

From Politico.com October 5, 2009

http://www.politico.com/blogs/glenthrush/1009/Pelosi_skeptical_about_Afgan_surge_McCrystals_role.html

Pelosi On Health Care Reform

Speaker Nancy Pelosi, in an expansive sit-down interview with Charlie Rose:

Charlie Rose:

So here is the president saying, "The debate is over; let's vote," essentially. Where does the healthcare reform stand, and how do you see it coming to fruition and when?

Nancy Pelosi:

I believe that there is no doubt that we will have a good, strong health insurance reform bill, that everyone knows the current system, while it has much to recommend it, has areas that need to be fixed. So where we are now is all of the committees are finishing their work. These bills will be brought together. They will be evaluated by the congressional budget office to ensure that they do not add to the deficit, and in a matter of weeks we will be able to bring legislation to the floor.

Charlie Rose:

And can you assure your Democratic colleagues in the House that public options, a public option, will be in the bill or you will not support it?

Nancy Pelosi:

Well, there is an issue of what is the consensus within our Democratic caucus. It's not about me. It's about what meets the needs of the American people. And I had said that we will bring a bill to the floor in the House of Representatives that has a public option in it. It's necessary because it will lower cost. A robust public option saves \$110 billion in the bill. Secondly, it will increase competition, and President Obama has said he sees the public option as the best way to keep the insurance companies honest and to increase competition. That's what we must do in order to lower costs in the long run.

Charlie Rose:

So what happens -- and this is the big question -- if the Senate passes a bill that does not have a public option, and you pass a bill that does have a public option and you go to conference?

Nancy Pelosi:

Well, let's not go too fast on the Senate side. The Senate has two bills on the table; one has a public option in it. The first bill that passed out of committee, Senator Kennedy led the way on that bill. And now we have the bill coming out of the Finance Committee. The Senate leadership will harmonize those bills and bring something to the floor. And then we'll work out will and -- with the support of the American people, overwhelming -- around two-thirds of the American people support a public option -- because they know what it means to them. They have been at the mercy of the insurance company. They know competition is necessary. So it's less cost to them personally, less cost to their businesses. It's more competition business-wise and for the economy, and it will help reduce the national deficit.

Charlie Rose:

But I hear you saying, "I'm not prepared at this time to say that I will not support a bill that

comes out of conference that does not have a public option.”

Nancy Pelosi:

The legislative process is such that you take it one step at a time and you build strength along the way. And I believe that we will have a very strong hand going into the conference with the public option.

Charlie Rose:

It is said, in today's reports that I saw, that the president is heavily lobbying for public option behind closed doors.

Nancy Pelosi:

I certainly hope so.

Charlie Rose:

Well, he's obviously speaking with Senator Snowe and he's speaking with Senator Nelson and he's speaking with others. Chuck Schumer, Senator from New York says he thinks public option is a real possibility after the 13-10 vote coming out of the Senate. Is that the intelligence you hear?

Nancy Pelosi:

I can only speak for the House of Representatives.

Charlie Rose:

I know, but you talk to Senators.

Nancy Pelosi:

Well, let me say this. The president spoke to the doctors today, and the doctors overwhelmingly support a public option. In fact, 75% of them support either a single pay or public option. Public option is what we have on the table, and the number of doctors supporting it is overwhelming, as it is supported that way with the American people. So I wouldn't be surprised if the Senate, hearing the public view and why, would move toward a public option because it saves so much money.

Charlie Rose:

Is said that this is the political reality, which you mentioned in the quote that I led in my introduction to you, that Democratic members of Congress do not want to go into the next election cycle without healthcare reform having passed or otherwise they may be in jeopardy.

Nancy Pelosi:

Well, Democrats don't want to go forward without health insurance legislation passed because it's what the American people need. It's so long overdue. If we had done what Teddy Roosevelt led the way with, a Republican, what Harry Truman tried to lead the way on, what Richard Nixon supported, then, of course -- Jimmy Carter and then the Clintons, our healthcare situation in America would be much, much better, and our fiscal -- our budget situation would be better. So it's about the American people. It's about the health and financial security of individuals. It's about the competitiveness of our businesses, especially our small businesses, which do very well under this bill. It's about dynamism of our economy. We can compete internationally without

having to compete unfairly because we have this anvil of healthcare costs around the necks of our businesses, and again, as the president has said, healthcare reform is entitlement reform. It will reduce the medical costs --

Charlie Rose:

The burden of entitlement that is troubling the future of our economy.

Nancy Pelosi:

Absolutely. It's absolutely essential. Even, Charlie, if every person in America, every person in America had healthcare and loved what they had, we couldn't sustain it. It's unsustainable. It's unaffordable, and the cost to the federal budget just will undermine the health of the American people as well as take us deeply into debt.

Charlie Rose:

And if it has public -- just the politics again -- if it has a public option provision coming out of conference, you can keep your blue dog Democrats in line to support a bill that has a public option?

Nancy Pelosi:

My blue dog Democrats are the country's blue dog Democrats.

Charlie Rose:

Exactly. You are their leader.

Nancy Pelosi:

Well, they are great members of Congress, and they have supported in one form or another, many of them -- some of them voted for a public option in the committees on which they serve. So they have not been an obstacle to the public option. The question is: which form will it take? Will it be -- not to get too technical -- will it be according to Medicare rates, or will it be negotiated rates? That's really the fight. Some of them honestly believe -- and I respect that judgment -- that in their areas where the

2

hospitals and the providers, the negotiated rate is a better way to go. And we're listening to each other. And we will built consensus, and it won't be anything direction that we will give. But it will be the consensus of those who want healthcare reform as to how we go forward.

Charlie Rose:

Many people think the Senate bill will look something like what came out of the Senate Finance Committee.

Nancy Pelosi:

I don't know that.

Charlie Rose:

You don't believe that.

Nancy Pelosi:

I don't know it. I do not think that they would dismissal of the work that was done by what is called the HELP Committee.

Charlie Rose:

Right.

Nancy Pelosi:

Health, education, labor intentions, that is Senator Kennedy's committee.

Charlie Rose:

Okay, yeah, exactly. Right.

Nancy Pelosi:

I don't think that they would dismiss the work. Well, they had two different jurisdictions in any event. So there will have to be a harmonizing of those bills. And the HELP bill resembles a great deal of what we're doing in the House.

Charlie Rose:

What will be the biggest issues if in fact we get healthcare coming out of the House and healthcare reform coming out of the Senate? What will be the differences that you foresee between the two bodies?

Nancy Pelosi:

Just relating to the Finance Committee bill --

Charlie Rose:

Sure.

Nancy Pelosi:

-- for the moment.

Charlie Rose:

Exactly.

Nancy Pelosi:

Because we have a great deal in common with the HELP bill.

Charlie Rose:

Right.

Nancy Pelosi:

But I strongly support what we are doing because it's much better for the middle class. We have certain principles. Middle class affordability to the extent that their bill may appear to cause less in the number that they put out, where does that cost come from? Does it ride on the back of the middle class? What we want to do is make this affordable for the middle class throughout.

That is a principle. Another one is security for our seniors. Our bill goes much farther in terms of closing the donut hole, which means reducing prescription drug prices, retaining the benefits they have. If they like the doctor they have, they can keep him, and also in terms of making Medicare solvent for five more years, so retaining that excellent source of benefits to our seniors. The bill is much better for seniors. We believe also that we do a better job for small businesses. In the absence of our taking action and the action described in our bill, small businesses will have a price tag of \$2 1/2 trillion over the next ten years. That's just unbearable. You can't sustain it. And so what this bill does is try to level -- make a level playing field among businesses so that -- I mean, small business -- some people in small business pay more for their insurance than someone who works in a large corporation. It just isn't fair, and we want to make that change. So in those three areas, we believe that our legislation goes farther, and in fact, with a public option, \$110 billion in savings to the system over the next ten years. They're just a few of the differences that we have between -- and of course we have another difference is how the bill is paid for. The bill, as the proceeds has announced, the coverage part of it is \$900 billion. Both Houses have a combination of ways to cover the cost. In both sides of the capitol, we are reducing cost by over \$500 billion to cover more than half of the bill reducing costs, cutting waste, fraud and abuse while strengthening Medicare. Secondly, we on our side have a surcharge on people making over 500,000 or a million dollars a year. Over 70 percent of the American people support that approach. In the Senate, they have a tax on insurance companies for high-cost health insurance programs. So that's another difference. We think what we're doing is better for the middle class.

Charlie Rose:

When will we have a bill?

Nancy Pelosi:

My hope, of course, if you promise not to tell anyone -- I would like to see us have this as a Thanksgiving present for the American people. But it will certainly be this year.

Charlie Rose:

But it is doable by Thanksgiving. And you expect it to be here by Thanksgiving.

Nancy Pelosi:

Well, --

Charlie Rose:

And be on the president's desk before Thanksgiving.

Nancy Pelosi:

That's what I would like. Now, part of it is that we have, as a matter of absolute fact, said that this will add up to zero. In other words, there can be no additional deficit.

Charlie Rose:

Deficit neutrality.

Nancy Pelosi:

Deficit neutrality, to use that term. Deficit neutrality. And so every step of the way, we have to keep going back with the slightest change to the congressional budget office to make sure we

are in compliance with that. And that's really the only thing that would lengthen the time between when we put a bill up on the internet for the world to see and when we go to the floor.

Charlie Rose:

Your sense is that most people have Medicare greatly admire and like that system.

Nancy Pelosi:

Yes.

Charlie Rose:

Why -- do you understand their fear that Medicare may be cut?

Nancy Pelosi:

I understand that they have had a distortion presented to them which has some plausibility because we are saying we are going to make cuts in the funding more Medicare, which is the waste, fraud, abuse, obsolescence, duplication, whatever. And that's what you have to do in order to keep it sustained.

Charlie Rose:

To keep a cap on the costs.

Nancy Pelosi:

Exactly. And so -- but what we do in the bill, Medicare benefits are improved for seniors, so our task is to make sure she knows that. And AARP to anything seniors' organization you can name, by and large, they -- while we don't have a bill yet so they haven't put their names next to legislation, they support the provisions in our bill that does that. And again, an area where we are superior to the Senate bill and eliminating the donut hole; that means reducing the cost of prescription drugs to seniors, having them keep the benefits. You like your doctor; you can keep your doctor. And making Medicare solvent for five more years, there have been scare tactics that have gone out there to say that we would be harmful to Medicare. I remind you that Medicare, when it passed 44 years ago and about one month, signed by President Lyndon Johnson -- I wish that you could all see the debate that day with what the Republicans who opposed Medicare said at the time.

Charlie Rose:

Why -- what would you do differently if you were starting over now, about healthcare reform?

Nancy Pelosi:

As the president says, Congress has been working on this for a long time. And now that he is president and we have a president who shares that value and is enhancing the debate with his ideas and then we'll sign the bill. That makes the debate completely different. It's not a theoretical debate or academic discussion. It's a situation where members know there will be a bill, and it will be signed. So we're very serious about the resolve with which we go forward. And I believe the president made it clear at his inauguration that healthcare is a right, not a privilege, and that we would go forward in a way that honored that value. He made his announcement at his health summit, about being open to any and all ideas, and which I fully support, even when he talked about a public option, he said, "I believe a public option is the best way to keep the insurance companies honest and to improve competition. If you have another way, put it on the

table.” We welcome that, and we do. We, again, have been moving in a very -- working very hard to move in a forward direction. So we are on course. So when you say what would you have done differently –

Nancy Pelosi:

The issue that we have before us now, the healthcare issue is of such magnitude to the American people, whether it's an individual person in their home, in their own budget and well-being, their business, the economy, the deficit, who we are. And Senator Kennedy said to the president, it's out of the character of our country, the unfinished business of America. I think it warrants our having a level of debate that is commensurate with the nature of what this means to the American people. This is historic. As I said to the members, were you born to be here for this vote, to make this difference in the lives of America's working families and beyond. And so I would hope that we could elevate this to a higher plain. In August we thought we were going out for civic debate. I told the members it was going to be rough. But when it's not debate, it's disruption and distortion, it's -- it doesn't rise to the level that the American people expect and deserve. But let's put that aside. Let's just pass a bill that is really great and does what is necessary for the American people and not get too bogged down in all of this. After this is over, we can review who said what about whom, instill fear into seniors, misrepresented this, that or the other thing. But I don't like to take too much time more than to except to say don't be afraid of ideas. If you want to shut down debate that tells me you don't want to hear how the people hear the facts. You are afraid of the facts. And they had to shut down the debate because of that. But we can overcome that, and we will. As far as the president is concerned, whoever the president is, Democratic or Republican, we all respect the presidency.