffer in this crisis.

The release of this first human rights report was followed by a series of public hearings around the state, in which Vermonters testified about their experiences under our current healthcare system. As Vermonters heard the stories of others and began to realize both that they were not alone in their own suffering and that their suffering was not their own fault, the Healthcare is a Human Right campaign began to grow. On May Day, last year, more than a thousand Vermonters gathered on the Statehouse lawn in the largest workday rally in recent memory, in support of healthcare as a human right.

Since then, the Healthcare is a Human Right campaign has continued to grow. While other non-profit organizations are struggling, laying off workers and closing, the Vermont Workers' Center has been hiring new staff to handle our growing statewide network of Vermonters committed to seeing legislative reform that recognizes healthcare as a human right.

For many years, the Vermont Workers' Center has worked with other organizations seeking to reform our healthcare system. We continue to work with many groups that share our vision, including Vermont Healthcare for All and the Vermont Citizens Campaign for Health. In addition to the many thousands of individuals that have joined our campaign, more than a hundred organizations and businesses have endorsed the Healthcare is a Human Right campaign and its principles. (A list is attached.)

The Healthcare is a Human Right Campaign has also been endorsed in editorials in the Pulitzer-Prize-winning *Rutland Herald* and *Barre-Montpelier Times Argus*.

In the past year, with regional organizing committees growing in every corner of the state, we have held local legislative forums, to speak with you, our elected representatives, about our principles and our goals. We are committed to working with you, to give you the political support that you need to overcome the obstacles preventing the kind of systemic reform that achieving healthcare as a human right requires.

CAMPAIGN PRINCIPLES

The Healthcare is a Human Right campaign's support of any healthcare reform legislation depends on our assessment of whether the legislation satisfies human rights standards. It is as simple as that. We wish to see the human right to healthcare embodied in law.

In evaluating a specific bill, we apply the human-rights principles of *universality*, *equity*, *accountability*, *transparency* and *participation*.

Universality is the principle that human rights must be afforded to everyone, without exception. It is by virtue of being human, alone, that every person is entitled to human rights.

Equity is the principle that every person is entitled to the same ability to enjoy human rights. Healthcare resources and services must be distributed and accessed according to people's needs, not according to payment, privilege or any other factor. Disparities and discrimination in healthcare must be eliminated, as must any barriers resulting from policies or practices.

Accountability is the principle that mechanisms must exist to enable enforcement of human rights. It is not enough merely to recognize human rights. There must be means of holding the government accountable for failing to meet human rights standards.

Transparency is the principle that government must be open with regard to information and decision-making processes. People must be able to know how public institutions needed to protect human rights are managed and run.

Participation is the principle that government must engage people and support their participation in decisions about how their human rights are ensured.

In other words:

1. Every person is entitled to comprehensive, quality healthcare.
2. Systemic barriers must not prevent people from accessing necessary healthcare.
3. The cost of financing the healthcare system must be shared fairly.
4. The healthcare system must be transparent in design, efficient in operation and accountable to the people it serves.
5. As a human right, a healthcare system that satisfies these principles is the responsibility of government to ensure.

Another way to apply these principles is by means of a set of questions, such as these:

- *Does the system provide healthcare to all? Or are some groups of people excluded, as if they are not entitled to a human right?*
- *Does the system provide equal access to comprehensive healthcare services? Or does it separate people into different tiers of access or coverage, thus producing inequities, increasing administrative costs and weakening the system itself?*
- *Does the system treat healthcare as a public good? Or does the system treat healthcare as a source of profit for powerful vested interests?*
- *Does the system eliminate barriers to use of needed healthcare services? Or do “co-payments” and other out-of-pocket costs discourage people from accessing the care that they need?*
- *Is the system financed equitably? Or do people pay for healthcare based on conditions that are unrelated to their ability to pay, such as age, health status, gender or employment status?*
- *Does the system use money effectively and efficiently? Or do numerous “payers” with numerous administrative systems introduce unnecessary costs that add nothing to the quality of the healthcare provided?*
- *Does the system allocate resources equitably, according to health needs? Or are some communities better served than others?*
- *Does the system improve the quality of healthcare, by rewarding providers who utilize best practices and provide excellent outcomes? Or does the system simply pay providers for performing medical procedures?*

- *Does the system enable meaningful community participation? Or are decisions made far from the people affected by the decisions that are made?*
- *Is the system accountable to the people it serves? Or is it complex, mysterious and impervious to influence?*

TIME FRAME

While we recognize that the transition to a healthcare system embodying the human right to healthcare will require time for the establishment of its administrative structures and other transition processes, we believe that the bill enacted this year must contain all of the components of the system and a time frame that accomplishes an expeditious implementation. Unjustified delay is unacceptable in the face of Vermonters' suffering unnecessary hardship, preventable illness and death. Though a direct transition to a public, single-payer healthcare system might seem daunting, the economic and humanitarian benefits of this change can only be enjoyed completely once the transition is complete.

PROPOSAL

We recognize that Vermont has done much, over many years, to make healthcare more universal, more affordable and of higher quality than in many other states in this country. But the rest of this country sets a very low standard, compared to the rest of the developed world, in healthcare outcomes and in cost-effectiveness. The situation demands more fundamental change, if our healthcare system is to satisfy human rights standards.

At the beginning of the 2009-2010 Vermont legislative biennium, the bill that came closest to satisfying human-rights standards was H.100/S.88. Accordingly, the Healthcare Is a Human Right campaign focused on attaining passage of this bill.

In the course of the past several months, several new bills have been drafted and introduced, including:

- Senator Bartlett's hospital global-budgeting bill, S.181
- Representative Davis' "single payer" bill, H.491
- Representative Poirier's "public option" bill, H.510
- Representative Maier's bill, H.627

Each of these recent bills contains one or more features that improve upon H.100/S.88, by means of greater specificity of detail or by improved compliance with human rights standards. In addition, a number of other related bills, including Rep. Fisher's bill (H.372) and Rep. McFaun's hospital bills, H.196 and H.512, offer useful ideas. In the interest of achieving legislation that satisfies human rights standards most fully, we are proposing to incorporate some of these features into a "blended" bill, based on H.100/S.88, with the following components.

I. universal & unified

The most obvious goal of healthcare reform is achieving universality. To that end, we strongly support the requirement in H.100/S.88 that VermontCare provide for automatic enrollment at the point of service of any Vermont resident who seeks services covered by VermontCare.

We also strongly support any efforts to unify our healthcare system, particularly in reducing the extent to which individuals are separated into different “pools” and in reducing the number of administrative systems involved in healthcare finance. The former strengthens the system itself. The latter allows for greatly reduced administrative overhead and offers opportunities for more effective cost containment.

II. focused on health

H.100/S.88 calls upon the newly created Vermont health care board to develop a “package” of essential health services to be covered by VermontCare. Some of the considerations mandated, such as comparison with available health insurance plans and anticipated revenues, are at odds with human rights principles. Moreover, we believe that there is no reason not to enumerate the initial healthcare services to be provided by VermontCare in the bill, as is done (for example) in H.491. H.491, however, fails to include family-planning [reproductive] services, which must be added to the list of covered health services enumerated, if the bill is to satisfy human-rights standards.

We wish to emphasize a few of the covered health services enumerated in H.491, which are necessary but often omitted from health insurance plans. These are dental care, vision care and transportation.

III. public

We believe that, as a public good, our healthcare system must be both financed and administered publicly. Therefore we would require the department of health care administration to administer the system rather than allowing the department to contract with a private third-party administrator.

IV. free at the point of access

We strongly support the requirement in H.100/S.88 that no payment be required for healthcare services received. Even small copayments and coinsurance deter some individuals from seeking necessary health care. Obviously such a barrier tends to worsen health outcomes. It also tends to increase rather than reduce the ultimate cost of care, by delaying that care.

V. equitable

We support the goal, in H.100/S.88, of financing our healthcare system by means of broad-based taxes and an employer tax. The progressive income tax is the most equitable revenue source currently available to us, and the historic role of employers in providing health insurance as a benefit of employment necessitates an employer contribution during the transition away from this historic period.

(The availability of an exemption from provisions of the ERISA would allow for a “fairer” employer tax, but the absence of such an exemption should not constitute an obstacle.)

H.510 proposes to supplement the system's revenue with "sin" taxes. Though we accept the historical role of tax policy as a way of influencing individual behavior, we are uncomfortable with the regressive nature of the proposed sales taxes.

We strongly support the "just-transition" language of H.491, which calls on the board to work with the department of labor to create a program to provide support and retraining for workers dislocated by the healthcare system transition. We see this as a minimum effort in addressing our responsibility to those affected by public policy decisions that, in improving the common good, make the job of a few obsolete.

VI. centered on care

We specifically reject the "individual mandate" and "public option" of H.510 for several reasons.

- First, we believe that "insurance" is not an appropriate mechanism for administering healthcare financing, and our healthcare reform effort should not continue to foster this misconception by treating a public good as a "benefit." Instead, we are seeking *social insurance*.
- Second, we believe that the free market is not an appropriate domain for attempting to ensure a public good. Adding another "option" — public or otherwise — to compete with existing private insurance plans does nothing to ensure that healthcare will become universal, affordable or of high quality.
- Third, many of the most important cost containment mechanisms that are available to us depend on reducing — not increasing — the number of "payers" and administrative systems. Adding another insurance plan would add another risk pool, another payer and another administrative system. (We recognize that H.510 would attempt to merge several public programs, but so would H.100/S.88, and the latter would also eliminate the unnecessary private insurance plans.)

VII. responsive to needs

We believe that regional healthcare planning is vitally important to the system for several reasons, including optimization of resource allocation and, particularly, local participation of the people affected by the system. H.100/S.88 proposes a three-member board and envisions community health boards in at least three regions, with the details to be left to a future general assembly. We see no reason to delay this planning stage and would offer as an alternative the more detailed proposal in H.491, allowing the commissioner (or health care board) to propose the specific regions and provide for election of representatives to those boards.

H.491 is also helpful in offering specific considerations to be used in establishing the regions of the regional boards.

VIII. rewarding quality

We strongly support the continuation of the work that has been done in Vermont to begin compensating healthcare providers based on the quality of care rather than the number of procedures performed. Much work has been done to begin to align provider compensation with improved health outcomes, and we expect that the results of the ongoing pilot projects and studies will deepen our understanding of how to optimize care.

In addition to rewarding providers for the best healthcare outcomes and utilization of best practices, it is important that the healthcare system offer incentives for providers to deliver primary care and to practice in underserved communities.

IX. cost-effective

Several of the bills introduced this biennium address global budgeting, as it is a relatively straight-forward way of avoiding wasteful or uncontrolled spending. We believe that the basic components of S.181 could and should be incorporated into H.100/S.88, to provide the detail in this area that H.100/S.88 lacks.

Both H.491 and H.510 include specific language that could be incorporated into H.100/S.88's general efforts at improving the system's ability to manage healthcare provision efficiently. Though we are wary of incentives to recipients of healthcare, there is undoubtedly a great deal of efficiency to be gained by making coordinated care a given in our healthcare system and by providing other cost-containment incentives to providers, especially in the area of chronic care, as we have already begun to do and as H.627 would accelerate.

We also support the general concept of a pharmaceutical formulary, as a mechanism for encouraging healthcare best practices.

X. accountable

The healthcare horror stories that we hear — both from providers and from patients — revolve around access to care. We are just beginning to understand and implement ways of avoiding medical error, and we will continue to do so. But what our system fails to do is prevent denial of care. To do so, we need a publicly-administered system, one that is accountable to the people. We believe that our proposal is the legislation that will put us on track toward establishing this system.

CONCLUSION

Here in Vermont our neighbors and loved ones continue to die — and our families continue to suffer — needlessly, because we have not yet realized the universal right to healthcare. The Vermont Workers' Center believes — and we have demonstrated — that the desire to see the human right to healthcare embraced in public policy and embodied in law is a desire that engages the enduring shared values of Vermonters. Thus, it becomes a moral obligation upon you, our elected representatives.

There are real obstacles to fundamental systemic reform of healthcare. But Vermonters are no longer willing to accept obstacles as excuses for inadequate and insufficient change. Vermonters expect their elected representatives to work to overcome obstacles. We are here to help you.

Vermont has a long history of leading our nation in the establishment of human rights. It is with great excitement that we offer our assistance in establishing the human right to healthcare.

**APPENDIX:
ORGANIZATION/BUSINESS ENDORSERS OF THE HEALTHCARE IS A HUMAN RIGHT CAMPAIGN
(PARTIAL LIST)**

American Federation of State County and Municipal Employees (AFSCME) Local 1343
AFSCME Local 1369
AFSCME Local 1674
American Friends
Andy's Power and Lights, Williston
Artist Loft, Brattleboro
Aspergillus Association of America
Barre Education Association
Beth Jacob Synagogue, Montpelier
Black Sheep Books, Montpelier
Bob's Camera, Barre
The Bobbin Sew Bar & Craft Lounge, Burlington
Boisvert's Shoe Repair, Barre
Brattleboro Bicycle Shop
Brattleboro Books
Brattleboro Drop-In Center
Burlington Teachers Association
Cafe Bueno, Barre
Center for Media & Democracy - CCTV, Burlington
Central Vermont League of Women Voters
Central Vermont Peace and Justice Center
Central Vermont Women's International League for Peace and Freedom (WILPF)
Chris Gray Memorial Fund
Communication Workers of America (CWA)
Congregation Beth Jacob, Montpelier
Cover to Cover Book Store
Delibac Construction Company LLC, Williston
Democracy for Vermont
Diggers Mirth Farm, Burlington
Dogstar Healing Arts
Exile on Main Street, Music, Barre
First Step Print Shop, Underhill
First Unitarian Universalist Society of Burlington, Social Justice Committee
Fletcher Allen Nurses Union, Federation of Nurses & Health Professionals, UPV/AFT Local 5221
Free Vermont Radio
Global Justice Ecology Project
Green Mountain Book and Prints
Green Up SMC
Healthcare-NOW!, National
Hedding United Methodist Church, Barre
High Road VT, Middlesex
Hunger Mountain Coop UE Local 255, Montpelier
IAM Local 1829
IWW, Vermont Chapter
In the Moment~Music and Gifts, Brattleboro
Independent Tax Service Inc., Burlington

International Brotherhood of Electrical Workers Local 300
Iron Workers District Council of New England
Iron Workers Local 7
Kayak For Jack, Waterford, VT
Kingdom Recovery Center, St. Johnsbury
L.A.C.E.- Farm Market and Cafe, Barre
Langdon St. Cafe, Montpelier
Li Pon Artifacts, Brattleboro
Local Motion, Burlington
Marty's Auto, Milton
Middlebury Global Health Action Network
Moonshadows~Gifts Shop, St. Albans
National Association of Letter Carriers (NALC) 521
National Economic and Social Rights Initiative
New Leaf CSA, Brattleboro
North Country Coalition of Peace and Justice
Northeast Kingdom Healthcare for All
Old Barn Vermont, LLC, East Montpelier
Old Spokes Home, Burlington
Older Women's League
Peace & Justice Center - Vermont Livable Wage Campaign
People's Health and Wellness Clinic, Barre
Pie-in-the-Sky Farm B&B, Marshfield
Plainfield Coop
Qi River Acupuncture
Queen City Soil and Stone
Red Hen Bakery, Middlesex
Rosebud Florist, Randolph
Safeline Inc.
Small Dog Electronics, Inc.
Somali Bantu Community Association of Vermont Inc
SonMar Business Services, Colchester
St. Andrew's Episcopal Church, St. Johnsbury
St. Luke's Episcopal Church, Alburgh
Student Global Aids Campaign
Student Labor Action Movement (St. Mikes College)
Student Trade Justice Campaign (UVM)
Students For Peace and Global Justice
Umbrella, Inc., St. Johnsbury
Unitarian Universalist Church of Rutland
United Academics
United Electrical, Radio & Machine Workers of America (UE), Northeast Region
Universalist Society of W. Burke
UVM Service & Maintenance Workers Union, UE Local 267
UVM United Staff
Vermont AFL-CIO
Vermont Businesses for Social Responsibility
Vermont Cares
Vermont Center for Independent Living
Vermont Health Care For All

Vermont Iraq Veterans Against The War (IVAW)
Vermont League of Women's Voters
Vermont National Education Association (NEA)
Vermont Office of Health Care Ombudsman
Vermont Partnership/ALANA Community Org., Brattleboro
Vermont People with AIDS Coalition
Vermont Progressive Party
Vermont Public Interest Research Group (VPIRG)
Vermont Refugee Assistance
Vermont School of Herbal Studies
Vermont State Employees' Association (VSEA)
Vermont Trans Action
Vermont Workers' Center - Jobs With Justice
Washington/Orange Co. Central Labor Council AFL-CIO
Women and Children First, Barre
Zumba Burlington