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Joe Lieberman: Senator from Aetna



By [Peter Dreier](#) - December 17, 2009, 10:06PM

Everyone's trying to figure out: What's with Joe Lieberman?

To secure Lieberman's support, in order to get 60 votes to avoid a filibuster, Senate Majority Leader Harry Reid last week replaced the public option in the health reform bill with a provision that would allow Americans age 55 to 64 to buy into the popular Medicare program. At the time, Lieberman said he was "encouraged by the progress toward a consensus." Then on Sunday he suddenly flip-flopped, explaining that he would oppose the compromise that Reid had crafted to gain his support, and threatened to join with Republicans in voting against the measure. "You've got to take out the Medicare buy-in," the Connecticut Senator said Sunday on CBS' *Face the Nation*, "You've got to forget about the public option."

Last month, the former Democrat-turned-Independent, said: "If the public option is in there, as a matter of conscience, I will not allow the bill to come to a final vote," by using the filibuster to thwart any expansion of government-sponsored insurance. People who support a public option," Lieberman said, "really want to have a government-controlled health insurance system. That's their right. I think they're wrong."

In 2000, when Lieberman was the Democrat's vice presidential candidate with Al Gore, the duo endorsed the idea of expanding Medicare to allow Americans aged 55 to 64 to buy in. During a meeting with the Connecticut Post in September, Lieberman seemed to go even further, suggesting that he favored allow people aged 50 and over to participate in Medicare. (See the video of his remarks [here](#).)

As Joshua Marshall recently wrote here on *Talking Points Memo*, Lieberman is "now basically mocking his Democratic colleagues by moving the goalposts every time a new agreement is struck."

Earlier this year, Connecticut approved a statewide public health insurance system that included a public option.

So, why is Lieberman trying, single-handedly, to derail health care reform?

I've been asking around, and there seem to be four overlapping answers:

The first theory is simply that Joe loves being the center of attention, and doesn't really care what he needs to do -- or say -- to attract the cameras.

The second explanation is that Lieberman honestly believes that some kind of government insurance plan is a bad idea. Actually, I made this up. Nobody said this.

Let's quickly get rid of notion that Joe Lieberman sincerely believes that government shouldn't be in the health care business.

The reality is that Lieberman is an outrageous hypocrite. In fact, he's long been a fervent advocate of socialized medicine. Huh?

For years, however, Lieberman has been big booster of one of the world's largest government-run health care programs - the Veterans Health Administration (part of the Department of Veterans Affairs, often just called the VA). Whereas Obama's proposed "public option" plan, and even Medicare, is simply a government insurance scheme that pays private providers, the VA actually owns hospitals and clinics. Last year, the VA, which has a \$45 billion budget, treated 5.1 million veterans at its 153 hospitals and 900 outpatient clinics throughout the country. The VA's 200,000 employees, including 14,500 doctors and 60,000 nurses, are government employees. You don't get much more "socialized" than that!

In Connecticut, the VA operates two major medical centers (in Newington and West Haven), six community-based outpatient clinics (in Danbury, New London, Stamford, Waterbury, Willimantic, and Winsted), three vet centers (in Norwich, Rocky Hill, and West Haven), and two intake sites at the Naval Submarine Base at Groton and the Coast Guard Academy in New London.

Lieberman has often voiced strong support for the VA. In 2002, he fought the Bush administration's efforts to close VA facilities in Connecticut. In 2004, Lieberman cosponsored a budget amendment that would have increased veterans' medical care by \$2.7 billion. The next year, he helped pass \$1.5 billion in supplemental funds to the VA to meet the growing medical needs of military retirees and the Iraq war. In 2007, Lieberman said: "Our nation has no greater moral and patriotic responsibility than to ensure that these brave Americans receive first class treatment--not only immediately after their injuries, but for their entire lives, through the Veterans Administration."

Joe's support for the VA isn't surprising. The VA provides first-class healthcare. Two decades ago, it had a lousy reputation. But in the 1990s, the VA underwent a dramatic transformation that improved the quality of care and made it a model of medical efficiency. Experts say that the VA has an excellent track record for containing healthcare costs. A recent Congressional Budget Office report concluded that the VA had found a "substantial degree of cost control." The VA has been a pioneer in the use of electronic medical records, which has led to significant cost savings and better medical practice.

In 2003 the New England Journal of Medicine published a study comparing the VA and fee-for-service Medicare. On all eleven measures, the quality of care in VA facilities was "significantly better." Last year, according to the American Customer Satisfaction Index, patients at VA facilities gave the program an 85 satisfaction rating compared with 77 for private hospitals.

Phillip Longman titled his 2007 book about the VA *The Best Care Anywhere*. He concluded that VA facilities provide "the highest quality care in the country."

Lieberman is not only a hypocrite on health care, he's an ungrateful one. In 2006, when Lieberman faced a tough battle for his political survival, challenged in the Democratic primary by Ned Lamont (running as a peace candidate in contrast to Lieberman's strong support of the war in Iraq), then-Sen. Obama was one of the first to travel to Connecticut to endorse and campaign for him. Last year he paid Obama back by endorsing Sen. John McCain and attacking Obama at the GOP convention and at numerous campaign events. (Lieberman had little influence in his own state. Sixty percent of Connecticut voters supported Obama in 2008). Now he's opposing Obama's top domestic priority.

The third hypothesis for Joe's erratic behavior is that he's already gearing up to run for reelection in 2012 as a Republican. This is certainly plausible. Indeed, on Tuesday Lieberman told *CNN* that it is a "possibility" that he will run as a Republican when he seeks reelection.

Polls show that Lieberman is increasingly unpopular in his home state. Thirty percent of Lieberman voters in 2006 said they would not vote for him again. In another poll, Lieberman trailed one possible Democratic opponent by 44 points. Congresswoman Rosa DeLauro, a liberal Democrat from Connecticut, said that Lieberman "ought to be recalled." As much as they'd like to oust Lieberman from the Senate, they're going to have to wait until 2012.

The fourth and most popular explanation is simply that Joe is shilling for the insurance industry.

Of course, Lieberman denies this. He says he opposes the public option because it would increase the deficit. "I think that a lot of people may think that the public option is free," said Lieberman. "It's not. It's going to cost the taxpayers and people that have health insurance now, and if it doesn't, it's going to add terribly to our national debt." He told *Politico* he opposed "creating another entitlement that will end up increasing the national debt and putting more of a burden on taxpayers."

But the nonpartisan Congressional Budget Office says the Democrats' bill raises enough money to reduce the deficit. Most experts agree that a government-backed insurance plan would force private insurers to lower their costs in order to compete. Such competition, experts say, would keep the private insurance companies honest.

Many Lieberman-watchers doubt that he's suddenly become a deficit hawk after years of voting for major increases in military and social spending as well as costly corporate bail-outs.

They point out that the insurance lobby has been a generous contributor to Lieberman. Since he started in the Senate in 1989, Lieberman has received \$2.4 million in donations from the health sector (including drug companies, nursing homes, hospitals, and doctors), over \$1 million from the insurance industry, and over \$255,000 from health insurance companies. It's hard to avoid the impression that Lieberman is in their pockets and doing their bidding. Indeed, some critics have taken to calling Lieberman the "Senator from Aetna," which is headquartered in Connecticut and which last year raked in \$1.4 billion in profits. (Lieberman-watchers also point out that his wife

Hadassah works for big-time lobbying firm as its specialist on health and pharmaceuticals and that she once worked at drug companies such Hoffmann-La Roche and Pfizer).

In fact, Connecticut is home to several of the nation's largest insurance companies, and it's the insurance industry that has been the major foe of the "public option. " True, Connecticut has the nation's highest concentration of insurance jobs, with the industry accounting for about 64,000 jobs, according to the state's labor department. But only about 22,000 of those jobs are in the health insurance sector.

In contrast, approximately 325,500 Connecticut residents lack health care coverage, according to the Urban Institute and Kaiser Commission on Medicaid and the Uninsured. Under the Democrats' plan, many of them would receive subsidies to help them pay for health insurance. They can decide whether to purchase private insurance or take the public option. Another 154,000 Connecticut residents who currently purchase insurance in the individual insurance market would be obtain to obtain coverage at an affordable price.

Right now, the health insurance market in Connecticut is dominated by two companies-- WellPoint, with 55% of market share, and Health Net, with another 11%.

The health insurance companies don't want any competition from a government plan that would provide American consumers with a choice. They've been frightening their employees with warnings that the "public option" would put their jobs at risk, and urging them to contact their Senators and Congressmembers to oppose it. Even so, Chris Dodd, the state's other Senator, is a strong advocate for the public option, and he's up for re-election next year.

It looks like the Democrats may have little choice but to bend to Lieberman's will in order to get the 60 votes they need to pass a bill. But reform activists aren't giving up. Filmmaker Michael Moore is threatening to organize a boycott of Connecticut if Lieberman persists in thwarting a public option or Medicare buy-in. In just two days, MoveOn.Org raised over \$1 million for an ad campaign against Lieberman and into a fund to oppose his re-election in 2012. Many Connecticut liberals and even moderates want the Senate Democrats to strip Lieberman of his committee chairmanship and seniority.

Obama tried again to get Lieberman to change his position.

At a White House meeting Tuesday with Senate Democrats, to which Lieberman was invited, President Obama appealed to their sense of history. He said: "This is the moment of our legislative lifetimes. This is why people run for public office, to be here at the creation of something really big."

The *New York Times* reported that Lieberman countered, "What's happening is not any fun for me." Then the Senator from Aetna left the meeting and was soon surrounded by reporters and TV cameras.

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