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Mark Masselli: This is Conversations on Health Care. I am Mark Masselli.

Margaret Flinter: And I am Margaret Flinter.

Mark Masselli: Well Margaret, the dog days of summer are here upon us. It's the end of August. Summer is winding down. I noticed the sort of autumnal change in the weather. But the campaign season is really heating up.

Margaret Flinter: I noticed the same thing when I woke up today, Mark. But health reform will be a hot topic no matter what the weather.

Mark Masselli: Mitt Romney's selection of Paul Ryan as a GOP running mate has generated a lot of chatter. It's interesting to note that it is warmly received by both parties, I think for different reasons though, but that's a first. Common ground has been found.

Margaret Flinter: I think so too. And it will definitely make for a really exciting political fall season. The analysts say his voucher system would alter Medicare, as we know it, cost seniors more out of their pockets. And of course, both Romney and Ryan are in favor of repealing the Affordable Care Act. Mark, when I think back to a couple of summers ago, and seniors rallying to keep your hands off my Medicare, I almost can't imagine it.

Mark Masselli: That's true. And yeah, we will find out the answer to what the public thinks; November is not that far off, Margaret. This is a really important election to dig beneath the surface of campaign rhetoric and analyze what the candidates would actually do with the laws that govern health care in the country if elected.

Margaret Flinter: That's right. And I am always reminded this is what democracy in action looks like. And we all need to stay informed and the public needs to be well informed. Meanwhile, the Kaiser Health has decided to try and gauge the mood of the GOP heading into their nominating convention, and health care is on the minds of those planning to vote in the election, it's not just the economy.

Mark Masselli: It is. The interesting results in the Kaiser polled the Affordable Care Act was not the most pressing issue for Republican voters; jobs in the economy ranked most important followed closely by health care in general. About 70% of those polls said the cost of health care and health insurance were of major concern to them.

Margaret Flinter: And Medicare funding followed them. Just a little over 50% felt the Affordable Care Act was a key influencer in how they would vote so the specifics of Medicare seems to triumph the more general issue.

Mark Masselli: Meanwhile, our guest today has played a significant role in both health care and politics, and it's timely to have him as both parties go into their conventions. Howard Dean is a physician, former Governor of Vermont and former Presidential Candidate.

Margaret Flinter: He is also the former Chairman of the Democratic National Committee and has some pretty clear ideas about how health care should be handled as a campaign issue.

Mark Masselli: He will also be talking about health reform he initiated while in leadership in Vermont and how that state is headed towards a single-payer system.

Margaret Flinter: And Vermont has certainly led the way in health care innovation and reform. Mark, we have had a number of people from Vermont on our show so we very much look forward to speaking with Governor Dean. And FactCheck.org's Lori Robertson will be dissecting claims from the Romney campaign, accusing the Obama Administration of gutting \$700 billion from Medicare, not something that seems substantiated.

Mark Masselli: And as always, Margaret, folks can hear all about our shows by Googling CHC Radio.

Margaret Flinter: And if you have comments, feel free to email us at [www.chcradio.com](http://www.chcradio.com) or visit us on Facebook or Twitter; we love to hear from you.

Mark Masselli: We will get to Governor Howard Dean in just a moment but first, here is our producer, Marianne O'Hare, with this week's Headline News.

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Marianne O'Hare: I am Marianne O'Hare with this Headline News. The addition of Paul Ryan to the GOP ticket is galvanizing the spotlight on health care in this election. Congressman Ryan chosen by Mitt Romney for the #2 spot is promising to save Medicare with a plan to offer flat fee vouchers for seniors basically privatizing the Medicare program, and most have looked at the plan and say, it will almost certainly raise the cost of health care for seniors if enacted.

Aetna Insurance Company is increasing its holdings having just spent \$5.5 billion purchasing Coventry Health, one of the nation's leading providers of Medicaid and Medicare coverage. The move comes before an increased number of Americans will become eligible for expanded Medicaid coverage under the

Affordable Care Act, as well as the increasing numbers of Baby Boomers reaching the Medicare eligible age of 65 about 10,000 per day.

Planned Parenthood's unexpected windfall after the flap earlier this year with the Susan G. Komen Foundation is going to bode well for women in need of breast cancer screening services. The additional donations that rolled into Planned Parenthood will be used to advance their breast cancer screening program. Some four million women in America, many of whom are uninsured or underinsured, receive some of their basic health screenings through Planned Parenthood exclusively.

And a team of scientists from the California Institute of Technology are flushed with the success and are skipping to the loo a \$100,000 richer. They are the official winners of Bill Gates Reinvent the Toilet Contest. 2.6 billion people in the world lack basic bathroom sanitation devices which often leads to the spread of disease through contaminated water. Gates challenged the science community to build a better toilet. California Institute of Technology designed a solar-powered gizmo that turns human waste into hydrogen and electricity. When it comes to number two, this team is number one. I am Marianne O'Hare with this Headline News.

### **(Music)**

Mark Masselli: We are speaking today with Howard Dean, former Governor of Vermont and 2004 Democratic Presidential Candidate. He is also Founder of Democracy for America, which assists candidates seeking elections across the country. Governor Dean, welcome to Conversations on Health Care.

Howard Dean: Thank you for having me.

Mark Masselli: You know, you have been thinking and acting on health care for the past generation. You went from practicing while you were in the Vermont legislature to Governor in 1991 and you launched one of the earliest forays in the nation into health care reform back then, advocating for the Dr. Dynasaur Program which you passed making Vermont one of the first states in the nation to provide near full health coverage for children and pregnant women in your state. And I know you saw dramatic results in the health of your population after enacting that program. But let's talk about health reform as you first saw it back then 20 years ago in Vermont and what can we learn from those experiences today as we embrace health care reform measures across the country.

Howard Dean: Sure. Here is what we did 20 years ago in Vermont. We used Medicaid as the expansion vehicle, which actually the President did in his bill. And thanks to President Clinton's waivers, we were able to use Medicaid for all children under 18 years old whose family made less than 300% of poverty. That's an income of \$66,000 for a family of four. So we basically turned Medicaid

into a middle class entitlement for people under 18, hence getting essentially universal health care for people under 18. So that's a really big deal and that's been going on for 20 years. So I see people all over the country who grew up in Vermont who come up and thank me and say, thank you because I had health insurance when I was little because my mom was a single mom or I was trying to raise my kids and we were really struggling and so forth and so on, and the kids never lost health insurance. And they have it now for, you are right, a generation.

The second thing we did which was disappointing in the federal bill is we reigned in the insurance companies; we basically told them they had to give insurance to anybody who could pay for it and they couldn't charge their sicker older customers more than 20% above what their younger and healthier customers were. That's called community rating and guaranteed issue. That's not really present in the big bill. They have community rating but the problem is you can charge 300% more for older people and so that sort of undermines that. But there are a lot of things in the big bill that has passed and now gotten muster from the Supreme Court that are going to change American health care, in some ways not for the intended reason but they are going to change American health care for the better.

Margaret Flinter: Governor, I would like to take a look at how the country and the states are responding to the Supreme Court decision on the Affordable Care Act. We look at a number of states who flat out reject the directives of the law saying they will neither setup state-based insurance exchanges nor are they going to expand Medicaid to cover more citizens despite the expansion being funded by the government for the first 10 years. I think you have accused governors who refuse to expand their Medicaid program as committing gubernatorial malpractice. I would like you to share your thoughts both as a physician and a former Governor, on what the true cost to the people and the states is likely to be.

Howard Dean: Oh it's enormous, it's enormous. And some of these states will actually do this. South Carolina I think will not accept Medicaid. We figured when I was running for President, of course South Carolina is an early campaign state, we figured if they had the same Medicaid program we did in Vermont, they would increase their entire gross domestic product in their state by 2%. That's a big number. And the reason is they have an 80% match. So, with their very conservative political philosophy, they don't want to put up 20% to get 80% federal money. Texas I think will cave in. Texas has got one of the three best teaching hospital systems in the country along with Massachusetts and New York. Those hospitals are going to get cleaned if they don't take Medicaid because what the federal government did in its bill is what Romney did in his bill in Massachusetts five years earlier. They took away all the so-called disproportionate share money that is the money that goes directly from the federal government to great big hospitals in inner-city areas where lots of people can't pay, and that is almost always teaching hospitals.

So Texas is going to -- their hospitals are simply going to go to the governor and say, look, get off this ridiculous performance. We get \$52 billion to make our health care system good, and we have worked as hard we have, we don't want a second class health care system in the state again after we built all this up. And that's what they will have if they don't take Medicaid is a second class health care system because they don't get anymore subsidy from the feds.

Mark Masselli: So despite the Supreme Court decision Governor Dean, the battle continues to foment over the Affordable Care Act as the election of November looms large. I want you to put your hat back on as a practicing physician. Back in 1995, you urged the American Academy of Pediatrics to use their political clout to combat forces attempting to dismantle health coverage expansion. Talk to us a little bit about the role that health care providers have in educating the public about the health care reform.

Howard Dean: Well, the doctors I admire the most, are the pediatricians. They were really wholesale in favor of this expansion, the Medicaid expansion, even though it was going to cost them money. I think pediatricians as a class almost all go into medicine for the right reason. They don't get rich and they want to take care of kids. And they were really full force for this. And we did raise Medicaid rates of course because you can't let people's practices be based on Medicaid rates or they would go out of business. I think there are other doctors that some are helpful and some are not because they have to balance their own incomes, some of which are substantial some of which are not.

Margaret Flinter: Governor, I would like to talk more about your thoughts on the individual mandate. You were actually opposed to the individual mandate and thought that that maybe was a foolish thing to do.

Howard Dean: The reason I think it was foolish was not because it's a terrible idea, it's just that it's a political lightning rod. Most of the people who dislike this bill dislike it because of the individual mandate. In fact, the polling data shows that if you didn't have the individual mandate in the bill most people would support the bill. People hate being told what to do and they particularly don't like being told what to do by the government, and that includes Democrats not just Republicans.

So why put it in the bill? Here is the experience that we had in Vermont. When we did community rating and guaranteed issue, a much, much tougher bill on the insurance companies 20 years ago that is now passed and is national bill, we did not have an individual mandate. And it didn't make any difference in our insurance market. The insurance companies and the academics will tell you, well it's going to skew the poll so the healthy people won't buy insurance and then we won't have their money to balance up the cost of the people who need insurance. But in practice it doesn't work that way. The truth is that a 50 year old who can

buy insurance with the subsidies in the Obama bill will buy insurance so I think the individual mandate is not really necessary. Will it make the market a little better? Yeah, a little better but it's really not worth the grief that they have taken to put this in, in the antagonism. Does the individual mandate work in Massachusetts? Yes, it does. But it's just an irritant, it makes it harder to pass the bill, it hasn't helped the President politically and I just wouldn't have put it in the bill. It's just not necessary for a smooth working in insurance markets and everybody who says it is has never had the experience of actually working in it in one of these states that has this.

Mark Masselli: We are speaking today with Howard Dean, former Vermont Governor and former Chairman of the Democratic National Committee. Now governor, let's explore the absence of the public option in the Affordable Care Act. When the act was first being debated, you said without the public option there would be no real reform. Well now it's obviously not going to be part of the Affordable Care Act. But is it likely that we might see the public option arise in various states?

Howard Dean: Well you are definitely going to in various states because it's going to happen in Vermont. We have a governor who is committed to an American version of a single payer and I think that's what we are going to have. And that does make sense. You know when people say 'single payer' it's a bit of a loaded term; they assume it's a Canadian system. We are never going to have the Canadian system in America; this is America not Canada. And this system arises from a long series of historical events and our history in health care is different than theirs. But we do have a single payer here, it's called Medicare. And what we wanted to do was allow people under 65 to sign up for Medicare. Medicare works very well. It has its problems but the problems are easier to deal with in most cases than the insurance company problems. And the idea was not to eliminate private insurance; the idea was to let people make a choice between what kind of a health care system they want. If they wanted to be in a single payer, they should be in a single payer, and Medicare was that single payer. If they wanted to keep their private insurance, they could keep that. It would have resulted in actually a lot less regulation on the insurance companies because if the insurance companies begin to treat people badly then you have an option of going into Medicare. On the other hand, if Medicare becomes too much of a bureaucracy, you have an option of getting out in the next (13:38 inaudible) over a year and then going into the private sector. I think that was a big mistake to skip the public option. That would have been a really positive addition to the bill.

Margaret Flinter: Governor, I want to focus on Vermont again for a moment. And you implemented health reform and really blew right through that issue of access. And now when we think about Vermont, we think about leaders in health information technology, leaders in care coordination, something everybody talks about few do. So maybe you could share with our listeners what's the outcome

story. You have actually got a couple of decades of good work behind you to talk.

Howard Dean: The outcomes are very, very good. I think we are considered to be the second healthiest state in the country; I am not sure what the first is. But this is a place where almost every child in the state has health insurance. And it's a state where over 90% of all our people have health insurance. And you are right, it is a state where there is a much better coordination in medical. One area that we have made an enormous amount of progress is in control over the dying process, trying to return control over the dying process back to patients and their families not run by medical people, as it so often is. The Hospice Movement got very early start here. And the reason this is so important is people talk about how much of a huge percentage of our medical care is spent in the last six months of life, that's true. The solution is to give control of the dying process back to the families, and we have done a good job with that, and the Hospice Movement of course is a big driver. But patients make sensible decisions and families make sensible decisions. They are usually willing to make the right decision about whether you want to go all out or whether you don't. Those decisions are better made by the families and the patients than they are by the medical community. We ought to be a supportive role in that but not the lead role.

Mark Masselli: You know governor, I want to talk a little more about insurance companies and it doesn't seem like they are going to be gone but they certainly are going to be more highly regulated; the new Affordable Care Act puts an end to preexisting conditions and there are no lifetime caps. Where do we see insurance companies headed now with increasingly tighter federal and state regulations on them?

Howard Dean: Well again, this is an area where you can look at Massachusetts where Governor Romney oddly enough pioneered Obamacare. There are two things in this bill that are very interesting with totally unpredicted consequences that I think are going to change health care for the better. One is the development of the Accountable Care Organizations' vertical integration of health care. And in Massachusetts, you are seeing now hospitals buying insurance companies and insurance companies buying hospitals. That I actually think is a positive development because we waste about 20% of our health care dollars on insurance company bureaucracy and if you only had one billing department instead of one in the hospital and one in the insurance company, which is what's going to happen when you merge, then that eliminates a lot of waste. The other thing about it is we cannot continue the fee-for-service system. This fee-for-service system, if you pay me to do as much as I possibly can, and the more I do the more I get paid, of course I am going to do as much as I possibly can, and that's the health care incentive.

The reason health care costs are out of control in this country, the biggest reason is because of the way we pay people; you pay me by the procedure. And once you have these ACOs and the insurance companies aligning, you are going to start getting actuarial ability to charge people by the patient instead of by the procedure, and that is going to change everything. That's going to orient us towards a wellness system because now it's going to pay people, pay these companies more money to keep people healthy than it is to get them sick.

And the second incredible innovation is that as of 2014, small business wholesale are going to dump their patients into the exchanges. I think that's a very good thing. The patients will be treated fine; they will still have good insurance policies to buy and some help doing it. But the small business community will be out of the health insurance business which will make their competitive position much, much better vis-à-vis small businesses around the rest of the industrialized world.

Margaret Flint: Governor, you just laid out couple of very clear points that you think will make health care better and more affordable for Americans. And we are of course in the middle of the heat of the presidential election with such diametrically opposed opinions and statements about health care coming from the leading candidates. When you were the Democratic Committee chair, you were very successful using messaging to help promote President Obama's first campaign. How would you guide the messaging as we move through this campaign? You just talked about what small businesses are likely to do, and what is the message that President Obama can put out as we move through this campaign?

Howard Dean: I think he is already putting out the key message that he has to put out, which is that he stands for the middle class. Because people don't believe that Governor Romney stands for the middle class. I mean whether you think that he should or he shouldn't, or whatever he says, they don't believe it, and there is a lot of evidence to show that he actually doesn't. But leaving that aside, it's going to be a very negative campaign on both sides. There is amount of money that's going to be spent from all these corporate donations to these pacts and secret donations and all that's going to be enormous, and it's going to be a tough negative campaign. But I think the President is going to win and I think he is on the right track; he is talking about what ordinary Americans are concerned about.

Mark Masselli: Governor Dean, we like to ask all of our guests this final question. When you look around the country and the world, what do you see in terms of innovation in health care that our listeners on Conversations should be keeping an eye on?

Howard Dean: Well I actually think this country is going to be -- the private sector is going to innovate out of things in this bill that nobody expected. And I think



many of those innovations are actually going to be headed in the right direction. I was not a big fan of this bill. I would have preferred to see a public option where people could sign up for Medicare if they wanted to no matter how old they were. But we didn't get that and so I think we are trying to -- the private sector is going to look at this bill and are going to figure out how they can make health care more efficient. And if they do decide, and I think some of them will, and that will put them in a good position to offer care to the patients by how many patients they sign up not by all the procedures they do. Then I think we are going to be headed towards a wellness system and that will be a very good thing. So it's a unique American solution to health care. It's a private sector health care solution which goes against the grain of all the people that wanted a single payer or more of a government role but I do think it's workable. And unfortunately, it's going to probably take more time to evolve into a solid integrated system but I do think I am optimistic about the bill and I do think that there are some good things in there that we can make work.

Margaret Flinter: We have been speaking today with physician and former Vermont Governor, Howard Dean. Governor Dean was a Presidential Candidate in 2004 and was the Chairman of the Democratic National Committee. You can find more about his work by going to [DemocracyForAmerica.com](http://DemocracyForAmerica.com). Governor Dean, thank you so much for joining us on Conversations today.

Howard Dean: Thank you.

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Mark Masselli: At Conversations on Health Care, we want our audience to be truly in the know when it comes to the facts about health care reform and policy. Lori Robertson is an award-winning journalist and Managing Editor of [FactCheck.org](http://FactCheck.org), a nonpartisan, nonprofit consumer advocate for voters that aim to reduce the level of deception in US politics. Lori, what have you got for us this week?

Lori Robertson: Well, Mark and Margaret, let's look at the big topic in the Presidential election again, and that's Medicare. The Romney-Ryan Campaign is repeating the claim that Obama has cut \$716 billion out of Medicare as part of the Affordable Care Act. What they don't say is that this is \$716 billion reduction in the future growth of Medicare spending over 10 years. So it's not a slashing of the Medicare budget it's a reduction in future growth. Just for reference, the Medicare spending in 2011 totaled \$549 billion. And Ryan's original plan for Medicare included most of those same cuts. The Romney campaign says they will fully repeal the Affordable Care Act which would now get rid of those cuts, or if you would prefer, we could call them savings. The fact is both campaigns want to reduce the growth of Medicare spending but they simply disagree on how to do that. One other thing, there are doubts from many experts including the Medicare Chief Actuary about whether those reductions in spending that are in

the health care law will actually happen. A big chunk of it comes from a cut in the growth of payments for hospitals and home health services but Congress has continually overridden similar cuts in payments to physicians. But if the reductions did happen, they would indeed extend the life of the Medicare Trust Fund. And that's my fact check for this week. I am Lori Robertson, Managing Editor of FactCheck.org.

Margaret Flinter: FactCheck.org is committed to factual accuracy from the country's major political players and is a project of the Annenberg Public Policy Center at the University of Pennsylvania. If you have a fact, that you would like checked, email us at [www.chcradio.com](http://www.chcradio.com). We will have FactCheck.org's Lori Robertson check it out for you here on Conversations on Health Care.

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Margaret Flinter: Each week, Conversations highlights a bright idea about how to make wellness a part of our communities and everyday lives. It's no secret that Baby Boomers are aging in large numbers and that means that those suffering from age-related dementia are on the rise as well. Four million Americans live with Alzheimer's disease and we know that number will double by 2025, no cure and few drugs that can (22:46 inaudible) off its devastating effects. Daniel Cohen has devised a tool that is improving the experience for these patients whose quality of life declines along with loss of brain function. He wondered what will happen if you provide iPods for patients in nursing homes that are loaded with their own personal play list of the songs they loved when they were younger. In his first pilot program called Music & Memory, patients in a nursing home were given the iPods with their own personalized song list, and the results instantly noticeable. Patients went from being non-communicative and disengaged to being animated and engaged. Patients like Henry featured in this documentary on the program called Alive Inside.

### **(Video Clip)**

Margaret Flinter: Cohen explains one of the theories as to why this program works so well.

Daniel Cohen: The reality is because our memories of music are co-located in the brain with our autobiographical memories, when you play a song that's familiar, you are kicking off memories that you had.

Margaret Flinter: The results from the Music & Memory Program were so impressive that Cohen's personalized iPod program is now being used in 50 nursing homes throughout North America and many more are lining up.

Daniel Cohen: We have done some research and the feedback from the frontlines, from the nursing homes and from the staff, is that their ability to

provide care is facilitated and so that allows them to get their job done, to pay attention to all the residents as much as possible. That's been a big win as well.

Margaret Flinter: A simple personalized application for a readily available piece of technology that could dramatically impact the quality of dementia patients' lives, now that's a bright idea.

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Margaret Flinter: This is Conversations on Health Care. I am Margaret Flinter.

Mark Masselli: And I am Mark Masselli, peace and health.

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