

Does Health Care Make You Sick?

Are you worried sick about the cost of health care in North Carolina . . . and the cost of prescription drugs and insurance?

Did you know North Carolina hospitals are charging more money for less service, making them among the most profitable in the nation?

Why are you struggling with your health needs, while insurance firms and drug companies keep making handsome profits?

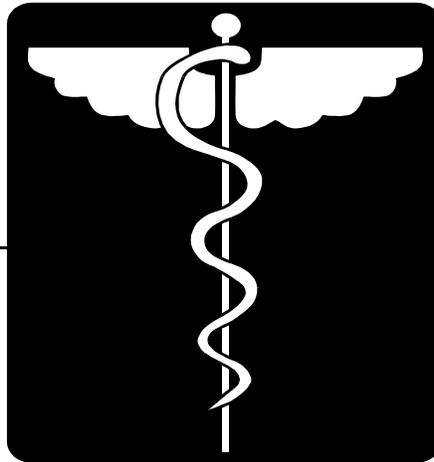
The health-care industry is heavily subsidized with your tax money and it spends millions on political donations to get favorable policies, at your expense.

The head of the NC Medical Society PAC says it makes big political donations because, “You do everything you can to ensure you have reasonable legislators in place [and] then you have a group of people who you can sell your issues to.”

The money suppliers don’t always win, but money gives them special access and advantage.

You’d be much better off if candidates had an alternative source of “clean” campaign money so they could reject special-interest donations – like judges can with Voter-Owned Elections (*over*).

Consider these examples of how a bad campaign finance system produces bad policy.



Bad Money In

- ▶ Merck, GlaxoSmithKline, Pfizer and Novartis donated a total of \$119,500 to a fundraising committee tied to House Speaker Jim Black in the months surrounding the decision to give these companies the tax break described at right. ▶▶▶▶
- ▶ In addition, drug company PACs *tripled* their direct contributions to Democratic and Republican candidates for the NC General Assembly in just six year – to \$197,000 in the 2004 election cycle.
- ▶ In his 2004 campaign, Gov. Mike Easley got \$8,000 (the legal limit) from Glaxo, plus \$4,000 to \$8,000 from 18 other health-care PACs; health professionals and PACs gave him a total of \$645,000.
- ▶ Insurance company executives, agents, PACs, and lobbyists provided over half the funds for Insurance Commn. Jim Long’s 2004 re-election.
- ▶ Donors related to adult-care homes and group homes contribute over \$300,000 a year to North Carolina candidates and parties.

Bad Policy Out

- ▶ Gov. Mike Easley and the General Assembly gave the drug giant Merck a tax break worth \$39.4 million to build a new factory – and voted to give other pharmaceutical companies similar breaks – but Health Choice, a vital program for children, remains woefully under-funded.
- ▶ The NC General Assembly handed drug companies a windfall worth at least \$10 million a year by blocking a plan that would encourage doctors serving Medicaid patients to prescribe cheaper, yet effective drugs.
- ▶ Insurance companies in NC get a tax break worth more than \$50 million a year, but they are not required to include mental illnesses in health policies, as they are in many states.
- ▶ Adult-care homes and children’s group homes have received state-funded rate increases worth tens of millions of dollars a year, but for years the General Assembly refused to force these homes to increase their dangerously low staffing levels.

For Health-Care Reform, Support “Voter-Owned Elections”

1-888-OUR-VOTE • **Democracy North Carolina** • www.democracy-nc.org

Contact info@democracy-nc.org for a list of source materials

North Carolina needs

Voter-Owned Elections

To Help Voters, Candidates, Small Donors and Our Democracy

The Voter-Owned Elections program is already working in N.C. in the elections of judges to our top courts. To qualify for public funding, candidates accept spending and fundraising limits and demonstrate their viability by raising a set number of relatively small donations from registered voters. We need to expand VOE to other offices.

The Problem

The Costs

The Solution

1. The Money Chase:

The price of political campaigns is skyrocketing, pressuring candidates to raise more or give up.



The cost of winning a seat in the N.C. legislature has tripled since 1996.



A Voter-Owned Elections program creates a voluntary alternative for candidates so they can escape the money chase.

2. Special Interests:

The money comes from too many special interests and too few people.



90% of all campaign money in N.C. comes from less than 1% of the population.



To qualify, candidates must raise a set number of small donations from voters; small donors help.

3. Expensive Favors:

Big donors sometimes use their influence to get unfair tax breaks.



N.C. banks pour a million dollars into state politics each year and get a tax break worth \$100 million.



VOE candidates are accountable to voters, not wealthy special interests.

4. The Wealth Primary:

Good candidates can't run because they lack financial resources.



In the past three elections the top spending candidate won 85% of the time.



VOE candidates receive a fixed amount from a public fund and agree to a strict spending limit.

5. Second Class

Citizens: Fundraising dominates campaigns and alienates voters.



Voter become cynical and give up. North Carolina ranks in the bottom 10 states for voter turnout.



Once they qualify, candidates stop fundraising and court voters rather than big donors.

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A member of N.C. Voters for Clean Elections • see www.ncvce.org