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The \$660 Million Hurdle

Three-Fourths of Lobbyists on Health Care Issues in 2017 Were From the Pharmaceuticals, Insurance or Hospital Industries, Which Will Likely Oppose Single-Payer Health Care

Acknowledgments

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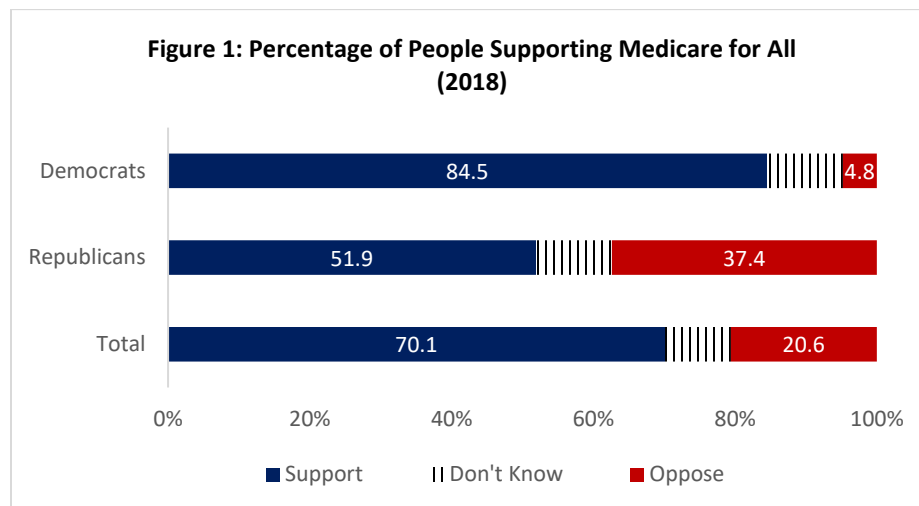
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As the 2018 and 2020 elections approach, the proposal to institute single-payer health care, otherwise known as Medicare-for-All, in the United States will be a major issue. The public has rallied around this idea and most of the potential Democratic 2020 presidential aspirants have endorsed it.¹ A recent poll found that a majority of people identifying as both Democrats and Republicans favor creating a Medicare-for-All system.² [Figure 1] While the recent poll was more stark, numerous polls over the years have found single-payer health care to be popular with the public.³



Source: Reuters/Ipsos August 2017, <https://reut.rs/2QqbrzP>

As with any push for major health care reforms, as the policy becomes more real, so does the pushback. We can expect substantial industry resources to be devoted to fighting the movement for a single-payer health care system. This report looks at the health care lobbying landscape to provide context for understanding what it might look like in the context of a major debate over Medicare-for-All. Given the stakes in Medicare-for-All, there's every reason to expect that private industry lobbying would dramatically increase from current levels. But, as this report shows, industry interests already are enormous.

¹ Potential 2020 presidential candidates who have endorsed Medicare-for-All include Sen. Cory Booker (D-N.J.), Sen. Kamala Harris (D-Calif.), Sen. Kirsten Gillibrand (D-N.Y.), Sen. Jeff Merkley (D-Ore.), Sen. Bernie Sanders (I-Vt.), Sen. Brian Schatz (D-Hawaii) and Sen. Elizabeth Warren (D-Mass.). See, e.g., Haeyoun Park and Wilson Andrews, *One-Third of Democratic Senators Support Bernie Sanders's Single-Payer Plan*, THE NEW YORK TIMES (Sept. 13, 2017), <https://nyti.ms/2yb1ShV>.

² *Inside the Progressive Movement Roiling the Democratic Party*, Reuters (Aug. 23, 2018), <https://reut.rs/2QqbrzP>.

³ For example, a March 2018 poll by the Kaiser Family Foundation found that 59 percent of Americans support "A national health plan, or Medicare-for-All, in which all Americans would get their insurance from a single government plan." (See Kaiser Health Tracking Poll – March 23, 2018, <https://tinyurl.com/y933wwe6>.) An April 2017 Economist/YouGov poll found that 60 percent of Americans favor "Expanding Medicare to provide health insurance to every American." (See YouGov, April 2-4, 2017, <http://bit.ly/2C4tSWI>.) An April 2018 Washington Post - KFF poll found that 51 percent of Americans supported "having a national health plan – or a single-payer plan – in which all Americans would get their insurance from a single government plan." (See Washington Post-Kaiser Family Foundation Political Rallygoing, Jan. 24-Feb 22, 2018, <https://wapo.st/2A0iQjS>.) A September 2017 Harvard-Harris poll found that 52 percent favor a single-payer system. (See The Hill, Sept. 22, 2017, <http://bit.ly/2A0gMrY>.)

Organizations in health-care related industries deployed at least 3,355 lobbyists in 2017. These organizations reported spending \$660 million on lobbying that year. The overwhelming majority of organizations that lobbied on health care issues in 2017 were businesses or representatives of businesses that stand to lose a lot under a single-payer system.

As of right now, relatively few organizations are lobbying directly on the issue of single-payer. Our search of the U.S. House lobbying disclosure database revealed that in 2017, 22 organizations deployed a total of only 66 lobbyists to lobby on “single payer” or “Medicare for All.” But these are also numbers we can expect to grow drastically should single-payer health care come to be seen as a realistic legislative possibility.

Industry Concerns Dominate Health Care Lobbying

The deck is heavily stacked toward health care industry concerns, and away from groups representing specific viewpoints, distinct populations of people (for example, elderly people), health professionals, or the public at large. More than 75 percent of the lobbyists working for organizations in health-care related industries in 2017 (2,531 out of 3,355) worked on behalf of organizations in pharmaceuticals/health products; health Services/HMOs or insurance; or hospitals/nursing homes. [Table 1]

Table 1: Number of Lobbyists by Health Care-Related Industries in 2017

Industry	Number of Lobbyists*
Pharmaceuticals/Health products	1,490
Health Services/HMOs	898
Hospitals/Nursing homes	822
Health professionals	789
Human rights (Health and welfare policy)	535
Insurance	314
Misc. health (Health education and human resources)	141
Misc. issues (Elderly issues/Social Security)	95
Abortion policy: Pro-abortion rights	36
Abortion policy: Anti-abortion	9
Misc. unions (Health worker unions)	6
Total	3,355

Source: Public Citizen analysis of lobbying disclosure data provided by the Center for Responsive Politics (www.opensecrets.org).

* Lobbyists who worked on behalf of clients in separate industries are counted more than once on industry lines but not in the total.

As we might expect, the rankings from Table 1 match closely with rankings of spending on lobbying by industry, with pharmaceuticals/health products; hospitals/nursing homes; health services/HMOs; and the insurance industries accounting for four of the top five industries. [Table 2]

Table 2: Spending on Lobbying in 2017 by Health Care-Related Industries

Industry	Spending
Pharmaceuticals/Health products	\$280,385,132
Hospitals/Nursing homes	\$101,480,158
Health professionals	\$91,720,213
Health services/HMOs	\$76,681,358
Insurance	\$52,072,306
Human rights (Health and welfare policy)	\$34,046,565
Misc. issues (Elderly issues/Social Security)	\$11,993,948
Misc. health (Health education and human resources)	\$7,825,059
Abortion Policy/Pro-abortion rights	\$2,267,057
Abortion Policy/Anti-abortion	\$1,050,000
Misc. Unions (Health worker unions)	\$755,000
Total	\$660,276,796

Source: Public Citizen analysis of lobbying disclosure data provided by the Center for Responsive Politics (www.opensecrets.org).

Looking at specific organizations that hired the most lobbyists on health care issues in 2017, we see this trend in even starker light. Eighteen of the 20 organizations hiring the most lobbyists represented either pharmaceutical interests (14); health insurance or HMO interests (2); or hospital interests (2). It should be noted that a couple of the pharmaceutical industry organizations represent generic drug makers or are generic drug makers, and likely would have a different outlook on health care reform than the brand name pharmaceutical companies. [Table 3]

Table 3: 20 Organizations in Health Care-Related Industries That Hired the Most Lobbyists in 2017

Rank	Organization	Industry	Number of Lobbyists
1	Pharmaceutical Research & Manufacturers of America	Pharmaceuticals/ Health products	169
2	Blue Cross/Blue Shield	Insurance	155
3	Biotechnology Innovation Organization	Pharmaceuticals/ Health products	93
4	Novartis AG	Pharmaceuticals/ Health products	85
5	American Hospital Assn	Hospitals/ Nursing homes	85
6	Amgen Inc.	Pharmaceuticals/ Health products	84
7	Roche Holdings	Pharmaceuticals/ Health products	80
8	Eli Lilly & Co	Pharmaceuticals/ Health products	71
9	Merck & Co	Pharmaceuticals/ Health products	65
10	Pfizer Inc.	Pharmaceuticals/ Health products	63
11	Johnson & Johnson	Pharmaceuticals/ Health products	54
12	Sanofi	Pharmaceuticals/ Health products	54
13	UnitedHealth Group	Health Services/ HMOs	52
14	AARP	Misc. Issues (Elderly issues/Social Security)	51
15	Bayer AG	Pharmaceuticals/ Health products	51
16	Association for Accessible Medicines ⁴	Pharmaceuticals/ Health products	50
17	Alkermes plc	Pharmaceuticals/ Health products	50
18	Abbott Laboratories ⁵	Pharmaceuticals/ Health products	49
19	American Medical Assn	Health professionals	46
20	American Health Care Assn	Hospitals/ Nursing homes	44

Source: Public Citizen analysis of lobbying disclosure data provided by the Center for Responsive Politics (www.opensecrets.org).

⁴ Represents generic drug makers.

⁵ Focused on generic drugs.

An analysis of lobbying spending by organization shows that spending on lobbying on health care issues is dominated by industry interests. Of the 20 organizations that spent the most on lobbying on these issues in 2017, only two (AARP and American Cancer Society) come from fields other than pharmaceuticals, insurance or hospitals. [Table 4]

Table 4: Organizations in Health Care-Related Industries That Spent the Most on Lobbying in 2017

Rank	Organization	Industry	Spending
1	Pharmaceutical Research & Manufacturers of America	Pharmaceuticals/ Health products	\$25,847,500
2	Blue Cross/Blue Shield	Insurance	\$24,330,306
3	American Hospital Assn	Hospitals/Nursing Homes	\$22,104,214
4	American Medical Assn	Health professionals	\$21,535,000
5	Amgen Inc.	Pharmaceuticals/ Health products	\$10,620,000
6	Pfizer Inc.	Pharmaceuticals/ Health products	\$10,470,000
7	AARP	Misc. issues ((Elderly issues/Social Security))	\$9,500,000
8	Bayer AG	Pharmaceuticals/ Health products	\$9,400,000
9	Biotechnology Innovation Organization	Pharmaceuticals/ Health products	\$9,390,000
10	Novartis AG	Pharmaceuticals/ Health products	\$8,759,510
11	Eli Lilly & Co	Pharmaceuticals/ Health products	\$7,195,000
12	Johnson & Johnson	Pharmaceuticals/ Health products	\$6,910,000
13	American Cancer Society	Human rights	\$6,560,000
14	America's Health Insurance Plans	Insurance	\$6,530,000
15	Merck & Co	Pharmaceuticals/ Health products	\$6,230,000
16	AbbVie Inc.	Pharmaceuticals/ Health products	\$5,660,000
17	Teva Pharmaceutical Industries	Pharmaceuticals/ Health products	\$5,590,000
18	Cigna Corp	Insurance	\$5,460,000
19	Sanofi	Pharmaceuticals/ Health products	\$4,786,000
20	UnitedHealth Group	Insurance	\$4,460,000

Source: Public Citizen analysis of lobbying disclosure data provided by the Center for Responsive Politics (www.opensecrets.org).

In all, these data paint a startling portrait of just how lopsided the balance is towards certain industries in lobbying on health care issues.

This is significant because these industry groups stand to lose the most under a single-payer system. Private insurers would likely view the possibility of a single-payer system as an existential threat to their businesses, and we could expect them to throw most or all of their lobbying weight toward preventing the adoption of a single-payer system. Pharmaceutical companies would likewise be almost guaranteed to oppose a health care system that negotiated drug prices more extensively, and we could likewise expect them to lobby heavily against single-payer.

Further, general business interests that do not fall under the scope of the lobbying data analyzed above, such as the U.S. Chamber of Commerce, would likely oppose as long as the Chamber retains its current, highly partisan leadership, and maintains its posture, for any particular issue, of representing the interests of the most acutely affected industries rather than a general business interest.

Conclusion

The overwhelming majority of lobbying power in the health care field lies with the organizations and industries most invested in the status quo (like pharmaceuticals and insurance companies). With public support for Medicare-for-All rapidly growing, there is every reason to believe that the nation will soon begin a serious, high-profile debate about whether and how to adopt Medicare-for-All. Given the political influence and lobbying power of the industry interests opposed to Medicare-for-All, this is likely to be a titanic fight.

Methodology Note

This research was made possible with the help of a massive data pull by the Center for Responsive Politics (www.opensecrets.org). Lobbying disclosure data pursuant to the Lobbying Disclosure Act of 1995 were provided by CRP for organizations in 11 industries (as defined by the Center for Responsive Politics), whose members either provide health care services, health care products, health care-related services (such as insurance), or seek to influence health care policy.

The industries for which members' lobbying data were collected were: Pharmaceuticals/Health products; Health services/HMOs; Hospitals/Nursing homes; Health professionals; Human rights (Health and welfare policy); Insurance; Misc. health (Health education and human resources); Misc. issues (Elderly issues/Social Security); Abortion policy: Pro-abortion rights; Abortion policy: Anti-abortion; and Misc. unions (Health worker unions). (Items listed in parentheses represent subcategories of broader industries.) We treat an organization as having lobbied on these topics if it reported having done so on its own behalf or if a firm it hired did so on its behalf.