America's Neglected Veterans: 1.7 Million Who Served Have No Health Coverage

Report of the Study Group on Veterans' Health Insurance (For a copy of the full report, including data tables, go to: http://www.citizen.org/publications/release.cfm?ID=7339)

Members of the Study Group on Veterans' Health Insurance: Steffie Woolhandler M.D., Associate Professor of Medicine, Harvard; David U. Himmelstein M.D., Associate Professor of Medicine, Harvard; Ronald Distajo M.D., Research Fellow, Harvard; Karen E. Lasser M.D. MPH, Instructor in Medicine, Harvard; Danny McCormick M.D., Instructor in Medicine, Harvard; David H. Bor M.D., Chief of Medicine, Cambridge Hospital and Associate Professor of Medicine, Harvard; and Sidney M. Wolfe, M.D., Director, Public Citizen Health Research Group.

Background

Forty-five million Americans were uninsured in 2003, the latest year for which reliable data are available. While the Census Bureau's annual survey on health insurance includes questions about previous military services, the Bureau's report on coverage does not include tabulations of veterans' coverage. In addition to the sources of health coverage available to other Americans — Medicare, Medicaid and private coverage — some military veterans obtain care through the network of hospitals and clinics run by the Veterans Health Administration (VHA).

While many Americans believe that all veterans can get care from the VHA, even combat veterans may not be able to obtain VHA care. The 1996 Veterans Health Care Reform Act expanded eligibility for VHA care to all veterans, but instructed the VHA to develop priority categories for enrollment. The VHA priority list includes eight priority categories, with veterans offered care based on their priority status and the resources available.

As a rule, VHA facilities provide care for any veteran who is disabled by a condition connected to his/her military service, and care for specific medical conditions acquired during military service. Any veteran who passes a means test is eligible for care in VHA facilities but has lower priority status (Priority 5 or Priority 7, depending upon income level) and is enrolled on a space-available basis. Veterans without service-connected illnesses or disabilities, and with incomes above 80% of the median income in their area are classified in the lowest priority group, Priority 8.

In the seven years after the passage of the Veterans Healthcare Reform Act, VHA enrollment grew 141%, from 2.9 million to 7.0 million. However, funding increased by only 60%. Because VHA funding did not keep pace with the demand for care, long waiting lists developed at many VHA facilities. By 2002, there were almost 300,000 veterans either placed on waiting lists for enrollment or forced to wait for six months or more in order to receive an appointment for necessary care (Memorandum from Department of Veterans Affairs to Chairs and Ranking Members of Senate and House Veterans' Committees and VA-HUD Appropriations Sub-Committees, July 2002).

In January 2003, President Bush's Secretary of Veterans Affairs halted...continued on page 2
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enrollment of Priority 8 veterans. Since that time these veterans have remained ineligible for VHA enrollment.

VHA analysts have estimated that about three-quarters of VHA-enrolled veterans have other health coverage such as Medicare or private insurance, and that 1.013 million VHA patients were uninsured in 1999 (Donald Stockford et al. Uninsured Veterans and Veterans Health Administration Enrollment System, 2003. Department of Veterans Affairs, April 2003.). The 2001 National Survey of Veterans (NSV) found that 10.0% of veterans — 2.52 million vets — were uninsured, 0.9 million of whom used VHA hospital, outpatient or emergency care (2001 National Survey of Veterans: Final Report and supplemental tabulations, available at: http://www.VHA.gov/vetdata/SurveyResults/). Thus, the NSV data indicate that more than 1.6 million veterans had neither health insurance nor VHA care in 2001.

This report uses data from two large, recent surveys of the U.S. population to examine two related questions: (1) How many veterans and their family members lacked any health coverage in 2003 (i.e. they had neither insurance nor VHA care)?; and (2) What problems in access to health care did these uncovered veterans and their families experience?

Lack of Health Coverage is Common Among Veterans

1,694,312 American veterans were uninsured in 2003, according to the CPS data, including 11.9% of all non-elderly (age <65) veterans. In this survey, veterans with “Champus, Tricare, veterans or military health care” were categorized as having health coverage. Hence, the 1,694,312 figure represents persons with neither health insurance nor ongoing access to VHA medical facilities.

As expected, because of their age virtually all World War II and Korean War veterans had Medicare coverage. However, many veterans with more recent military service were uninsured. Among the 7.85 million Vietnam-era veterans, one in eleven lacked any coverage. Among the 8.27 million veterans who served during “other eras,” including the Persian Gulf War, one in eight was uninsured.

Younger veterans were more likely to lack coverage than older veterans. 15.1% of those age 25–44 had no health insurance, vs. 9.9% of those age 45–64. Veterans were about one-third less likely to lack coverage than other persons of similar age.

The 2003 figures represent an increase of 235,159 in the number of uninsured veterans since 2000. In 2000, 9.9% of veterans under the age of 65 were uninsured, rising to 11.9% in 2003. In addition to the 1.69 million uninsured veterans in 2003, 3.90 million members of veterans’ families lacked coverage.

Veterans Without Health Coverage are not Currently Receiving VHA Care

According to the NHIS, 1,670,410 honorably-discharged veterans had neither health insurance nor “military or veterans’ health care” in 2002. This number is statistically indistinguishable from the estimate of 1.69 million uninsured veterans in 2003 which we derived from the 2004 CPS. In the NHIS, an additional 1,426,897 veterans indicated that they had military or veterans’ health care but no other coverage.

Which Veterans are Uninsured?

The typical uninsured veteran was an employed male in his late forties living with one or two family members. Compared to the uninsured non-veteran population, uninsured veterans were older, and more often employed, male and high school graduates. For instance, 86% of uninsured veterans had worked in the past year (7% held two or more jobs), as compared to 75% of other uninsured adults.

Compared to veterans with health coverage, uninsured veterans were younger, more likely to be working, and had lower incomes. 68.3% of uninsured veterans were working at the time of the survey, and 9.3% were in the labor force but currently unemployed or laid off. 22.4% were out of the labor force (e.g. students or retired). 70.6% of uninsured veterans had family incomes at or above 150% of the Federal poverty level, and 47.6% had incomes above 250% of poverty (a level that would likely place them above the income threshold for Priority Group 7, leaving them ineligible for VHA enrollment).

Veterans Lacking Health Coverage Are Not in Good Health

Many uninsured veterans had serious health problems. When asked to rate their health as “excellent”, “very good,” “good,” “fair” or “poor,” less than one-quarter of uninsured veterans indicated that they were in excellent health; 15.6% had a disabling chronic illness.

Uninsured Veterans and Family Members Forego Needed Health Care Due to Cost

Uninsured veterans indicated that they faced major barriers to obtaining medical care. Among veterans age 18-64, those without coverage were five times more likely than insured veterans to delay care because of costs, six times more likely to forego medications because of costs, and seven times more likely to forego medical care because of costs than those with insurance.

Uninsured Veterans and Family Members Use Less Health Care

Our analyses of the amount of care actually used by uninsured veterans and their families confirmed that they, indeed, lacked access to care. Two-thirds of uninsured veterans did not get any preventive care. More than two of every five uninsured veterans had not made any office visits to any health professional in the past year, and a similar number had no usual place to go when they got sick.

Uninsured Veterans’ Access is No Better, and in Most respects Worse, Than That of Other Uninsured People

Indicators of access to care for uninsured veterans were strikingly similar, and in some cases worse, than those for other uninsured individuals. This indicates that VHA care continued on page 3
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did little or nothing to fill the gaps for uninsured veterans.

Discussion

Almost 5.6 million American veterans and members of veterans' families are uninsured and not receiving care in the VHA system. They account for 1 out of 8 uninsured people in our nation. Like other uninsured adults, most of the uninsured veterans were working; many had two jobs. All Americans deserve access to high quality, affordable health care. Yet it is especially troubling that many who have made sacrifices and often placed themselves in harm's way are later denied the health care they need.

Were the veterans who were classified as uninsured in the surveys we analyzed truly denied access to the care they need? Several pieces of evidence suggest that the doors to medical care — including the VHA system — are effectively closed to most of this group.

First, both surveys we analyzed asked respondents if they had "veterans or military health care" and considered anyone answering "yes" as insured. The National Health Interview Survey was highly specific in this regard, identifying 1.43 million veterans with military/veterans' medical care but with no other insurance. We considered all 1.43 million of these veterans to have coverage. Hence, veterans who lacked insurance but were enrolled in the VHA system would be considered insured in our analysis. The data suggest that the VHA currently cares for only about 45% of the 3.15 million veterans without any other coverage.

Second, the veterans we identified as lacking coverage had substantial problems in gaining access to health care. Like other uninsured people, they were often unable to afford care, had low rates of health care utilization, and frequently went without needed services. Indeed, for virtually every measure of access to care, uninsured veterans were indistinguishable from other uninsured persons, and they fared much worse than insured veterans. Even if some of these uninsured veterans are theoretically eligible for VHA care, their real-world access to health care is just as bad as — and by some measures worse than — that of other uninsured people.

Finally, about half of the uninsured veterans had incomes that would make them completely ineligible for VHA enrollment (Priority 8). For many others (Priority 7), care would only be available with substantial copayments (e.g. $50 for specialty care). Moreover, low-priority veterans are generally ineligible for free transportation to VHA facilities, leaving care inaccessible to many vets.

It is clear that the VHA currently lacks the resources to provide care for an influx of 1.7 million uninsured veterans — tens of thousands of vets are already on VHA waiting lists. Even if the VHA system were to gain the additional resources needed to care for all uninsured vets, millions of their family members would remain uncovered.

Millions of veterans and veterans' family members have joined the ranks of the uninsured. This shocking fact highlights the urgent need for health reform that will assure universal coverage. We believe that only a single payer national health insurance system can affordably cover all Americans — including veterans.

Comments by Some of the Authors

David U. Himmelstein, M.D., study author and Harvard Medical School Associate Professor, commented: "This administration professes great concern for veterans, but it's all talk and no action. Since President Bush took office the number of uninsured vets has skyrocketed, and he's cut VA eligibility, barring hundreds of thousands of veterans from care. Our president has put troops in harm's way overseas and abandons them and their families once they get home.

"Like other uninsured Americans, most uninsured vets are working people. And uninsured veterans are denied the care they need — turned away because they can't pay," said Dr. Steffie Woolhandler, a study author and co-founder of Physicians for a National Health Program. "We need a solution that works for veterans, and for all Americans — national health insurance."

Sidney M. Wolfe, M.D., study author and Director of Public Citizen's Health Research Group said that "The armed services are aggressive in... continued on page 4
Blockbuster Arthritis Drug Rofecoxib (VIOXX) Withdrawn From Market

Worst Pills, Best Pills News Readers Warned in 2001: DO NOT USE

Rofecoxib (VIOXX), the overpriced, overhyped, media proclaimed “super-aspirin,” was withdrawn from the market worldwide on September 30, 2004 because it doubled the risk of heart attacks and strokes. Worst Pills, Best Pills News readers may remember that in April 2001 we listed rofecoxib as a DO NOT USE drug because there was evidence that it increased the risk of heart attacks. **Vioxx is the ninth prescription drug to be taken off the market in the past seven years that Worst Pills, Best Pills News readers were previously warned DO NOT USE** (see chart on page 5). The average time between warning readers not to use these drugs and their removal from the market was one year and eight months. For four of the drugs — Vioxx, Baycol, Rezulin and Serzone — our warnings were issued more than two years before eventual removal from the market.

The day that Merck announced the withdrawal of Vioxx, we issued the following statement:

Today’s announcement by Merck is the latest evidence that this family of drugs, the Cox-2 inhibitors, once referred to as “super aspirins,” are turning out to be more like super disasters. As discussed below, there are safety problems with Celebrex as well as Bextra, the two other big-selling Cox-2 inhibitors that are the most-prescribed alternatives to Vioxx.

In trying to appear “a good citizen,” Merck ignores its checkered history with Vioxx. In a statement announcing the withdrawal of Vioxx from the market, Peter S. Kim, Ph.D., president of Merck Research Laboratories asserted that “Merck has always believed that prospective, randomized, controlled clinical trials are the best way to evaluate the safety of medicines.” Yet after an earlier randomized trial, the VIGOR study, published almost four years ago (November 2000), that found Vioxx caused a four- to five-fold increase in heart attacks, Merck received, on Sept. 17, 2001, a warning letter from the U.S. Food and Drug Administration (FDA) because the company’s ads for the drug failed to mention this increased risk of heart attacks. In the eight-page warning letter addressed to Merck President and CEO Raymond V. Gilmartin, the FDA stated:

> You have engaged in a promotional campaign for Vioxx that minimizes the potentially serious cardiovascular findings that were observed in the Vioxx Gastrointestinal Outcomes Research (VIGOR) study, and thus, misrepresents the safety profile for Vioxx. Specifically, your promotional campaign discounts the fact that in the VIGOR study, patients on Vioxx were observed to have a four to five-fold increase in myocardial infarctions (MIs) compared to patients on the comparator non-steroidal anti-inflammatory drug (NSAID), Naprosyn (naproxen).

In Merck’s VIGOR study, comparing rofecoxib to naproxen, there was a highly statistically significant five-fold increase in heart attacks in the overall rofecoxib group (0.5 percent) compared to the naproxen group (0.1 percent). This amounted to 20 heart attacks with rofecoxib (out of 4,047 patients) compared to four with naproxen (out of 4,029 patients). This increased number of heart attacks was also accompanied by an increase in other thrombotic (blood clotting) adverse effects such as strokes and blood clots in the legs, as well as problems with hypertension in the rofecoxib group compared to the naproxen group.

In an article published three and a half years ago in our monthly newsletter, Worst Pills, Best Pills News (now online at WorstPills.org), we warned readers that both Vioxx and Celebrex were DO NOT USE drugs — our designation for drugs that are not safe and effective enough to use. Although Merck’s withdrawal of Vioxx “solves” the serious safety problems with this drug, the most-prescribed alternatives, Celebrex and Bextra, also raise some concerns about their cardiac toxicity.

Cardiovascular Toxicity and Cox-2 Inhibitors

In a study published in the Aug. 29, 2000, Proceedings of the National Academy of Sciences, the ability of rabbits to withstand temporary experimental coronary artery occlusion (experimental heart attack) was significantly impaired by treatment with celecoxib (CELEBREX), which completely blocked the cardioprotective effects of the COX-2 enzyme. The authors of that study concluded that COX-2 enzyme is a "cardioprotective protein.” Therefore, it is implied, drugs that block this cardioprotective enzyme (such as COX-2 inhibitors) may neutralize its protective effects.
Problems with Celebrex

Although a CLASS study involving Celebrex did not find a significantly elevated number of heart attacks in those using celecoxib compared to those using the older NSAIDs (ibuprofen or diclofenac), there was also cause for concern about heart toxicity with celecoxib. An expert from the FDA’s Division of Cardiovascular and Renal Drug Products, Dr. Douglas Throckmorton, found that “the incidence of adverse events related to cardiac ischemia (decreased blood flow to the heart) was higher in the celecoxib [Celebrex] group ... and was most pronounced in the group of patients not taking ASA (aspirin)” as a cardiovascular protective drug. In these patients, the rate of heart attack was also highest in the celecoxib group (0.2 percent) compared to users of the other two drugs (0.1 percent). For all patients, on and off aspirin, there was a higher incidence of atrial fibrillation, a type of heart rhythm disturbance, in the celecoxib group compared to those taking ibuprofen or diclofenac. Again this was more pronounced in the group not taking aspirin. Dr. Throckmorton concluded by stating that “the data do not exclude a less apparent prothrombotic [blood clot-forming] effect of celecoxib, reflected in the relative rates of cardiac adverse events related to ischemia.”

Safety Problems with the New Cox-2 Inhibitor, Valdecoxib (Bextra)

We have also warned readers of Worst Pills, Best Pills News (September, 2004) not to use Bextra. Because the FDA and Bextra’s manufacturer, Pfizer, refused to give us unpublished data concerning the drug, we filed suit against the agency. The FDA had originally redacted all information in its reviews concerning valdecoxib and acute pain. In the course of our litigation, we received most of what we had requested in the lawsuit, including the unredacted FDA Medical Officer’s conclusions and recommendations about the use of the drug for acute pain.

In the unredacted review the Medical Officer recommended:

Nonapproval [for the treatment of the acute pain, including opioid-sparing and prevention of operative pain. The only substantial multidose safety database is found in the Coronary Artery Bypass Graft (CABG) Surgery study 035. This study demonstrated an excess of serious adverse events including death in association with the use of paracoxib (this is the injectable version of valdecoxib) and valdecoxib 40 mg bid [twice daily] when added to ad lib [as needed] parenteral [injectable] narcotic analgesia. ... These findings warrants further investigation before valdecoxib can be considered safe and effective for the treatment of pain, particularly multidose therapy in the perioperative setting.

In summarizing the safety of valdecoxib the FDA Medical Officer stated:

With two notable exceptions — edema [swelling] and hypertension — valdecoxib (Bextra) was comparable to the standard non-steroidal agents [ibuprofen, naproxen, diclofenac] used as active controls in the trials. ... The finding of a greater incidence of edema and hypertension at doses above 20 mg/day, almost uniformly in the databases and clearly when prospectively addressed in formal safety Trials 47 and 62, is of concern.

... The excess of serious cardiovascular thromboembolic [blood clots] in the valdecoxib arm of the CABG [Coronary Artery Bypass Graft] trial is of note as the entire study population received prophylactic low dose aspirin as part of the standard of care in this setting to minimize just such events. Given the emerging concern over a possible prothrombotic action of certain agents in the COX2 class, these data are of concern. (Emphasis added.)

In summary, we advise patients not to use any of these “super aspirin” Cox-2 inhibitors and, instead, to rely on the older drugs in the NSAID family such as ibuprofen and naproxen. We also urge you to alert your friends and relatives to our web site, WorstPills.org, so you can clue them in on important information.
Product Recalls
September 15 — October 14, 2004

This chart includes recalls from the Food and Drug Administration (FDA) Enforcement Report for drugs and dietary supplements, and Consumer Product Safety Commission (CPSC) recalls of consumer products.

### Drugs and Dietary Supplements

The recalls noted here reflect actions taken by a firm to remove a product from the market. Recalls may be conducted on a firm's own initiative, by FDA request or by FDA order under statutory authority. A Class I recall is a situation in which there is a probability that the use of or exposure to the product will cause serious adverse health consequences or death. Class II recalls may cause temporary or medically reversible adverse health consequences. A Class III situation is not likely to cause adverse health effects. If you have any of the drugs noted here, label them "Do Not Use" and put them in a secure place until you can return them to the place of purchase for a full refund. You can also contact the manufacturer. If you want to report an adverse drug reaction to the FDA, call (800) FDA-1088. The FDA web site is www.fda.gov.

#### Name of Drug or Supplement; Class of Recall; Problem

**BETCO brand E-2 Food Industry Hand Cleaner, (Benzalkonium Chloride) 2.5%, Hand Washing Sanitizer, Net Contents 30.4 fl. oz. (U.S./E.U.) 900 mL, 84 oz (U.S./E.U.) 2500mL, and 1 gallon (U.S./E.U.) 3.78L size containers;** — Also produced under the private brand name Northwoods Germ Stuff, and CleanChoice Food Industry Hand Cleaner/Sanitizer; Class III. Bacterial contamination (photobacterium logei).

**BISOPROLOL FUMARATE TABLETS, 5 mg and 10 mg, Rx only, 30 Tablets and 100 Tablets; Class II.**

**FougeraE TipTapToe (Tolnaftate Solution USP, 1%), NET 10.8 mL, CONTAINS: 72 Liquid Filled Swabs; Class III. Subpotent: Potential for tolnaftate solution to migrate into the swab tip during storage thereby producing inconsistent assay results.**

**Non Drowsy Vicks Formula 44 Cough Relief, 4 fl oz. (118mL); Class III. Shelf cartons labeled as Vicks Formula 44 Cough Relief may contain bottles of Vicks Formula 44, Multi-Symptom Relief.**

**Potassium Chloride Extended Release Tablets USP, 1500 mg, 20 mEq K, 100 and 500 tablet bottles, Rx ONLY; Class III. Dissolution Failure (4 hour timepoint).**

**Senokot (standardized senna concentration) Tablets, 8.6 sennosides, 50 count bottles, Class III. Mispackaging: Two orange Senokot-S tablets found within a bottle of Senokot Tablets (brown tablets).**

**Subutex (buprenorphine), 2 mg, 30 sublingual tablet, Rx only; Class II. Mispackaging: Subutex 2 mg bottles contain Subutex 8 mg tablets.**

#### Lot #: Quantity and Distribution; Manufacturer

**BETCO brand E-2 Food Industry Hand Cleaner, (Benzalkonium Chloride) 2.5%, Hand Washing Sanitizer, Net Contents 30.4 fl. oz. (U.S./E.U.) 900 mL, 84 oz (U.S./E.U.) 2500mL, and 1 gallon (U.S./E.U.) 3.78L size containers;** — Also produced under the private brand name Northwoods Germ Stuff, and CleanChoice Food Industry Hand Cleaner/Sanitizer; Class III. Bacterial contamination (photobacterium logei).

Numerous lots; 72/gallon size containers, 22/900 mL containers, and 31/2500 mL containers distributed nationwide; Betco Corp. Ltd; Toledo, OH

**BISOPROLOL FUMARATE TABLETS, 5 mg and 10 mg, Rx only, 30 Tablets and 100 Tablets; Class II.**

**FougeraE TipTapToe (Tolnaftate Solution USP, 1%), NET 10.8 mL, CONTAINS: 72 Liquid Filled Swabs; Class III. Subpotent: Potential for tolnaftate solution to migrate into the swab tip during storage thereby producing inconsistent assay results.**

Lot No. M447, Exp. 7/05; 13,207 distributed nationwide; Altana Inc.; Melville, NY

**Non Drowsy Vicks Formula 44 Cough Relief, 4 fl oz. (118mL); Class III. Shelf cartons labeled as Vicks Formula 44 Cough Relief may contain bottles of Vicks Formula 44, Multi-Symptom Relief.**

Lot No. 4010SG2; Exp. 12/05; 33 cases with 24 bottles per case distributed nationwide; Procter & Gamble Manufacturing Co; Greensboro, NC

**Potassium Chloride Extended Release Tablets USP, 1500 mg, 20 mEq K, 100 and 500 tablet bottles, Rx ONLY; Class III. Dissolution Failure (4 hour timepoint).**

Lot Nos. 720D054 (100's), 720D052, 720D057 and 720D002 (500's), Exp. 10/05; 4,396,400 tablets distributed nationwide; Andrx Pharmaceuticals, Inc.; Davie, FL

**Senokot (standardized senna concentration) Tablets, 8.6 sennosides, 50 count bottles, Class III. Mispackaging: Two orange Senokot-S tablets found within a bottle of Senokot Tablets (brown tablets).**

Lot No. 7C21; Exp. 8/31/05; 72,492 bottles distributed nationwide; The Purdue Frederick Company; Stamford, CT

**Subutex (buprenorphine), 2 mg, 30 sublingual tablet, Rx only; Class II. Mispackaging: Subutex 2 mg bottles contain Subutex 8 mg tablets.**

Lot No. 406401 (no expiration date given);3,750 bottles distributed nationwide; Reckitt Benckiser Pharmaceut Inc.; Richmond, VA

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Contact the Consumer Product Safety Commission (CPSC) for specific instructions or return the item to the place of purchase for a refund. For additional information from the Consumer Product Safety Commission, call their hotline at (800) 638-2772. The CPSC web site is www.cpsc.gov.

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<tr>
<th>Name of Product; Problem</th>
<th>Lot #: Quantity and Distribution; Manufacturer</th>
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<tr>
<td>AC Adapters for Notebook Personal Computers. The adapters can overheat, posing a risk of fire and electrical shock hazards to consumers.</td>
<td>AC adapters used with Dell Latitude™, Precision™ and Inspiron™ notebook-style personal computers; about 990,000 sold nationwide from September 1998 through February 2002; Dell Inc.; Round Rock, TX; (800) 418-8990; <a href="http://www.delladapterprogram.com">www.delladapterprogram.com</a></td>
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<tr>
<td>ATVs. The throttle cable may bind when the handlebars are turned full left or full right, resulting in an increase in engine speed and unintended vehicle acceleration. In addition, the fuel line may rub against the vehicle chassis, resulting in a fuel line leak which could be a fire hazard.</td>
<td>Polaris &quot;Sportsman 700 EFI&quot; ATVs; about 12,170 sold nationwide from March 2003 to August 2004; Polaris Industries, Inc.; Medina, MN; (800) 765-2747</td>
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<td>ATVs. Front brake hose can be pulled out of its retaining brackets on either side of the ATV by foreign objects. This can cause the brake hose to wear by rubbing on the inner wheel or shock absorber spring seat, ultimately causing a brake fluid leak resulting in a complete loss of front braking capacity. This can lead to an increase in the braking distance and possible collision with bystanders, fixed objects, or other vehicles, causing serious injury or death.</td>
<td>The 2003, 2004, and 2005 year models of &quot;Traxter,&quot; &quot;Traxter MAX,&quot; and &quot;Quest&quot; Bombardier ATVs; and the 2005 year models of &quot;Buck&quot; and &quot;Trail Buck&quot; John Deere ATVs; about 23,000 sold nationwide from October 2002 through September 2004; Bombardier Recreational Products Inc.; Valcourt, Quebec, Canada and Deere &amp; Company; Moline, IL; (888) 864-2002 (Bombardier) and (800) 537-8233 (John Deere)</td>
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<td>ATVs. The front brake lines can crack and leak brake fluid, possibly resulting in loss of braking capability. This could result in severe injury or death.</td>
<td>&quot;Predator 500&quot; all-terrain vehicles; 18,500 sold nationwide from November 2002 through February 2004; Polaris Industries Inc.; Medina, MN; (800) POLARIS (765-2747); <a href="http://www.polarisindustries.com">www.polarisindustries.com</a></td>
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<td>Baby Walkers. The walkers will fit through a standard doorway and are not designed to stop at the edge of a step. Babies using these walkers can be seriously injured or killed if they fall down stairs.</td>
<td>PlayKids USA baby walkers; about 1,600 sold nationwide from February 2003 through April 2004; PlayKids USA, Inc.; Brooklyn, NY; (718) 332-3450</td>
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<td>Backpacks with Stools. The stool could collapse and cause the person using the stool to fall. The stool does not meet the firm's strength requirements.</td>
<td>Ebtek Brand Backpack with Stools; about 300 sold at the Eddie Bauer Web site and catalogue from April 2004 through June, 2004; Eddie Bauer Inc.; of Redmond, WA; (800) 414-8119, ext. 6559</td>
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<td>Bicycle Handlebars. The handlebars can develop cracks that may not be visible, which can cause the handlebar to break without warning, resulting in serious injury or death.</td>
<td>&quot;Forte Flyte OS&quot; and &quot;Weyless CF200&quot; Carbon Handlebars; about 300 sold by mail order, Web sites, and Performance and Supergo retail stores for about $169 (time period sold not provided); Performance Inc. and Supergo Inc.; Chapel Hill, NC; Contact Performance at (800) 553-8324 or Supergo at (800) 398-9702; <a href="http://www.performancebike.com">www.performancebike.com</a>; <a href="http://www.supergo.com">www.supergo.com</a></td>
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<td>Bicycles. The handlebar may loosen and turn unexpectedly, which can cause the rider to lose control and fall.</td>
<td>Allez Sport, Allez Elite, Roubaix, and Sequoia Bicycles; about 1,500 sold nationwide from July 2004 through August 2004; Specialized Bicycle Components Inc.; Morgan Hill, CA; 800-432-4144</td>
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<td>Bicycle Wheel Quick Releases. An internal part in the lever mechanism can break, reducing clamping effectiveness and rendering the unit inoperable, potentially causing a bicyclist to fall.</td>
<td>Full Speed Ahead (FSA) Scatto bicycle wheel quick releases; about 1,375 sets sold nationwide from October 2003 through September 2004; Full Speed Ahead, Inc.; Woodinville, WA; (877) 743-3372</td>
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<th>Name of Product: Problem</th>
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<tr>
<td><strong>Cooler Pumps.</strong> The motor caps on the cooler pumps are not made with flame-retardant material and an internal electrical failure can ignite the cap, posing a fire hazard to consumers.</td>
<td>Evaporative Cooler Pumps have a light blue air cap; (model numbers CP1-115, item numbers 540005; CP1-239, 540015; CP2-115, 541005; CP2-230, 541015; CP9-115, 542005; CP3-230, 542015; about 150,000 sold nationwide from February 2003 through August 2004; Little Giant Pump Company; Oklahoma City, OK; (888) 271-1369; <a href="http://www.littlegiant.com/Safety_Recall_Notice.pdf">www.littlegiant.com/Safety_Recall_Notice.pdf</a></td>
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<td><strong>Director's Chairs for Children.</strong> The chair can inadvertently be misassembled so that the fabric seat can come off the chair's frame and expose metal support rods. If fabric seat comes off the frame, there is a laceration and fall hazard to young children.</td>
<td>Director's Chairs for Children featuring popular characters such as &quot;The Wiggles,&quot; &quot;Dora the Explorer,&quot; &quot;Spongebob Squarepants,&quot; and &quot;Disney Princesses.&quot;; about 81,000 sold nationwide from April 2004 through July 2004; Delta Enterprise Corp.; New York, NY; (877) 660-3777; <a href="http://www.deltaenterprise.com/recall.html">http://www.deltaenterprise.com/recall.html</a></td>
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<tr>
<td><strong>Electric Fans.</strong> The wiring is undersized and the power plug is not polarized, creating fire and shock hazards.</td>
<td>IMI Cornelius Pinnacle FCB frozen carbonate beverage dispensers; about 990 sold nationwide between May 2002 and June 2004; IMI Cornelius; Anoka, MN; (800) 464-4281; <a href="http://www.cornelius.com">www.cornelius.com</a></td>
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<td><strong>Electric Pictures (Moveable Waterfall Pictures).</strong> These pictures have inadequate construction, incorrect wiring, and use flammable materials, all of which pose fire and electric shock hazards to consumers.</td>
<td>NCR Universal Inkjet Refill Kits; about 78,000 sold at Big Lots and Walgreens nationwide from April 2004 through June 2004; NCR Corp.; Dayton, OH; (800) 279-0203; <a href="mailto:systemedia.info@NCR.com">systemedia.info@NCR.com</a></td>
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<td><strong>Frozen Carbonate Drink Dispensers.</strong> The motor drive can overheat and cause the liquid contents to become hot. If this happens, the dispenser's nozzle can break and expose consumers to the hot liquid, posing a risk of burns.</td>
<td>Portable oscillating electric fans with &quot;NYZT&quot; in center of front fan guard; about 2,500 distributed in New York City metropolitan area during May 2004; New York Zion Trading Corp.; Flushing, NY; (718) 909-7899</td>
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<td><strong>Helium Carabiners.</strong> The carabiner gate may come open under a heavy load, which will significantly reduce the strength of the carabiner. The carabiner could break if the climber falls, posing a risk of serious injury or death to the climber.</td>
<td>Electric Pictures are framed artwork that utilizes electric lights and sound and feature moving background scenes, including waterfalls and beach scenes; 3,500 in the Midwest, primarily in the Chicago area from April 2003 through April 2004; Chicago Wholesale &amp; Imports; Bridgeview, IL; (666) 865-1986; <a href="http://www.getyourscooter.com">www.getyourscooter.com</a></td>
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<td><strong>Inkjet Refill Kits.</strong> The product does not have required child-resistant packaging or required warning labels. The product contains ethylene glycol, posing an ingestion hazard to young children.</td>
<td>Wild Country-brand Helium carabiners used in rock climbing; about 1,000 sold nationwide from April 2004 through July 2004; DMM Engineering; Gwynedd, UK; (800) 997- HELI; <a href="http://www.wildcountry.co.uk">www.wildcountry.co.uk</a></td>
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<td><strong>Light Bulbs.</strong> The base of the bulb is not flame-retardant, as required in the voluntary standard for this type of bulb. Electrical components in the bulb can overheat, posing a fire hazard.</td>
<td>Teng Fei Energy Saving Light Bulbs; about 81,000 sold in the state of New York from November 2003 to March 2004; Teng Fei Trading Inc.; Flushing, NY; (718) 888-7000</td>
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<td><strong>Mountain Bikes.</strong> The front brake mounting tabs can break, causing the brakes to fail and the rider to lose control of the bicycle.</td>
<td>Rainier Mountain Bicycles with Marzocchi EXR Comp front forks; about 160 sold nationwide from February 2004 through March 2004; Giant Bicycle Inc.; Newbury Park, CA; (866) 458-2555; <a href="http://www.giantbicycle.com">www.giantbicycle.com</a></td>
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<td><strong>Office Chairs.</strong> The legs on the base of the chair can break, posing a risk of injury to the user.</td>
<td>Executive Office Chairs including the 795-0115 model with black leather and the 795-0228 model with black fabric; 18,000 sold at Staples stores nationwide from March 2004 through July 2004; Gruga U.S.A., dba Novimex Fashion Ltd.; City of Industry, CA; (888) 833-4148</td>
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continued on page 9
Screening for Colon Cancer: Insurance Coverage Still Spotty

With 146,000 new cases and 57,000 deaths annually, colon cancer is certainly a major public health problem in the United States. But there is good news: experts agree that four methods of screening for the country's number two cancer killer are effective.

In many ways, colon cancer is ideal for screening: a clear pre-cancerous growth called a polyp; a relatively slow growth rate (it takes years for a polyp to become a cancer, affording an opportunity for early diagnosis); overwhelming proof that the earlier you detect the cancer the better your outcome; and an array of effective screening tests. Consequently, the American Cancer Society (ACS) recommends screening even for people at only average risk for colon cancer beginning at the age of 50, with the frequency of screening depending upon the test chosen.

The most common screening test is the fecal occult blood test in which stool samples are tested for blood, a common sign of colon cancer. This method is inexpensive and relatively easy to do. The problem is that it misses a large fraction of cancers and is also often abnormal even in the absence of disease, leading to a work-up that, ironically, includes the other screening continued on page 10

<table>
<thead>
<tr>
<th>Name of Product: Problem</th>
<th>Lot #: Quantity and Distribution: Manufacturer</th>
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<tr>
<td>Pacifiers. The pacifiers are banned under federal law. They failed federal safety tests, come apart, and can pose a choking hazard to infants and small children.</td>
<td>Jaloma pacifiers; about 9,400 sold nationwide from March 2004 through August 2004; Natura Products Downey Inc.; City of Commerce, CA; (323) 726-9098</td>
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<td>Snowmobiles. The red plastic skis used on certain 2004 Firecat and Sabercat snowmobiles could crack or break as a result of off-season exposure to ultraviolet sunlight. Ski failure could lead to loss of control that could result in severe injury or death.</td>
<td>2004 Arctic Cat Firecat and Sabercat snowmobiles with red plastic skis; 5,193 sold at Arctic Cat dealerships worldwide from June 2003 through September 2004; Arctic Cat Inc.; Thief River Falls, MN; (800) 279-2281; <a href="http://www.arctic-cat.com">www.arctic-cat.com</a></td>
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<td>Snowmobiles. The starter ring gear may crack, causing fragmentation and debris, which may act as a projectile at high speeds. A projectile could cause serious injury or death.</td>
<td>Ski-Doo(r) 2004 MX Z (E) 800 HO and GSX LTD (E) 800 HO snowmobiles; about 1,613 sold nationwide between August 2003 and August 2004; Bombardier Inc.; Quebec, Canada; (888) 864-2002</td>
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<td>Toddlers’ Athletic Shoes. The I-3 logo-tag on the tongue of the shoe can be peeled off, posing a choking hazard to young children.</td>
<td>Reebok &quot;Iverson/Answer&quot; toddler shoes; about 140,000 sold nationwide from March 2004 through August 2004; Reebok International Ltd.; Canton, MA; (800) 843-4444; <a href="http://www.reebok.com">www.reebok.com</a></td>
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<td>Towel Radiators. The towel rack may overheat and rupture when overloaded with towels, releasing heated fluid which could result in a burn injury.</td>
<td>Runtal Sundance Towel Radiators; 200 sold nationwide between November 2003 and January 2004; Runtal North America, Inc.; Ward Hill, MS; (800) 526-2621</td>
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<td>TV/VCR carts. The carts can tip over and the television can fall off, posing a risk of serious injury or death if the TV and cart fall on a child.</td>
<td>TV/VCR carts are white, light brown and light reddish brown; have decorative hardware and trim; and are about 29 inches wide, 17 inches deep, and 25 inches high; 300,000 sold nationwide from October 1991 through May 1999; Sauder Woodworking Co.; Archbold, OH; (888) 800-6315; <a href="http://www.sauder.com">www.sauder.com</a>,</td>
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<td>Wall Cabinets. Some of these glass-door wall cabinets have the wrong sized screws for the safety bracket, which can result in the cabinet not being properly secured to the wall. The cabinets can fall and injure nearby consumers.</td>
<td>BERTBY Glass-Door Wall Cabinets; about 25,000 sold at IKEA stores nationwide from January 2002 through September 9, 2004; IKEA Home Furnishings; of Plymouth Meeting, PA; (888) 966-4532; <a href="http://www.ikea-usa.com">www.ikea-usa.com</a></td>
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<td>Work Boots. The protective toe cap on the boots may not provide sufficient impact and compression protection. This could result in crushing, bruising, or other injury to the wearer's foot.</td>
<td>Polar and Trailblazer Work Boots; about 8,400 sold nationwide from June 2002 to July 2004; LaCrosse Footwear Inc.; Portland, OR; (800) 890-3505</td>
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tests. These are all more invasive and costly, but are more likely to detect disease. One is the barium enema, which is an x-ray of the colon after barium and air have been instilled through the rectum; patients find this particularly unpleasant and it also misses too-large a fraction of cancers compared to colonoscopy. The remaining two techniques involve visualizing the colon directly through a fiberoptic scope, reducing the number of missed cancers in the visualized areas. But sigmoidoscopy uses a shorter scope and sees only about one-third of the colon (although it is the third where colon cancers are more common), while colonoscopy visualizes the entire colon. Colonoscopy is the most expensive of these options, in part because it generally requires sedation. For people at average risk for colon cancer, the ACS suggests fecal blood testing every year, barium enema or sigmoidoscopy every five years, or colonoscopy every 10 years.

The point of all this is that each of these screening tools has its strengths and weaknesses. Some people will prefer one method of screening, while others will prefer another. To increase overall screening rates, a variety of options must be available.

But they must also be affordable. In a country with 45 million people uninsured and tens of millions more underinsured, the extent of insurance reimbursement for these procedures is critical. The Government Accountability Office (GAO) has just completed a study on exactly that issue. It is available on the Internet at http://www.gao.gov/new.items/d04713.pdf.

In twenty states, private health insurance plans are required by law to cover some type of colon cancer screening and in all but four of these, they have to cover all four screening tests described above. In states without any mandatory coverage, 16 of 19 small employer plans covered all four screening tools, as did 10 of 14 individual insurers (four covered none of the tests). The more expensive barium enema and colonoscopy were the most likely to be omitted from coverage.

The GAO also assessed the health plans of 35 Fortune 500 companies; 24 offered all four tests, seven offered some and four covered none of the tests. Finally, the GAO examined the Federal Employees Health Benefits Program (FEHBP), under which federal employees receive health coverage. Of 17 national FEHBP programs, 12 cover all four tests while five covered all but barium enema.

Clearly, there has been significant progress in expanding coverage for colon cancer screening. Medicare has reimbursed for all four screening tests since 2001. Federal or state mandates would improve the situation still further. In 2002, fewer than half of people aged 50 and over received one of the tests for screening or diagnostic purposes. In part, this is because physicians don't adequately encourage screening. But patients have a role to play, too. If you are over 50, make a resolution to undergo screening as soon as possible.

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relationship secret. Organizations registered within Section 501(c)(4), Section 501(c)(5) and Section 501(c)(6) of the Internal Revenue Code — social welfare organizations, labor unions and business leagues, respectively — are allowed to take unlimited amounts of money from any donor without ever having to publicly divulge the source of the funds.

These sections of the tax code were never envisioned as havens for groups whose main pursuits are electoral activity. Groups claiming these tax statuses are permitted to make "substantial" political expenditures, which the IRS defines as expenditures intended to influence the outcomes of elections, but they are prohibited from making electoral activities their "primary purpose."

Although 501(c) non-profit groups are required to disclose the extent of their political expenditures to the IRS, the four profiled in this study reported zero political expenditures in 2002 — despite contrary evidence revealed by Public Citizen's analysis of data collected from their annual tax forms and Web sites, press reports and academic papers on independent political groups.

What is known — and unknown — about their finances, combined with the groups' extensive election activities and their apparent willingness to do PhRMA's bidding, marks these four 501(c) organizations as "PhRMA Stealth PACs."

The key findings of the Congress Watch report are:

• In 2002, PhRMA appears to have channeled as much as $41 million to its four Stealth PACs, according to records filed with the IRS. Money from the drug industry's association enabled United Seniors Association (USA), 60 Plus Association, the Seniors Coalition and America 21 to broadcast ads and send direct mail to 39 U.S. Senate and House contests that year, most of them highly competitive. These ads consistently supported candidates friendly to PhRMA's agenda and criticized those considered unfriendly.

• Voters had no way of knowing that campaign messages were underwritten with the drug industry's money. PhRMA was able to lurk in the background while exerting substantial influence through the 501(c) non-profit groups that acted as PhRMA's Stealth PACs. As 501(c) groups, they face few public disclosure requirements, and the IRS rarely takes enforcement action against 501(c) groups that file false reports or violate rules governing their election activities.

• PhRMA Stealth PACs show similar funding patterns. Amounts the four groups received from their largest single donors in 2002 totaled $40.7 million — or 76% of their combined revenues. The degree to which the largest single donor dominated each group's 2002 revenue ranged from 48% for the Seniors Coalition to 98%
OUTRAGE, from page 10

for America 21. Public Citizen was able to learn this by obtaining redacted copies of each group's IRS Form 990 Schedule B. Spending by these 501(c) non-profits has not been steady from year to year. Instead it has peaked during election years.

- In 2002, USA and 60 Plus Association each received contributions that PhRMA dubbed “unrestricted educational grants.” PhRMA acknowledged furnishing USA with an “unrestricted educational grant” in 2002, and a news report said 60 Plus received the same sort of grant. 60 Plus is also know to have received $275,000 from PhRMA and brand name drug companies in 2001. United Seniors Association received $1.5 million from PhRMA in 2001, according to its filing with the IRS obtained by Public Citizen.

- Each group received vast sums of money from a single donor — presumably PhRMA. Despite USA’s claim that it represents 1.5 million senior citizens, its IRS filing reveals that a single source provided $20.1 million (79.1%) of its total 2002 $25.4 million in revenue, which was spent in part on six U.S. Senate and 19 House candidates. The Seniors Coalition received $6 million (48% of its 2002 revenue) from a single donor — presumably PhRMA — and sent direct mail in 11 races. Similarly, almost $11 million of 60 Plus’ $12 million in revenue (91%) came from a single source in 2002, during which the group was involved in 24 political contests.

- PhRMA Stealth PACs issued similar messages. The content and language of the ads aired or distributed by the four groups were often similar. Such similarity is one standard used under election law to determine “coordination.” Themes and phrases — and in one case the misspelling of a candidate’s name in three groups’ mailers — often were repeated in the election messages distributed by one or more of the PhRMA Stealth PACs. Of the election messages the four PhRMA Stealth PACs delivered in at least 39 different races, 63% of them talked about a candidate’s support for a Medicare prescription drug benefit that was promoted by PhRMA, President Bush and Republican leaders in Congress.

- Election activities of all four groups were narrowly focused and often overlapped. In 24 of the 39 races — 62% — where Public Citizen found these groups to be active, a candidate who received the support of one PhRMA Stealth PAC also received support from at least one of the other groups. And in five of seven Senate races — 71% — candidates who received support from one PhRMA Stealth PAC also received support from at least one of the other three groups. No PhRMA Stealth PAC took a position opposing one of the other groups in any of these House and Senate races.

- Election activities by PhRMA Stealth PACs tilted strongly toward the GOP. Election communications done by all four of the PhRMA Stealth PACs in 2002 reflected consistent partisan leanings, taking pro-Republican or anti-Democratic positions in 92% of the races in which they advertised or sent direct mail.

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"Stealth PACs" Give Drug Industry Big Bang for Its Bucks

In September, Public Citizen's Congress Watch released a report entitled "Big PhRMA's Stealth PACs," (available at http://www.stealthpacs.org/documents/092004Phrma.pdf), which described how the pharmaceutical industry uses apparently neutral non-profit groups to influence elections and the passage of bills it holds dear. Below we present some adapted excerpts from the report.

During the recent debate over the Medicare drug benefit, four non-profit groups (60 Plus Association, United Seniors Association (USA), Seniors Coalition and America 21) were able to raise tens of millions of dollars and pay for numerous election ads and direct mail pieces because they each had a large donor that provided the bulk of their money. And the known relationships of three of the groups with the Pharmaceutical Research and Manufacturers of America (PhRMA), together with the parallelism of all four groups' efforts in 2002 make it seem likely, if not absolutely certain, that PhRMA was the mega-funder for each group.

And make no mistake — PhRMA got what it wanted: a Medicare prescription drug benefit. The 2003 Medicare prescription drug bill, pushed by Republican leaders in both houses of Congress and signed into law by President Bush, greatly expanded the number of paying customers for brand-name prescription drugs, prohibited the government from negotiating discount prices from pharmaceutical companies and failed to allow for the reimportation of much lower cost drugs from Canada and other countries. To get this bill passed, the drug industry bankrolled at least a $108.6 million lobbying effort that employed 824 lobbyists, as documented in a June 2004 Public Citizen report, The Medicare Drug War (http://www.citizen.org/documents/Medicare_Drug_War%20_Report_2004.pdf). And PhRMA appears to have largely funded efforts by its Stealth PACs to elect industry-friendly Senate and House candidates — almost all of them Republicans.

The tax code makes it easy for organizations to keep this kind of relationship secret...continued on page 10