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NEWS FOR WORKING PEOPLE



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My class, the working class, is exploited, driven, fought back with the weapon of starvation, with guns and with venal courts whenever they strike for conditions more human, more civilized for their children, and for their children's children. – Mother Jones (1837 – 1930), a life-long working class militant, who dedicated her entire life to the struggles of the working class. In 1902 the U.S. State Department considered her “the most dangerous woman in America.”

Health Care or Wealth Care?

The health care industry in the U.S. is not organized to serve the medical and health needs of the population – its main priority is the generation of profits. And this is what stands in the way of quality health care.

The Highest Costs

In the U.S., health care is a \$2.7 trillion industry. The U.S. spends about 18 percent of its gross domestic product on health care, twice as much as most other developed countries. Americans spend twice as much on health care per person than any other country in the world, and health care costs have been increasing by about eight percent every year for the past 15 years. On average, the U.S. spends \$8,322 per person per year on health care and is ranked 37th for overall care among rich countries. But France is ranked number one in health care and spends less than half at \$3,997 per person.

Enormous Profits

The main reason that the U.S. spends more money on health care is because private, for-profit companies are squeezing money out of the industry every chance they get – the hospital companies, the drug companies and the insurance companies.

Drug companies have one of the highest profit margins of any other industry, including Wall Street banks. Drug companies make between 10 to 42 percent in profits while banks make 5 to 23 percent. In 2013, the top five drug companies made \$49 billion in profits – and their top CEOs each make about \$27 million per year.

Because the profit margins are so high, drug companies have an incentive to push new drugs, whether they are safe or not. Drug companies have teams of lawyers to keep their drugs patented and hugely overpriced. This is an extremely corrupt industry that pays doctors to push their prescriptions. In 2012-2013 three of the top five drug companies were fined a combined \$4.7 billion for misrepresenting the effectiveness of their drugs.

Despite all the hype about the Affordable Care Act, the profits of health insurance companies are still increasing. In 2013, the top five health companies made a combined \$18.8 billion, their highest year on record. Health insurance executives are among the highest paid in the health care industry. The average health insurance CEO made \$14 million dollars in 2013, some as high as \$30 million dollars.



Inadequate Care

And after all of this extra spending goes to profits – what kind of care do we actually get? According to a study by the World Health Organization that compared the overall health of the population of eleven different countries – Australia, Canada, France, Germany, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom, and the U.S. – the U.S. ranks dead last.

Drug companies push medication that is expensive and unnecessary. Hospitals charge outrageous prices for basic services. In one report, hospitals were found to mark up a one-dollar bag of saline to \$737. Also, most hospitals have an incentive to carry out more expensive treatments, even if they are unnecessary.

At the same time, hospitals are critically understaffed at all levels. In a recent survey of 7200 doctors, over 50 percent complained of being burned out because of seeing too many patients – a patient is often scheduled every 15 minutes. Doctors commit suicide twice as often as the rest of the population. And of course the pressure is not just on the doctors, but workers at all levels of care. This constant pressure to increase the numbers of patients is good for profits but bad for our health.

We don't live in a society where our health is important. As long as enough of us are able to go to work, and earn profits for corporations – our health doesn't matter. The health of their bank accounts is more important than the health of the workers who make this sick society run.

The Affordable Care Act – Still Making A Killing

It's been over a year since people began to sign up for new health insurance linked to the Affordable Care Act (ACA). The Obama administration says it's a huge success. And this is sort of true. The program is succeeding at what it set out to do: to deliver more customers to the health care industry and promise greater profits.

According to the Obama administration, about 7.1 million people signed up around the country. But many of them were not part of the 50 million uninsured in this country. Before the new health care sign-ups began, health insurance companies kicked off an estimated six million people from their plans. So, there has only been a slight increase in the number of people with health insurance in the U.S.

The health insurance companies are getting exactly what they wanted – more people signing up for more expensive insurance. On average the largest insurance companies increased their overall income by about 13 percent for 2014. In every case, the companies explain that their new income has come from new customers after the ACA enrollment period. Their increased profit is no surprise since insurance companies increased their premiums by an average of 13 percent, and even as high as 100 percent in some states – California was at 53 percent.

In most cases, patients are choosing the cheapest plans offered through the ACA with the lowest premiums. But insurance companies have made up for it by increasing the amount patients pay out of pocket for care – co-pays have increased along with the amount the patient is expected to pay for services. Out-of-pocket costs totaled about \$320.2 billion last year, the highest on record, an increase of 4.1 percent from the previous year. This is more profit for the insurance companies, and also the hospitals as they charge more for services.

Also record numbers of patients who do have health insurance are avoiding going to the doctor because their deductibles are so high. Patient doctor visits declined by about three percent so far for 2014. In fact, the leading companies in the health insurance industry claim this is one of the main reasons for their increase in profits – they bring in more from insurance premiums than they pay out for patients.

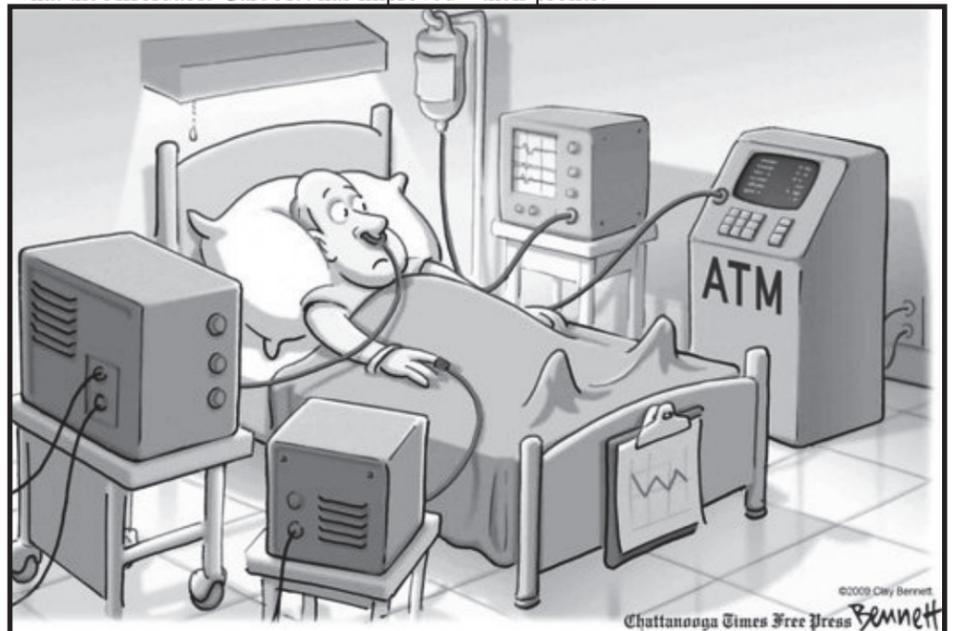
About 85 percent of new insurance sign-ups under the ACA are from people who qualify for some kind of federal subsidy or tax cut. But again, these subsidies go straight to the insurance companies, and go to plans with high co-pays. Even with the subsidies, patients can still have to pay about 20 percent of their income in insurance costs.

But many patients are too poor to even qualify for the government subsidies, so they have

to rely on Medicaid – but only if they qualify. Many states have not expanded coverage to make up for the new patients that are too poor for insurance subsidies but not poor enough for their state's current Medicaid requirements. These patients are still left with no health coverage at all. And those that do qualify for Medicaid are faced with hugely reduced services because federal and state governments have been making major cuts to Medicaid services.

Another impact of the ACA has been the incentive for large companies to cut off paying for health care for part-time employees working less than 30 hours per week. So, Target, Home Depot, Walmart and others have cut off any health care coverage for their part-time employees because the ACA doesn't require it.

Overall the balance sheet is clear: This is a health care system for profit. And that's exactly what the Affordable Care Act has improved – their profits.



Health Care From The Inside

The following articles come from information from our workplace newsletters that are distributed every two weeks at Kaiser Oakland, Alta Bates in Berkeley, and Highland Hospital in Oakland.

The Crisis in Kaiser Oakland

In the first nine months of 2014, Kaiser reported a profit of \$3.1 billion, making 2014 its most profitable year yet. The company has increased its number of members by over 422,000 so far this year. The main reason Kaiser's profits continue to increase is because they keep their hospitals and clinics critically understaffed. When workers retire, quit, or go on vacation – they are rarely replaced. And if new workers are hired, it is usually as part-time or on call with no benefits.

Short staffing is all over the hospital and the clinics. Most of the positions that used to assist nurses in care have been eliminated, dumping way more work onto nurses. Nurses are rarely covered for their breaks, often having to answer calls on patients while they are supposed to be taking a break. In the Operating Room, surgeries are frequently scheduled so close together that workers don't have enough time to fully clean the operating rooms. Sometimes surgical instruments weren't cleaned in time and have to be flash-cleaned at the last minute, which increases the risk of infection for the patient. The pace in the pharmacy is so fast that techs have to cut corners and not always double check the meds they fill. Every floor, every department – all workers are working at crisis levels.

Workers in all industries are understaffed – it's bad everywhere. But this is a disaster when it is done in health care. The workers here aren't producing some product – they are taking care of people's lives.



Sutter Health: Going After Workers

Sutter hospitals in Oakland and Berkeley have recently carried out huge attacks on workers. After nine different strikes and a two and a half year battle, once nurses signed a new contract, Sutter threatened them with over 150 layoffs. Sutter manipulated the new patient census to claim that the nurses were overstaffed. All workers know this is a joke. The company constantly relies on travelers to fill desperately low staffing. In labor and delivery at Alta Bates, pregnant women are often being seen in the hallways because staffing is so low. Workers no longer have time to be trained on new procedures or equipment – they just figure out as they go. Sutter just used the census as an excuse to go after nurses.

The company fired dozens of nurses, and reshuffled the rest, forcing many nurses into positions with fewer hours, with reduced benefits, and pushing many nurses to leave. And what they did to the nurses, they've done to LVNs, techs, and all other staff. They've pushed for layoffs, benefit cuts, fewer hours. All workers are doing a lot more work and getting a lot less in return. No wonder Sutter's profits were at record levels this year.

Destroying Public Hospitals

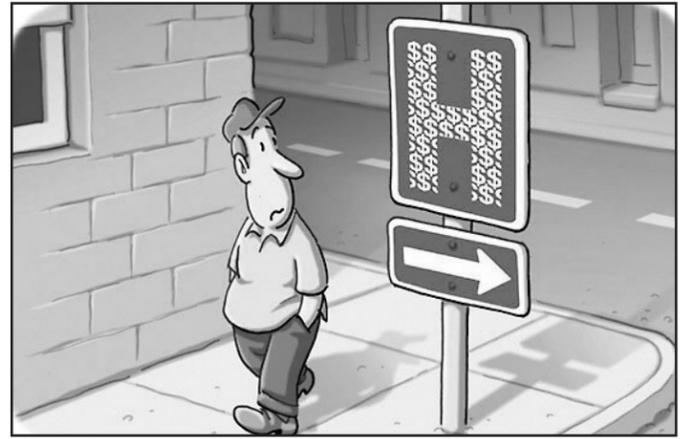
Public Hospitals like Highland and San Francisco General are essential health centers, and they are on the chopping block. These safety net hospitals serve the poor, those without health insurance, and are also some of the best and most widely used trauma centers. And now, over the next five years, the federal government plans to cut their funding in half.

The Affordable Care Act was supposedly designed to give Americans access to health insurance. Really this means locking thousands of new patients into plans with the existing insurance companies, guaranteeing their profits. A little-discussed portion of the Affordable Care Act also slashes funding for public hospitals. By 2018, funding for public hospitals will decrease from \$11.2 billion to \$5.6 billion. The excuse for the funding cut is that these hospitals, serving the bulk of uninsured patients, will start to generate new revenue from their patients as more and more people have insurance. But this is very unlikely. This ignores the reality that many people have not received insurance through the Affordable Care Act. There are 3.2 million California residents who still rely on public hospitals and clinics. In addition, the new Affordable Care Act plans come with high premiums, shifting the burden of payment onto patients who may not have the means in the first place. Either they will avoid receiving health care altogether, or public hospitals will absorb the cost.

Already public hospitals are being strangled. In 2013 alone, public hospitals spent \$80 billion on care for patients who had no means to pay. The federal government reimbursed these hospitals for only 65 percent of this treatment. That means that public hospitals were forced to provide worse care, cut corners, and drive hospital workers harder to make up for the lack of funds. It is no wonder that at hospitals like Highland in Oakland, workers and

staff find insufficient and expired supplies. Doctors and nurses are forced to improvise, providing care with limited materials. Ultimately, many public hospitals are simply shut down. In the last decade, more than 26,000 community hospitals nationwide closed their doors. The effect of these closures is an overall decrease in the health of entire communities. The fact that public hospitals are also essential trauma centers means that everyone's health care suffers when these cuts are made.

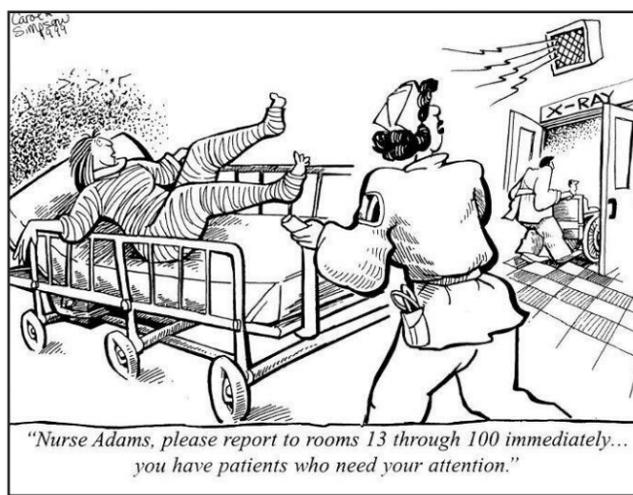
The Affordable Care Act was written by representatives of the big drug companies, health insurance agencies, and large private, hospital chains. No wonder they aim to eliminate public hospitals. They want to ensure that health care in this country puts the dollars in their pockets and under their control. This means private hospitals, private insurance, and the worst possible care at the highest price.



Work Until We Drop

Work literally makes us sick, causes injuries and lowers our lifespans. The stress of short staffing, the feeling of constantly being overworked, the chemicals, exhaust, and dust that we breathe in – it all adds up.

Understaffing, long hours, increased stress, repetitive strains – these are the causes of injuries and health issues. It's a management myth that most injuries result from bad behavior rather than hazardous conditions. A bad back, sore joints, carpal tunnel syndrome can't be solved by going to work and doing the same thing over again. If the injury is bad enough to force us onto worker's compensation, most of us are forced to return to work before we are ready, usually still injured and running out of money since the wages are reduced. At some workplaces early heart attacks after retirement are common enough that they become a sick joke. How many people die before they even collect their first pension check?



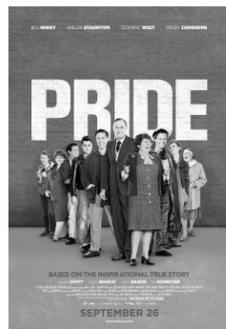
The only solutions that are ever proposed by management blame the worker, when the conditions of work are the actual cause of the problem. Work makes us sick because we are being pushed beyond human limits in order to make record profits for corporations. Any real health care would begin by addressing the root cause of most of our illnesses – our jobs!

Working in The U.S. – Enough to Make You Sick

- Americans work 137 more hours per year than Japanese workers, 260 more hours per year than British workers, and 499 more hours per year than French workers.
- At least 134 countries have laws setting the maximum length of the work week; the U.S. does not.
- In the U.S., 85.8 percent of males and 66.5 percent of females work more than 40 hours per week.
- European countries such as Germany, Norway, and the Netherlands boast the lowest average work hours per week, working just 27 hours per week.
- In every country included except the U.S. and Japan, workers get at least 20 paid vacation days. In France and Finland, they get 30 – an entire month off, paid, every year.
- The average productivity per American worker has increased 400 percent since 1950.
- Americans work eleven more hours per week now than in the 1970's, but the average income has declined by 13 percent since then.
- The U.S. is the ONLY country in the Americas without guaranteed time off for new parents. The average time off is 12 weeks of paid leave in most countries, and over 20 weeks off in Europe.
- Stress is the number one cause of health problems – mentally and physically. Why are we unhealthy? Do the math.

Film Review – Pride

Pride is a film that provides a rare glimpse of the power of ordinary people to change themselves while they fight to change the world.



In 1984, England's right-wing Prime Minister Margaret Thatcher launched a terrible attack on the most organized section of the working class in England, the miners. It was an all-out war. The miners were attacked by police. The government froze the miners' union's funds. The goal was to crush the unions and force the working class to accept huge concessions.

At the same time, Thatcher's government extended England's

already repressive legislation against gay people. Gay clubs and book stores were raided by police. The streets of London were a battle-ground as gay rights demonstrators marched and demanded their rights.

Pride is the story of a group of gay rights activists who see that the common enemy of the miners and the gay community is the government and its vicious attacks. They form a group called Lesbians and Gays Support the Miners, and collect huge sums of money in the streets of London and in the gay clubs and bars. This begins a relationship between the group and a small mining community in the countryside of Wales.

The miners, in spite of tradition, religion, and prejudice, invite the LGSM to visit their town and ultimately join their struggle. *Pride* is the story of solidarity and common humanity overcoming prejudice. It shows how long-held beliefs and assumptions can change in a struggle. See it if you get a chance!

Where We Stand

The world we live in today is increasingly ruled by prejudice and fear, under a system of widespread violence and war, where exploitation and oppression are the rule, with the many dominated by the few. The name of this system is capitalism.

The Force For Change Exists Today

Everywhere, working people's labor makes society run. Working people have the power to bring this system to a halt and bring about the changes needed. Like slavery, feudalism and other systems that enriched the minority at the expense of the majority, capitalism's removal is long over due. The time for socialism has come.

We Stand For Socialism

- A world based on peaceful collaboration and international cooperation of working class people -- not the exploiters who rule today.
- The common ownership and sharing of the world's resources and productive capacity.
- An egalitarian and democratic government, organized and controlled from the bottom up.
- Protection of the world's ecological systems, putting science to work to sustain life, not destroy it.
- A society where human relations are based on respect, equality and dignity of all peoples, not racism, sexism or homophobia.

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