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TELEVISION PROGRAM TO "CBS NEWS' FACE THE NATION."



## **March 14, 2010 Transcript**

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## TRANSCRIPT

BOB SCHIEFFER: Today on FACE THE NATION, we're down to the crunch on health care reform. Is the showdown finally here? We'll bring in Robert Gibbs, the man who speaks for the President; the Senate Republican Lamar Alexander; Democrat Debbie Wasserman Shultz from the House; and Karen Ignagni, who speaks for the insurance industry, to answer the big questions: does the President have the votes to pass it or doesn't he? Who will be helped and who will pay?

Then I'll have a final word on eliminating the middlemen in politics--the politicians.

But first, the final hours of the health care debate on FACE THE NATION.

ANNOUNCER: FACE THE NATION with CBS News chief Washington correspondent Bob Schieffer. And now from CBS News in Washington, Bob Schieffer.

BOB SCHIEFFER: And good morning again. Republican Senator Lamar Alexander is in Nashville this morning. But first up is White House Press Secretary Robert Gibbs, who joins us here in the studio.

Mister Gibbs, thank you for being here.

ROBERT GIBBS (White House Press Secretary): Thank you for having me.

BOB SCHIEFFER: Well, the talking point seems set by the White House and the Democrats. They say they are going to have the votes to pass health care when it comes to a vote toward the end of this week. I have to tell you, independent vote counters say you don't have the votes yet. Even Jim Clyburn, who's the Democratic vote counter in the House, says you don't have them yet. How can you be so sure you're going to have them when, in fact, people don't really know what's in this bill yet?

ROBERT GIBBS: Well, look, I-- I-- I think as CBO scores the rest of this bill, members of the House will get a closer look and take a closer look at each of the provisions in it and make up their minds. We do believe that a week from today we'll be talking about a bill that has passed the House, not being considered by the House. Because what I think members are going to see in health care legislation is progress to help small businesses afford providing insurance for their employers, help for families that are worried about an insurance company that might discriminate against them because of a pre-existing condition. They'll understand that we can't stop. We can't walk away right now from getting health care reform for millions of Americans.

BOB SCHIEFFER: But, in fact, members of the House don't yet know exactly how this is going to be paid for. I mean, is the payroll-- Medicare payroll tax going to go up? Are those taxes on some of the big insurance plans that are in the Senate bill--

ROBERT GIBBS (overlapping): Right.

BOB SCHIEFFER: --are those going to stay there? Or some of these kickbacks that go to people in Nebraska and-- and Louisiana, is all of that going to be in this bill?

ROBERT GIBBS (overlapping): Well, Bob, the--

BOB SCHIEFFER: How can they know what's in it?

ROBERT GIBBS: Well, Bob, the special deals that the President found objectionable are, indeed, out of this legislation. And as this bill comes out and-- and members get a chance to look at all of it, they certainly have seen parts of it. And we understand that the underlying legislation that the House will consider is the bill that passed the Senate in December with sixty votes, a super majority. So we understand the basis of what this bill is going to be. And, look, I-- I believe that people are going to look at this not because of what po-- is politically right or wrong but what's the best thing to do for the American people. And I think without a doubt, if we do nothing, we know what's going to happen. Our health insurance rates are going to skyrocket. We've got to get a hold of this problem. We've got to do something that helps the spending that we do on a federal government basis for Medicare and Medicaid. We've got to make some progress on all these issues. And-- and I think that's what the President is going to be successful at doing in a week.

BOB SCHIEFFER: A-- as I understand it, and-- and the parliamentarians seemed to have ruled that the House is going to have to pass the bill that the Senate passed.

ROBERT GIBBS: Right.

BOB SCHIEFFER: And then the President is going to have to sign that before the House votes on this so-called reconciliation package. It's going to correct all those things they don't like in this Senate bill.

ROBERT GIBBS: Yes, sir.

BOB SCHIEFFER: What assurance can you give House members that if they vote for that bill they don't like that they're not going to be left out on a limb because the Senate--

ROBERT GIBBS (overlapping): Sure.

BOB SCHIEFFER: --refuses to go along with the-- with the corrections?

ROBERT GIBBS: Well, I-- I know just as the President is speaking with members of the House about passing the underlying Senate bill, I know he's also talking to members of the Senate about making sure that the corrections that he believes have to be passed to the Senate bill are, indeed, taken up and passed. So the President is working on both of those tracks in order to get that done.

BOB SCHIEFFER: But you know as well as I do, those House members just don't trust the Senate. I mean, one--

ROBERT GIBBS (overlapping): Right.

BOB SCHIEFFER: --one House member said it's a distrustful body. And-- and there are things in that bill that if the Senate doesn't correct them, those House members are going to have to go out and-- and they're up for a re-election in November. What can the President say to them to assure them, look, this is not going to happen. The Senate is going to do this?

ROBERT GIBBS: Yeah. Well, again, we've-- we've worked with leaders in the Senate. We've talked to members of the Senate. The President has. And, look, members of the House, the President, and members of the Senate want to see some of those corrections made in-- in that legislation. I-- I think this is going to happen. Again, I think the House will have passed the Senate bill a week from today. We'll be working now next on getting those corrections passed by both the House and the Senate. And we'll have health care reform in this country.

BOB SCHIEFFER: Let me ask you what if, what if it doesn't happen this week? You know, Mister Boehner over in the House, the leader of the Republicans, said, you know, you maybe be able to pass it but they'll make it as difficult as they can if not impossible.

ROBERT GIBBS: They're living proof of that for almost the whole year, Bob. (LAUGHING)

BOB SCHIEFFER: But what if it doesn't pass, what if something comes to pass that you don't get it done this week, the Congress goes off on a two-week vacation, the President goes overseas on this trip--

ROBERT GIBBS: Mm-Hm.

BOB SCHIEFFER: --will you still be pushing this?

ROBERT GIBBS: Well, I-- I think as Speaker Pelosi has said this is the week. This is the week where we will have this important vote. The President has, as you said, a very important trip to Indonesia and Australia, in a very vital part of the world. And we need to get these corrections done before the Senate leaves the week after. So, look I-- I think we're on a timetable to get this done over the course of the next week and get something quickly to the President.

BOB SCHIEFFER: What if--

ROBERT GIBBS (overlapping): He's been working on this for-- this President has been working on this for more than a year and Presidents have been working on the issue of making sure that we don't get overwhelmed by the cost of health care for seven decades. I think this is the week we're going to see real progress.

BOB SCHIEFFER: Well, let me-- let me ask you just this thing, Mister Gibbs, if-- if you lose this week, is that the end of it?

ROBERT GIBBS: Well, I don't think we're going to lose but--

BOB SCHIEFFER (overlapping): I-- I don't.

ROBERT GIBBS: --I-- I do think this is the-- I do think this is the climactic week for health care reform. And like I said I-- I think whoever you interview just this time next week, you won't be talking about a proposal in the House. You'll be talking about the House having passed that proposal and us being a signature away from health care reform in this country.

BOB SCHIEFFER: But this is it.

ROBERT GIBBS: I think this is the week.

BOB SCHIEFFER: All right. Robert Gibbs, who speaks for the President. Thank you so much for being with us, Mister Gibbs.

ROBERT GIBBS: Thank you, sir.

BOB SCHIEFFER: We want to go now to Nashville, Tennessee, and Republican Senator Lamar Alexander. Well, Senator, you just heard Robert Gibbs. He says this is it. Republicans say they're against this thing. They think that the American people don't want it. How do you think it's going come out? Do you think they have the votes to pass it?

SENATOR LAMAR ALEXANDER (R-Tennessee/Chairman, Republican Conference): I-- I have no idea, Bob. You've-- you've been on the Grand Ole Opry here in Nashville. If this crowd were ever invited to be on the Grand Ole Opry, they'd never be invited back because they're absolutely tone-deaf about what the American people want about this bill. We're not trying to end the health care debate, we're trying to change it. And we're trying to say the American people don't want higher individual premiums, higher taxes, Medicare cuts. They don't want an increase in the deficit. They're wondering why if we're trying to reduce cost, it cost a trillion dollars. So what we ought to do this week is defeat this bill. Of course, there is not a bill yet, nobody's read it yet, nobody knows what it costs, not even been produced. Defeat whatever it is and let's go to work setting the goal of reducing cost, so more Americans can afford to buy insurance.

BOB SCHIEFFER: Well, you have said on the record that Republicans will challenge every sentence in this bill. What does that mean? Does that mean you'll try to throw up procedural road blocks? Will you offer amendments? Exactly, what-- let's say that the House does pass this and it does come back to the Senate, what happens then?

SENATOR LAMAR ALEXANDER: Well, here-- here's what the House Democrats are being asked to do. They're-- they're being asked by the President to hold hands, jump off a cliff, and hope Harry Reid catches them in the Senate after the bill is law. All forty-one Republican senators have agreed that we're going to enforce the rules of the Senate, which means, for example, that the only things they can change have to do with taxing and budget. So they try to change abortion. That won't work. And we're going to go sentence by sentence through the three-thousand-page bill to make sure the rules are followed. That's what the American people would expect us to do.

BOB SCHIEFFER: Well, and you-- you will not be able to filibuster those things that come under the so-called reconciliation package, which is the package of-- of-- of legislation that supposedly will correct the bill that-- that had passed the Senate earlier. So would you try to, as some say, try to filibuster by amendment, will you offer an endless number of amendments?

SENATOR LAMAR ALEXANDER: Well, we'll certainly offer a large number of amendments to try to correct the bill. But-- but just think about this for a minute. Here-- here through elections, through town meetings, through consistent public opinion surveys, Americans have said don't pass this bill. And this is the most brazen act of political arrogance that-- that I can remember since the Watergate years. Not in terms of breaking the law, but in terms of thumbing your nose at the American people and say we know you don't want it, but we're going to give it to you anyway. So, I hope what the House Democrats decide is, we don't want to do that. We don't want a year like 1974, when people came down out of the mountains in Tennessee looking for Republicans so they'd know who to vote against. We want to work with the Republicans and try

to let people buy insurance across state lines, do the other things we suggested at the health care summit, and reduce health care costs.

BOB SCHIEFFER: Critics have said that the President has really put his whole presidency on the line. He's put all the chips on the line. By putting everything he can muster against health care-- for health care and getting it passed. I guess, I would ask the other side of the question. Aren't Republicans also putting everything up on the line by just being universally, totally against this? I mean, I'm thinking about November. Is it-- can a-- can a party get elected just by saying no? Is-- Is that a successful campaign tactic?

SENATOR LAMAR ALEXANDER: No-- no, it's not. It is not what we've done. I mean, a hundred and seventy-three times, and I had my staff count them in the congressional record. Republicans went to the floor of the Senate and offered our step-by-step plan to reduce cost, including small-business health plans, buying insurance across state lines, stopping junk lawsuits against doctors, reducing waste, fraud, and abuse. That's a different direction. What the President is trying to do is to expand a health care system that everybo-- body knows is unaffordable. What we want to do is reduce the cost of the health care system. And I'm willing to put it to a vote. I hope we don't have to for the country. I mean, the most important words the President may have uttered in the summit were "that's what elections are for." And he also said last year that the health care debate's not just about health care, it's a proxy for the larger issue of the role of government in American lives. And we think he's right about that.

BOB SCHIEFFER: Senator, you have said, I believe, that it would be catastrophic for the Democrats if this legislation passes. From just the standpoint of straight politics, why wouldn't it be a good idea for Republicans to let it pass?

SENATOR LAMAR ALEXANDER: Well, if-- if-- if we were completely irresponsible that-- that's what we would do. I think it's a political kamikaze mission for the-- for-- for the Democrats to insist on this. I believe if they jam this through-- remember, no big piece of social legislation, Pat Monahan used to say this, the late Democratic Senator, no big piece of social legislation's ever been jammed through just by a partisan vote. I mean, Lyndon Johnson had the Civil Rights bills written in the Republican leader Everett Dirksen's office. Social security, Medicare, Medicaid--all had seventy votes. I think, from the day this passes, if it should, there will be an instant, spontaneous campaign to repeal it all across the country. It'll define every Democratic congressional race in November. And it will be a political wipeout for the Democratic Party. That'll be bad for the country but it will change the leadership of the country.

BOB SCHIEFFER: Just quickly. Robert Gibbs said next Sunday we'll all be sitting here talking about how health care reform passed. Do you agree with that?

SENATOR LAMAR ALEXANDER: I hope he's wrong. And I hope that the first part of your show is wrong, too. I hope this is not-- this won't be the end of health care. If it passes, it'll define the rest of the year in terms of political contests.

BOB SCHIEFFER (overlapping): All right.

SENATOR LAMAR ALEXANDER: If it fails it'll just begin a different debate.

BOB SCHIEFFER: All right. Thank you so much, Senator Lamar Alexander from Tennessee.

We'll be back in just a second to talk about the person who speaks for the insurance industry and Democrat Debbie Wasserman Schultz in a second.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And we're back now with Democratic Congresswoman Debbie Wasserman Schultz, who is in Tuscan this morning, and Karen Ignagni, who is the president of the industry group that represents the health insurance companies. Thank you for joining us.

KAREN IGNAGNI (America's Health Insurance Plans): Thank you.

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (D-Florida): Thank you.

BOB SCHIEFFER: Let me just play for you something that President Obama said last week, and this pretty much sets the stage for everything we want to talk about.

PRESIDENT BARACK OBAMA (March 8): Every year, insurance companies deny more people coverage because they've got pre-existing conditions. Every year, they drop more people's coverage when they get sick right when they need it most. Every year, they raise premiums higher and higher and higher.

BOB SCHIEFFER: So there you have it. How does the insurance industry react to that, Miss Ignagni?

KAREN IGNAGNI: Well, I think there are two points, Bob, and thank you for the opportunity. One, we believe that now is the time for health reform. There's no question about that. No debate. Our community worked very hard over a period of three years, as we went into 2009, to contribute to this discussion. We offered the insurance market reforms that the President is correctly talking about it-- at-- about in that clip and elsewhere. We believe in those reforms. We also believe that there are things that need to be done to make sure that they work and that they're affordable for the American people. So we helped get the ball down the field. We're proud of that. We've contributed to this discussion. This is not a situation where we're saying no to health reform. But we're saying that if it's not affordable, then we're not going to com-- that we're not going to fulfill those objectives that everybody wants to see fulfilled.

BOB SCHIEFFER: Congresswoman Wasserman Schultz, what would you respond to what Miss Ignagni says?

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: Well, actions speak louder than words. I mean, there's-- there's really nothing else that can be said. You know, unfortunately, the American people can-- can pretty clearly see that the insurance industry, led by AHIP, has refused to take yes for an answer. We have the elements of reform that they have called for in our legislation-- we don't have the elements of reform that they have opposed, and yet they still refuse to support our legislation. And what's even more disappointing and, you know, I actually took Karen at her word a year ago and was thrilled to hear that she was supporting reforms that we've fought for years yet the insurance industry opposed. And now instead of helping to champion those reforms, they-- the insurance industry led by AHIP is carpet bombing dozens of my colleagues with ads, distorting their record, lying about what the bill does, and at the end of the day--

KAREN IGNAGNI (overlapping): Bob, I'm sorry. I don't have the audio in my right ear so--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --it's really-- dif-- difficult-- it's-- it's really difficult to-- to see the difference between the action versus the-- ver-- versus their words.

BOB SCHIEFFER: Well, I'm-- I'm--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: So--

BOB SCHIEFFER: --very sorry and let me--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --let's get it done.

BOB SCHIEFFER: -- apologize here. Miss Ignagni is unable to hear what you're saying, Congresswoman, and I'll try to-- I'll try to repeat something of what she said.

(Karen Ignagni laughing)

BOB SCHIEFFER: She said the industry--

KAREN IGNAGNI (overlapping): Okay.

BOB SCHIEFFER: --is just lying. She says that you haven't come through on your word. You haven't said what-- that you said you were going to do. And-- and-- and that basically is the bottom line of what she says here.

KAREN IGNAGNI: I'm sorry I didn't hear the audio and-- but the point of the matter is the following, Bob. Since July, there's been a vilification campaign aimed at our industry and the working men and women, who work in the industry, who work very hard every day to fulfill their promise to their policyholders and their employers and their consumers and patients. What we're concerned about here is that there's been an effort through that villainization campaign to distract away from the underlying point we've been making, simply because a group says that something won't work. You don't-- you shouldn't be labeled anti-reform because of that. Your obligation, however, is to set out what will work.

We have to get everybody in. We have to set a goal so the health care cost will be brought under control because what we've seen over the last couple of weeks is that, in fact, we're seeing a-- a situation where people are focusing on premium increases that are being driven by underlying costs. And people in Congress don't want to confront the underlying costs because it's hard politically to do so. You have to take on a number of other stakeholders to do so. But focusing on four percent of health care expenditures which is what we--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): Bob--

KAREN IGNAGNI: --represent to basically fund a trillion dollar like piece of legislation, we are kidding ourselves in terms of whether or not that will work. It won't but we can actually make health care a promise that becomes a reality of the American people if we focus on the underlying cost issue.

BOB SCHIEFFER: Congresswoman--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: Bob--



BOB SCHIEFFER: Go ahead.

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --thank you. Our legislation-- our legislation covers thirty-one million uninsured Americans. We'll finally bring costs down and provide security and stability to those that don't have health insurance. You have the top five-- what Karen is saying is-- is a little bit disingenuous. You have the top five health insurance companies in America who on average have raised premiums fifty-six percent-- have fifty-- have fifty-six percent increase in their profits while dropping 2.7 million in-- people covered by their insurance plans.

What we have got to make sure that we cover everyone which we do that we provide security and stability particularly to the small businesses like the one in my district, where I was standing on the security line at the airport last-- last week and a small business owner stopped me and said that last-- last year, his insurance company raised his premiums for his employees by a hundred and seventy-two percent simply because he had one sick employee.

Our bill will change that to bring costs down and make sure that those-- that they're manageable. The insurance industry, essentially, wants to maintain the status quo. The status quo for them is record profits continuing to drop people and denying them coverage.

KAREN IGNAGNI (overlapping): Bob, let me--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: The status quo for Americans without health insurance reform is skyrocketing profits, shaky-- on-- on top of a shaky economy, a risk of losing their job and employers having to choose between letting peop-- letting-- letting people go or continuing--

BOB SCHIEFFER (overlapping): All right.

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --to pay--

BOB SCHIEFFER: Let's--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --for their health insurance--

BOB SCHIEFFER: --let's break right there--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ: --and that's not the right choice.

BOB SCHIEFFER: --let's break and let Miss Ignagni answer.

KAREN IGNAGNI: Bob, this is--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): Sure.

KAREN IGNAGNI: --clearly the talking point of the last several weeks, and I want to have an opportunity to talk about--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): (LAUGHING) The reality. It's not a talking point.

KAREN IGNAGNI: --profits. Our average profits are 3.3 percent. We see a-- other actors in the health care stakeholder community at fifteen to twenty and sometimes above. If we want to talk about profits, we're looking in the wrong place. It is part of an effort to change the--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): We want to talk about coverage, Karen.

KAREN IGNAGNI: --subject from underlying health care costs. Our bel-- our members believe strongly that we need health reform.

BOB SCHIEFFER (overlapping): Well, let me ask you--

KAREN IGNAGNI: We work very hard to contribute to this discussion.

BOB SCHIEFFER: --why are premiums going up?

KAREN IGNAGNI: I-- I'm glad you asked this. This problem of soaring premiums encapsulates what we've been saying. Soaring premiums are being driven by two factors right now, if we're talking about the individual market. Underlying health care costs in 2009, according to the government data, health care prices are soaring, number one. Number two, in the individual market where people make a decision whether they're going to be participating or not, a bad economy has led people to drop coverage, pushing up the costs for everyone else.

BOB SCHIEFFER: All right. And I'm terribly sorry that--

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): Bob.

BOB SCHIEFFER: --has to be the last word.

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): --Bob, but the truth is we're getting--

BOB SCHIEFFER: We're-- I'm sorry, Congresswoman.

REPRESENTATIVE DEBBIE WASSERMAN SCHULTZ (overlapping): --health inflation rises to double digits.

BOB SCHIEFFER: We're going to commercial now. We're out of time. Sorry.

(ANNOUNCEMENTS)

BOB SCHIEFFER: Finally today, when the Supreme Court decided that free speech meant corporations have the same rights as humans to fund political campaigns, the folks at a little Maryland company called Murray Hill Incorporated saw an opening. If corporations have the same rights as humans, they reasoned why fool around with the middlemen in politics, the politicians. Instead of trying to buy them off, why not just run the company itself for a seat in Congress? They've even got a slick new campaign ad.

(Excerpt from Murray Hill Incorporated political ad)

BOB SCHIEFFER: (LAUGHING) Alas, though, it may never happen. The Washington Post reports the company has already run afoul of the constitution, which says you must be twenty-five to serve in Congress and the little company just isn't old enough. That's too bad. I was looking forward to a spirited debate on when corporate life begins. When is it's just a gleam of the eye of the startup guy or is it when, well, that's probably another one for the Supreme Court to decide. Back in a minute.

(ANNOUNCEMENTS)

BOB SCHIEFFER: And that's all the time we have today. Join us next week right here on FACE THE NATION.