HEALTHCARE CONSENSUS, CALIFORNIA?

HEALTHCARE SUMMIT

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A P P E A R A N C E S

THE MODERATOR:

BILL ROSENDAHL

THE PANEL:

ILENA BLICKER, M.D.
Los Angeles County Medical Association

JAMIE COURT
The Foundation for Taxpayer and Consumer Rights

RUSTY HAMMER
Los Angeles Area Chamber of Commerce

JAMES LOTT
Healthcare Association of Southern California

KAY McVAY, R.N.
California Nurses Association

WALTER ZELMAN
California Association of Health Plans

DANIEL ZINGALE
California Department of Managed Care

ALSO PRESENT:

AUDIENCE MEMBERS

I N D E X

I N D E X

(Continued)

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THE MODERATOR: Welcome to this Town Hall Healthcare Summit. Southern California Adelphia Communications, in cooperation with the community, presents this Town Hall Summit. We don't have all the answers here, but we're going to discuss the problems and potential solutions and strategies dealing with our healthcare.

Here we are, the richest nation on earth, and here we are California, the fifth largest economy on the planet, with some 35 million of us, and we're worried about our health. Those of us, seven million of us, who don't have insurance are really worried. We're clogging the emergency rooms. We don't know where to go for care.

Others, we have jobs; we're part of an HMO; we're part of a private setup; we're -- we're seniors, we're on Medicare. We have some form of insurance. Some of us don't like what we have because we don't think we get enough coverage for the issues that we're facing. Some of us who have the best healthcare you can imagine are worried that if we have a wreck on the

25 highway and they take us to that nearest hospital, the

1 emergency room is clogged.
2 We have to do something about it. And we in
3 California, who like to be the leaders of the great
4 country, hope to come up with some consensus here today
5 in this Town Hall meeting. We have all the elements
6 that can find the solution right here in the room, from
7 doctors and nurses to HMOs to other insurance companies
8 to the insured to the uninsured to the business people
9 to the labor people and the political people.
10 So if we can come up with it here, we can begin
11 to create the energy in California to make a
12 difference. We're the catalyst group, we hope.
13 Joining me on this program, I have a panel, and
14 I also have an audience. And we're going to interact
15 during the next 90 minutes. So sit back. Go get your
16 pen or your pencil, and if you hear somebody say
17 something that hits a chord -- we have to do it
18 together; we can only accomplish this in partnership

with each other here -- and call that person; e-mail that person. Involve yourself.

If we rise up, we the people, the political people will take our energy and make a difference. Healthcare should be our number one concern. It affects all of us.

Again, I'm Bill Rosendahl, your host. And

joining me on the panel here right now are:

MR. ZINGALE: I'm Daniel Zingale, the Director of the California Department of Managed Healthcare.

MR. HAMMER: I'm Rusty Hammer, president and chief executive officer of the Los Angeles Area Chamber of Commerce.

MR. LOTT: And I'm Jim Lott, the executive vice president of the Healthcare Association of Southern California representing hospitals.

MR. COURT: I'm Jamie Court, executive director of The Foundation for Taxpayer and Consumer Rights, a consumer watchdog group.

MS. McVAY: I'm Kay McVay. I'm president of

the California Nurses Association.

MR. ZELMAN: I'm Walter Zelman, president of the California Association of Health Plans, which represents the state's managed care organizations.

DR. BLICKER: And I'm Dr. Ilena Blicker. I'm the immediate past president of the Los Angeles County Medical Association and a neurologist in private practice in Glendale.

THE MODERATOR: Well, thank you for that -- intros.

And viewers, if you look out into the audience, you'll see that we have a good cross-section of folks

who are engaged with this issue. And we welcome our audience that will be participating as well.

Dan, tell us what this Department of Managed Care is and how it impacts my opening comments.

MR. ZINGALE: Well, Bill, it's -- it's bad enough, as you say, that we have seven million Californians without health insurance. It's even worse

that many of us who are fortunate enough to have insurance have to wonder whether the premium dollars we invest or our employers invest will actually provide healthcare for us when we need it or when our loved ones need it.

Now, I actually want to start on an upbeat note. Because Washington was back there doing virtually nothing on a Patient Bill of Rights or HMO reform, we could have all just wrung our hands out here and said, "Washington's not acting, so we won't do anything." But Governor Davis wasn't satisfied with that, state legislators like Cedillo and Frommer and Senator Figueroa over here were not satisfied with that. But it really came from forums like this and people rising up and saying, "We want and demand HMO reform," and California getting ahead of the nation.

So today in California, we are actually the first place were doctors tell HMOs what to do. If

you're being denied HMO care, you now have strong patient rights, stronger than anyplace in this country,

to go to the Department of Managed Healthcare and say, "I'm being denied this inappropriately." And for tens of thousands of patients, we're correcting it.

If we can do that in California, I believe we can take on the even tougher problems, like seven million uninsured and all the other things we're going to hear about today.

THE MODERATOR: Appreciate that.

And viewers, Wally, representing HMOs, will be our third speaker. So we'll hear his response to that.

Doctor?

DR. BLICKER: Thank you.

Well, as I represent the physicians in Los Angeles County, we're at a crossroads, really. We're at a point in time where our ability to treat diseases that killed and maimed 10, even 15 years ago, is now at a point we would never imagine. But we're also at a point where our ability to do that treatment is hindered on many levels. It's hindered because we can't afford the equipment, we can't afford the newer medications. We don't have enough nurses in our hospitals to take care of our patients when they need to be there. And we spend more of our time fighting as advocates for our

patients, rather than just treating them.

And I hope we can make some differences, because I think we have some really tough decisions we have to face in the future, and how do we go about building a system that really protects the health of a community, rather than just a single individual.

THE MODERATOR: Thank you, Doctor.

Wally?

MR. ZELMAN: Well, let me say first of all, I think Daniel is correct; we are the HMO reform leader here in California.

UNIDENTIFIED SPEAKER: Yeah.

MR. ZELMAN: And I want to say, for the record, that most of the HMOs in California supported the great majority of reforms that were passed a few years ago and think they were a positive step and addressed legitimate consumer fears and concerns.

The -- the great, I think, problem facing managed care organizations today is that -- that most health plans feel pressured from two sides. On the one

hand, they have to service a constituency known primarily as employers and individuals who purchase their own insurance, who want to keep the cost of that insurance as low as possible, understandably. On the other hand, they have to service the employees and the

consumers who have the insurance, who, understandably enough, want all the bounty of the American and California healthcare system. And trying to balance those two needs is very, very difficult. Because the --

Each year the -- the doctors want more money. The hospitals want more money. The drug companies are now advertising on television and getting a lot more money. The consumers are demanding more rights and more choices, more options and more second opinions. All this may be positive, but it's putting a lot of stress on the system in terms of what we -- what health plans can produce for an affordable cost.

And that really impacts the problem of the uninsured. Because if we can't keep the cost of health insurance down, more and more people are going to find

themselves without any insurance at all. And that's a real challenge. How do we, on the one hand, service everyone who has health insurance and who wants all the bounty of the system, while still keeping premiums affordable so that large businesses and especially smaller businesses that employ lower wage workers can still afford to purchase health insurance at all? That's the crisis.

THE MODERATOR: It's a good question about the costs. And I know the political folks here have to

address those issues too when they talk about costs. But, you know, we're willing to spend whatever it takes to stay healthy if we have the money to do it. Where do we get the money to do it? And how do we cut the -- the waste and the inefficiency out of the process, but give ourselves quality health?

And -- and Kay, I guess that's a problem, to get the nurses and get that going, get the funds to do it.

MS. McVAY: Well, actually, I believe that there's plenty of money in the system already. And I think it's being misallocated. It's not being used for patient care. It's being used for executive salaries, for excessive amounts of money to pay for drugs.

I think if we -- you know, we -- we're hearing how the HMOs were suffering because of the Medicare cuts, when in reality what the problem was was the increase in the pharmaceuticals. It wasn't -- you know, they would not have had their funds cut if they hadn't committed fraud to begin with.

The other thing is that when they talk about a shortage of nurses, this was a crea- -- created shortage by the industry itself. They went after the nurses, big time, in the -- the early '90s and mid '90s, when they were laying everybody off because they felt that they

could get by with giving a substandard care by using people --

THE MODERATOR: When you say "the industry," what do you mean, "the industry"?

MS. McVAY: Insurance, hospitals. They're all together.

THE MODERATOR: Did you hear that, Jim?

MR. LOTT: Now, the first thing --

THE MODERATOR: You represent the hospitals.

MR. LOTT: Yeah. I represent the hospitals.

It's a misnomer to call this a "system." It -- it sort of suggests like we're all working together. We've got the best nonhealthcare system in the United States, and particularly here in -- in California. And to call it "managed care" is another misnomer. It's more like "mangled care," you know.

What I am fearful of -- and I'll tell you, get to the root of the problem. This is -- this happens to be Friday. When we leave here today, you all had better be real careful driving home, because over a third of the hospitals are going to be closed to the receipt of any seriously injured person.

THE MODERATOR: Explain to me, why are they closed?

MR. LOTT: They were -- they're going -- they

-- they don't have the staffing that they need. They don't have the reimbursement, the money that they need to -- to be able to keep them open.

And another thing is we've got far too few hospitals with emergency rooms in Los Angeles than the demand for those services.

THE MODERATOR: Why don't they have the staff, and why don't they have the resources? What happened?

MR. LOTT: Well, you know, I'd like to know where the money is. We have -- we have -- we have state legislators here who continually appropriate raises or increases in managed care rates for -- for Medi-Cal population or welfare beneficiaries. They keep appropriating those funds, but it never gets to the doctors or the hospitals. We never see it. It stops somewhere.

And I think that someplace is where we -- "mangled care" plans is where it stops. You know, sooner or later we're going to -- we're going to have to see that money coming through so that we can hire the people and so that we can build the infrastructure that we need.

But more importantly, and I agree, abs- -- with Kay, to a certain extent, on a comment that she made. We do have a serious, not just nursing shortage, but

health manpower shortage for -- for all types of hospital workers. We're looking at schools closing, reducing programs, students not applying for healthcare programs. We don't -- we're not going to have the personnel available, even if we had the money, to hire them.

Right now, 20 percent of the positions we have money to -- to pay to hire people, 20 percent of the positions are vacant. We can't find them.

THE MODERATOR: Before Rusty jumps in -- because he's, obviously, going to tell us what the Chamber is -- Wally, did you want to react? He called it "mangled healthcare." I mean, I -- I don't want to get an argument here, but -- but I -- I just mentally want to hear a response.

MR. ZELMAN: I really think we're talking about very serious problems here. And I think to point

fingers at any one piece of this "nonsystem," as Jim calls it, is -- is really taking us in the wrong direction.

I could sit here and show you how physician incomes are going up. I could talk about hospital problems. I could talk about legislative mistakes. There are all kinds of things. We all have a fix. The problem is we can't agree on what the fix is. That's

what democracy is about, and that's why these problems are so difficult.

So to point at executive salaries or to point at emergency rooms and take one piece of this in isolation and say "They're the problem" is really going in the wrong direction.

THE MODERATOR: I appreciate --

MR. ZELMAN: And we're not going to solve the problem that way.

THE MODERATOR: I appreciate your saying that.

Rusty, Chamber of Commerce, obviously the

business community wants its workers healthy and wants its businesses solvent. Small business, obviously, has a problem insuring their people. How do you respond to the dialogue so far?

MR. HAMMER: Well, business wants its workers healthy, and business wants to be able to cover workers. And while, as we sit here today, people have different answers for why the system is the way it is, the one thing we can all agree on is that costs are doing nothing but going up. And that is one of the major impacts on business.

And it's not a case of that small business does not want to cover their workers; they just don't have the money to be able to do it. And so we need to find a

way to deal with what has been the fastest growing cost on business today.

When you look at the average business, labor costs are among the most significant portion of their total cost of doing business. And the portion of labor cost that's rising fastest is healthcare. So we have to

find a way to deal with that. We have to find a way to make healthcare affordable for small business who want their workers covered, but just can't do it.

And I think the other thing that I would -- would add is that it's not just our workers that we're concerned about. It's the community as a whole. Oftentimes organizations like the Chamber are put in a box of thinking that all we're concerned about is business and profits. We're concerned about the quality of life in Los Angeles. And therefore, the uninsured, whether they be people who are employed by business or people who are not employed, are a concern of ours.

THE MODERATOR: Jamie, you've heard it. You represent the consumer. You've been mad as hell for quite a while.

MR. COURT: Well, I think we've seen a tremendous amount of anxiety, both among middle class consumers whose costs keep going up in the double digits for healthcare, but also the copayments. There is more

and more coming out of their pockets.

And then, for the uninsured who, you know, insurance is increasingly out of their hands, and they have to make choices between food and medical coverage. And it's a terrible choice for a family. And I know we have some uninsured here today to talk about that.

But, to me, it boils down to one thing. The unhappiness here stems from the fact that we have a financial crisis, and we have no public controls over the financing of the system. Everybody needs healthcare in the United States of America, in the state of California. And yet, the public doesn't control where the money goes.

I do see a problem with profiteering in the system at many levels. I see it at the HMO level, where 20 cents of a premium dollar from some HMOs going out to overhead and profit. I see it at -- at the level even of medical groups, which we call "little HM-itos." A lot of different places are taking their profit out. And when it gets -- when the dollar gets to the patient, it's not there, but premiums keep going up.

So, in my view, what we have is a healthcare system that isn't being managed by the public, and the public needs to take control of it.

25 THE MODERATOR: Well, you've heard that now,

folks, that the public needs to take control of it. We hope you take control first of your own health -- diet and exercise, preventive strategies -- and, secondly, that we network together and make a difference here in California and change it.

I just want to go to the doctor here who runs the -- the whole health system here in L.A. County.

Doctor, tell us your name and tell us what your job is.

DR. GARTHWAITE: Tom Garthwaite. I'm Director of Health Services for the County of Los Angeles. I oversee public health function, and then we run six medical centers and a bunch of clinics and so forth.

THE MODERATOR: And what's your sense of what you've heard here in terms of the monies, the resources, closing emergency rooms, trauma centers, the health of the folks in the county?

DR. GARTHWAITE: Well, I think without question I would agree that there is no system. I think David

Lawrence, outgoing CEO of Kaiser Permanente, said it well: "The healthcare system has no chassis." There's nothing holding it together. We're not working together.

I -- I think there are several things broken. I think that we have the wrong incentives. There's

incentive to do too much care under pay-for-service, and there's an incentive, I think, to do too little care under managed care the way it's been structured in America. So we really don't have the incentives aligned to what patients really want.

THE MODERATOR: What should the incentives be?

DR. GARTHWAITE: Incentives should be for quality outcomes. We sho- -- and we can get better at measuring those. And so we should provide additional funding for quality outcomes, and those should be demonstrable and -- but they're not today. We -- in fact --

THE MODERATOR: How do you go about getting

those, so that you can get that kind of incentive?

DR. GARTHWAITE: I think there are efforts underway at measuring quality in healthcare, and -- and we need to back those. We also need to align -- align the finances with those.

You know, we're -- we're relying on the free market to solve the healthcare problem in America. We say we don't want single-payer systems or government intervention. We're relying on the free market. The problem is that you can't really shop for value in healthcare. When we go to buy a car, we kind of know how much we spend and how much of a value we're getting

back in return. When you have substernal chest pain or a broken leg, you don't go out and comparison shop.

THE MODERATOR: Saying that, Doctor, why -- why are we, as you just said, not wanting the government and not wanting this and that? Why -- why are we saying that?

DR. GARTHWAITE: I don't think we trust the institution anymore. We don't trust that it will be

efficient and effective. I think we have other institutions that we -- that we -- I think we believe that haven't given us what we want.

And the people that are in control and are making money in healthcare are, obviously, not in favor of that. Attempts at even discussing that were really derailed by the interests of -- of groups that are doing pretty well in the healthcare as it's structured today.

THE MODERATOR: Now, Jim Lott said that if we leave the studio here and get in a car wreck, we might not be able to get to a hospital emergency room. Is that true?

DR. GARTHWAITE: I think what he said, you might get there, but you might find that they're backed up and that they're not able to see you, so you're diverted to another emergency room, which may not be as close, may -- may result in delays.

THE MODERATOR: You might even die; right?

DR. GARTHWAITE: You know, I don't know. If

the delay was significant enough, it might -- it might do that, yeah. It might be possible.

THE MODERATOR: Chairman, you -- you represent the -- the -- the county government here, and you're wrestling right now with a deficit, and you have to make cuts in healthcare. This is the -- the -- the larger version of what we're going to get to, the uninsured, in a second, and -- and other folks here who -- who want to define the problem.

Define the problem in L.A. County.

SUPERVISOR YAROSLAVSKY: In a -- in a nutshell, L.A. County's demand for service and the volume of service that we provide is not matched by -- by the revenues to provide those services. And, in fact, in less than three years we will face a deficit, an annual structural deficit, of somewhere in the neighborhood of $750 million annually, three-quarters of a billion dollars.

We're part of a -- of the broader national system and the statewide system, such as it is, or isn't. And the primary reason for this in Los Angeles is our -- our clientele are the uninsured. We have the largest number of uninsured anywhere in the United

States, of any county in the United States, almost three million people who have no health insurance here. It's -- it would be the largest county -- second largest county in America if the uninsured were just a county of their own here. So it's a huge amount of -- of people.

But in addition to that, we provide critical services. We're part of an integrated healthcare delivery network; trauma care, the critical services we deliver in an emergency room, which apply to every man, woman, and child in this county, whether you're insured or uninsured, whether you're rich or poor. If you do get hit by a drunk on the freeway on your way home tonight and you're near County USC Medical Center or near Harbor UCLA, you're going to one of our hospitals. If that hospital isn't open, then the inundation effect, the ripple effect that it has on the remaining trauma centers may be such that you won't get to a trauma center at all.

If you have a heart attack on your way home from work tonight and the emergency room isn't open, you know, it's been nice knowing you. It's just -- it's

just the luck of the draw.

We have an obligation as a society. And I think society has made the decision some time ago that it's worth spending resources to save lives and to keep

people healthy. And we're at the precipice here in Los Angeles County. And I would suggest, with all due respect to the state representative here from the State Health Department, that the rest of the state will catch a cold the minute Los Angeles sneezes, and it's about to sneeze.

The -- the fact is that at the rate we're going, without any new revenues or without a reengagement with the federal and state government over revenues, we will close hospitals. And we have already voted to close one in the Antelope Valley. We've voted painfully to close clinics. This is a tragic situation. It's -- it's unthinkable in the richest economy in the world that we have to do this.

It's so -- it's so crazy, Bill, that this week

I -- I proposed, and the Board of Supervisors will consider it next week, the -- the placement on the ballot in November of a parcel tax to keep our trauma centers open in this county, 3 cents per square foot of improvements per year. It's a nominal cost to keep the trauma and emergency services of this county afloat. It's a steep battle. It takes two-thirds of the people to vote for it. We're going to give it a shot.

But if that doesn't fly and if we don't get help and response from the state in a timely fashion,

and from the federal government, then strap yourselves in for a very rocky ride in the next couple of years.

THE MODERATOR: Supervisor, if -- if the 3 cents make sense, are you -- how are you going to guarantee me it's going to go to that trauma center rather than somewhere else?

SUPERVISOR YAROSLAVSKY: Because by law it -- it's a special -- it's a special tax. It will have to go for those purposes, exclusively for the purposes stated. A trust fund has to be established under state

law. And we'll -- and that will be done.

What that -- what that charge will raise is $175 million. I told you a minute ago that our deficit is almost three-quarters of a billion dollars. So it doesn't begin to -- to scratch the surface of our problem. But it does address the most critical and the most important services that we provide, the trauma care and the most critical emergency room services.

And that affects not just the poor, not just the uninsured; it affects every man, woman, and child. Because we are all, each and every one of us, a drunk away or a gunshot away from needing a trauma center, or we're a stroke away or a heart attack away from needing an emergency room. So this is -- for those who -- who have all called and said, "Oh, this is just about the

uninsured." Guess again. This is about you, my friend. This about you and your neighbor, on both sides of you, because our system is not in -- is not in isolation. It's part of an integrated system that

involves all the hospitals and emergency rooms in the region.

THE MODERATOR: Appreciate what you've said. And later in this program, I want you to think that you have the ability to make it happen and give us other strategies to pull the whole thing together besides that 3 cents for the trauma centers. I want -- I want to hear more of what you have to say.

Let's talk to people actually impacted who are suffering, who -- who have tried to make it work.

Introduce yourself.

MS. TOUSSAINT: Hi, I'm Cynthia Toussaint -- thank you. I'm Cynthia Toussaint, vice president and spokesperson for For Grace, Inc., and I would like to tell my story.

I wish I had been un- -- uninsured when I became ill 20 years ago. If I had been uninsured, I would have had a chance of avoiding a lifetime of pain and disability. Tragically, I belonged to an HMO, and that HMO destroyed my life. I am here today because I want to help others avoid my fate.

I became ill with a chronic pain disease, reflex sympathetic dystrophy, when I was a 21-year-old ballerina with a very bright future. Then, one day I suffered a minor ballet injury, which quickly turned my life into a living hell. For the first 13 years of my illness, my HMO doctors told me that my physical problems were all in my head, while the disease progressed through my entire body, eventually leaving me totally bedridden with chronic, intractable pain.

The only reason I am able to be here today is because after years and years of abuse and absolutely no care from my HMO, I was finally able to escape that evil system. HMOs do not serve the chronically ill. Because our medical care is long term and expensive, we do not fit into their for-profit, bottom-line mentality, and we are victimized by their practices of gag rules, capitations, bonuses for treatment, on and on and on.

My contention is that we, the chronically ill, would be far better served if we had no insurance whatsoever. We would then have access to a county healthcare system which has no incentive to not treat sick people.

When I was finally seen at a county facility, I

24 was diagnosed with RSD within minutes, and I was
25 immediately prescribed a thorough treatment regimen that

1 was extremely effective. I could have been cured if I
2 had -- 20 years ago if I had not been insured with an
3 HMO.
4 HMOs are the cancer of the healthcare crisis in
5 this state and in this country. The -- the solution is
6 a universal healthcare system that rewards humane,
7 ethical, and compassionate treatment to all. Imagine
8 that.
9 THE MODERATOR: Thank you very much for your
10 moving story. I'm sorry to hear where you are right
11 now, in that wheelchair.
12 Wally, give me -- give me your -- give me --
13 give me some -- some -- some --
14 MR. ZELMAN: You know --
15 THE MODERATOR: -- counterpoint, if there is.
16 MR. ZELMAN: -- there are -- there are -- there
17 are many tragic stories, and this is one of them. And I

could probably produce for you many individuals who have been in HMOs who think that their HMO saved their life and did wonderful things for them. So without being disrespectful at all, it's really difficult for me to respond to an individual story. I don't know what HMO she's talking about. Generally speaking --

MS. TOUSSAINT: (Inaudible.)

MR. ZELMAN: No, it doesn't -- it really

doesn't matter. I'm not out to point fingers. I'm really -- we're really trying to get above that today.

But many of the largest HMOs in California are not-for-profit. And in most cases, in most HMOs in California, they pretty much step back from -- I know many people don't understand this, but in many cases they step back from how the physicians treat the patients. And they pay the physicians in such a way that -- that the HMO has stepped back. So that many cases where we hear terrible things about what happened -- about people in an HMO, it really was their doctor that made a terrible mistake, or their collection

of doctors that made a terrible mistake. And it easily gets blamed on the HMO.

So I -- I'm sorry about what happened to you.

MS. TOUSSAINT: Right.

MR. ZELMAN: Without knowing the full story, I can't --

THE MODERATOR: Wally, do you --

MR. ZELMAN: -- justify or explain it. I'm just saying, I really do believe that this is not the answer for us today.

The Supervisor was talking about six million -- of L.A. being the -- you know, having more uninsured than anywhere in -- in the -- the largest county. We

have six million people uninsured in this county. That is our crisis. Six to seven -- six --

THE MODERATOR: Three -- three -- three -- three to four million in the county.

(Simultaneous colloquy.)

THE MODERATOR: Three million in the county.

MR. ZELMAN: But we have six to seven million uninsured people in this state. I think HMOs play a great role in helping solve that problem because they treat people. They take the Medi-Cal patients. They take the Healthy Families patients. They try to provide the state with high quality care at the lowest possible price.

THE MODERATOR: Okay. Wally, hold these thoughts, because later you -- you said, and I want you to talk in another segment about this, you said, "The not-for-profit, we have that too."

The difference between not-for-profit and profit ones in terms of quality care, I'd like your thoughts a little later on.

Doctor, you want to make a comment --

DR. BLICKER: Yes.

THE MODERATOR: -- before we take a break?

DR. BLICKER: Just a very quick comment.

I think the thought that if you went to a

universal healthcare system you would get rid of the

chance that everybody would have proper -- would have a misdiagnosis is very naive.

If you look at the places that have universal healthcare -- Canada, most of Western Europe -- there is significant limitation as to what is given. Everybody gets basic care. And I think all of us would agree that everyone deserves a basic level of medical care. What the tough question is is how do you pay for it?

Well, in Canada and in Western Europe you pay for it with a 70-percent tax on your income. That's how you pay for it.

And significant limitation: If you're over a certain age, you don't get certain things done. I'm going to be 60 in October. If I lived in England and needed a carotid operated on or a cardiovascular surgery, I would be too old for it, for the system. Now, I don't consider myself that ancient yet. I'm definitely older than I was 30 years ago when I became a doctor. But I think we need to look at tough issues of what do we pay for, when do we pay for it, and what don't we do.

But the fact that one system is going to take care of everyone, always with the right diagnosis,

always with the right treatment, is not a reality.

MR. COURT: But the question is, what are the incentives in the system? You know, there is --

THE MODERATOR: Hold that -- hold that thought.

MR. COURT: There is a legitimate question about that.

THE MODERATOR: Jamie, hold that --

MR. COURT: And there are the wrong incentives in this system.

THE MODERATOR: Hold on to that --

(Simultaneous colloquy.)

DR. BLICKER: That's a different issue.

THE MODERATOR: That -- that --

DR. BLICKER: That's a different issue.

THE MODERATOR: That's a different issue, but let's talk about that --

Appreciate that. I'm getting close to 60 myself.

Viewers, we're going to take a short break, and

we'll continue the Town Hall. Stay with us. We'll be right back.

(Commercial break.)

THE MODERATOR: Welcome back to this Town Hall. We really appreciate you staying with us, coming back to us after that break.

We're going to talk to three folks who are healthy, but have problems because they don't have insurance or they represent people who don't. Then we're going to have some business people who have been tackling with the problem, and then some political people who are going to talk about what they're doing about it.

So first, let's go to the gentleman right there.

John, tell us your name.

MR. GARRETT: Thank you, Bill. My name is John Garrett. I'm president of For Grace, a nonprofit dedicated to raising awareness of reflex sympathetic dystrophy.

However, I'm currently uninsured. I was with a major banking employer. I had health insurance there. I was laid off. And since that time, I have not been able to afford health insurance.

The system I am currently relying on is the county health insurance system. However, hearing of the cutbacks, my clinic down the road from my house, I'm afraid will be one of those that will close. So I'm very concerned. I don't know where to get healthcare after that point. Needless to say, I'm very, very concerned.

THE MODERATOR: Why don't you just go out and buy a policy, you know, get one of these insurance brokers and get yourself some healthcare?

MR. GARRETT: Well, generally, even an individual policy for a healthy individual like myself, 40 years-old-plus, it's -- it's running $150, $200. I'm collecting unemployment at this time. It's just not in the budget at this time.

THE MODERATOR: So it's -- it's food over insurance, and shelter.

MR. GARRETT: There's quite a few things before health. And again, I'm just taking it for granted that I'm going to remain healthy. I'm -- I'm -- it's -- it's a gamble. It's a big gamble.

THE MODERATOR: Thank you for that.

Yes, ma'am.

MS. WILSON: Hi. My name is Felicia Wilson. I'm an actor (sic).

I -- I believe in preventative strategies, eating healthy. Because I never know, one year I will be eligible for unemployment through Screen Actors Guild or Actors Equity, or if the next year I might not have a job. So I just have to pray and eat well and hopefully everything will be okay.

Preventative strategies can only be good for

things about -- the things that I eat. But if I'm on the highway, if I get hit, what happens? You know, who is going to protect me then? What do I do?

THE MODERATOR: Have you shopped around to see if you can get coverage in some group policy or -- or -- or family situation?

MS. WILSON: Well, I don't have a family. I'm single. I live in Los Angeles. I'm from New York. So I'm pretty much going solo. So when I don't have a job, I'm on unemployment, such as this gentleman here. So it doesn't cover very much.

But, I guess, eating healthy, I haven't been to a doctor in a very long time, or a dentist. So I just do whatever I can. I go through my herbal books. I just, "Okay, I've got an ailment. So, okay, this looks like the right herb. Let me just boil some tea and call it a day." So these are things that I do to try to, you know, just stay healthy.

THE MODERATOR: What would be --

MR. ZINGALE: May I make a comment on that?

THE MODERATOR: Please do.

MR. ZINGALE: You are accepting responsibility. The only way we're going to solve the problems we're talking about today is if we each accept our share of responsibility. And -- and yours is the first. We, as

patients, have to protect our own health.

What I guess many of us would like to ask the HMO industry to do is accept more responsibility for -- we know it's your job to save money, but you -- you know it's not acceptable to save money by denying people care when they need it. Take your responsibility for preventive health more seriously. When you have patients like this, get them into your program. Give them smoking cessation. Give them counseling for diet and exercise. Give them all the preventive services that we know work. You will save money. The system will save money. And there are lots of patients out there, like us, who are ready and willing to do that if you give us the tools and the support.

THE MODERATOR: Yeah, Wally, can -- can Felicia get some kind of a minimal policy, even on unemployment, that -- that would help?

MR. ZELMAN: I would say, first of all, if you look actually at prevention across the board, you will generally find that many HMOs, if not most HMOs, including the one I think that was referred to earlier,

scored very, very high on prevention strategies relative to the traditional system in which patients went to individual physicians and prevention often was not pursued.

HMOs, if you want to talk about incentives, often have more incentives to pursue prevention than the individual physician. And many of them scored very well in those regards.

In terms of the circumstance of costs, there are some low-cost policies out there. But, unfortunately, they usually come with a sizeable amount of cost-sharing or deductible on the front end. That's unfortunate, and I think leads to the larger question of what kind of a society are we that we are willing to tolerate six to seven million people in the state of California who can't afford health insurance.

MS. WILSON: But what --

MR. ZELMAN: And I don't think that's a managed care problem.

MS. WILSON: -- what can be done? I mean,

we --

MR. ZELMAN: It's a social -- societal problem.

MS. WILSON: We know that this situation exists, so how can we prevent the people who are unemployed, who do work, who are looking for work, how can we get something, a system, say, "Okay, you're on unemployment. This is what we offer you"? You know --

MR. ZELMAN: I agree we need a system like that. I don't think the finger should be pointed at

managed care because we don't have that system.

We need a system by which every one us, if we lose our jobs or we need to have insurance, has coverage or has access to a system that will take care of us. But I think it's just wrong to blame managed care because our society hasn't seen fit and willing to go there.

MR. COURT: The blame is -- is, though, when -- when -- when you're taking a cer- -- a ver- -- a very large chunk of that healthcare premium dollar and

doctors and hospitals and -- and the county system are getting overloaded with patients they are not able to see or they have to see very quickly. And -- and -- and there is no control over how that money, publicly, is distributed.

So if she goes to the emergency room because she's uninsured, the taxpayer picks up that cost. If she's -- if she's insured and she goes to the emergency room, there's a big part of the cost that the taxpayer will pick up. There is -- there is no coordination between the public and private healthcare systems. And -- and I think the HMOs do -- do -- do not want that coordination. They do not want public controls of how their money is spent. And that is something we can blame you for, Wally.

DR. BLICKER: Walter --

It's amazing that I'm going to jump in to his defense. For those of you who know me, as a physician, especially as the immediate past president of L.A. County, I've not exactly been a -- an admirer of HMOs.

But I think if we only point fingers here, we're going to miss the issue. It's not just one thing that is the problem. It is a complex, multilayer problem. And to think if we only got rid of HMOs or if we only liberal- -- liberalize debts or if we only had a universal system, they would handle it is naive. The reality is we have a multilayer, complex system. We can start to look at little pieces of it. If we spend our time arguing with each other, we will never get to the point we need to get to.

We need to look at the fact that as the wealthiest country in the world, people don't have health insurance. It doesn't mean they don't have access to healthcare. And for years they've had access; the ERs, physicians' offices, physicians especially in communities where people don't have insurance, who have taken care of patients for years without being paid. What we don't have is a system where that access is appropriate and at the time it's needed.

THE MODERATOR: Thank you, Doctor. I

appreciate that.

And others, I know, want to speak, but let's get some more folks telling us about this situation.

Yes, sir. Tell us who you are.

MR. BARAHONA: My name is Ausberto Barahona. And I'm a leader of L.A. Metro IAF (unintelligible) Project. Before I go --

THE MODERATOR: What's that?

MR. BARAHONA: IAF is an organization. We work with institutions, churches, synagogues; we work with schools; we work with labor unions, trying to organize people and issues that effect the community.

I do agree what we were talking about before, the gentleman over here, that I think people need to be involved in decisions like this, you know. The consumer needs to have some say, not just a small group making decisions about what is going to affect the people. And I totally agree with the gentleman over there that we -- we need to involve the people in decisions like these. And I --

THE MODERATOR: Okay. Saying that, what does your group do that involves people? What do you --

MR. BARAHONA: We --

THE MODERATOR: -- suggest your groups do?

MR. BARAHONA: We help our -- our -- our

people become leaders, try to fight for justice, you know, and things like that. I represent a bit of participants, which is uninsured people.

First of all, I want to clarify, when people hear about uninsured people, they think they are illegal immigrants. That's not the case. Uninsured people, most are hard-working people that work at small restaurants. We have some people at schools that work part time that cannot afford -- they don't have insurance. Employers do not provide insurance for them.

Also, there is people that cannot afford insurance, you know. As we were talking earlier, there's some people that would rather have food on their table than pay a premium to an insurance company, or they'd rather pay the rent because they could be thrown out of the -- their places for not being able to pay, you know, for having insurance.

So I think we need -- we -- we are in a big crisis. We all know this. And we need to do something about it. Because I don't know what's going to happen, you know. But --

THE MODERATOR: Well, you raise a real good point. And -- and actually, it's a good segue to -- to the next part of it.

A lot of the folks who -- who are uninsured, the majority, have jobs. It's just that they don't make enough money, when the check comes in, to pay for the insurance on top of the childcare and -- and the food and the rent. Good point.

Let's talk to a small businessman who is struggling with that problem every day.

MR. PASTORIA: My name is Jon Pastoria. I'm a corporate recruiter. And I guess my constituency would be the nonemployer-sponsored individual policy holders.

And in my particular situation -- well, first, let me make a comment. If -- if the insurance

companies seem to have an imagine problem as far as greed goes, I think it's something they've helped to create. I don't know of any other industry where they raise rates three and four times a year and change the product after you've purchased it. I don't know any other product that you buy that that takes place.

As far as my situation, along with -- it has also affected several other -- several hundreds, if not thousands, of other California families. We purchased -- my wife and I have two small children, six and three. We purchased a health insurance plan from CalFarm Nationwide Insurance. It was a PPO. And two months after we purchased the plan, we received a letter

in the mail saying that the plan was being drastically changed.

They increased our premiums a total of $2,000 a year. They added deductibles that we did not have before; it was a zero deductible policy. That was another $2,000. And they changed the prescription coverage from $40 copay to 50 percent of the cost. So

in two months of being with this organization, we've now increased $4100 (sic) out of pocket, not counting the difference in the prescription costs.

So the problem that we were left with was: What do we do? There's no -- we have very little recourse. As an individual policy holder, and people like us, we don't have a group lobbyist behind us. We don't have government organizations. We don't have -- the California Department of Insurance does not regulate this group. We're left with the -- with the judicial system, which is what I've pursued.

Unfortunately, the insurance industry also tries to cover that angle by having mandatory arbitration agreements in their contracts, which you have to sign. You have no choice, because if you go anywhere else, you're going to have to sign the same thing. So what we ended up doing is we had to pursue a class-action suit, which we have filed against CalFarm

Nationwide, pending.

THE MODERATOR: Thank you for that.

Does anybody want to respond to that, who understands that?

MR. ZINGALE: Well, one thing I would say --

THE MODERATOR: About the arbitration, especially.

MR. ZINGALE: There are a lot of problems with arbitration. But I think the most important point he made is that patients are the last ones to have a well-heeled voice in Sacramento.

When -- when we first started, when the Governor started this Department of Managed Healthcare, all of the special interests came in, the lobbyists. And we were just drowning in acronyms, HMO, PPO, CMA, CHP, you name it. Couldn't keep them all straight. I almost had the feeling if I wrote "PATIENTS" on the board, they were going to say, "What do those letters stand for?" Because it was the one voice that you didn't hear coming through loud and clear in Sacramento. I believe that's changing in California.

And again, I -- I want us to all realize the power we have to demand better of our government and our healthcare system.

THE MODERATOR: (Inaudible.)

MR. HAMMER: I don't think that business has much of a voice in Sacramento either. Because the legislature continues and the Governor continue to add more and more mandates that are increasing the cost of healthcare. And as those -- as those mandates are increasing the cost of healthcare, then premiums go up, and that's impacting business every day.

MR. ZINGALE: You know, I'll respond to that.

I think the Governor and this legislature have been responsible on the mandates, and restrained. The things they had to mandate, tragically, were preventive health. They're low-cost investments on the front end. They save money long-run. They had to mandate mammograms. They had to mandate basic diabetes preventive care. The industry should be doing that voluntarily. It's good that the Governor and the legislature are making them do it.

MR. COURT: And I think the --

(Simultaneous colloquy.)

MR. COURT: -- the truth is that it's hard for

a purchaser, I mean, of insurance to really know what they're buying, if you're a business, and what you're getting. I mean, and maybe that's something that some of the small business --

THE MODERATOR: Well --

MR. COURT: -- people can talk to. Because I know it's hard to understand what your policy includes. And -- and there are all sorts of different reg- -- levels of regulation, and there's no consolidation. There is a federally regulated plan. Dan -- Daniel has -- has control over some HMOs. There are -- and -- and it's a very complex hodgepodge.

So, I mean, many people don't know --

(Simultaneous colloquy.)

THE MODERATOR: Well, you know, that -- that's right. And -- and many of us who have jobs, one of the benefits we feel is having health insurance. In fact, a lot of people are holding on to their jobs even as they get older and say, "I need that health policy until I

get old enough for Medicare." So health insurance is part of the workplace we take as a given. Though, we're finding out that many of the uninsured are folks who have jobs, but just don't make enough money and their business doesn't give them insurance.

But you do. Tell us who you are.

MR. WOO: Charlie Woo, a small business owner. I like to take care of my employees. I have about 50 regular employees. I provide them health insurance.

As we all know, doing business in California, the cost is pretty high, and it's increasing this year.

And all sorts of insurance are going up. Liability insurance is going up. Workers' comp insurance is going up. Health insurance, of course, is going up.

Unlike the other insurance, healthcare ins- -- health insurance is really optional. You have to have workers' comp, otherwise you're -- you're against the wall. You have to have liability insurance, otherwise nobody would do business with you. I'm afraid that as the profit margin is getting squeezed, a lot of this is

on the -- I look at health insurance as this is one item that I can take out that I can get away with. And then we create more and more uninsured workers, and then -- and I'm really -- with the county crisis, I'm really concerned about where these people might go.

Let me share with you another experience I have in terms of buying insurance.

THE MODERATOR: Yes.

MR. WOO: When I first started out, I want to treat the employees the way I treat myself. I offer them the same insurance that I get. And they came to me with all sorts of problems. I got myself a high-value PPO with a deductible, with copayments. My workers said, "I use this insurance. It costs me so much money, I don't want it anymore." And then I realize, I have to give them an H- -- HMO as a choice so that they can pay

$5, $10, each time they need help.

What business needs is something basic, something low cost that, you know, when things get

tough, when the margin gets squeezed, we still can take care of our workers. And that is really urgent.

THE MODERATOR: Sounds right to me.

Let's talk to another small businessman who has been challenged by it, and tell us what you've done about it.

MR. HUGHES: I'm John Hughes. I'm the president of Rhythm & Hues, which is a small entertainment company in Los Angeles, high tech. We're about 300 people all the time. We'll expand up to 4- or 500 people sometimes.

And about ten years ago we -- we did have insurance. And -- and I became quite angry at insurance because it seemed to me that -- that they seem to think that their service to us was to deny claims for our employees. And this made me very angry. So we don't use insurance anymore. We became self-insured. And we found that we could provide many more benefits for our employees.

THE MODERATOR: How does that work, self-insured? What does that mean?

MR. HUGHES: Well, we simply -- we pay almost

everything that they need for almost anything they need. We require a $10 copay if they go to see a doctor, but we pay 100 percent of almost anything else. We pay 100 percent if it's preventative. If they need glasses, we -- we have a $200 allowance per year for glasses, and $200 for frames every other year. We pay 100 percent of preventative dental, 90 percent of anything beyond that in dental. Alternative medicine --

THE MODERATOR: What does that cost you?

MR. HUGHES: It costs us about $11,000 a year right now.

THE MODERATOR: Per employee?

MR. HUGHES: Per employee, right.

THE MODERATOR: What does that do to your profit?

MR. HUGHES: Well, Rhythm & Hues is a -- when we started the company, we started the company in order to do great entertainment and in order to have a good place for people to work. So making a profit was never really one of our goals. And we don't make much of a profit. You know, we're lucky if we break even.

But we do try to provide the best benefits we

can for our employees.

MR. ZINGALE: May I ask, do you cover prescription drugs for your employees?

MR. HUGHES: Prescription drugs, there's a $7 copay, yes. Another thing we --

MR. ZINGALE: What do you do --

MR. HUGHES: Go ahead.

MR. ZINGALE: What happens if one of your employees gets a catastrophic illness and the costs go into the -- $100,000?

MR. HUGHES: That happens. We've had several people die of AIDS. We've had people die of cancer. We pay for it.

(Simultaneous colloquy.)

THE MODERATOR: Are you competitive in the workplace? If -- if the -- you know, you want to do a contract for somebody, some work, are you -- are your prices competitive with the other folks out there?

MR. HUGHES: Our prices have to be competitive,

you know, otherwise we wouldn't get the jobs.

MR. ZELMAN: Bill, this is a great point, because what we're seeing here is one of the conflicts we have. He wants to give his employees the kind of policy he wants to give his employees.

You said it's costing you $10,000 a year per employee. You can go out and buy your standard insurance product today for maybe $2- to $3,000 per employee, or less. So he's paying three to four times

what many employers would want to pay. It's an important point.

THE MODERATOR: The point is he's saying --

MR. ZELMAN: So here is the conflict --

THE MODERATOR: -- that he's frustrated because they don't get the coverage when they have that.

MR. ZELMAN: I understand. And if we wanted to pay -- if an insurance company wanted to charge $8- to $10,000 a year per employee, rather than the $2- they charge, believe me, they could give that employee --

MR. COURT: But that's because he has 300

people --

MR. ZELMAN: -- everything that employee could ever imagine.

MR. COURT: He has -- he has --

THE MODERATOR: Okay.

(Simultaneous colloquy.)

MR. ZELMAN: It's because they want to give $2,000 a year that we have a problem.

THE MODERATOR: No question about it.

MR. ZELMAN: He wants $10,000 --

THE MODERATOR: It -- it's a bigger margin of profit --

MR. ZELMAN: -- of care for $2,000 of money.

THE MODERATOR: -- for the insurance company --

MR. ZELMAN: It's not --

(Simultaneous colloquy.)

THE MODERATOR: -- versus the margin of profit he's willing to take for himself --

MR. ZELMAN: It isn't profit.

THE MODERATOR: -- which is very little.

MR. ZELMAN: I'm sorry. It isn't profit.

(Simultaneous colloquy.)

MR. ZELMAN: He wants $10,000 -- his employees want $10,000 of service, and most employers want to pay $2,000 for that. No insurance company, not-for-profit or for-profit, could possibly deliver $10,000 --

(Simultaneous colloquy.)

MR. ZELMAN: -- worth of services for $2,000.

THE MODERATOR: I understand what you're saying. I want to talk to the elected officials right now and get a sense from them as to what they think.

Senator, you have been one of the leaders in the Senate with healthcare issues. You've heard almost an hour of -- of discussion: Your take on the discussion, and where do we go from here?

SENATOR FIGUEROA: First, thank you for having this Town Hall meeting so we could have this discussion. And second, it's wonderful to hear that we have employers in the state of California like Mr. Hughes.

Because that goes to show that we do have some people with some passion and compassion. And that is what we're facing right now.

You started the discussion by identifying California as the fifth largest economy in the world, in this planet. I think it's immoral, absolutely immoral, the state of our healthcare in the state of California. We put everything else in a prio- -- first priority because that's where the politicians get votes. If you put the energy crises, if you put the transportation crises, the financial crises, everything is above healthcare.

I believe that when the newspapers, the editorial boards, and people like we're interviewing today start saying, "We want to make the politicians accountable for the state of our healthcare in the state of California," then things are going to start changing.

We've been doing some really good piecemeal approach to healthcare.

THE MODERATOR: Senator, you're saying that the people are fed up. You're hearing it through here. Don't the politicians get the message that it is an important issue, our health?

SENATOR FIGUEROA: I'm very fortunate to have

colleagues like Assemblymember Frommer and Cedillo, that are here, and others that, yes, see it. But you'd be surprised how many don't. People have to speak loud enough.

I am fortunate to have drafted Healthy Families. I could tell you that when we had those discussions, there were a number of my colleagues that said, "I don't want uninsured people or the working poor to have the same health coverage as my children." That's what the kind of statements and that's the kind of actions that we're facing in Sacramento. And people should be aware that we have politicians that feel that it's a second-class type of person that should -- that is uninsured or is involved with Healthy Families.

And Healthy Families need to be fixed. It shouldn't be just for the children. I know Mr. Cedillo, Mr. Frommer have been working very hard to make sure that we include the rest of the family. It's a misnomer when we're talking about "Healthy Families" that it only

includes children.

THE MODERATOR: Senator, if you had your way, what would you do to get the populous engaged so that the pressure is put on Sacramento?

SENATOR FIGUEROA: I would tell the populous that they should not elect anyone who doesn't feel that healthcare is absolute, foremost on their agenda. If

they're not voicing that, they shouldn't vote for them. And most of us should give up our jobs because we're not making healthcare our priority.

THE MODERATOR: Hearing that, Assemblyman, say you -- you say it. You're the politician. You say, "Healthcare is number one to me." or "Healthcare is very important to me." What's the next thing you say? How do we get quality healthcare? What -- what do you have to do as a legislator to make it happen?

ASSEMBLYMAN FROMMER: I think one of things we need to do is bring people together in forums like this. I think we need to look at common ground.

We have a system which is like an intricate

web, and it is in great crisis. Two-thirds of our hospitals are in the red. Doctors are leaving our state, closing up shop, because they can't make a living. Many of the HMOs, believe it or not, are in financial difficulty. We have a system that we put more money, per capita, into healthcare than any country in the world, and we can't make it work. So we have some serious deficiencies.

What that takes is sitting down and saying, "We want to look at the system and devise a system." Maybe it's a new system; maybe it's a modification that works, bringing all the players to the table. There are issues

with care. There are issues of access to care.

This state leaves millions of dollars of federal dollars on the table every year that we could be accessing to provide more healthcare and better healthcare to people. We don't take advantage of it. And that's a shame.

And I think Senator Figueroa is absolutely

right, healthcare has to be got to be priority. I don't know where other elected officials get the idea that it's not. In my district, what I hear from my constituents are a lot of complaints about healthcare; finding it, what happens when they have it, what happens when they have a serious problem for themselves or a loved one in their family. A lot of complaints. We spend a lot of time doing constituent work on that.

So I think the message is out there loud and clear, but we need the political will to pull everyone together, bring everyone to the table and say, "Let's make the system work. Let's fix it. Let's work hard at it. Let's be honest about all of our faults." Everyone has a part to play, and everyone shares part of the blame in this fiasco, quite frankly, Bill.

THE MODERATOR: Assemblyman, you've heard your colleague and -- just say that. It sounds right to me. Is it the political system is strangulated by special

interest monies? Is -- is it the -- the -- the largeness of the issue?

We saw the president, the former president, start his whole concept of healthcare. Then the commercials of Harry and Louise said, "You don't want the government doing that." Everybody went underground. Nothing has happened. Why hasn't it happened in Sacramento?

ASSEMBLYMAN CEDILLO: Well, I think there's a couple of things. I think one is that for so long so many people beat up government. And so we went for two decades where we said "Government's bad." And that's a problem. And that was a problem to say government was bad.

I think another problem is that for so long, we have to recognize that unions played a key role in ensuring that employers provided healthcare. We've had a decline in the unionized work force. Now we don't have -- and we've had a decline in the uninsured (sic).

We have another problem -- actually, we have good news, though. The goods news is that we are the fifth largest economy of the world. And so we must realize that our challenge here today is to build consensus. How can we be the fifth largest economy and have close to seven million people uninsured? How can

we have that? How can we say that? And then, how can we say that our priorities are education, education, education, and think that we can send kids to school who aren't healthy? You can't earn or learn if you're not healthy.

And so I applaud Mr. Woo and I applaud Mr. Hughes for what they've done. But the fact of the matter is that we have to figure out how to find sufficient revenue to try to bring all these freestanding systems -- because we don't have an integrated system. We don't have the public sector working with the private sector. And yet the impact is on both.

If we have seven million people uninsured, 82 percent of them work every day, have at least one job in their household full time. If we have working people who are uninsured, the pressure isn't just going to be on the uninsured community, but it's going to be on the HMOs. Because each time the price of -- of healthcare goes up, the pool of people who are going to be insured

goes -- goes down, and the uninsured widens. And the burden is on everyone.

And so we have to come out of this room and find consensus, find what we agree on, find what we can build on, find what we can fix, and then make that the

moral imperative of our political leadership.

And quit telling us that we need more prisons. Because that's what people care about, more cops and more prisons.

THE MODERATOR: Okay. Well, we --

ASSEMBLYMAN CEDILLO: And we support that.

THE MODERATOR: -- appreciate that. We appreciate what everybody has just said in this segment.

Folks, I hope you've had your pen and pencil there and taking down some of these names, because a call to action is where we're at. When we come back from the break, where do we find this consensus? What is the consensus?

Stay with us. We'll be right back.

(Commercial break.)

THE MODERATOR: Welcome back to this Healthcare Summit.

Now we're going to try to grapple together and come up with a consensus or come up with some pieces that we think can take us to the next level. Keep that pen going. You might hear something that wants to engage you in it. Because without you, it's not going to happen. We all together have to make this happen.

Alex Sullivan, KNX.

MR. SULLIVAN: Earlier in the program we heard from Supervisor Yaroslavsky explaining L.A. County has the largest number of uninsured persons of any county in America. So clearly this is not just a -- a medical care problem or financial problem. It is a real dynamic political challenge.

And think of this: L.A. County has almost ten million people. That means its population is bigger than 43 individual states. If it were a state, Los

Angeles County would be the eighth largest state in the country. Now, imagine, looking back to April 15th, IRS, 1040 Forms, imagine mailboxes filled from the eighth largest state in the country, L.A. County, checks going back to -- to Washington, billions and billions of dollars from L.A. County, eighth largest state in the country. Shouldn't our California congressional delegation, two U.S. Senators, state legislative delegation, get together and mount a concerted campaign to get a fair share of that federal funding for the eighth largest state in the country, L.A. County? Are we looking back to a classic case, going back to the American Revolution, of taxation without representation, Bill?

THE MODERATOR: Thank you, Alex.

That's a journalist speaking his own opinion,

folks. We're happy to hear that, as that was said.

Yes, sir.

MR. LEONARD: My name is Robert Leonard. I'm with Service Employees Union, Local 660. We represent

L.A. County employees. And we're also part of the Healthy Communities Coalition, which is fighting to stop the collapse, the meltdown of the L.A. County healthcare system.

We were very pleased to hear Zev -- who I guess is not here right now -- but Supervisor Yaroslavsky speaking earlier about the initiative that they're going to put on the ballot to raise $175 million to help prevent, at least, the collapse of the emergency and trauma care system.

We believe, though, that the cuts that the county has already voted to make, effective October, are not necessary at this point. The Board of Supervisors, the county budget, in fact, the health budget does not have a deficit this year. And there will be a deficit next year, but we have until next year to find solutions to fund the system.

And in the richest -- one of the richest states in the -- in the country, one of the richest nations in the world, there is money. There is both money in the healthcare system, as has been spoken to earlier, and

there's money in this state. And there is money in this country that ought to protect this system from collapsing. Because if L.A. County healthcare system collapses, you can bet the rest of the system in the state is going to be coming down behind it.

You can talk to folks in the private hospitals; they're not going to handle those patients. You can talk to -- you know, we cannot afford to lose those emergency rooms.

So my question really is, is to the Board of Supervisors to -- now that they've put this initiative on the ballot, to stop these cuts, to pull back from those cuts that they're implementing, because we're going to lose 300,000 patient visits, effective October. And to the -- to the state representatives who are here today, what are we going to do about preventing the L.A. County health system from collapse? Because --

THE MODERATOR: I appreciate that very much.

MR. LEONARD: -- (inaudible.) Thank you.

THE MODERATOR: And viewers, we are going to do an election special, when we get close to November, on that initiative that's on the ballot.

Yes, sir.

DR. JOHNSTON: My name is Brian Johnston. I'm an emergency physician practicing in Los Angeles. I'm

on the Board of Trustees of California Medical and L.A. County Medical.

Our message is really simple, we have to stop the cuts. The cuts cannot go through. You can't take 30 percent of the county healthcare budget and wind up with a healthcare system that works in this county. So that's number one. And that's an immediate thing. That has to happen. The state and the federal government have to come through with some money and not let this system collapse.

For a longer term solution, there's some things that need to happen. One is that the current law, Welfare & Institutions Code Section 17000, says that the counties should take care of the poor. Well, the counties don't have any money. That obligation needs to be transferred to the state. Now, I know the state legislators don't want that. I know the Governor

doesn't want that. But that's what needs to happen, because we don't have the funds at a local level to pay for the services that -- that need to be provided.

Another thing that really needs to happen is our insurance industry needs to be re-regulated so that the premiums they charge people are based upon the medical needs of those people, not upon market rates. And they need to hold that money in trust, and then pay

it out when we need it, in hospitals, doctors, nurses, everybody -- actually provide the services to those individuals. We need to re-regulate.

We don't need new laws. The laws we currently have work pretty well, but they're just not being used. And that needs to happen.

THE MODERATOR: Thank you very much for that.

Yes, ma'am.

MS. McEWEN: My name is Deann McEwen. I've been a registered nurse in California for 28 years. I'm currently Southern California, Region 7, Practice

Commissioner for the California Nurses Association.

I'm concerned. I've seen a lot of people without health insurance and a lot people who do have health insurance who still don't get decent care. The prevention strategy at many of the HMOs I'm concerned about is that it prevents access to care.

I myself, as a registered nurse, have been lost in the telephone triage system, waited as much as 20 percent of my day to get a call back to even get put through to someone that can help me, that can get the message to the doctor about a critical patient that I need doctor's orders for.

Arbitration, mandatory arbitration, is an evil that we need to get rid of. Decisions are often

confidential. We don't know who or what killed a patient. Those stories need to be told.

California Nurses Association maintains a website, patientwatch@calnurses.org. E-mail us. Send us your stories.

There are some resources that a market economy

simply cannot deliver, essential services such as fire and police protection. Healthcare is one of those. And it's best understood that it's a public commodity rather than a private possession. And I think that a single healthcare system should be enacted by our local governments and our legislators. I don't want to depend on a benevolent employer. I don't want to depend on a for-profit healthcare system that buys public hospitals, community hospitals --

THE MODERATOR: Thank you very much.

MS. McEWEN: -- and closes them.

THE MODERATOR: Appreciate it very much.

Yes, sir.

MR. SMITH: I'm Frank Smith, Civil Society Institute. We're a nonprofit for innovative policy solutions.

And I've got a question which I'd just like to put on the table for the panel and the elected officials later, is: Given the gridlock in Washington where they

can't even pass a Patients Bill of Rights or a sensible prescription drug benefit, can California look for a new model, say a public utility model, that might try and re-regulate the system and provide greater coverage?

THE MODERATOR: Thank you for that thought.

Yes, ma'am.

MS. MASTERS: I'm Barbara Masters. I'm with the California Endowment, which is the largest healthcare foundation in California that is dedicated to helping improve access for low-income populations and all Californians to quality healthcare.

And you asked for solutions earlier on.

THE MODERATOR: Yes. Please.

MS. MASTERS: And I think there are some models around the state that -- that are worth looking at because they have been successful in bringing all kinds of partners together to expand coverage. And --

THE MODERATOR: Give me an example.

MS. MASTERS: -- and the California Endowment has partnered with them in Santa Clara and Alameda and San Francisco, where the local not-for-profit managed care organization that serves predominantly Medi-Cal patients used its own reserve funding in combination with county funding and city funding and in partnership

health coverage for all uninsured children in those communities, as well, in some cases, to their parents and to other adults.

What it took was the political will and the leadership in those communities and the leadership in the political system, and by the community members as a whole, to make that happen because they made it a priority.

THE MODERATOR: Thank you very much for that.

Yes, sir.

MR. UNTIEDT: My name is Bob Untiedt. I'm the director of the Hollywood Interfaith Sponsoring Committee, which is 12 churches and 22,000 people in Hollywood.

We're part of a statewide network of 16 similar groups that in May brought 4,000 people to Sacramento. This is one of four or five such meetings. We've brought more than 11,000 people to Sacramento to meet with legislators to address statewide legislation in the

past six years.

THE MODERATOR: Leadership coming from the churches.

MR. UNTIEDT: Right.

It's -- it's also about values, that -- that people have to know that they should be angry at what is

going on and that excessive profits, however we define those, are not worth more than people's lives.

THE MODERATOR: Thank you very much for that.

Yes, ma'am.

MS. VERA: Yes. Yolanda Vera. I'm an attorney over at Neighborhood Legal Services. We represent low-income, uninsured families, been doing it for 15 years.

L.A. is -- is the epicenter of the uninsured crisis. And I think when the earthquake hits and these health clinic cuts come in, our office is going to be at the disaster area because people are going to be calling about where are they going to go and where they're going

to seek care.

I think what we need is we need to have more patient involvement in the decisions. We're trying to build and mobilize and get constituencies and everybody together to care about it. It takes a lot more than the folks who are in this room. It takes the federal officials who aren't in here. It takes the state folks to get to the table as well too. And we also need the business and the patient stakeholders. But we can't do that without more information, which we need to have in order to make decisions.

THE MODERATOR: Thank you very much for that.

Yes, ma'am.

MS. AROWOSEGBE: Christy Arowosegbe. I'm with the L.A. Alliance for a New Economy. And our organization uses public policy to sort of improve the lives of working individuals.

My concern is for those, about working individuals who are uninsured. We've got a vast number of them in California. And I don't feel that enough has

been said about employers and -- and what we could do to incentivize (sic) health insurance so that employers are more willing to do it.

We've looked at one appr- -- at one approach, which is to decrease the administrative hassles associated with it. And we're working with Jackie Goldberg, Assemblymember Jackie Goldberg, who has a bill out that would do that.

But I know that there are other solutions. And I'm wondering if anyone else has any ideas about that.

THE MODERATOR: I look forward to the political folks commenting on that because incentives to employers would be a great thing.

Yes, ma'am.

MS. JOHNSON: Hi. I'm Mandy Johnson with the Community Clinic Association of L.A. County.

And, Bill, I'd like to issue you a challenge.

You've assembled all these agreeable leaders here today and wonderful people in the audience that --

THE MODERATOR: (Inaudible.)

MS. JOHNSON: -- have generated a lot of ideas about what could be done. I'd like you to lock all these folks in a room. We have a foundation that has a vision that can play -- it can be any role. And let's get the policy makers together, lock them up in a room -- I don't care how many days, how many weeks -- and really come forward with a new model for Los Angeles.

If we can create a new paradigm for how we develop health policy and health financing for Los Angeles, we can go a really long way for finding solutions for all of California.

THE MODERATOR: It's a good thought.

But you know, folks, it's up to us out there too. We have to engage ourselves in this process. I can lock a lot of people in a room -- which I don't have the authority to do -- but I can hold them accountable, at least on the shows we do. But we need your involvement to really make it happen.

Yes, sir.

MR. RAINEY: Hi. My name is Dennis Rainey. I work for a company called ABD. We're a large insurance

brokerage in California. We help small employers, middle-size employers, and we're -- we're their advisor when it comes to health insurance policies.

I agree with the Assemblyman who said we need a lot of education. The one component I heard that -- or I didn't hear was that we haven't educated the people that currently have benefits how to use them wisely. Truth is, I think they become insulated because they don't know what the true cost of care is. They think the prescription cost is $5, or they think the real cost of seeing doctor is $20.

And there are solutions to be found there that can use our healthcare dollars more efficiently without having to push dollars into other areas that aren't currently funded.

THE MODERATOR: Good point. Good point.

Yes, sir.

MR. RAMIREZ: Marcos Ramirez, with the Orange County Congregation Community Organization, also an affiliate of the PICO Network. And we work with 34,000 families in Orange County.

And one of the things I want to say is that our communities are ready. And the 11,000 people that we've taken to Sacramento and the many meetings that we have had with community leaders and business leaders show

that our community members want a system that works for them, wants a system that responds to their interests. And what we have found is that there are many interests that respond to profits, respond to political agendas, that are not responding to the needs of our communities.

And one of the things we want to do, and to challenge all of us here, is to include the community in the round tables, include the community in the conversation, because they bring accountability; they bring the real stories behind the philosophy. All those who are away from the problem can only philosophize about it. And that's a principal that we hold very, very dear to our hearts in our communities.

Thank you.

THE MODERATOR: Appreciate that very much.

And you know, viewers, this show is being seen throughout the state on the California channel, and specifically in Southern California on the Adelphia wheel, which takes you through Orange County, Riverside, San Bernardino, San Diego, as well as Ventura and L.A. County. But this will be seen up and down the state as a public service, to engage all of us in this process.

Senator, that was a backdrop to you since you represent all of us, frankly, when you go to

Sacramento. You've heard everything. Where do we go from here?

SENATOR FIGUEROA: I think, Bill, that people have to understand the -- the business community, the public, administrators, politicians, that we need to start investing in healthcare. And initially it's going to cost us some money. We have to start putting the money and invest so in the long run we do have a savings.

There has been a number of pieces of

legislation where we have formed a consensus, Republicans and Democrats. Last year we had AB 32 by Assemblymember Richman that said that we had to make some changes to Healthy Families, to Medi-Cal; we had to invest in making sure that the children were involved more, that we did recruitment to bring in -- but it would cost us. We would have to provide the -- the investment.

In the long run there are millions and millions of dollars that we can save. As the Assemblymember pointed out, there's a lot of federal monies that we don't -- we don't partner with, that we could utilize in the state of California. But there -- the will, the political will, isn't there.

With programs like this, we need the

partnership of the public to say, "Yes, indeed, that's what we want. We want to hold you a part of" -- "accountable, Mr. and Mrs. Politician. And if you don't do what you need to do for this state, we're going

to make sure that you're out of the process."

THE MODERATOR: Sounds right to me.

You know, the political will, folks, unfortunately, the legislature and the Governor and all that, when the ten-year census comes in, they create the districts. Most of the 80 Assembly and 40 Senate are safe. So that Democrat in that district, and that Republican in that district. It's, basically, Republican or Democrat, pretty much, are going to go back to Sacramento. Four or five might not. It might change a little bit of the politics.

So take those nominees of those parties between now and November the 5th, the gubernatorial candidates and all of the other statewide offices, there are folks running for the House of Representatives -- as Alex said, the Washington (unintelligible) -- ask them where they are on healthcare. If they hear from us, they're going to do something about it.

Assemblyman.

ASSEMBLYMAN CEDILLO: Well, again, I think we have to go back to look at healthcare as part of our

social infrastructure. We need to say, "This is a priority." Just like we say, "Education is a priority," like we say, "Roads and highways are a priority," just like we say, "Law enforcement is a priority," we need to say that healthcare is a priority. You can't earn or learn unless you're healthy. Our health is our most precious individual and societal asset.

But, to that end, we have had AB 32 by -- by my colleague, Mr. Richman. I wrote, when the state was not in a $24 billion deficit, a bill, AB 42, that recognizes that small businesses is where people are working; that the uninsured are the people who work; and that we have to recognize that we need to enable and give them the capacity to make healthcare affordable; and that we need to -- in some instances, we may have to subsidize that just so that we can have working people who are insured.

Now, let's talk about L.A. County. Mr. Yaroslavsky has really taken leadership and initiative. Because, remember, the fifth largest economy, the eighth largest economy -- it's not a question of wealth; it's a question of distribution of wealth and how we prioritize healthcare.

We need to look at, for example, L.A. County. 85,000 county workers, but where do they buy their

healthcare from? Do they buy it from L.A. County? "No." Why not? Do they give their employees an option to buy it from L.A. County so that they can have a revenue stream? "No." Why not? 800,000 unionized workers in the county of Los Angeles. What's the aggregate purchasing power of that? What could that do to help the county's problems?

Let's recognize the real politic that's existing in this country. Republican leadership in Washington, that's the reality. California leadership in California and Los Angeles County. We need to recognize that this isn't going to be resolved unless we recognize public-private partnerships. Business has a role in this and must be part and parcel of the solution. We've got to go out of the box, bring everybody together, put forth our vision. It's our imperative. It must be done now.

THE MODERATOR: Last comment, Assemblyman. We can't go without hearing from you.

ASSEMBLYMAN FROMMER: I think that this has been a very productive forum, and we've heard a lot of great information.

Again, I think the challenge here is, as my colleagues have said, is really bringing people together and focusing. The resources exist to make the system

work. I don't think it's a matter of resources. I think it's a matter of willpower and commitment. We need to be aggressive in Washington.

I'm going to be in Washington next week to talk about getting help on a waiver for L.A. County, for L.A. County hospitals. But we have to have that aggressive leadership, and we have to be united.

I think we also have to look at different options and different models. Things work differently for people. We've heard business people say, "We prefer to be self-insured." More people are going into PPOs and getting out of HMOs. I think we have to put all of

that on the table and really have a smorgasbord of options that people can utilize.

And finally, we've got to say, I think at some point, to employers -- we ought to either reward employers that do provide health insurance or penalize those who don't. Because at some point we have to say, "This is an important issue. It will save you money. It saves us money in the long run."

And I think that's a discussion that we have to have in this state and in this country.

THE MODERATOR: Amen.

Take about 45 seconds, panel, each and -- and wrap it up.

MR. ZINGALE: Bill, I'm going to take a risk and say I think we already have consensus. And I believe that because I think when any of us in this room or anyone out there watching counts his or her blessings, you know what's first.

I know when I put my children to bed, before

I'm thankful for them having a good day at school or hitting a home run in their Little League game or anything else, I'm thankful for the health of my children and my family and my own health. And I think everyone feels that way.

If we take the privacy of our prayers and translate that to the more public politics, we'll be halfway there.

THE MODERATOR: Thank you very much.

MR. HAMMER: We all want the same outcomes. We all want healthcare. We all want people to be healthy.

I think that we need to do what a lot of people have said today. We want -- we need to go back to Washington, make sure that they pay their share of the -- of the costs. We need to make sure that we avoid as much regulation as we possibly can that's -- that's increasing the cost of healthcare that's not productive. We need to find ways to give incentives, not penalties, to business. Perhaps a -- tax credits to

small -- the smallest of businesses that would decline

over a period of time, that would give business, small business, an incentive to offer healthcare if they don't today. Let's not talk about penalizing business for not doing it; let's give them incentives.

MR. LOTT: Well, in large part I agree with Assemblyman Frommer. We definitely need a pay-or-play program in California for employers.

But I also agree with what everyone else here is saying about getting Joe Citizen engaged in this. And I'm going to say something that's very unpopular: Getting Joe Citizen involved --

THE MODERATOR: And Mary.

MR. LOTT: -- and Mary may -- Mary Citizen, may need for us to really seriously consider eliminating first-dollar coverage when -- for -- for those who are insured. When you start having to pay for your -- your healthcare and not just have first-dollar coverage and not know how much that prescription drug actually costs, you'll get engaged in the system.

THE MODERATOR: Thank you.

MR. LOTT: I promise you.

THE MODERATOR: I appreciate that.

MR. COURT: I think that, you know, the consensus that I hear today is about there's an

inefficient system, and it's largely because it's a system left to its own devices.

What we have in California -- to answer Frank Smith's question -- is a ballot initiative process. And I think there could be a ballot initiative that made politicians move or that went directly to the voters with a solution.

You know, when similar insecurities came up with the people of Canada in the '40s, they came up with a universal health coverage system. They did it province by province. One province, Saskatchewan, led the way.

I'm not saying Californians would accept the same system, but a similar-type system. When you have one big risk pool, not 300 employees being covered so you have to pay 10,000 an employee, but 32 million people, most of whom are healthy, covered in the same risk pool, the cost of covering everybody is cheaper. It just is. And we can do it all for less if we all get

in the same risk pool.

THE MODERATOR: Well, you did Proposition 103 in 1988 that created this Insurance Commissioner in 1990. Are you thinking about some kind of an initiative?

MR. COURT: We're -- we're -- we're certainly

talking to stakeholders about the possibility of doing an initiative based on a consensus, and like that, being a revolt against the practices we don't like.

A lot of them are centered in the insurance industry. That might get the legislature moving on something as well.

THE MODERATOR: Thank you.

MS. McVAY: I think that we really need to look at the fact that the industry is not regulated, and that we need to do something to ensure that the patients are going to be thought of first.

Being a nurse, I guess I have a different perspective than a lot of people here. But I do believe that we need to think about covering everybody and

giving them an opportunity to have the kind of preventative medicine that should be there, should be available in schools, should be available in -- in storefront clinics, whatever it might be necessary.

We have an obligation to our society, and I think we've fallen down. I don't think that we have been able to -- to meet the obligation that has been placed there. We do -- we say that we put education first. We say that we put all kinds of things first. But the reality is we don't put funding there. And until we start doing that, we're not going to be able to

solve this -- this problem.

But I think we need to look at the whole picture and not just the very narrow one. And I -- I think we need to be better able to meet the needs of people in our society.

THE MODERATOR: Do you see this on a -- on a federal level --

MS. McVAY: I certainly do.

THE MODERATOR: -- as well as a state level?

MS. McVAY: Yes, I do.

THE MODERATOR: And do you think we can create the political will to do that?

MS. McVAY: Well, I've been working on it for a long time. And I think, yes, that there will be this political will. I think that it's happening.

There's areas in Florida and Washington state and Oregon. And, I believe, there's also a group in Colorado. There's a lot of us that are talking to each other that are trying our very best to solve the problem of having true access. We understand that you can't provide healthcare without having the funding to go with it. And we're looking at those problems, trying to figure out how this could be done without truly hurting a whole lot of people. We -- we do believe that we need to do this for our society.

THE MODERATOR: Thank you very much.

MR. ZELMAN: First, thanks for doing this.

THE MODERATOR: My pleasure.

MR. ZELMAN: This is very important stuff.

Secondly, I would want to suggest, as my conclusion at least, that the greatest problem we have in healthcare in California today is not that all of us that are well-insured can't always get all the care we need and all the care we want as fast as we can get it. It's that six to seven million of us can't get the care we need, and we can't get it ever. I think that's immoral. I think that's unacceptable for our society.

And I think I've heard a lot of solutions today that go a little bit of the way towards solving it. But I don't see most people really digging down and recognizing what it's really going to take to get six million people healthcare coverage in California. It's money. It's we have to recognize that has to be a higher priority than it's been.

And in a sense of it -- in the words of the old strip: "We've met the enemy." It's not you or you or you, it is all of us. We have not been willing as a society to put enough of our own -- usually it comes down to this -- tax dollars in the pot to make sure that the trauma centers are okay; that L.A. County is okay;

that the emergency rooms are okay; that the uninsured have insurance. And unless we bite that bullet, all our solutions are going to come up short. And I'm afraid about that. I think --

DR. BLICKER: I think --

MR. ZELMAN: -- we really need to address that.

THE MODERATOR: Real quickly before --

DR. BLICKER: I think --

THE MODERATOR: -- our final comment. Go ahead.

ASSEMBLYMAN CEDILLO: Last year we wrote AB 59 to ensure every child in California who's in school, eligible for -- for a federal lunch program, automatically enrolled in Medi-Cal. This year we have a struggle funding that. It's the law now. But now we've got to fund it and make sure that every child -- I wrote the bill -- every child in California who's eligible should be automatically enrolled in Medi-Cal.

THE MODERATOR: Thank you, Assemblyman.

(Simultaneous colloquy.)

DR. BLICKER: We have two problems.

THE MODERATOR: Please.

DR. BLICKER: One is the immediate one. We need to fund healthcare in L.A. County because if the county hospitals close and the clinics close, private

healthcare is going to fall. There are no beds available. The hospital ERs cannot handle more patients. So we've got to put the political pressure on to get the money.

But then, then we have to do the real work, where we have to sit down, all of us -- patients, doctors, lawyers, nurses, everyone -- and start to do what they did in Oregon when they looked at prioritizing their Medicaid. When John -- John Kitzhaber, who was an ER doctor originally before he became Governor, looked at the fact that you had to involve everyone, and you had to look at what could be covered.

Yes, you want to give a liver transplant to this person over here. But if the cost of that says you can't immunize every child in your state, what do you do? How do we develop a healthcare system in which we,

as the public -- because the one thing all of us will be, at one time or the other, is a patient. Whether you want to be or not, you're going to be a patient somewhere in your life. And we need to decide how do we do that appropriately.

THE MODERATOR: Thank you. Thank you very much.

I want to thank the panel and the audience. Thank you all very much for your thoughtful comments and

the insights you gave us into the issue. I appreciate it all very much.

And you know, viewers, it really is up to us in partnership with the electeds; the federal government, the state government, the local government. If there is the political will, they will respond. They are our servants. Let's take the good notion of that. Let's contact some of the folks we saw on this program. Let's engage ourselves.

Thanks for watching the show. God bless you,

and bye-bye.

REPORTER'S CERTIFICATION

I, Lynda J. Goddard, Certified Shorthand Reporter in and for the State of California, CSR

No. 10670, do hereby certify:

That the foregoing proceeding was transcribed by me from a videotape and that this transcript is a true and accurate record of the proceedings to the best of my ability.

In witness whereof, I have hereunto set my hand this 11th day of September, 2002.

LYNDA J. GODDARD, CSR No. 10670