

Democrats Defeat Arnie's Health Scam

by Harley Schlanger

The rejection, by the California Senate Health Committee Jan. 28, of a highly flawed health-insurance plan sponsored by buffoon Gov. Arnold Schwarzenegger, was hailed by some Democratic Party insiders as an indication that at least some leading Democrats have decided to stand up against him and his fascist policies. The Committee voted 7 to 1 against the plan, which had been passed by the State Assembly, with the full support of Speaker Fabian Núñez (D-Los Angeles).

Democrats in the Assembly, and members of some labor unions, supported the bill, despite serious concerns, as they feared that this was the best plan that could be expected, given the fierce opposition of the insurance industry to a more legitimate alternative. That alternative is Senate Bill 840, a single-payer measure, introduced by State Senator Sheila Kuehl (D-Santa Monica), which is pending in the Assembly. Schwarzenegger's bill would insure 3.7 million of the 5.1 million uninsured Californians, with a complicated formula that includes mandatory employer and employee contributions, a fee on hospitals, an additional \$1.75 tax on a pack of cigarettes, and the hope of using the leverage of these funds to gain an increase in Federal matching funds.

Opponents in the Senate pointed to a report released the week before by the state's Nonpartisan Legislative Analyst's Office, that the plan is based on questionable assumptions: e.g., that cigarette purchases would decline only slightly with a tripling of taxes; or that insurance companies would keep premiums at \$250 per person per month—about half of the current level paid by the largest purchaser of private insurance in the state, the California Public Employees' Retirement System (CALPERS). If the fees charged were to climb even slightly, the additional costs would be unacceptable, given that the state is already facing a nearly \$15 billion budget deficit under Schwarzenegger's stewardship.

And those currently uninsured, who would be mandated to buy insurance under the plan, would be unable to afford the deductible costs required by the insurance companies. Consumer activists have called the bill a boondoggle for the companies.

'Post-Partisan' Politics

Schwarzenegger has held up this health insurance bill as an example of the benefits of his form of "post-partisan" politics. Along with his championing of "infrastructure"—his plans are for privatizing state projects, and opening bids on



Governor's homepage

Schwarzenegger seems to be suffering from "post-partisan" depression, following the solid defeat of his health-insurance plan. The governor is shown here at a press conference on Jan. 29 with Assembly Speaker Fabian Núñez, who supported the measure.

new projects to "Public-Private Partnerships"—and his embrace of a "green" anti-growth agenda, Schwarzenegger had marginalized Democrats in this highly Democratic state, and had them eating out of his grubby, corporate-lined paws. His close collaborator in promoting these scams is New York City Mayor Michael Bloomberg, with both operating under the direction of the fascists George Shultz and Felix Rohatyn. This whole package, being pushed by the duo as the triumph of "competence over politics," is modeled on the corporatist fascist looting schemes imposed by fascist dictator Benito Mussolini in Italy in the 1920s-30s, under the direction of London-based financial interests.

The defeat of Arnie's health-insurance plan may represent a sign that some Democrats have decided to fight. Among those who voted against the scam in the Senate Committee, most are on record as opposing the draconian cuts that Schwarzenegger had introduced earlier this year, in his 2008-09 budget, cuts which even the Governor obliquely acknowledged will kill people. Obviously, he is missing the irony, pointed out by some Senate opponents, that, at the same time he introduced a budget which slashes Medi-Cal benefits and tightens eligibility requirements, while dismantling programs for the elderly, blind, and disabled, he asked the legislature for a new \$14 billion-a-year plan which would extend health-insurance coverage to working poor families ineligible for Medi-Cal—the kind of plan which only an insurance company, or an HMO, could love!

Polls out at the end of the month, show a 7% decline in Arnie's popularity since he released his budget plan in early January.