

## Ralph Nader Radio Hour Ep 410 Transcript

**Tom Morello:** I'm Tom Morello and you're listening to the *Ralph Nader Radio Hour*.

**Steve Skrovan:** Welcome to the *Ralph Nader Radio Hour*. My name is Steve Skrovan along with my co-host, David Feldman. Hello, David.

**David Feldman:** Very exciting show today.

**Steve Skrovan:** Yes, indeed. And we are joined for that show by the man of the hour, Ralph Nader. Hello, Ralph.

**Ralph Nader:** Hello. We need your help, audience, specifically. Very easy. So stay tuned.

**Steve Skrovan:** We are going to be tackling one of our favorite subjects. We've attacked this from many different angles and here's yet another one. Because Americans have been paying too much for healthcare for decades, some people think the solution is to charge Americans less for healthcare. That's the idea behind Medicare. But almost as soon as Medicare was passed in the 1960s, corporate interests have been undermining it.

Our guest today will be single-payer advocate, Kip Sullivan. We'll speak with Mr. Sullivan about the creeping privatization of Medicare, how early single-payer advocates were duped and the troubling new Medicare innovation that was conceded by the [Donald] Trump administration and might come to term under [Joe] Biden. As always, somewhere in the middle, we'll check in with our corporate crime reporter, Russell Mokhiber. But first, let's talk about the creeping privatization of Medicare. David?

**David Feldman:** Kip Sullivan is the healthcare advisor with Healthcare for All Minnesota and has written several hundred articles on health policy. Welcome to the *Ralph Nader Radio Hour*, Kip Sullivan.

**Kip Sullivan:** Thank you for having me, David.

**Ralph Nader:** Well, first Kip, let's start with the right language. I've always opposed the use of the word privatization. It's really corporatization of Medicare--Aetna, Cigna, and UnitedHealthcare--taking over with subsidies from traditional Medicare beneficiaries to undermine Medicare and basically turn it into a honey pot for the health insurance corporations. So, if you'd indulge me, Kip, please use the word corporatization of Medicare because the issue in this country in terms of democracy is gigantic corporatism controlling just about everything they touch from government to consumers, to the environment, healthcare, tax system, even genetically altered mechanisms. You name it, they are strategically controlling it. And in no area have they had more success than what you've written about, that almost half of all Medicare beneficiaries in this country have now been seduced into this Medicare Advantage plan, which I call Medicare Dis-advantage. So, you are the eminent expert on the intricacies of Medicare legislation and what has happened since. What's your principal concern?

**Kip Sullivan:** Well, simplest way to describe what I'm concerned about, what the organization I'm working with, Healthcare for All Minnesota, Minnesota Physicians for a National Health Program, and national single-payer groups, is the takeover of Medicare by insurance companies. It needs to be said that the reason Medicare was enacted in the first place back in 1965 is that the insurance industry didn't want to insure the elderly. And yet somehow, here we are in 2022, where insurance companies now enroll 46% of all Medicare beneficiaries and the program in which those insurance companies participate is called Medicare Advantage. You used the right term; it ought to be called Medicare Dis-advantage. These insurance companies are now insuring all those elderly, that portion of the population they didn't want a century ago, because they're vastly overpaid. And Congress has been tolerating it ever since the first insurance company was allowed in Medicare back in 1973. That's the principal concern, and there are several reasons. One is they are vastly increasing the cost of Medicare. They have harmed, they have reduced the quality of care for Medicare beneficiaries. And as you mentioned, Ralph, the enormous amount of money being funneled into UnitedHealthcare, Humana, and Cigna through the Medicare Advantage plan is accelerating what you're calling the corporatization of America--the takeover of virtually the entire healthcare system and much of the American economy by enormous corporations that are accountable neither to the laws of supply and demand nor to democracy.

That's threat number one--the vast overpayments to these so-called Medicare Advantage insurance companies. But there's another threat we need to talk about, which many of us in the single-payer movement just became aware of, which is a pilot program invented during the Trump administration but continued under the Biden administration called the Direct Contracting Entities program. There is a more formal name, but I don't want to confuse people. We're just gonna say it's a program that has already inserted something called direct contracting entities into the traditional Medicare program. And just to make sure everybody understands my jargon, when I say the traditional Medicare program or the original Medicare program, I mean that portion of Medicare that has not yet been taken over by Medicare Advantage.

**Ralph Nader:** Which is now about to 54% of elderly beneficiaries.

**Kip Sullivan:** That's correct. We're looking at two threats. We need to wake Congress up to both threats. Medicare Advantage threat is the more serious one. It's the more long-lasting one. It'll be interesting to see ultimately if this direct contracting entities threat survives and spreads, but it has that potential.

**Ralph Nader:** This is the Trojan horse strategy picked up by Trump and continued under the Biden administration in the Department of Health and Human Services to basically burrow into what's left, the 54%, which by the way, are beneficiaries that are forced to subsidize the transfer of elderly people into Medicare Dis-advantage. So, these big health insurance companies are not paying the freight. They're not only subsidized by the taxpayers, but they're also subsidized by people who are in traditional Medicare right now around the country.

**Kip Sullivan:** Yes.

**Ralph Nader:** Some of them are our listeners. Why don't you explain that.

**Kip Sullivan:** That is totally correct. The vast overpayments to these Medicare Advantage insurance companies are being financed by taxpayers who fall into three categories. There's all the working people that have been paying the payroll tax that you share with your employer. 1.45% you pay; 1.45% your employer pays. Then there is the general revenues that all people are paying to the federal government. And lastly, there's something called Part B premiums that Medicare beneficiaries pay. All those tax payers are paying into the Medicare Trust Fund and it's that trust fund that then sends money over to United and Humana and the other big insurance companies. And the reason those big insurance companies have managed to pull 46% of all Medicare beneficiaries into their clutches is that because they're overpaid, they offer services that Congress will not let Medicare offer to beneficiaries in the traditional program. Those extra services include dental and hearing and vision and transportation. Most people do not want to enroll with an insurance company that has a limited network of doctors and hospitals. And they will...

**Ralph Nader:** Yeah. Why don't you explain that. You can't have your free choice of doctor and hospital the way you can under traditional Medicare. You're corralled into a tight network near where you live. You have to go to their doctors and their hospital and they may not be the best ones, right?

**Kip Sullivan:** That's correct. They may be the doctors and hospitals that were willing to knuckle under and accept offers made by the insurance companies. Ever since the first health maintenance organization [HMO] was allowed into Medicare back in 1973, these insurance companies that participate in Medicare have limited the enrollees' choice of doctor and hospital to a limited network of doctors and hospitals. And the reason they did that was they were exposing their doctors and hospitals to financial incentives to deny services. And so, it was important that anybody was enrolled with UnitedHealthcare or Humana, if they got sick, that they not run off to some provider, some doctor or hospital outside the network and then send the bill back to the network doctor or hospital.

**Ralph Nader:** As Dr. Fred Hyde of Connecticut has said, it's not what you pay for Medicare Dis-advantage, it's what you get. So, when you really get sick, apart from the gym offerings and those kinds of offers, that's when the difference between traditional Medicare payments and Medicare corporate Dis-advantage payments come in. Because the companies then give you the treatment. That is, they start denying. They start giving you trouble. They start not wanting to pay what traditional Medicare would pay. Can you describe that? Apart from narrowing into a few doctors in hospitals called networks, they really have a very bad practice when people really get sick with cancer, lung disease, other things, and other ailments like that.

**Kip Sullivan:** And that is the problem with enrolling with a Medicare Advantage plan. You are seduced into enrolling because they offer these extra benefits and they will offer them for no extra premium and no extra cost to the enrollee. If you're a healthy person, you may well benefit because your premiums are lower and you got this better coverage. The problem gets to be, you don't really know how good your coverage is until you need it. And then you encounter the utilization reviewers, the people that make your doctor play Captain, May I. That's essentially one of the ways these companies save money, which is to interfere in the doctor-patient relationship.

But the important thing to notice is that the reason these insurance companies that did not want to ensure the elderly 50 years ago, now are ensuring 46% is they dangle these extra benefits in front of people, including lower premiums. And people who are healthier amongst the Medicare beneficiaries tend to gravitate and say, "All right, I'm willing to give up choice of doctor and hospital in exchange for this slightly better coverage and maybe lower out-of-pocket costs." So, that is why these enormous insurance companies have been so successful. It begins to address the question: How on earth did insurance companies wind up getting into Medicare and then being overpaid, and Congress has done nothing about it?

**Ralph Nader:** Worse, talk about the coercion here. First of all, there's the deception. They invite healthy elderly to lunches. That's the way they screen out the customers they want. Because if people can't get to these lunches because they're in wheelchairs and they're ailing, they don't want those kinds of people. So, there's a lot of deception here. Their advertising is gross and misleading and it's all over television. They use Joe Namath and others to push it. But there's also coercion. For example, we've heard that there are unions that are enrolling their retirees in Medicare Dis-advantage without their permission. In other words, they put them in without their permission. They don't give them the choice to say, "Well, do you want traditional Medicare? Or do you want corporate Medicare?" And they're doing this in the thousands in New York City, for example. And this puts the unions on the side of the health insurance companies because who knows what benefits they get from all those dealings. And that of course influences the Democrats on Capitol Hill to stay silent, not to criticize Medicare Dis-advantage, and to go even one step further is to join with the Republicans various years and strengthen this iron grip that's taking control of Medicare. Did you say something about coercion here?

**Kip Sullivan:** I have heard that story and I can't comprehend what would motivate union leaders to do that to their rank and file. I also understand that there has been resistance among union members to this conspiracy between these unions and these Medicare Advantage plans. I don't understand what would motivate them to do that. But it's important to understand that the coercion by some unions leading to some people being involuntarily enrolled in Medicare Advantage is a small part of the problem. If we're gonna stop the takeover of Medicare by the Medicare Advantage insurers, we have to understand why it's happening. And it's happening because the Medicare advantage insurers are vastly overpaid. Congress never explicitly required that the agency that runs Medicare, the Center for Medicare & Medicaid Services or CMS, to overpay the insurance companies that participated in Medicare Advantage. What happened was that when Congress first inserted HMOs into Medicare back in 1972, they just didn't do their homework. They were persuaded by a few people, notably Dr. Paul Elwood and a few of his disciples that the reason Medicare costs were rising is that greedy doctors were ordering too many services for their patients. And we needed some third party such as the health maintenance organization to supervise these doctors and make them knock it off. And so, if we stuck HMOs into the Medicare program, this rampant overuse would come to a stop.

There was no evidence for that, but more importantly, Congress didn't ask, didn't bother to ask, "Does it work?" And what happened was the HMOs wound up enrolling people

who were much healthier than the average Medicare beneficiary. And the Medicare agency, which had a different name back then; I'll call it CMS, never figured out how to reduce the payments to the HMOs to reflect the superior health status of their enrollees. And that's how they got their foothold in the Medicare program. And that's how what began as a simple little program to allow a few HMOs in metastasized into this enormous Medicare Advantage plan today.

There's more to that story if you're interested in hearing about it, but I just want to get that main point across, that these insurance companies are vastly overpaid. If they were paid no more than these patients cost traditional Medicare, they would leave the program in a heartbeat.

**Ralph Nader:** Not only vastly overpaid, the companies vastly overpaid CEOs making \$10,000 and \$11,000 an hour, eight hours a day. Canadians must just look aghast at what we're discussing because they have that single-payer system, the Medicare card--everybody in, nobody out, at half the cost and they cover everyone. And we pay twice the cost and we got tens of millions of people not covered and tens of millions of people under covered.

And now the coercion is proceeding under the Biden administration and Elizabeth [Liz] Fowler. Elizabeth Fowler heads Biden's Center for Medicare and Medicaid Innovation. And in one of your articles, you say the proposal calls for a pilot test in ten cities where traditional Medicare beneficiaries will be assigned to a Direct Contracting Entity called DCE and will have no choice to get out. Can you explain that? And what are the ten cities? Do you know the ten cities? So, our listeners can connect if they're in those cities.

**Kip Sullivan:** I don't have the list on me. I think it includes Boston and Atlanta. But that program that you just described, was one of two cooked up by the Center for Medicare and Medicaid Innovation that Liz Fowler now heads. And that Center for Medicare and Medicaid Innovation is housed within CMS. So, you need to understand that it is there. It was created by the Affordable Care Act in order in theory to figure out how to reduce this alleged rampant overuse of medical care going on in the traditional Medicare program. God forbid, Congress in 2010 should have done something to stop the overpayments to the Medicare Advantage program. Liz Fowler, who wrote much of the Affordable Care Act and Senator Max Baucus, her boss, were just obsessed with this alleged overuse within the traditional Medicare program and so they inserted into the Affordable Care Act a section that authorized the CMMI, the Center for Medicare and Medicaid Innovation. And it was given a billion dollars a year to dream up and test schemes that resemble HMOs--insurance companies risk-bearing entities that expose doctors to financial incentives to deny services and micromanage them. It set up this agency, CMMI, gave it a billion dollars a year to dream up schemes to insert into the traditional Medicare program, not the Medicare Advantage program where all the problems are, but into the traditional Medicare program, which is the most efficient health insurance program in America, public or private.

And this CMMI under Trump came up with this program to insert direct contracting entities [language] into traditional Medicare and they dreamed up two versions of it. And the version you talked about was put under review by Biden when he took office. It's the worst of the two. So, let me describe it for you. We don't know if Biden is going to

terminate it at all. It just may be they're looking at it, trying to figure out how to tweak it. But you accurately described what it is. It calls for requiring – well, first, let me describe what a direct contracting entity is. It is almost exactly like a health maintenance organization or an insurance company. Only the big difference is Medicare beneficiaries are assigned to it. They don't enroll. So, they have no choice in the matter and they don't even know they've been put in one.

And so, what CMMI is proposing is that in ten cities, beneficiaries in the traditional Medicare program, who deliberately decided not to enroll with an insurance company like Humana, will now be--without their knowledge and possibly against their will-- assigned to this direct contracting entity, which is going to operate very much like an HMO. It's going to have utilization reviewers who will interfere in the doctor-patient relationship.

**Ralph Nader:** You're a graduate of Harvard law school. You're a lawyer. Isn't that challengeable in court? How can they force people to do that?

**Kip Sullivan:** Let me just finish the description of it and then come back to that. We may be able to find a law firm that could do that and I'm working with several people who are thinking about a class action lawsuit. Here's the kicker. This Direct Contracting Entities program pilot test in these ten cities would force every traditional Medicare beneficiary into a DCE. There might be four or five in the entire metro area and they would have no choice about it. And if they didn't pick one, they would be assigned to one.

Now, if that isn't coercion, I don't know what is. And to come back to your lawsuit question, yes, the theory I'm discussing with a few people that would lay the basis for a lawsuit would be that Liz Fowler and CMMI have abused the discretion that was given to them by the section in the Affordable Care Act that created the Center for Medicare and Medicaid Innovation. I won't take up a lot of time describing our various theories as to how we might get this overturned, but here's one.

**Ralph Nader:** Okay.

**Kip Sullivan:** The law says that CMS may contract directly with providers. That's where it gets the name direct contracting. Well, if you contract with an insurance company, which is what CMS has already done with the other DCE program, you're not contracting with a provider. You're violating the explicit language of the law. So, I hope that gives you some idea of what a class action lawsuit might say.

**Ralph Nader:** I know our listeners are saying, where's the action now in Congress? You have over 140 members of Congress who have come out year after year for single payer, like the Canadian system with everybody in, nobody out, which is much more efficient with better outcomes, and a much higher quality of life, because you don't have to calculate losing your health insurance if you decide to go from one job to another and so forth.

So, where are the single-payer advocates on the corporate takeover of Medicare in a whole number of ways that you have described in your many writings? Where are they? Where is Congresswoman [Pramila] Jayapal who introduced a single-payer bill, which is considered the gold standard? She's from Seattle. Where is Senator Bernie Sanders who campaigned two presidential campaigns heavily on single payer? And he hasn't

even produced a single-payer bill in the Senate yet. What's going on here? We're not talking about the bought and sold senators and representatives. We're talking about the so-called progressives. What's going on? Why aren't they demanding hearings? Why aren't they putting out statements? There was a group of physicians a few weeks ago who demonstrated right in front of the Capitol on this very issue and they weren't given any coverage at all by the press because the press read the political tea leaves. They basically said these people don't have any allies in Congress so, why should we cover them? What's the problem with the progressives on the issues that you've written about, Kip Sullivan?

**Kip Sullivan:** The House, the US House of Representatives, for some reason, for the last – where are we – two decades has been very good, the Democrats in the House have been very good at supporting single payer. We've had good single-payer bills introduced year after year after year. And we currently have a terrific chief author, Pramila Jayapal from Seattle. And we succeeded for the first time in 50 years getting a hearing on her single-payer bill two springs ago in front of two House committees. They were informational. They didn't go anywhere, but they were hearings.

In the Senate, I don't get why the Senate has been so disappointing. We've had Senator Paul Wellstone from my home state, Minnesota, introduced a single-payer bill in 1992 through '94. And then Bernie Sanders introduced a bill that is not a single-payer bill in 2019, because it has an enormous loophole for accountable care organizations. And it basically authorizes any of these bad ideas that the CMMI has thought up to be inflicted on the entire population. There was a Section 6.11(b) in Bernie's bill that did that! So, although his bill is often called a single-payer bill, I'm sorry to disappoint people, it was not a single-payer bill. He has not reintroduced it. So, at the moment, there isn't a bill in the Senate that is even being called a single-payer bill.

**Ralph Nader:** My question, Kip, is why haven't they spoken out against the corporate takeover of existing Medicare? I'm not asking about single payer.

**Kip Sullivan:** Oh, I see. We are getting some traction, again, in the House on this awful DCE proposal. It remains to be seen whether the ruckus that we've raised... the national organization, Physicians for a National Health Program has done a good job in a very short period of time generating some publicity about this awful direct contracting entities program. And we are beginning to see a growing caucus, again, in the House only--I can't tell you what's going on in the Senate--calling on Health and Human Services Secretary [Xavier] Becerra to terminate the DCE program. We need to go beyond that. But right now, that campaign has done a lot of good on very short notice. And I must tell you, Ralph, I and a whole bunch of the single-payer movement didn't know about this crazy DCE program until just a few months ago. It wasn't being covered by the press. Nobody knew about it. And when we finally did find out about it, we jumped on it.

**Ralph Nader:** Kip, that's a devious detour and a bad one and they are beginning to wake up on it. But how about the overall multi-year corporate takeover under the so-called deceptive Medicare Advantage, which I call Medicare Dis-advantage plan? Why aren't the progressives beating the drums against this, hauling these Biden people and Elizabeth Fowler up to the Congress for hearing and challenging the waste and the

cross subsidization and the corruption? Why aren't they doing that? We're talking about the progressives now. Some of them are committee chairs in the House and Senate.

**Kip Sullivan:** And another way to pose that question is how is it that progressive legislators here in my home state and Minnesota, in states like Washington or Vermont, blue states, plus progressive legislators in the Congress, how have they been bamboozled for so long by people who promoted HMOs? How did that happen? And the answer to that question is relevant to the question you just asked. I've had numerous conversations with intelligent people with whom I agree on every political issue except health policy, who tell me that we need Medicare Advantage and we need programs like DCEs, because there's this rampant overuse in Medicare and in the country at large caused by the fee-for-service method of paying doctors.

Now, someone is gonna get a Pulitzer Prize to explain how that myth got such a grip on the brains of smart people. There are people like Ted Kennedy and [Barack] Obama and the Clintons, who if they hadn't drunk that Kool-Aid would and should have been single-payer advocate. All I can tell you is the Kool-Aid works; a whole lot of smart people that should be progressive on this issue are inebriated by it. And we need to get at the root cause of this apathy toward the takeover of Medicare by these companies by rebutting the myth that there is something wrong with traditional Medicare.

There may be some pockets of abuse hither and yon. Yes, maybe some MRIs [magnetic resonance imaging] are being used for lower back pain, but traditional Medicare is the program we should be holding up for the rest of the country to model itself on. We've got smart people all over this country doing just the opposite. They're saying there's something wrong with traditional Medicare and we've got to make it look more like UnitedHealthcare and Humana. I know that's not an answer but that's the best I can do.

**Ralph Nader:** And listeners, what you can do when Kip Sullivan gives you his website is refer your two senators and representative to that informative website, and then say, "Why aren't you taking any action against the corporatization of Medicare, the overpayments to these big corporations, the waste and deception that are involved along with the coercion into networks that's involved and moving even worse with their future plans?" Unless you, the people, start demanding answers from your member of Congress.

And just so listeners know, once you're trapped into these Medicare Dis-advantage plans, you can go back; after a certain time, you can go back to traditional Medicare. And a lot of people did because they weren't compensated properly for their serious illnesses under Medicare Dis-advantage. So, recently, the health insurance companies have put bigger obstacles to going back to traditional Medicare. It's all part of the corporate strategy to take over Medicare completely.

**Kip Sullivan:** Can I just make one other quick observation? This is an issue not just for people over 65. If you care about a sane and efficient healthcare system in this country, you have to care about retaining the traditional Medicare program because it's an example of an imperfect, but nevertheless, highly efficient single-payer program. We are using the phrase 'Medicare for All' as a euphemism or as a bumper sticker phrase for



single payer. But the longer we wait and watch it get taken over first by Medicare Advantage and by DCEs, the harder it is to hold Medicare up as a symbol.

**Ralph Nader:** To be sure. What's your website so people can get more information about your findings?

**Kip Sullivan:** Google Healthcare For All Minnesota. And there's a section with lots of my sermons available for perusal.

**Ralph Nader:** Healthcare For All Minnesota. Is that it?

**Kip Sullivan:** Correct. Correct.

**Ralph Nader:** Okay. Steve and David, very quickly.

**Steve Skrovan:** Yeah. Kip, I'm a big fan of origin stories and I was fascinated by the story of Paul Elwood. I know you referenced him earlier, but I just wanted you to elaborate a little bit on the sequence of events that led to him meeting with [Richard] Nixon and how he duped Ted Kennedy.

**Kip Sullivan:** The guy you're asking about, Dr. Paul Elwood, almost single handedly altered the evolution of the American healthcare system. And he did it by persuading first Nixon in 1970 and then Ted Kennedy and some Democrats that the reason US healthcare costs and Medicare costs were rising was this overuse theory, that overuse is rampant. Greedy doctors are caving into the incentive to order services patients don't need.

The background is this. In the late 60s, healthcare inflation began to rise for the first time in American history. And it became a political issue and employers began to complain about it. So, Nixon knew that he would be going into the 1972 election needing to have a health policy. In January of 1970, Senator Ted Kennedy introduced what today we call a Medicare for All bill. That was January. The very next month, Paul Elwood got a meeting in Washington, D.C. at the Dupont Plaza Hotel, with three Nixon representatives and he said to them, "The Democrats are going to give us Medicare for All if Nixon doesn't come up with a private sector solution." So, he laid out this phony diagnosis, that costs were going up because patients were getting too much healthcare, when in fact the reason was prices were going through the roof.

If you're concerned about spending in any sector of the economy, you've got to be concerned about two numbers: price of whatever you're talking about and the quantity. Price times quantity gives you total spending. And Elwood obsessed about quantity on the basis of no data. He should have been looking at price--soaring administrative costs and rapid consolidation. But Nixon and the Democrats bought it.

And so, if you buy that diagnosis, if you buy the overuse diagnosis and you say to yourself, "This is being caused by the fee-for-service method of paying doctors," your mind is naturally disposed to say, "Well, the solution is to invent some third party that will reverse the fee-for-service incentive, pay doctors some way to get them to deny services and to micromanage them." That's another story that somebody will get a Pulitzer Prize if someone can explain how Elwood almost single handedly sold that evidence-free story to both Nixon and to Democrats. I get how he might have sold it to some Republicans. How he sold it to Democrats, I don't know. But both parties bought it.

**Ralph Nader:** I had a meeting with some citizen groups with Senator Ted Kennedy in the 70s. And he did put in the single payer and he got battered politically. And he sat there and he looked at us, and we said, "Why aren't you continuing championing single payer in the legislation?" He said, "Because I'm tired of being battered politically without any organized support out there in the country." Where's the organized support? Go get the organized support. That's the question that still occurs today. There is no organized support. If a hundred million people in this country gave a dollar to a powerful single-payer lobby over Congress in Washington, D.C., connecting with local volunteer energies around the country, we'd have single payer in 18 months because of the increased polling support for universal Medicare and more efficient and better outcomes and no loss of life due to inability to afford healthcare. His question is still compelling. There is no real organization. There's the Physicians for a National Health Plan in Chicago. Last I heard they had 15,000 physicians being members. But the power in Washington, with the corporate PACs [political action committees] and all the money sloshing around and campaign funds and all the full-time lobbyists; the drug companies have 500 full-time lobbyists on Congress, at least 500, to deal with 535 members of Congress. There's nothing here in Washington, D.C., Kip. And all the detailed knowledge you have is going up into the ethers unless there is a significant mobilization of funds and full-time lobbyists, full-time media skilled people connecting with groups all over the country.

And that is the big puzzle why people are dying, getting sick and they don't have to, why they're being ripped off, why they're being harassed, aggravated, anxiety, dread fear, five-foot computer billing printouts, inscrutable, denial of benefits, never returning calls, press one, press two, can't get through, the child is sick and networks corraling people coercively, advertising deceiving people. When do you think enough people are gonna wake up to pull together these lobbying groups? Without that, nothing is gonna happen. There's no country in the world that has been abused so much by corporations with so little reason not to fight back.

**Kip Sullivan:** Absolutely. And it definitely isn't a question of attitude. You're right about the polls. Polls for decades have shown that people are on our side, but what that also shows is people are easily scared once you get into the details of a proposal. But a substantial portion of the American population is not scared by the details. They want something like Medicare for All.

But what you must also be aware of is there is great bias against the single-payer solution at many levels of society – the media, legislators, and unfortunately, among rich people and foundations. You cannot create powerful citizen groups on the basis of nothing. I've worked for them. And I've worked for peanuts virtually my entire adult life. Even though I had a law degree, it did me no good. It is very difficult to create powerful organizations, and it's very difficult to staff them when foundations and people who have the money are extremely reluctant to support single payer.

And this is true in the realm of research as well. When you ask people that try to do research that would promote a single payer, you see the same bias. You see the bias in the journals, the published articles. You see the bias at the National Institutes of Health. You see the bias among foundations. So, the short answer to the question is the public is with us and that's what should give us encouragement. But we are up against the

public that doesn't want to finance the kind of organizing it will take to persuade Congress.

**Ralph Nader:** All your scenarios of gloom and doom are accurate. All of them can be completely overturned by taking the 140 members of Congress already for single payer and turning it into a veto-proof majority. All it would take is someone, some entrepreneur, who basically says on the internet to a hundred million people, "Send us a dollar" and create a hundred million dollar a year operation in Congress with the bulk of public opinion back home behind these champions for universal Medicare for All. And it would be all over. Congress can make the entire difference and nobody is focusing on Congress.

**Kip Sullivan:** Congress, I disagree with that, Ralph. If you can wave a wand and make such a fundraising opportunity happen, call me; I'll be the first to be there to help.

**Ralph Nader:** Okay. We'll do that. David, quickly.

**David Feldman:** Yes, thank you. The HMO Act of 1973, if you could describe what percent of our gross domestic product was healthcare before that and what it is now? Because you hear people saying, "Well, Medicare for All will destroy our economy." There's so many jobs now in denying people healthcare. What would happen to our economy if we put these health insurance and HMO companies out of business?

**Kip Sullivan:** Excellent question. The answer to your first question is that at the time, the word 'healthcare crisis' began to be discussed among employers and in Congress, back around 1970, America was spending 7% of its national income on healthcare. Today, that number is 18%. Those two numbers themselves are an indictment of the goofball cost containment policies Congress has supported over the last half century.

The answer to your question is, and Ralph earlier referred to the Canadian system. They have the classic example of the single-payer system. They're covering all their people for half the cost on a per capita basis that we're paying. And we leave 9% of our people uninsured. And the reason we are so expensive is that we waste an enormous chunk of the \$4 trillion we spend every year on administering our complex system. We devote 34% of every dollar we spend on healthcare to administering the system! We could cut that number about in half to about 15% if we went to a single-payer system like Canada's Tomorrow. And what we could do with that extra money is hire the additional nurses and doctors and social workers we need to make sure that everybody has access to healthcare. Despite all the yakking about overuse by the people who have promoted HMOs and Medicare Advantage over the years, the fact is that underuse is far, far worse than overuse. And it's true even for the people who have health insurance.

**Ralph Nader:** And by the way, Kip; we're talking with Kip Sullivan, eminent advocate and scholar and writer on health insurance matters and a champion of the single-payer approach, complications are a controlling process by these corporations. Obamacare was over 1500 pages. Medicare in Canada, when it passed in the 1960s, was 13 pages.

**Kip Sullivan:** Yep.

**Ralph Nader:** So, all this complication is avoidable and a much more just system is a much simpler system on the patient, on the families and on the people who have to fund all these procedures. And that holds true for controlling costs as well. Canadians are

constantly undermined by US companies, drug companies, to not control costs. But as we all know, the same drug by the same company is cheaper in Canada than it is across the border in the US. We're out of time, Kip. We're really out of time, unfortunately. And I think the takeaway from this program is far more is known than is needed for thorough action. We have to mobilize massive pressure on Congress. That's where it starts and that's where the solution for single payer is going to be enacted.

**Kip Sullivan:** If people can do something immediately; write your senator and legislator and give him/her a simple message: Stop the overpayments to Medicare Advantage plans. Stop the direct contracting demonstration.

**Ralph Nader:** And on that note, we can thank you. We've been talking with Kip Sullivan. Thank you very much, Kip.

**Kip Sullivan:** You're very welcome.

**Steve Skrovan:** We've been speaking with Kip Sullivan. We will link to his work at [ralphnaderradiohour.com](http://ralphnaderradiohour.com). Let's take a quick break. When we come back, we're going to do a lot of unpacking of what we've just heard. You don't want to miss that. But first, let's check in with our corporate crime reporter, Russell Mokhiber.

**Russell Mokhiber:** From the National Press Building in Washington, D.C., this is your *Corporate Crime Reporter* "Morning Minute" for Friday, January 14th, 2022; I'm Russell Mokhiber. The US Chamber of Commerce is lobbying to oppose tougher enforcement at the Federal Trade Commission [FTC] because its ranks are filled with corporate wrongdoers. That's according to a report from Public Citizen. the report found that the 111 known Chamber member corporations have violated state and federal laws a staggering 15,896 times and racked up penalties totaling more than \$154 billion since 2000. After FTC Chair Lina Khan announced an initiative to combat corporate crime, the Chamber accused the agency of "going rogue" and vowed to respond with every tool it has. Now the business lobby is reportedly launching a six-figure ad campaign attacking the FTC. For the *Corporate Crime Reporter*, I'm Russell Mokhiber.

**Steve Skrovan:** Thank you, Russell. Welcome back to the *Ralph Nader Radio Hour*. I'm Steve Skrovan along with David Feldman and Ralph. Gentlemen, let's digest a little bit of what we've heard.

**David Feldman:** Ralph, you had said we should just buy like Cigna. I was just looking up the market cap on Cigna. It's \$78 billion. We could buy Cigna for \$78 billion.

**Ralph Nader:** Yeah, you buy the big five. It's just a portion of what we have to pay. The government already pays over half of all the premiums. They pay \$1.9 trillion already. So, you add up the stock valuation of Cigna, Humana and UnitedHealthcare, which are inflated now, obviously, because they're at the top of the market. But it's the best investment it could ever make; just buy them out.

**David Feldman:** I think it would come in under a trillion dollars. But legally, can the government buy stock in corporations?

**Ralph Nader:** Sure. It had stock in General Motors, for example, on the bankruptcy. Anything Congress tells them, they can do to promote the general welfare. Let me ask you guys a question. You're much more computer literate, internet and all that. Why can't a group of distinguished people appeal to a hundred million people to give a buck

or 20 million people to give five bucks. You have a \$100 million operation in Washington with all the skills and staff and lobbyists swarming over Congress, you'd get it in 18 months, stirring up the people back home. There's no focus. There's no focus. There's no laser beam. The outrage, the indignation is individual. It goes up into the ether. Why can't you do that?

**David Feldman:** You answered that question when you talked about the controlling processes of complexity. The news media...

**Ralph Nader:** Never mind the news media. You go direct on the internet and you just say, "We want raise a hundred million bucks and we want 20 million Americans to give five bucks and you'll get a report every year, every six months. And we're going to get it for you in 18 months." That's the big secret; I'm telling you. It's the most astounding secret you can imagine in a so-called democratic society. It's like somebody's starving, a family is starving next to an acre of soil, and they have the seeds on the shelf to grow; they're howling in pain and rage, and they're not picking the seeds up and putting them in the soil to grow the vegetables and the fruits. It is something beyond anthropology. It's psychiatry. Help us, psychiatrists. What technical obstacle would there be for that into a non-profit?

**Steve Skrovan:** I don't know that there's a technical obstacle. It's a marketing campaign. And I don't really have a good answer for you, but...

**Ralph Nader:** You have all the horror stories that resonate because people experience them all over the country. It's not like you're trying to tell them something about a new tax code.

**Steve Skrovan:** Yeah. No, I don't have a good answer for you. I would just think it's a marketing issue. And part of a marketing thing is having someone/a personality...

**David Feldman:** Exactly.

**Steve Skrovan:** ...that people trust to attract attention to it and then kind of jump into the fray, where I don't know about you, David, I'm sure it happens with you. My inbox is inundated every day with requests for money, usually from politicians. And all they want is \$3. And it's from both sides of the aisle. It's Pramila Jayapal and it's Rand Paul and they all want is \$3.

**Ralph Nader:** Yeah, Trump is raising millions that way. But I'm saying you could get 25 trusted celebrities from all backgrounds. Big press conference to override this. There's all kinds of ways you can jumpstart it. There's money to jumpstart it. It's not that expensive to jumpstart it. And then you just get the flow back in. Just why you said that they've perfected the method of asking for two, three bucks – these politicians. So, let's do it for single payer.

**Steve Skrovan:** Well, I guess what occurs to me when you're talking about celebrities, you'd have to get celebrities who understand this and actually care about it. Because most celebrities are rich enough, it's not really an issue for them. They have had –

**Ralph Nader:** No, no. We know, we know. You could name the celebrities in 20 minutes who are authentic in all these areas. And then...

**Steve Skrovan:** It would take some wrangling; it's not a small endeavor, but yeah.

**Ralph Nader:** It's just a decisive endeavor.

**Steve Skrovan:** Yeah.

**David Feldman:** We don't have, except for Bernie and Elizabeth Warren, we just don't have the leadership.

**Ralph Nader:** It doesn't matter. It doesn't matter. They take instructions. We started out with zero on auto safety. We got unanimous passage. Once they heard from the people and they were confronting us going into one office after another with the evidence, with the pictures and so forth, it was over. It doesn't matter what their last name is, David. Once the connection is made with full-time advocates swarming Capitol Hill by the day and then rumble back home and they look at the polls, it's over. These people are cowards when it comes down to the core. Doesn't matter what the PACs are. It's survival to be reelected.

**Steve Skrovan:** Well, you know what else occurs to me as you're speaking and as I was listening to Kip Sullivan is this idea of myths. There's a battle of myths, a battle of narratives. And facts really don't matter. Evidence does not really matter. I mean, we know this now. It has nothing to do – I mean, I think about what your father said to you, “Did you learn how to think or did you learn how to believe?” Most people learn how to believe. And so, what you're battling is this myth of the marketplace can do things efficiently and better than the government.

**Ralph Nader:** To which 180 million Americans say “bullshit” from their own experience. Look at the polls on socialism. Socialism has no national advocate, no media advocate. It's been tainted by foreign experience. It's been lied about; it's been slandered. And you get like 40% of the people want socialism because they see what happens under corporate capitalism. They don't want anxiety, dread, and fear. They want security. They want safety. That's why they go for the police on the streets. They want safety. The problem is looking into the mirror. You couldn't have a better issue in America, but nobody will step up and say, “Let's get this done.” They're all worrying about little curlicues. It's ridiculous. Read my column, Steve and David, from last week. Losing big over the decades to corporatism means you got to think big to overcome it. You can't mess around with the tweaks here. Anxiety, dread, fear; that's the emotional thing that you're looking for, Steve.

**Steve Skrovan:** Yeah.

**David Feldman:** I have a grand unifying theory that answers all. Why aren't we talking about – instead of pushing socialism, wouldn't the left...?

**Ralph Nader:** Well, you don't want to use the word. Why should you use the word anymore than using the word privatization? Just use the words, “Universal healthcare”-- period. You don't have to give it a label. I just pointed to socialism to show how degraded corporate capitalism is. In 2000, *BusinessWeek* had a poll in which 71% of the American people said yes to the question: Do corporations have too much control over your lives? And in the last 20 years, they've doubled down on the control over people's lives. That's before Facebook. And what do you think it would be now? That's an unbeatable coalition. You just have to have full-time people. You just ask yourself, how does ExxonMobil get its way beside PACs? They have full-time people on the members of Congress and they know who their doctors are. They know who they

reverberate to. They get to know the staff. It's manpower. It's people, people, people. It's a hundred million bucks a year, 18 months.

**Steve Skrovan:** And it comes down to money. Who is to pay for them? They've got the money to pay for it.

**Ralph Nader:** Yeah. And now you can collect money in tiny amounts in big volume on the internet, which you couldn't 20 years ago. So, what are we waiting for?

**Steve Skrovan:** Well, I don't know. I mean, Public Citizen does that all the time. They've got the experts; they've got the focus. But the response is nowhere near what--I mean, it's not a bad response, but it's nowhere near what the corporations can bring to bear. Like you said, we've got two lobbyists; they've got 500.

**Ralph Nader:** Right. The thing is, once you get 500 lobbyists, they will never have enough lobbyists to counteract. This is a tipping point. I used to say one public interest lobbyist in Congress for the people can handle ten corporate lobbyists. Once you get a critical mass, these people run for cover. These senators and representatives are cowards. Once they read the tea leaves --look at Nixon. Nixon, was the arch conservative corporatist, right? He signs into law with flourishing rhetoric: EPA [Environmental Protection Agency], OSHA [Occupational Safety and Health Administration], and the [Consumer] Product Safety Commission. He wanted a better health insurance plan than [Bill] Clinton's plan. He had a basic income plan. Why? Because he was the last president to be afraid of liberals. He read the political tea leaves out of the demonstrations and marches and energy out of the 60s. Nixon, 1970, 1969, 1971, 1972 and then it started turning. You're looking for although I hate to use the names, you're looking for people who have tremendous entrepreneurial drive, like [Jeff] Bezos and [Bill] Gates and [Mark] Zuckerberg and so forth. These are guys -- and [Elon] Musk. This guy comes from South Africa penniless. Look what he has done. And that's what we're looking for. We're looking for one or two people who are defiantly focused on this. They might have lost the relative due to medical unaffordability or whatever. And that's what we have to look for. It's ridiculous. Everybody's looking over everybody else's shoulder. Well, you know, NHP, they're doing something and what about this? And Bernie campaigned on it. And he got a lot of votes, and they get satisfied with little nibbles. Just look at my column. In a thousand words, I laid the description of just how universal and intense the grip of corporatism is on our country. I mean, you can't compare it with any prior era in our country. The robber barons -- ridiculous. They have people now 24/7. They have control of these kids 24/7--completely sidestepping their parents through direct marketing. Completely addicted. Just to give one example.

And then I said, is there any area of American political economy and culture that is not being strategically planned and controlled by corporations? Name one. Name one. Tax, food, land, labor, politics, elections, government agencies, genetics, nanotechnology, pensions--everything. Everything! And we were saying, "Oh, look, we got a little amendment here-- deceptive practice, the FTC." It's ridiculous. People control themselves by lowering their expectations and being satisfied. I'm talking about the citizen advocates--satisfied. I wrote a long letter to 30 citizen groups--you know most of them--two years ago. And I said, "Look, we're being shut out of the media. Don't you know that?" Can't you compare what it was years ago? There's no *[The Phil] Donahue Show*. There's no *Good Morning America* for authors anymore. They're all interviewing

each other. The citizen groups don't get on NPR [National Public Radio]; they don't get on PBS [Public Broadcasting Service]. They're not asked as a result to testify. They have no clout on the Hill because they have no media clout and I got two responses.

I said, "Let's do something about it. Let's get together." I got two responses saying, "Yeah, that's a good idea." The rest didn't even care. If you don't have media, you're out of business. You might as well go to Malibu and watch the whales. You're out of business. Because the first thing members of Congress ask is, "Where's the media coverage if I stick my neck out or I have a hearing where's the media coverage?" And the first thing the media asks is "How many members of Congress are on your side here? Do you have a base in Congress?" Why should we put out the publicized Public Citizen's great report on the declining fines in criminal cases under Trump when there's no reverberation on the Hill? Nobody's gonna say, "Hey, this requires a hearing or I'm gonna have a press conference; a senator is gonna have a press conference." So, they don't cover it. It's a vicious circle. And they're all satisfied. They're all part of the top 5%, anyway.

**Steve Skrovan:** Okay. Thank you for that, Ralph. That's our show. I want to thank our guest today, Kip Sullivan. For those of you listening on the radio, we're gonna cut out right now. For you, podcast listeners, stay tuned for some bonus material in "The Wrap Up." A transcript of this program will appear on the *Ralph Nader Radio Hour* website soon after the episode is posted.

**David Feldman:** Join us next week on the *Ralph Nader Radio Hour*. Thank you, Ralph.

**Ralph Nader:** Thank you, everybody. Let's get full health insurance for everyone. Lifesaving, efficient. 20 million people giving five bucks every year, a powerful lobby in Congress connecting to all the energies that are not focused but are ready to roll back home.