

## Politics Indiana

V 15, N28 Weekly Briefing on Indiana Politics Thursday, March 25, 2010

### Reform fingerprints from Indiana

Wellpoint, Coats, Bayh & the Blue Dogs helped shape health care history

#### By BRIAN A. HOWEY

INDIANAPOLIS – When the DNA on the health reforms that President Obama signed into law on Tuesday comes up for historical examination, events and figures in Indiana will likely be defined as having a fascinating impact on what is now being hailed as either a critical addition to the social safety net or a national catastrophe.

The momentous events began on Tuesday, Jan. 19, when Republican Scott Brown won Ted Kennedy's U.S. Senate seat in

Massachusetts. The Washington Post defined this moment as the low point for President Obama in his quest to remake the American health care system. The Washington Post's Chris Cillizza had reported that U.S. Sen. Evan Bayh considered retiring last year. U.S. Rep. Mike Pence considered a run while producing a poll that showed him leading



President Obama applauds passage of the health reforms on Sunday night. It might not have happened without Wellpoint and the Indiana Blue Dogs. (White House Photo)

Bayh by 3 percent. By late January, however, Pence decided to stay in the House. Bayh effectively put up a bulwark that kept Pence out of the race.

On Feb. 2, former Indiana U.S. Sen. Dan Coats

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### House pales to Senate

#### By MARK SCHOEFF JR.

WASHINGTON — In high school social studies classes around the state, students learn about the structure of American democracy. With the culmination of the health care debate, this week would have been a good time to focus on the legislative branch of government.

Perhaps teenagers and members of Congress are

asking themselves the same existential question right now: Why does the House exist?

For the past 14 months, the House and Senate have twisted themselves into pretzels trying to get a health care bill to President Barack Obama's desk.





"It will raise by trillions the crushing debt we are already leaving young Americans. Any claims to the contrary are worse than mistaken, they are knowingly fraudulent." - Gov. MITCH DANIELS



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In the end, however, it was only the Senate version that mattered. Last summer, three House committees approved separate \$1 trillion bills. The process involved work around the clock in a mid-summer's night rush.

The House Education and Labor Committee finished most of its work on the measure around 6 a.m. one July morning after having begun its markup at 10 a.m. the previous day. It reconvened a few hours later for a final vote. House leaders spent the next couple months melding the tri-committee versions into one measure that the full chamber barely passed, 220-215, on Nov. 7.

While all of this activity was going on in the House, the Senate was engaging in its own laborious climb up the health reform mountain. As was the case in the House, multiple committees produced bills that differed in substance and cost.

In the end, Senate Majority Leader Harry Reid, D-Nevada, cobbled together a final measure through arm-twisting and deal-making that garnered the 60 votes needed for Senate approval on Christmas Eve. Reid delivered a bill that met the minimum level of support required to overcome a filibuster.

At this point, the legislative process is working pretty much the way it is taught in school. The House and the Senate each pass their own bills. Next, according to the textbooks, a conference committee comprised of House and Senate negotiators meets to combine their bills into once piece of legislation.

This is the point, however, where Capitol Hill reality diverged from civics class. In early January, House leaders asserted that there were provisions in the Senate bill that they could not support. They indicated that there was more work to be done before reaching a final version that would get House backing.

That's when Sen. Scott
Brown, R-Massachusetts, achieved a
stunning upset in the Massachusetts
special election to fill the seat of the
late Sen. Edward Kennedy. Now, the
Senate Republican caucus numbered
41—enough to sustain a filibuster.
Getting to 60 votes in the Senate was
a monumental challenge even when



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there were 60 senators caucusing with the Democrats. After Brown, there were only 59.

The usual dominance of the Senate has become almost a hammerlock. Since the beginning of the 111th Congress in January 2007, the House has cast harrowing votes only to see their bills stalled on the other side of Capitol Hill. Last summer's cap-and-trade energy legislation was the most prominent example - until Sunday. That's when House Democrats stepped into the well to cast perhaps the risky votes of their careers to approve the Senate health care bill. After all their effort, they were forced to embrace the Senate's work.

Yes, the Senate is poised to pass a reconciliation bill that modifies the health care measure to assuage some House concerns. But the bottom line is that Congress bent to the will of the Senate on health care reform. Of course, Hoosier House members didn't see it this way. "I'm not concerned about pride of authorship," said Rep. Joe Donnelly, D-2nd CD, in a conference call with Indiana reporters on March 22. "It doesn't bother me if someone is considered the author of something if I've helped to improve it."

**For example, Donnelly** said that he played a role in getting Obama to write an executive order that prevented federal funds from being used to finance abortions in health care packages sold on insurance exchanges. That language toughened what Donnelly believed to be a

weaker Senate abortion provision.

Rep. Brad Ellsworth, D-8th CD, helped write the abortion piece of the House measure, which helped get it over the finish line in November. But in the end, he also backed the Senate bill.

"He's never been a guy who needed to have his name on the amendment," said Elizabeth Farrar, spokeswoman for Ellsworth's Senate campaign. "His number one concern all along has been that we're preventing federal funding of abortions."

Nonetheless, Ellsworth and his House colleagues are essentially being pushed around by the Senate. Perhaps that's one reason why Ellsworth wants to join what has truly become the upper chamber. And maybe that's why Rep. Baron Hill, D-9th CD, is pondering a gubernatorial run in 2012.

Farrar disputes the notion that the House is powerless. She points to the Blue Dog Democrats, a caucus intent on reducing the federal deficit that includes Ellsworth and Hill.

"That group is a powerful force for fiscal discipline in the House," Farrar said. "The House and Senate leader-ship pays attention."

That could be the case. But most of the time, the House is pretty much ignored. ❖

### Franklin College debate to kick off key GOP Senate sequence

FRANKLIN, Ind. - The critical sequence of the Republican Senate race will open at Franklin College on Monday April 19 when the five GOP candidates seeking to replace Sen. Evan Bayh will debate.

The debate will be from noon to 1:30 p.m. in the Branigin Room of the Napolitan Student Center at Franklin College. The event is open to the public, but tickets are required.

The following day, a live televised event sponsored by the Indiana Debate Commission will take place at 8 p.m. at WFYI-TV in Indianapolis.

The candidates participating are facing off in the May 4 primary election. The candidates are Don Bates Jr., John Hostettler, Dan Coats, Richard Behney and Marlin Stutzman.

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The 2004 gubernatorial debate at Franklin College. (HPI Photo by Brian A. Howey)

Coats has the most political experience as a former U.S. senator, representative and ambassador. Hostettler and Stutzman are also political veterans. Stutzman is a current state senator and Hostettler is a former U.S. representative. Bates and Behney have never held an elected office.

**John Krull, director** of the Pulliam School of Journalism, will moderate the Franklin College event, with journalism students questioning the candidates. Audience members also will have the chance to ask the candidates questions.

"The Pulliam School of Journalism is honored

to host this event, allowing our students and community to get an up-close look at democracy in progress," Krull said.

The debate will air live on 89.5 WFCI-FM. The audience must be seated by 11:55 a.m. to accommodate the broadcast.

The WFYI-TV debate will be moderated by veteran broadcaster Amos Brown. Audio and video feeds will be available to radio stations and IHETS will Web stream the debate live. •



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### Health reforms, from page 1

announced he would seek to challenge Bayh, a move that many at the time believed would completely change the dynamic of the Senate race. With Bayh careening from a centrist to the left during his presidential and vice presi-

dential bids, and then sharply to the right as he geared up for his most intensely challenging campaign since 1988, many believed he was vulnerable.

Later that week, it was Indianapolis-based Wellpoint that became the catalytic factor in reviving the health reforms when it announced rate increases of up to 39-percent for some California Anthem Blue Cross customers.

The fact that Bayh's wife, Susan, sits on the Wellpoint board pitted the controversial Bayh family finances against the political fate of President Obama, who had spurned him for the ticket last August.



CBS News reported that after news of Anthem Blue Cross' planned premium increases first broke, Democrats in both the House and Senate cited little else in arguing their case for refusing to let health care reform slip through their fingers.

Simply put, without the Wellpoint rate hikes, the health reforms were kaput. Instead, the news became the

catalytic factor in reviving the legislation.

A month later, with the health reforms coming up for a vote in the U.S. House, U.S. Rep. Bart Stupak announced that there was no way he could support the Senate version of health reforms. On March 4 he told ABC's Good Morning America that on pages 2,069 through 2,078 "you'll find language that will directly subsidize abortion." Stupak said he had 11 other Democrats in his group - presumably including Hoosier U.S. Reps. Ellsworth, Baron Hill and Joe Donnelly.

For Ellsworth, who helped Stupak negotiate House language last November that led to both

supporting that version, the stakes were higher. Instead of running for reelection in the 8th CD where he had notched two landslide victories, he was seeking a statewide U.S. Senate seat. A "no" vote on the health reforms would be damaging to the Democratic base he needed to be competitive. With a moribund Democratic base, the seat seemed to become almost a sure GOP pick up.

Between March 4 and 16, Ellsworth was mute. The campaign wasn't returning calls. He finally put out a statement on March 16 saying, "I am looking carefully at the current languange of the bill to ensure it meets my pro-life principles, and I will continue to work to ensure pro-life concerns are addressed."

### **Bayh retires**

On Monday, Feb. 15 - the day before ballot qualifying signatures had to be turned in to Indiana's 92 counties - Bayh abruptly announced his retirement from the Senate. While he cited broken Washington politics, Bayh has always been a family man and he was about to see his wife pulled into what had suddenly become a competitive Senate race that would likely turn ugly and personal.

By Friday, Feb. 19, U.S. Rep. Brad Ellsworth moved in the chain reaction that Bayh's retirement began, saying he would seek the Senate seat.

The next day during his weekly Saturday radio address, President Obama used the Wellpoint rate hikes as Exhibit A. "The other week, men and women across California opened up their mailboxes to find a letter from Anthem Blue Cross. The news inside was jaw-dropping," Obama said. "Anthem was alerting almost a million of its customers that it would be raising premiums by an average of 25 percent, with about a quarter of folks likely to see their rates go up by anywhere from 35 to 39 percent."

Obama continued, "The bottom line is that the status quo is good for the insurance industry and bad for America. And as bad as things are today, they'll only get worse if we fail to act. We'll see more and more Americans go without the coverage they need. We'll see exploding premiums and out-of-pocket costs burn through more and more family budgets."

#### Ellsworth and his base

The next day - St. Patrick's Day - HPI circulated among the various parties in Indianapolis and got an earful from a number of Democrats who believed that Ellsworth would likely vote against the reforms. Several told HPI they felt that Ellsworth lacked the statewide acumen, kitchen cabinet and staff to run a viable campaign. Several expressed fear that Hoosier voters might end up with an Ellsworth vs. John Hostettler Senate race - a redux of the 2006 race in the 8th CD that launched Ellsworth's career.

In the March 18 HPI Daily Wire, these concerns were reported in my "Daily Analysis." Ellsworth's staff finally



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responded, leaving a phone message calling the HPI analysis a "low blow."

Rep. Hill seemed to separate himself from the Stupak group on St. Patrick's Day, putting out a release addressing "myths" about what the House would be voting on.

"The myth that the Senate bill contains language permitting federal funding of abortion is disingenuous," Hill wrote. "I have been an ardent proponent of prohibiting any federal funding of abortion services throughout my congressional tenure and take this issue very seriously. The language regarding this issue in both the House and Senate health care reform bills accomplishes that same goal - no taxpayer funds can be used to pay for elective abortions."

The following day, Hill commented on the Congressional Budget Office scoring. That CBO estimate said the reform would reduce the federal deficit by \$138 billion over the first decade and \$1.2 trillion over the second. "One of my primary concerns about health reform legislation is the cost, and ensuring that the proposed

program does not add to our deficit. This bill undoubtedly addresses both of those concerns," Hill said.

With those two press releases, Hill appeared to be a likely yes vote.

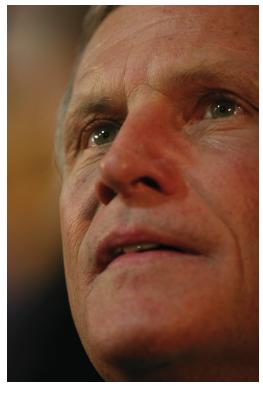
### Donnelly digs in, Ellsworth moves yes

Donnelly, however, appeared to be setting the stage to vote no. He told the Rochester Sentinel on March 9 that there was a "fatal flaw" in the Senate version due to the abortion language. "I would not vote for it," he said.

Stupak was still holding out, as was Donnelly. It appeared that the abortion concerns in the Senate bill would set up a classic case of brinksmanship over the final weekend.

But by late Friday afternoon, before Stupak cut a deal with the White House that had Obama promising to write an executive order that would prevent federal funds to be used for abortion, Ellsworth announced his decision.

"As a pro-life Hoosier, one of my central concerns has been preventing federal funding of elective abortion," Ellsworth explained. "Throughout my brief time in Congress, I have held firm to my pro-life principles, even when it meant going against my party, and I am proud of my 100 percent pro-life voting record on abortion-related



U.S. Rep. Baron Hill talked about "myths" on St. Patrick's Day. (HPI Photo)

issues. I have spent time listening carefully to constituents, pro-life leaders, policy experts and reading all the details of every bill. After assurance from the Catholic Health Association, Catholic nuns and prolife advocates I am confident in my heart that this bill meets my pro-life principles and upholds the policy of no federal funding for elective abortions. More than that, it invests \$250 million in support services for women facing unplanned pregnancies and over a billion dollars to help families afford adoption services. These investments will reduce the number of abortions in America."

Stupak, Hill and Donnelly still held out.

Several Democratic sources told HPI they believed that Ellsworth's decision Friday to support the bill was a blow to Stupak's negotiating stance. It opened the gates for other Democrats to peel away. Hill announced on Saturday he would back the bill. That left Stupak, Donnelly and four other

Democrats holding the fate of the historic legislation. While Democratic congressional leaders like Majority Leader Steny Hoyer appeared optimistic on the Sunday morning talk shows, they still didn't have all the votes lined up.

On NBC's Meet the Press on Sunday, host David Gregory pressed Hoyer, "Where are you this morning?"

**HOYER:** We're going to get those 216 votes because we believe that they understand that Americans want health care reform by overwhelming majorities.

**GREGORY:** Do you have them as we sit here? **HOYER:** I think we're going to have 216 votes when the roll is called, yes.

**GREGORY:** But not yet? You're not nailed down?

HOYER: There's still member...

**GREGORY:** You're still a few behind?

**HOYER:** There's still members looking at it and trying to make up their minds. But we think that there are going to be 216-plus votes when we call the roll.

It wasn't until late Sunday afternoon, after Obama agreed to write an executive order, that Stupak and Donnelly and the other four became the last six Democrats to support a bill that would pass 219-212.

Donnelly explained, "I expressed opposition to the Senate bill over the past few months because it did not



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meet my standard for prohibiting the use of federal funds for abortion-related services. Unfortunately, the Senate has refused to pass language I helped pass through the House last year to maintain traditional prohibitions against federal funding for abortions.

"Today the president will sign an executive order that increases the protections in this bill to make sure that the Hyde Amendment, our current law, is upheld throughout the entire health insurance reform bill," Donnelly continued. "The executive order will ensure that no tax credits or cost-sharing reduction payments will be used for abortion-related services in the insurance exchange and ensures that federal community health center funding is subject to the Hyde Amendment. As a pro-life congressman, I will

continue to act according to my deeplyheld beliefs and those of my constituents. I believe that means opposition to abortion as well as improving access to health care for all people."

#### Ellsworth's challenges

While Obama's signature on the bill Tuesday may have saved his presidency, it has left Ellsworth with immense challenges. A Rasmussen Reports poll (500 likely, March 17-18) shows Ellsworth trailing both Hostettler and Coats. Hostettler leads Ellsworth 50-32 percent and Coats with a 49-34 percent lead over the Evansville Democrat. State Sen. Marlin Stutzman leads Ellsworth 41-34 percent.

The poll shows that President Obama's approve/disapprove in Indiana stands at 39/60 percent and that 62 percent favored passing smaller bills dealing with health reform as opposed to the one that passed the House on Sunday and was signed into law by Obama on Tuesday.

Some 30 percent approve of Obama's handling of health reform and 57 percent say he's done a poor job. Rasmussen reported that when it comes to health care decisions, 55 percent fear the federal government more than private insurance companies. Thirty-five percent fear private insurers more. Fifty percent have a favorable opinion of the Tea Party movement, while 29 percent view that movement unfavorably.

Yet only 20 percent of Indiana voters say they are part of the Tea Party movement. Two out of three Indiana voters (66 percent) say it would be better for the country if most congressional incumbents were defeated this November. However, 34 percent say their local representative in Congress deserves reelection, although 39% disagree.

Democratic pollster Peter Hart told the Washington

Post, "Unless they get Democrats interested in this election, they're going to get smoked. The most important thing for them is to develop interest. I think a 'yes' vote and a Democratic victory helps to change that dynamic."

Another Democratic pollster, Stanley B. Greenberg, wrote in Tuesday's New York Times: While the health care battle over the previous nine months had intensified opposition to reform and fueled the "tea party" revolt, the last two months produced the opposite effect. A poll that I conducted with the Democratic strategist James Carville for Democracy Corps over the past week showed a 5-point increase in the number of self-identified "intense" reform supporters, to 24 percent.

Likewise, the Kaiser Family Foundation's latest poll

found that 28 percent of respondents were now "strong" supporters, up from 19 percent in January, Greenburg wrote. Across the public polls, while a literal majority of 50 percent opposed the reform package, the number in favor rose last week to an average of 42 percent. Voters have been watching the two parties and starting to recalibrate in favor of the Democrats who, if one averages polling by the Associated Press, CNN, and NBC/Wall Street Journal, now hold a 9-point average advantage on the question of which party would do a better job with health care.

Greenberg added, "In addition, Republicans may have crossed a line with voters, particularly independents. In our Democracy Corps poll, we found that favorability ratings among independents for incumbent Republican members of Congress had dropped by 11 points in the last month, to just 42 percent. The Republican vote among independents

in the congressional ballot dropped by 12 points. Why? Independent voters may have been stirred by Senator Jim Bunning's one-man filibuster that stopped work sites and unemployment checks. They may have noticed the Republicans' last stand for the insurance companies, just as one of the largest insurers, WellPoint, raised its rates 39 percent. As we look to the 2010 midterms, one must not overestimate the role the health care debate will play with voters. The economy remains the dominant concern."

If there is a salve for Ellsworth, he at least has a workable Democratic base, but he must re-energize it. Bayh decided to donate \$1 million of his \$13 million war chest to kick-start a Senate campaign that normally takes months to plan, but instead was formed abruptly and under the most difficult policy and political dynamic since, perhaps, the American Civil War. •



U.S. Rep. Joe Donnelly was the last Hoosier Blue Dog to back the health reforms. (HPI Photo)



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### New health law likely to bring unintended consequences

#### By BRIAN A. HOWEY

FRANKLIN, Ind. - There was isotope coursing through my organs last week at St. Vincent's Nuclear Heart Center when Fox News broke in with live coverage of U.S. Rep. Dennis Kucinich's decision to support the Senate version of the health reforms.

I was doing what I was supposed to be doing - preventative medicine. A routine annual physical resulted in a chest x-ray just to make sure the preexisting condition inducing melanoma I had back in 2002 wasn't making a comeback. And there was a heart stress test because I

haven't heeded my wife's pleas to resume my racquetball career. Both tests came back negative.

In each case, I asked the doctors and nurses shepherding me through the process how they felt about the health reforms. In the case of my family physician - Dr. Billie Gosnell - he had been telling me for years the system was broken and needed a fix. But the massive health bill being debated in the U.S. House was, in his mind, a house of mirrors. "I'm glad I'm not coming into the profession now," he said.

The specialists at the nuclear hearth center were also skeptical. The key thing - allowing insurance companies to sell across statelines - wasn't in the mix. One doctor told me that was the most important reform that could happen. Competition would bring prices down.

All the doctors I talked to were concerned about the Medicare/Medicaid reimbursements. One said he might explore just practicing for cash. Dealing with for-profit insurers and now the reduced Medicaid/Medicare is a no-win situation.

Mostly, however, the sentiment was that of the unknown. They didn't know what the impact would be.

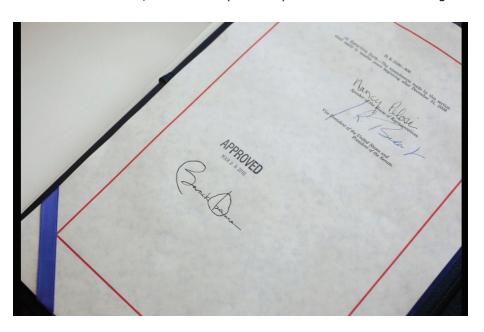
#### All the political experts

In the political realm, however, everyone has become an expert. Democrats were quick to defend their votes as if the bill President Obama signed on Tuesday was a panacea for what ills America. Republicans were calling it a "catastrophe" that would literally usurp our freedoms.

Gauging the political realm is like watching one party in the universe and the other in the alternative universe. They say the average human brain uses about a tenth of its capacity and perceives perhaps 20 percent of all the data available. That's why Aztec scouts didn't see Cortez's flotilla as it approached. They couldn't wrap their minds around the concept, so it didn't exist.

#### Born again deficit hawks

Watching the two political camps talk past each other, confined to their own ruts, led me to write in Tuesday's HPI Daily Wire analysis that I didn't think anyone really knew what they were talking about. Some of my readers were offended, but I still believed it after a few more days of listening to the hope, hype and propaganda. I am for health reform; it's something I've often written about since 2002. But as this thing landed on President Obama's desk, I saw it as a pinatta - you know there's something



inside, you're just not exactly sure what it is.

There is also selective outrage. Since Republicans lost control of Congress in 2006 (after six years of total power in Washington) and the White House in 2008, many have become born again deficit hawks. President George W. Bush's 2004 Medicare Prescription Drug Plan was the biggest entitlement expansion since LBJ's Great Society, yet few Republicans (a notable exception is U.S. Rep. Mike Pence) expressed any outrage that it was placed on the American credit card, payable by our children. The prescription plan, the two wars in Iraq and Afghanistan that were off the books, along with the unpaid Bush tax cuts, are responsible for a 2001 surplus of \$460 billion going



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to a \$1.2 trillion deficit that Obama inherited. Obama has layered on a health reform that claims to reduce the deficit \$138 billion over the next decade. But how does a \$940 billion bill save \$138 billion over the next decade?

These types of revenue estimates - be they state revenue forecasts or White House Budget Director Mitch

Daniels's \$60 billion cost estimate of the Iraq War (now more than \$1 trillion) - are problematic. As former senator Dan Coats explained, "We are adding a whole, big entitlement program with unforeseen consequences." Washington and politicians, Coats says, often make forecasts "that rarely turn out to be true."

Another question for Republicans: The health care dilemma has been around for decades. It was something President Reagan, Health & Human Services Sec. Doc Bowen, and the Clintons attempted to address with little success. Gov. Daniels laments that a free market approach wasn't taken here, yet not only did the Bush

43 administration take a pass, they opted for the unfunded entitlement sprawl. Given that epic lost opportunity, how much credence should be heeded with the current whine?

In something as immense and profound as the new health reforms, there will be elements that will work, others that will need to be tweaked and others jettisoned.

#### Truth lies in the middle

Kevin Woodhouse, an Ice Miller attorney specializing in health care, agreed with that assessment. "The ultimate result of all this is going to end up somewhere away from the left and right and somewhere in the middle," said Woodhouse. "Whether it's a good thing depends on your perspective and how you're impacted."

"The administrative application will be important," Woodhouse said.

Gov. Daniels has been sounding the alarm over the impact of Medicaid on the state. There are FSSA estimates that it could cost the state \$2.3 billion as some 750,000 new Medicaid recipients will be added to the rolls. About 66 percent, to be phased out over time, will be off-set by the federal government. The 44 cent cigarette tax that funds the Healthy Indiana Program can be applied to Medicaid.

"That's up in the air," Woodhouse said. "There are federal supplements that pay cost of states for a period of time, but how that plays out over time, all states will have to address. Ultimately it will increase expenses for states, there's no question."

This gets into a values question.

Gov. Daniels sees it from the impact on taxpayers.

"Hoosiers will also face higher state taxes as Medicaid rolls explode," he said. "It will raise by trillions the crushing debt we already are leaving young Americans; any claims to the contrary are worse than mistaken, they are knowingly fraudulent. In a life of optimism about America and its future, this morning I am as discouraged as I can remember

being."

But Senate Minority Leader Vi Simpson views it from the social safety net. "I am disheartened to hear that the governor is discouraged by the prospect of 744,600 uninsured Hoosiers who will now have the opportunity to access health care," Simpson said. "I, however, am optimistic about the future and for the thousands of Hoosiers who will now be able to receive health care and for senior citizens who will now have access to prescription drug coverage."

This part of the issue screams for more data. For years we've watched Wishard Hospital and other inner-city medical centers run towering defi-

cits. As magnets in the urban core, they're havens for the uninsured whose lives don't include preventative care. They show up when there's an emergency. Taxpayers and consumers are already paying for that. By adding 744,000 people to the Medicaid rolls, will that just bring the hidden costs taxpayers are already paying out into the clear?

These are values that have and will continue to be thrashed out ideologically between the two parties.

If I'm asked to pay \$2 a paycheck so that there is universal coverage, is that a trade-off I'm willing to make? Has the state looked at all options? Would, for instance, the decriminalization and taxation of marijuana be an option that could pay for the coverage, regulating what is now an underground commodity? (Reallocate the criminal justice savings - police, prosecutor, court and inmate rent at the county jail or DOC; taxpayers pick up the tab for all of it, we just never see the bill.)

### Payments to doctors and capacity

Another gray area comes with Medicare/Medicaid reimbursement to doctors.

J. Cameron Carter, vice president at the Indiana Chamber of Commerce, views the Congressional Budget Office estimates as hokum. He says it's "suspect at best" because it doesn't include the payout to doctors. "They designed the bill to score under \$10 billion a year so they could sell it politically," Carter said. The Medicare/Medicaid reimbursements weren't included "because it would add to the deficit and national debt. It will add trillions to the national debt."



Gov. Daniels and Senate Minority Leader Vi Simpson articulated the philosophical differences between the two parties this week.



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Woodhouse observed, "On what basis will these services get paid, is it going to be Medicaid? Medicaid rates for providers are significantly lower than what they get paid by insurers. In fact, on some basis, it costs them more to provide the service than they get paid." The Medicare payout to physicians is better, but still lower than private insurance. "There are things in the bill that increases payment to primary physicians, but how it works, how it is implemented is a real question," Woodhouse explained.

Another huge gray area is capacity.

Indiana was facing a doctor/nurse capacity issue well before anyone even heard of Barack Obama. Since Massachusetts Gov. Mitt Romney passed that state's universal coverage, they're now dealing with capacity issues. John Iglehart, writing in the New England Journal of Medicine, notes: In a recent survey of Massachusetts physicians, those in 7 of 18 specialties reported shortages of doctors. Also, 40 percent of family doctors (up from 30 percent in 2007) and 56 percent of internists (up from 49 percent) said they were not accepting new patients. The

Massachusetts Medical Society's Dr. Mario Motta, whose organization conducted the survey, believes that the "analysis can be instructive on a national level about what physician supply means for access to care when universal coverage is implemented."

Motta explained, "Universal coverage doesn't equate with universal access."

Iglehart writes: The federal government has invested virtually no money in monitoring trends in capacity, and Congress has paid little attention to questions related to the health care workforce. In the context of reform, there are two main reasons for sidestepping such issues: money and politics. As Republicans have increasingly attacked reform proposals for being too expensive, Democrats have accelerated their efforts to shave billions of dollars off the early cost estimates.

In September 2009, Investors Business Daily conducted a survey and found "two of every three practicing physicians oppose the medical overhaul plan under consideration in Washington, and hundreds of thousands would think about shutting down their practices or retiring early if it were adopted." The poll contradicts the claims of not only the White House, but also doctors' own lobby - the powerful American Medical Association - both that suggest the medical profession is behind the proposed overhaul. It also calls into question whether an overhaul is even doable; 72 percent of the doctors polled disagree with the administration's claim that the government can cover 47 million more people with better quality care at lower cost.

Carter asks, "Can you imagine one of the unintended consquences would be pushing out a third to a half

of our medical doctors? What are the lines going to be like getting into seeing your doctor?"

Woodhouse explains, "The other challenge for providers and primary care physicians is whether we have enough time to service 32 million more Americans. There are providers who are burned out already. Do we have enough capacity in the system to service more Americans? That's one of those unknown questions."

#### **Epilogue**

The Civil Rights Act, Medicare, the Vietnam War and the Clinton impeachment were the most emotional, devisive issues of my lifetime until now. Carter calls this week the "end of the beginning" as Republicans like Pence, Marlin Stutzman, Dan Burton, Todd Rokita and Don Banks Jr. are calling for repeal.

Good luck on that. Repealing anything that extends benefits will be heavy, heavy lifting.

Democats such as Reps. Brad Ellsworth and Baron Hill are just now beginning to formulate and mount a

defense that centers on the immediate benefits on topics ranging from preexisting conditions to keeping adult children on family medical plans until age 26.

Beyond the icing of benefit and rage, the American political scene is condemned to see more outrage, propaganda and divisiveness. There are disturbing hints of violence.

Late this morning, U.S. Rep. Mike Pence said, "The American people don't

want a government takeover of health care. The policy, the backroom deals and the arrogance have angered millions. But that is no excuse for bigotry, threats or acts of vandalism and I condemn such things in the strongest possible terms. People who engage in such acts undermine our cause and should be prosecuted to the fullest extent of the law. But I also rise to condemn the efforts to smear millions of law abiding Americans who oppose ObamaCare by associating them and their principled opposition with these criminal acts. The American people have every right to oppose this government takeover of health care without being lumped in with bigots and vandals by liberals in Congress and in the mainstream press."

The middle range of the spectrum has fallen away after decades of gerrymandered districts that protect all Congressional leaders and push the left and right fringes further outward. Both political parties are responsible for the explosion of debt that could doom the empire in which we squabble today.

The lack of common ground sets the stage of pyhrric victories. •





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### Repeal and replace

#### By DAVID McINTOSH

WASHINGTON - President Obama campaigned as the one who could unite America. But his approach to health care shows he has become a divisive rather than a unifying President. He led his party to use deception, political payoffs, and in some cases Chicago-style thuggery to ram through a bill that even House Democrats who



voted for it agreed was deeply flawed. Even after the President declared history had been made, polls show the country remains very skeptical and deeply divided.

Republicans are making headway with their approach of "Repeal and Replace", i.e. starting over with the health care solutions that are broadly supported by most Americans. In vowing to "replace" Democrats who voted for the bill, they will certainly remind voters of the tax

increases, the lost jobs, the huge new government spending and the Medicare cuts that are a result of Obama-cares.

Here in Indiana, Rep. Ellsworth's health care vote practically guarantees a Republican will replace Sen. Evan Bayh next fall. The GOP has a good chance of winning not only the Ellsworth House seat, but also two others - Democratic Congressmen Baron Hill and Joe Donnelly ran as conservatives, but voted "yes" for the government health care takeover.

The challenge for Republicans will be to present a coherent alternative to the Obama agenda. First they must rally around fundamental principles. The answer can be found in a manifesto released by conservative leaders last month known as "The Mount Vernon Statement of Constitutional Conservatism." On February 17th I joined a group of conservative leaders including Former Attorney General Ed Meese, Family Research Council President Tony Perkins, Americans for Tax Reform President Grover Norquist and others who drafted, presented, and signed the Mount Vernon Statement. This document is a reiteration of our conservative first principles: limited government, free-markets, individual rights, a strong national defense, and traditional values as the foundation of our culture.

**"We recommit ourselves** to the ideas of the American Founding. Through the Constitution, the Founders created an enduring framework of limited government based on the rule of law. They sought to secure national independence, provide for economic opportunity, establish true religious liberty and maintain a flourishing society of republican self-government . . .

"A Constitutional conservatism based on first principles provides the framework for a consistent and meaningful policy agenda:

- It applies the principle of limited government based on the rule of law to every proposal.
- It honors the central place of individual liberty in American politics and life.
- It encourages free enterprise, the individual entrepreneur, and economic reforms grounded in market solutions.
- It supports America's national interest in advancing freedom and opposing tyranny in the world and prudently considers what we can and should do to that end.
- It informs conservatism's firm defense of family, neighborhood, community, and faith."

As conservatives the signers of the Mount Vernon Statement affirmed that Congress and the President are bound by the Constitution and entrusted with the duty to respect the rights and the structure of limited, free and democratic government enumerated by our founders.

Republicans in Washington show signs they get it. Later that same week my good friend, Congressman Mike Pence, spoke to the Conservative Political Action Conference (CPAC) in Washington, D.C. and reminded us where the energy behind these conservative ideas comes from: "The American people have been on the march to restore the timeless values that built this nation. A march that was first bugled by you, right here in this room, one year ago. The American people are on the march. And they're on the march to win back America. Facing overwhelming opposition - you stood firm. And you inspired a nation. Because of you, the question of American renewal is no longer 'if.' It's 'when.'"

The days ahead give Rep. Pence and Republican leaders the chance to take these ideas to the voters. They will have chance this fall to decide the course our country takes next. •

McIntosh is a former Republican congressman from Indiana and now practices law in Washignton, D.C. He is a founding member of the Federalist Society.

## The Litigious Right to the rescue

By CHRIS SAUTTER

WASHINGTON - In the wake of the U.S. Supreme



Court's landmark decision in Brown v. Board of Education, several mostly southern states went to great lengths to resist the new federal mandate of racial equality in the schools. Millions of tax dollars were spent and years were wasted on a lost cause that served



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only to further polarize the public and delay equal access to public education.

Having lost their effort to block passage of health care reform in Congress, Republicans have turned to the courts to deny equal access to health care. Thirteen state attorneys general filed legal challenges Tuesday to health care legislation signed into law by President Obama. Rather than leave health care policy to the nation's duly elected representatives, the litigants are using state resources to overturn in the courts passage of a law which, among other things, will provide health coverage for millions of uninsured Americans and prohibit insurance companies from indiscriminately dropping people from coverage.

The action is both hypocritical and arrogant. For years, conservatives have made railing against "junk lawsuits" and "activist judges" a part of their standard talking points. But when it comes to pursuing their own right-wing causes, conservatives have laid down a well-beaten path to the courthouse door. Using tax dollars to underwrite their ideologically driven lawsuit is no problem for them.

Based on existing legal precedent alone, the odds against the attorneys general should be impossibly long. Decades ago, the U.S. Supreme Court held that the business of the insurance industry falls within Congress' regulatory authority under the Commerce Clause. Courts have consistently held that the Constitution grants Congress broad authority to regulate activity that has economic impact across the states. Contrary to the assertions in the complaint filed Tuesday, mandatory insurance is neither burdensome nor unprecedented. For those who would prefer not to pay for coverage, the mandate is no more burdensome than Social Security and Medicare taxes. Indeed, there are no case citations in the complaint filed by the 13 attorneys general.

But conservatives feel they have an ace-in-thehole in the U.S. Supreme Court. Two recent cases indicate some willingness by the Court to scale back the reach of the Commerce Clause. Furthermore, the Court led by Chief Justice John Roberts has shown a disturbing willingness to undue established precedent in pursuit of an activist, conservative agenda.

**Rhetoric notwithstanding,** judicial activism is no longer a dirty word among conservatives. The courts, increasingly populated by Reagan and Bush appointees, have become more receptive to conservative legal theories in recent years. Many judges, like Roberts, appointed by Republican presidents have shown a willingness to eschew precedent for conservative results.

The growing conservative nature of the judiciary is the product, in part, of the conservative legal countermovement begun in the early 1970's in reaction to the court successes of civil rights movement. The goal of the

conservative legal movement is not simply to slow down a trend toward liberalism in America, but to reverse it. It is to restore rights recognized by the courts before the New Deal and the Progressive Era of the early 20th Century, and to protect the conservative goals of limited government, property rights, and unfettered business activity.

To pursue these goals, right wing litigation shops and conservative law centers have proliferated throughout the nation. For example, the Mountain States Legal Foundation, founded with the help of the late Joseph Coors, battles environmental groups and protects property rights in the West. The Center for Individual Rights initiates legal challenges to affirmative action. Other conservative groups in recent times have taken on blatantly political causes. The Rutherford Institute, a conservative public interest group in Virginia, represented Paula Jones in her sexual harassment lawsuit against President Clinton.

The Federalist Society, a kind of umbrella group of this growing and somewhat complex network of conservative legal activists and their patrons, is at the center of the conservative legal movement. Many if not most conservative judges and lawyers in America belong or once belonged to the Federalist Society, including Supreme Court justices Antonin Scalia, John Roberts and Samuel Alito.

Their goal is to not simply to end affirmative action and kill social programs like health care reform. It is turn the clock back to a time before the New Deal and Brown v. Board of Education and to resurrect the states rights' doctrine which tumbled down with Jim Crow laws. This network will guide the legal strategy of the case to overturn health care reform they hope to the Supreme Court.

In the end, the battle over health care is an argument about what kind of social network we want in America. It is a debate that goes to the fundamental nature of America's society, whether it will provide opportunity and equal access to things like quality schools and health care. Or whether it will exclude large segments of the population from equal access to such basic opportunities.

As Republicans cheer on Tea Party racism and violence, the resistance to universal health care has a feel of déjà vu all over again. It is reminiscent of the fight for fundamental rights during the civil rights era. The stakes are enormously high on both sides. •

Chris Sautter is a Democratic consultant based in Washington, DC. He is an adjunct Professor at American University where he teaches courses on election law and the U.S. Supreme Court.



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# Ellsworth's crash course in running for the U.S. Senate

#### By BRIAN A. HOWEY

FRANKLIN, Ind. - A normal Senate campaign would take months to plan, detail and finance. For U.S. Rep. Brad Ellsworth, it's been just over a month since he was thrust into the race after U.S. Sen. Evan Bayh bugged out.

Layer on top of that some of the most difficult,



partisan and nasty public policy and ensuing politics - and the end result is a set of towering challenges. Ellsworth finished a tumultuous week by announcing on Friday he would support the Obama health care plan and then making the vote on Sunday.

Two days later a Rasmussen Reports poll showed his 2006 8th CD nemesis John Hostettler with a 50-32 percent lead over him. He trailed Dan Coats 49-34 percent and

State Sen. Marlin Stutzman 41-34 percent. Just 35 percent of Indiana voters favor the plan proposed by the president and congressional Democrats, while 63 percent oppose.

By Wednesday, the Indiana Republican Party surfaced with a slick "Bad for Indiana" website, with the "R" struck out of his first name. The site - www. badforindiana.com - says, "Every chance he had, Rep. Brad Ellsworth voted for a

government takeover of healthcare. But the effects of that healthcare bill reach farther than you might imagine.

"Brad Ellsworth's vote potentially put thousands of Indiana jobs in jeopardy. His vote was a job killer, and he chose party loyalty, higher taxes and out of control spending over the view of an overwhelming majority of Hoosiers."

The site details the 2.3 percent medical device tax that could impact 3,500 jobs at DePuy, 2,800 at Zimmer Holdings, 1,000 at Othy, 950 at Biomet, and 500 at Medtronic. Because the Healthcare Reconciliation Bill contained a federal takeover of student loans, the 1,600 Hoosier jobs at Sallie Mae's office in Fishers and 700 in Muncie

"are surrounded by a cloud of uncertainty." And there was the story out of Caterpillar, which noted that the law could cost the company \$100 million annually.

For his part, Ellsworth began his defense of the bill on Tuesday, putting out a 10-point press release detailing the benefits of the bill. Ellsworth noted that it provides tax credits for small businesses, ends preexisting conditions, reduces prescription drug costs for seniors, strengthens Medicare by "focusing on senior care," reduces the number of abortions, cuts the deficit "by \$1.2 trillion over the next 20 years," protects young Hoosiers transitioning to work, reduces costs, "makes insurers compete for our business," and "protects families from medical bankruptcies."

Ellsworth said, "As I was deciding whether to support this reform, I needed to know the answer to only one question: Will this bill benefit Hoosiers?

"Put simply, in my core I know it does. This bill will lower costs for millions of middle class Hoosiers who struggle to pay their skyrocketing insurance premiums, ensure children are never again denied coverage because of a preexisting condition, provide relief to small business owners crippled by the cost of providing coverage to their employees, and strengthen Medicare for the seniors who are counting on it."

On Wednesday, after President Obama signed the



Republicans have launched a website taking U.S. Rep. Brad Ellsworth over the job losses they attribute to the health reform law.

executive order that won't allow federal funding for abortion, Ellsworth said in a statement, "As a pro-life Hoosier, one of my central concerns has been preventing federal funding of elective abortion. Throughout my life and my brief time in Congress, I have held firm to my pro-life principles, even when it meant going against my party, and I am proud of my 100 percent pro-life voting record on abortion-related issues. After spending time listening carefully to constituents, pro-life leaders, policy experts, reading all the details of every bill and receiving the assurances from the Catholic Health Association and Catholic nuns, I was confident in my heart that the bill met my pro-life principles



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and upholds the policy of no federal funding for elective abortions. Today's executive order puts the force of the White House behind the pro-life principles in the bill and restates existing law that not one dollar of taxpayer money will be used to fund abortions."

Ellsworth will be introduced in South Bend on Saturday in a rollout for his U.S. Senate campaign where he will receive a number of Democratic endorsements. St. Joseph County Democratic Chairman Butch Morgan told HPI that Ellsworth will also appear at the Dyngus Day celebrations in South Bend and Mishawaka on April 5.

In other Republican Senate race news, the Elkhart Truth reported that as of last Thursday, Don Bates Jr. had a delinquent \$806 property tax bill on his Winchester home. When his campaign was contacted, he promptly paid the bill on Friday. **Republican Primary Horse Race Status:** Leans Coats

#### **2ND CD: Donnelly, Daniels trade shots**

The first fireworks on the health debate occurred Monday morning when Gov. Mitch Daniels waged a vicious assault, not only saying the law would "raise taxes drastically" but adding that anyone who disagrees with that assessment is "knowingly fraudulent."

Within minutes, U.S. Rep. Joe Donnelly disagreed with the governor's assessment. Asked by a reporter on a conference call if Daniels' numbers are wrong, Donnelly said, "I don't agree with his numbers." Donnelly said that small businesses "will get a 35 percent tax credit on insurance that they provide their workers. Smaller businesses have no obligation at all, but they will still get that tax credit. This will be a significant cost saver."

Donnelly added that companies which saw 20 percent increases in health insurance "every year" will now "begin to compete with companies from other countries where they don't deal with that burden."

State Rep. Jackie Walorski's campaign told HPI that within hours after President Obama signed the health reforms into law, her campaign raised \$11,000 in online contributions. On Wednesday, she was criticizing both Donnelly and President Obama. "The executive order signed this afternoon isn't worth the paper that it is written on," Walorski said. "President Obama has been called one of the most pro-abortion Presidents in the history of our country and it is an absolute fallacy for Democrats like Joe Donnelly to tell taxpayers that federal dollars are not or will not be going to fund abortions. That is why pro-life groups like the Susan B. Anthony List, the National Right to Life, and the US Conference of Catholic Bishops have all criticized this superficial action. Until Planned Parenthood is defunded, federal dollars are being used every day to provide abortions and despite all the rhetoric this executive order does nothing to change that."

Since Monday, the Walorski Campaign has collected over 1,000 petition signatures in support of efforts to repeal and replace the health care law and support state challenges to the legality of the legislation. The petition can be found online at www.StandWithJackie.com.

#### 4TH CD: Rokita begins TV ads

State Sen. Brandt Hershman (R-Buck) 4th District congressional candidate, called on Gov. Daniels and Indiana Attorney General Greg Zoeller to file suit challenging the constitutionality of the requirement in the new healthcare bill that all Americans purchase health insurance. "I agree with many constitutional scholars and lawmakers from across this country that the government takeover of healthcare is against the U.S. Constitution and infringes on states' rights," said Hershman. "The 10th Amendment reads, 'The powers not delegated to the United States by the Constitution, nor prohibited by it to the states, are reserved to the States respectively, or to the people' and I strongly believe that this legislation breaks this amendment."

In his letter to Governor Daniels, Hershman stated, "In your role as our chief state executive, you are in a unique position to protect the sovereignty of our state and the liberty of our citizens. I encourage you and Attorney General Greg Zoeller to move thoughtfully, yet swiftly, on behalf of fellow Hoosiers."

In other news, Indiana Secretary of State Todd Rokita's 4th District congressional campaign began running TV ads this week. Congressional Quarterly is calling Rokita the frontrunner: With six weeks remaining until the primary, Republican officials say Indiana Secretary of State Todd Rokita is the front-runner — in large part because of the name recognition he achieved during two statewide campaigns and seven-plus years in office. Rokita "is probably in the driver's seat just because of his name ID, his ability to go out and raise money in pretty short order and put an organization together," said Mike O'Brien, the neutral chairman of the GOP organization in vote-rich Hendricks County, just west of Indianapolis.

And one Democrat, Rev. Mark Powell of Whiteland, dropped out of the race. Powell said: "After witnessing what occurred on the floor of the (U.S.) House of Representatives last night, I cannot in good conscience continue to actively seek a nomination that is morally worthless from a major political party that claims to be open to pro-life members." **Republican Primary Horse Race Status:** Leans Rokita

#### 5th CD: Messer, Murphy begin TV ads

Challengers Luke Messer and Mike Murphy kicked off their TV ad campaigns this week. Messer's is a traditional bio-ad with shots of him and his family. The ad says that he helped "Mitch Daniels turn a deficit into a surplus" and



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that he is "conservative and pro-life." Murphy's add assails the "big spending Congress" and questions Dan Burton's record. Murphy says in the ad, "To fix this mess and create jobs, we need to cut spending and taxes and limit political terms. Twenty-eight years of Dan Burton is enough."

Brose McVey trained his sights on Messer and not Burton. He released a statement saying, "... Luke Messer has made fundraising his core mission, priority and area of emphasis." McVey, who says he won't take money from special interest groups, asserts Messer's "vision" is to: "Raise more, and more, and more money from big business executives and special interest groups in Indianapolis and use it to purchase television ads and junk mail."

Burton, meanwhile, said he would support a legal challenge to the constitutionality of the health reform law. **Republican Primary Horse Race Status:** Leans Burton

#### 8TH CD: Boehner, McConnell coming

The dollar figures are eye-popping and the names among the biggest in American politics (Evansville Courier & Press). A private fundraiser at Steve Chancellor's Henze Road mansion on April 18 will bring to Evansville the two highest-ranking Republicans in Congress — House Minority Leader Rep. John Boehner, R-Ohio, and Senate Minority Leader Sen. Mitch McConnell, R-Ky. Chancellor is the chief executive officer of American Patriot Group. Former Vice President Dan Quayle, Gov. Mitch Daniels, Sen. Richard Lugar, R-Ind., and several other U.S. senators and House members also will attend. Contributions for the event go as high as \$50,000. The cheapest ticket costs \$500 per couple. The fundraiser, expected to generate hundreds of thousands of dollars, will benefit the National Republican Senatorial Committee and the National Republican Congressional Committee. But no one should show up at Chancellor's place expecting speeches or a rally. "My guess is that this is going to be a more or less intimate affair," said University of Evansville political scientist Robert Dion. "When Chancellor has had these events in the past, they bring in Hollywood celebrities, major political figures and they do their part as one of a very elite set of fundraisers across the country."

#### 9th CD: Palin takes on Rep. Hill

Former Alaska Gov. Sarah Palin rolled out a list of Democratic members of Congress she intends to target for defeat this year, announcing that she'll go after lawmakers who voted for health care reform and hail from districts she and Arizona Sen. John McCain won in the 2008 presidential election (Politico). The list includes U.S. Rep. Baron Hill. "With the president signing this unwanted and 'transformative' government takeover of our health care system today with promises impossible to keep, let's not get discouraged," Palin wrote in a post on her Facebook wall, urging

supporters to not "get demoralized. We're going to hold them accountable for this disastrous Obamacare vote. We'll aim for these races and many others. This is just the first salvo in a fight to elect people across the nation who will bring common sense to Washington." Palin's Facebook page used gun crosshairs to identify her political targets.

The four candidates seeking the Republican nomination in the 9th District congressional race plan to face off April 10 in North Vernon for what could be the race's only debate before the May 4 primary (Louisville Courier-Journal). Former Rep. Mike Sodrel of New Albany, developer Travis Hankins of Columbus, prosecutor Todd Young of Bloomington and Rick Warren of Elizabethtown have confirmed they will attend the event at the Jennings County Fairgrounds.

But getting the diverse group together for other debates has so far proven difficult, in part due to the campaign of Sodrel, who has been the Republican nominee in the past four 9th District races. "We're not avoiding debates," said Jeff Canada, a spokesman for the Sodrel campaign. "We've just had a difficult time trying to get them scheduled. We have a very tight schedule and Mr. Sodrel is very reluctant to cancel something to make room for something else." **Republican Primary Horse Race Status:** Leans Sodrel

#### **HD19: Bosma says Klein is leading**

Former Crown Point mayor Dan Klein officially opened his campaign Tuesday, signaling the beginning of the election season for district residents (Quilligan, Times of Northwest Indiana). Indiana House Minority Leader Brian Bosma helped launch the campaign for Klein at The Conservative Cafe. Bosma told about 100 people in attendance that in a poll done about a month ago, Klein polled ahead of incumbent state Rep. Shelli VanDenBurgh, D-Crown Point, who is running for reelection. He declined to say how much Klein was ahead. The poll was commissioned by House Republicans. "Dan Klein is the guy that can win the district this year," Bosma said.

#### 2012 Governor: Skillman for Indiana

The Skillman for Indiana Committee put out a press release on Monday following her interview with Fox Chicago News questioning the need for a Lt. Governor. (IL House Speaker Michael Madigan has introduced a constitutional amendment to dissolve the position, left vacant there since Gov. Rod Blagojevich's impeachment.) Julia Hurst, Executive Director of the National Lieutenant Governor's Association, told FOX, "Indiana's Lieutenant Governor is responsible for more duties than any other Lieutenant Governor nationwide." Her campaign says she has 46 constitutional and legally approved duties. Including presiding over the Senate and managing five agencies. \*



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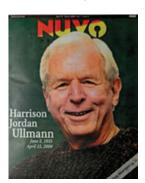
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### 10 years gone

#### By BRIAN A. HOWEY

It has been almost a decade since Harrison J. Ullmann, NUVO editor for most of the 90's, departed earth in April 2000. So much has happened since then that he could never have predicted. There's a black man in the White House, Steve Hammer is working for a Fortune 500 company, and Bob Garton and Larry Borst were bounced from what he used to call "America's Worst Legislature."

Washington was attacked for the first time since 1814, terror pilots destroyed the World Trade Center and



the Indianapolis Colts graced two Super Bowls, winning one. Ullmann couldn't have forecast that Peyton Manning would keep the city in the major leagues. Down in Fountain Square, there are pockets of sunflower gardens, slowly taking on one of Harry's most emotional initiatives - getting the lead out of the soil.

There were two conversations that stand out in the three years I worked with Ullmann at NUVO. Both

help frame in my mind the workings of a great journalist.

The first occurred in late 1997 in a nondescript hotel room near the airport. We sat for more than an hour with U.S. Sen. Dick Lugar, and his communications director, Andy Fisher. The thrust of Ullmann's curiosity was the IPS desegregation order of federal Judge S. Hugh Dillon in the early 1970s. It wasn't a topic that Lugar had spent much time on since he entered the U.S. Senate in 1977. But as an IPS Board member, Lugar had drafted (and passed) a voluntary desegregation strategy in the mid-1960s called the Shortridge Plan. It was only in place for a short time before the school board reversed itself. That move led directly to Judge Dillon's order.

Over the next quarter century, the school buses rolled across the old city and into the suburbs. Some kids would spend a couple hours a day riding above two axles. And IPS enrollment went on a long, steady decline due to white flight from the old city, to the townships, and then beyond the county lines - to what Ullmann called the "Greens" - Greenfield, Greenwood, Greencastle - where no judge could tell THEM where THEY had to put THEIR kids in WHICH school.

"What did we get for the billions spent?" Ullmann asked Lugar. The graduation rates were in free fall. IPS enrollment has been in steady decline ever since. What were the metrics that gauged whether this could be classified as any type of success? How were the kids benefiting? Or were the true beneficiaries the garage mechanics patching up the bus fleet and the fuel distributors pumping gas into the Blue Birds?

There was a long, long pause and Lugar finally spoke. Busing is a "train wreck" that should be stopped, he said. He acknowledged there were no metrics in place to support that kids were benefiting. It was a fascinating foray for the alternative press, seeking out the influential who could possibly lend some credence or condemnation on social and legal forces that impact scores of families.

**Within months, Judge Dillon** modified and gradually pulled back the order. I could never get a definitive answer from the key players whether this interview; this story was the catalytic factor, but I suspect it was.

The second conversation took place just months before Ullmann died. Indianapolis Star reporter and columnist Dick Cady had left that paper. Ullmann thought it was worth a conversation to see if Cady might write for NUVO. Myself, Fran Quigley and Ullmann joined Cady for lunch at the Midtown Grill in Broad Ripple - next door to NUVO's former office - in the fall of 1999. I can't remember many of the specifics, but Quigley spoke with amusement hours after it ended.

Did you notice, he said, how Ullmann and Cady gradually expanded their physical range at the table as the lunch and the conversation unfolded? The unmistakable conclusion was that there probably wouldn't have been a newsroom in the state capable of coddling these two egos.

Ullmann's concern about the future of journalism has, in retrospect, been justified. He became a tiny shareholder in Central Newspapers just to learn about the inner working of the Indianapolis Star-News. He predicted years before it happened that the News would close and Gannett would likely buy the Star. Family owned journalism, Ullmann believed, was on the precipice back then, with every obituary published a subscriber, never to return. His insurgent White River Gazette didn't get off the ground before his cancer struck, but it yielded the Indianapolis Eye and a half million dollar investment as a web magazine that was a little too ahead of its time.

**Those trend lines have** been devastatingly on target a decade beyond Harrison Ullmann's passing. He saw a day where print reporters would carry video gear and TV guys would post written copy on websites; where Kindle and the coming iPad would spare the lives of billions of trees. And where the folks with "big hair" on the evening news would gradually fade into the warrens of splayed technology moving from home pages to YouTube, Facebook and beyond.

Ullmann would often tell reporters, "I've got to hear your voice." That, perhaps, is a fitting requiem. .

This article was originally published in the March 24 edition of NUVO, celebrating its 20th anniversary.



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## Taking over a local school system

#### By JACK COLWELL

SOUTH BEND - Thank you, state of Indiana, for threatening to take over South Bend's Riley and Washington high schools and Bendix alternative school.

While some members of the South Bend School Board, with its Congress-like reputation for effi-



ciency and effectiveness, bemoan possible loss of local control, the threat is good news for South Bend and all the schools, including the three targeted after four years of academic probation.

State law gives the Indiana Department of Education the power \_ and the duty - to intervene in schools on probation for six years, with authority to assign a management team to operate a school. Indiana Superintendent of Public

Instruction Tony Bennett says he "won't blink" if intervention is needed to bring improvement.

Local control of schools sounds nice. But the way the South Bend School Board controls things sounds like somebody scratching a blackboard. Some of those board members once were maneuvering to oust a school superintendent, one they just hired, before he even officially assumed his post. There is a history of petty bickering, micro-managing and ignoring such frivolous things as educating the kids.

Could state operation be worse? The state would be determined to showcase improvement.

Still, it would be better if it didn't come to a state takeover. Maybe it won't. The good news is that a majority of the board could take this threat seriously enough to take steps to improve education, eliminating need for state control.

**Former South Bend Mayor** Roger Parent is one board member already seeking change of the type Bennett wants - and President Obama suggests, too. Parent says quite bluntly that there has been "systemic failure."

"It's not primarily a matter of the quality of our teachers or the background of our students or the union contract," Parent says. It's deeper, he says, with lack of innovation in a system "still preparing kids for jobs at Studebaker."

Reports on problems and lack of academic progress at the three schools, compiled for the state by Cambridge Education, an education service with involvement in more

than 2,500 schools in 22 states, tell the story of what's wrong.

First, let's be clear that the reports also cite what is right.

Proud alumni of Riley and Washington, with their long traditions, should know that there is praise as well as criticism.

**Riley is described** as "an attractive, clean and graffiti-free facility with a non-hostile environment," providing "a secure and safe atmosphere in which to learn and work." It also is noted that students can "benefit from a broad array of program options."

Washington is described as a "safe and orderly" school that is "much appreciated by parents and students." It also is noted that teachers have "a high level of involvement" and that there is strong parental support and a wide range of extra-curricular activities.

Then we get to test scores.

Riley: Passing the ISTEP 2008 reading test, 56 percent, 15 points below the state's three-year average. Passing the math test, 58 percent, also 15 points below the state average. Washington: ISTEP three-year average of 46 percent on reading and 45 percent for math, even worse.

The state can't accept that. Neither should South Bend.

While there is criticism - and also some praise - for the principals, the reports stress that principals don't have the authority to make needed changes.

Must principals be replaced? Does George Mc-Cullough, so highly regarded for instilling discipline at Washington, have to be sacked?

Not necessarily. Recommendations include the admonition that a principal cited for performance below expectations "must" be replaced IF done with state "support and approval." Would the state approve sacking a principal so supported by students and parents?

**Another admonition is that** a principal "must" be granted "sufficient operational flexibility" to implement changes to improve student achievement.

The reports criticize the board for failing to provide flexibility and support for change and clinging instead to a one-size-fits-all approach that ignores "unique needs of each school's culture and state of development."

The reports call for a lot of changes in the approach by the bickering board. Changes that could help principals, not necessitate making them scapegoats. And these changes, if made, should bring a big "thank you" to the state. •

Colwell has covered Indiana politics over five decades for the South Bend Tribune.



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## Education, not graduation is the goal

By MORTON J. MARCUS

INDIANAPOLIS - The dimmer wits in the Indiana General Assembly want to compensate colleges and universities according to their graduation rates. This is another example of shallow reasoning by our elected representatives reflecting erroneous thought that has permeated our

society.



As recently as March 2, 2010, the Indiana Commission for Higher Education (ICHE) issued a press release in which Commissioner Teresa Lubbers said, "There is nothing more important to Indiana's higher education agenda than improving college completion rates. While Hoosiers have come to understand the increasing value of going to college, far too many of

college-going students fail to earn a degree."

Nothing more important than completion rates? What about the substance and significance of what is learned?

In the same news release, Stan Jones, President of Complete College America and Indiana's former higher education commissioner, said, "Fewer than 40 percent of young adults in Indiana hold an Associate's degree or higher, and the numbers for most states are even worse. For America to be competitive, six of ten adults between the ages of 25 and 35 will need to hold a postsecondary credential by 2020." "The long-term economic growth of any state is tied to the educational attainment of its citizens," Jones said.

For your information, Complete College America is funded by five prestigious foundations: the Carnegie Corporation of New York, the Bill and Melinda Gates Foundation, the Ford Foundation, the W.K. Kellogg Foundation, and Lumina Foundation for Education.

It is surprising that such prominent persons and organizations would fall for the correlation between long-term economic growth and years of schooling, which is mislabeled by the Census Bureau as educational attainment. The number of years of school and/or degrees earned is not the same as knowledge acquired.

Education, not graduation, should be the purpose of all academic institutions.

Pieces of paper, bearing attractive seals and inspiring Latin mottos, represent satisfactory completion of a course of study. Satisfactory to whom? Are degrees

from accredited institutions like bonds on Wall Street? Who monitors the accrediting agencies? What criteria do they use? Are they like the esteemed rating agencies that helped drive us into financial crisis by giving AAA designation to junk bonds?

It does not take much imagination to realize that if graduation rates become the measure for state support, colleges and universities will lower standards to increase those rates. Anything else would be an irrational disservice to the institution.

Standards can be lowered in many ways. Programs or majors can become less demanding with fewer prerequisites and insubstantial core courses. Individual courses can be irrigated, watered-down, requiring less sophisticated readings, less critical thinking, easier term projects, and lower standards for passing grades.

Has this happened at an institution near you? How would you know?

Certainly the Indiana General Assembly does not know. The indicators ICHE publishes on its web site do not provide any information on the quality or content of higher education in Indiana. Although there are admirable goals of affordability, accessibility, and productivity, there is no goal related to learning. State policy makers measure education attainment in years rather than in knowledge.

At the same time these advanced policy makers would have us believe that there is no value to education that does not lead to a degree or certificate. Yet we would gain much if all young Hoosiers learned freshman English well and mastered the fundamental concepts of American History at the college level. Then let them drop out if they wish or must. That would be better than having 100% of those accepted to college pass weak programs in all subjects to satisfy some artificial numeric goal.

But what can you expect? Employers want certificates or degrees because they recognize those pieces of paper signify endurance. They want employees who have proven they can tolerate anything for an appropriate reward. Is that the lesson we want our students to learn? ❖

Mr. Marcus is an independent economist, speaker, and writer formerly with IU's Kelley School of Business.



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**Eric Bradner, Evansville Courier & Press:** Eric Bradner, Evansville Courier & Press: Since beginning his national political career in 2006, Democratic U.S. Rep. Brad Ellsworth has worked hard to paint himself as a Democrat who identifies closely with mainstream voters in this traditionally right-leaning state. He identifies himself as a conservative who values compromise, insists upon fiscal restraint and offers up one chief credential — his long-standing opposition to elective abortions. Those have been central elements of his campaigns. So it's ironic that now,

just as Ellsworth raises his political profile to its highest point yet and embarks on a U.S. Senate bid, he's about to cast a vote that will require him to work harder than ever to defend those years of positioning. Ellsworth has joined the fragile Democratic majority that, as of Saturday evening, appeared set to pass today the health care reforms President Barack Obama has sought for the last year. Headed toward an election in a tough

year and in a tough state for Democrats, it's a gutsy vote. And, as he begins sending out mailers that tout his time as Vanderburgh County sheriff but omit his party affiliation, it's one that will require him to align himself pretty closely with national Democrats. As Republican Senate hopefuls challenge him at every turn, Ellsworth's defense will have to center around a core Democratic belief: Improving a health insurance scheme that left tens of millions of Americans unable to afford to visit the doctor when they're sick, while leaving care for many more dependent upon the whims of their insurers, is such a moral imperative that it needed to be addressed immediately. After a vote that could jeopardize his perfect anti-abortion voting record, he'll have to rely on Hoosiers to grasp the complexities of how the health care reform legislation deals with the issue of elective abortions. He'll need them to understand that though the bill scheduled for a vote in the House today doesn't include a comprehensive ban on federal dollars paying for insurance plans that cover abortions, it does build a pretty strong wall. The bill would require women to pay themselves for the abortion-coverage portions of those plans. "More than that, it invests \$250 million in support services for women facing unplanned pregnancies and over a billion dollars to help families afford adoption services. These investments will reduce the number of abortions in America," Ellsworth said in a statement late last week. Dan Coats, who some perceive as the Republican Senate front-runner largely because he previously held the position, harshly criticized Ellsworth for supporting the "ultra-liberal" measure. That's not exactly fair. Liberals, many of whom prefer a single-payer plan and considered the so-called "public option" the compromise, got neither, and would scoff at the notion that the final version is greatly to their liking. .

**Charles Hurt, New York Post:** As a Democrat from a conservative district in a red state, Rep. Brad Ellsworth has always relied on shrewd political instincts and good timing. The former local county sheriff is as law-and-order as they come and is the only way Democrats are able to play in a right-leaning state like Indiana. It was only with help from Democrats like Ellsworth in 2008 that President Obama was able to snatch the state from Republicans for the first time in nearly 50 years. But all of Ellsworth's charm and luck may be about to run out. After weeks of

intense pressure from House Speaker Nancy Pelosi and Obama himself, Ellsworth became one of a handful of centrist Democrats who voted "yes" on health care. Brian Howey, who has covered Indiana politics for more than 25 years and publishes a political web site, said he does not remember a more politically polarized environment. "I don't think Brad Ellsworth has ever faced anything like this," Howey said. "You might have to go back to the Civil War to find

obstacles like this." In a state that Obama won by fewer than 30,000 votes out of more than 1.7 million cast, just a few percentage points will turn this state from momentary blue back to an angry, crimson red. Making matters even worse, Ellsworth has just recently jumped into a statewide race for Senate after popular Sen. Evan Bayh unexpectedly decided against running for re-election. Republicans will have a field day attacking his health vote. The health bill also includes a federal government takeover of student-loan programs. Disastrous news for Sallie Mae, the nation's top student-loan provider and one of Indiana's largest employers, with 1,700 workers. "When you got a 9.7 percent jobless rate and state revenues are bleeding, that is a big deal," Howey said. ❖

**George Packer, New Yorker:** Compared to the lineup of ideologues and demagogues who currently head the list of Republican hopefuls, (Gov. Mitch) Daniels sounds forthright and appealing. But as I was reading Douthat's column, a small voice in the back of my head kept cautioning me: "Iraq. Mitch Daniels. Iraq." So I went back and refreshed my memory. Daniels was Bush's head of the Office of Management and Budget from 2001-2003 (what happened to the surplus inherited from Bill Clinton during those years is a separate story). He was responsible for forecasting the budget in the event of a war with Iraq. His number came in at fifty to sixty billion dollars. Compared to what some experts were forecasting, it was an astonishingly low figure. But even Daniels's projection was too much for the Bush White House, which was intent on keeping unpleasant scenarios about the war out of the public eye, and Daniels's own spokesman, Trent Duffy, was sent out to talk the number down. .



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Daniels urges Zoeller to challenge reforms

INDIANAPOLIS - Indiana may join a growing number of states that are challenging the just-signed health care reform law (Rader, WTHR-TV). Gov. Mitch Daniels addressed the Economic Club Luncheon Wednesday and was asked

if Indiana's attorney general would be joining the growing list of states challenging the constitutionality of



health care reform. "I believe he will. I encouraged him to," said the governor, who was interrupted by applause. He elaborated on that point afterwards. "His call ultimately, but as I see it, it is an appropriate thing to do. In the meantime we will have to proceed on the assumption that it won't be successful," said Daniels. "I am skeptical that there will be a judicial rescue but there are some good arguments. This is the first time that the federal government has attempted to order Americans to purchase something with their own money," said Daniels. Daniels repeated his opposition to the newly approved federal health care overhaul, warning that it will place an "immorally huge" tax burden on younger Americans. He also said Wednesday that it's "fraudulent" for anyone to suggest that the nearly \$1 trillion health care overhaul signed into law by President Barack Obama won't add to the nation's mounting debt. Dr. David Orentlicher, a professor of law at Indiana University and former Democratic lawmaker, disagrees with the governor. "Anybody who works in the United States participates in Medicaid payroll tax. Right now since 1964 every American has been required to pay toward their health insurance when they reach age 65. Now all Congress is saying is you can't wait until you're 65.

You have to have it now," said Orentlicher.

### 10 Democrats receive threats from reform foes

WASHINGTON - The pitched battle over health-care reform has unleashed a rash of vandalism and attacks directed at politicians, with at least 10 Democratic members of Congress reporting death threats or incidents of harassment or vandalism at their district offices over the past week (Washington Post). More than 100 House Democrats met behind closed doors Wednesday afternoon with representatives of the FBI and the U.S. Capitol Police. The lawmakers voiced what one senior aide who was present described as "serious concern" about their security in Washington and in their home districts when they return this weekend for the spring recess. Usually only the congressional leadership has regular personal protection from the Capitol Police. But at least 10 lawmakers have been offered increased protection by law enforcement agencies, said House Majority Leader Steny H. Hoyer (D-Md.). Asked whether members are endangered, Hoyer said: "Yes. [There are] very serious incidents that have occurred." Over the next 24 hours, thrown bricks shattered the glass doors and windows of party headquarters from Rochester, N.Y., to Cincinnati. A gas line at the Charlottesville home of Rep. Tom Perriello's brother was severed Tuesday after a self-identified "tea party" activist posted what he believed to be the Virginia Democrat's address on a Web site and urged opponents to "drop by" to convey their opposition to his yes vote on the health bill. A brick was thrown through the Niagara Falls district office of Rep. Louise M. Slaughter (D-N.Y.), who also received a threatening voice-mail message referring to sniper attacks. The front door to the Tucson district office of Rep. Gabrielle Giffords (D-Ariz.) was shattered. And Rep. Bart Stupak (D-Mich.), whose

last-minute negotiations to bar federal funding of abortion helped secure the bill's passage, received a fax with a drawing of a noose and an anonymous voice mail saying: "You're dead. We know where you live. We'll get you."

### Health bill will go back to House for vote

WASHINGTON - Senate Republicans learned early Thursday that they will be able to kill language in a measure altering President Barack Obama's newly enacted health care overhaul, meaning the bill will have to return to the House for final congressional approval (Associated Press). It appeared initially that deleting the provisions, dealing with Pell grants for low-income students, should not cause major problems for Democrats hoping to rush the bill to Obama and avoid prolonging what has been a politically painful ordeal for the party. Democrats described the situation as a minor glitch, but did not rule out that Republicans might be able to remove additional sections of the bill.

### Daniels signs ed flex, 3rd grade reading bills

INDIANAPOLIS - Indiana schools gained budget flexibility and third-grade students will have to know how to read under a new law signed Wednesday by Gov. Mitch Daniels (Carden, Times of Northwest Indiana). The law permits schools to transfer up to 5 percent of unused money sitting in certain funds into their general fund. Schools can transfer up to 10 percent if all school corporation employees agree to forgo salary increases next school year. The extra ability to transfer money is intended to partially blunt nearly \$300 million in cuts to education funding ordered by the Republican governor to fix the state's budget deficit. About \$82 million statewide could be transferred under the new law. State Rep. Don Lehe, R-Brookston, said the transfer option



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is intended to prevent teacher layoffs and increased class sizes. "Despite the economic downturn, education should never be sacrificed," Lehe said. "I support giving schools the flexibility they require to continue to head in the right direction and provide students across the state the education they deserve." The second component of the new law requires the Indiana Department of Education to develop reading standards and a reading skills program for students in first through third grades. Third-graders still unable to read after remediation may be held back. An earlier version of the legislation would have required illiterate third-graders to be retained. Lawmakers deemed the requirement too costly.

### Governor signs traffic fine bill

INDIANAPOLIS - Updating an earlier post from last week, Gov. Mitch Daniels today signed the bill setting limits on certain traffic fines for motorists who contest their tickets and lose. The bill was spurred by complaints out of Marion County's traffic court, where those who took a case to trial typically got double or triple the fines if Judge William Young ruled against them. But the new rules apply statewide. Here's what the new law will mean, starting July 1: It applies to people who contest their tickets for Class C infraction moving violations (most instances of speeding, running red light/stop sign, etc.) and take their tickets to trial. For most, it means they can contest a ticket knowing they won't face the risk of a big fine. Only those who already contested two or more tickets and lost within five years (in the same county) would risk fines closer to the maximum \$500, plus court costs; one previous failed attempt would limit the fine to \$250, plus court costs. Those who have no previous attempts within five years would pay the standard \$35.50 fine in Marion County; with costs and fees, that comes to about

\$150.

### Bush43 coming to Indianapolis for life event

INDIANAPOLIS - Former President George W. Bush will speak in Indianapolis next month at a fundraiser that will support women in unplanned pregnancies (Associated Press). Julie Rupprecht, director of communications of Northeastside-based Life Centers, said the event will be at 7 p.m. April 15 in Conseco Fieldhouse. The "The Celebration of Life" event will include the 43rd president, plus Anderson native and gospel vocalist Sandi Patty and Katie Stam, who was Indiana's first Miss America. The Heritage Christian High School Colla Voce choir will perform with Patty. Life Centers is a nonprofit Christian ministry that helps thousands of women in unplanned pregnancies, Rupprecht said Wednesday by phone.

### Kokomo-Howard consolidation moves

KOKOMO - Kokomo Mayor Greg Goodnight announced plans Wednesday to have city and county officials begin what's expected to be a lengthy examination of local government consolidation in Howard County (Smith, Kokomo Tribune). A group of local leaders has been invited to a discussion, starting at 5:30 p.m. Monday at City Hall, to begin laying the groundwork for a standing citizen committee on consolidation. Goodnight called for the formation of the committee during his March 8 State of the City address, urging local officials to "reach across traditional boundaries, and work to eliminate duplication of services." In an invitation sent to local leaders Wednesday, Goodnight said Monday's meeting will "explore introductory topics of government consolidation in Howard County, such as legal requirements for initiating a consolidation, how a plan for consolidation is

generated, and the timeline associated with implementation." The overall framework for the committee idea was laid out in the 2006 passage of the state's Government Modernization Act, which allows local governments to voluntarily consolidate. State Sen. Jim Buck, R-Kokomo, co-authored the legislation, also known as House Bill 1362. "You couldn't eliminate governments and merge governments prior to 1362," Buck said. "Under [1362] you could consolidate counties if you wanted to. You could merge Howard and Miami counties together, if that's what the people wanted." Ironically, Buck is one of the most outspoken advocates of township government and has cast votes consistently against Indiana Gov. Mitch Daniels' local government reform efforts. "Show me the savings from consolidation. It never has been there, it never will be there," Buck said Wednesday.

### Township spend \$20k to fight \$758 claim

INDIANAPOLIS - Washington Township has spent about \$20,000 fighting a local woman's poor-relief application for \$758.27 to pay her rent and water bills (Indianapolis Star). The yearlong dispute is back in Marion Circuit Court today where there might finally be a resolution to a case that seems almost certain to become fodder in the ongoing statewide debate over whether Indiana's 1,008 township governments are effective stewards of taxpayer dollars. Washington Township Trustee Frank Short said he chose to devote so much time and money to the lawsuit because the verdict might have bearing on future cases. "If there was a ruling in the case one way or the other and it affected the way we handed out emergency assistance dollars going forward," Short said, "that might be worth it." He also said there was principle involved.