

## STRATEGY MEMORANDUM

TO: Republican Leaders

FROM: Michael Steele, Chairman Of The Republican National Committee

SUBJECT: GOP Health Care Strategy For December

### **Where We Are**

Americans are deeply concerned about the economy. Our economic situation is precarious, and the financial crisis that was the root of our downturn is not over. This, along with unemployment remaining in double digits, has Americans feeling anxious and uncertain about their future.

The American people want health care reform that makes careful common-sense adjustments to our current system. But over the past several months, as more and more of the truth about the Democrats' proposals has been revealed, Americans have come to the conclusion that the Obama-Pelosi-Reid bill is NOT the right solution. The latest Rasmussen poll shows this mood clearly:

- 51 percent opposed to the Obama-Pelosi-Reid health care bill and 41 percent in favor of it.
- 57 percent of Americans believe costs will go up under the Democrats' plan
- 54 percent believe the quality of their health care will worsen under the Democrats' plan
- 60 percent believe the deficit will increase under the Democrats' plan

Americans recognize the Democrats' health care bill is a risky gamble.

### **The Substance vs. The Timing**

Republicans have been successful in uncovering the truth about the substance of what Democrats want to sell to the American people. But there is clearly a larger concern on Americans' minds about just what's in the bill. They are wondering why now, with unemployment in double digits. Why now with the threat of

inflation on the horizon. Why now with people still struggling to make ends meet. Why should we spend another trillion dollars we don't have on this government-run health care experiment?

Democrats are using the phrase "historic" to describe the potential of passing their health care bill. President Obama recently met with Senate Democrats, imploring them not to give up on a "historic" opportunity. But the fact is that we are now experiencing historic unemployment within a historic recession. Our own polling showed that while Americans do want common-sense health care reform that controls costs, they want job creation and economic growth first.

When asked to choose between two options:

- 66 percent of Americans said that President Obama and Congress should deal with the economy now and deal with health care at a later time
- 24 percent said that health care reform must be passed immediately

When asked to choose between three options:

- 43 percent of Americans said that President Obama and Congress should set aside health care and work on fixing the economy
- 20 percent said to stop the health care debate and start over
- 30 percent said that President Obama and Congress were on the right track when it comes to health care

The latest polling from Rasmussen confirms our poll results, showing the economy (85%) topping a list of regularly tracked election issues while health care ranks third (66%). This feeling was also evident in the minds of voters following the recent gubernatorial elections. ABC News reported that 89% of New Jersey voters and 85% of Virginia voters said they were worried about the economy.

Today we are witnessing the arrogance of power. In control of all the levers of power, the Democrats believe they can say anything, do anything, and spend anything.

The Democrats have their own polling, and they know that this health care experiment is not popular with the American people. To them this does not matter.

On the say anything front -- Senate Majority Leader Harry Reid made it clear this week that any American who opposes Trillion dollar legislation that raises taxes, cuts Medicare, and increases your health care premiums – is a racist.

## **Where To Go**

Looking at the mood of the American electorate, the strategy in the health care debate is clear: be with the people and listen to the people. We don't have to manufacture anything. All we need to do is add our voice and amplify the chorus of Americans urging President Obama and Congressional Democrats to slow down their health care experiment and focus on jobs and growing the economy.

We've already begun these efforts, starting with an op-ed I wrote for Politico on Monday:

“We don't know how many Americans will still be searching for work next year. We don't know how long rising joblessness will trouble us. We don't know how far our commercial real estate problems might unravel. We don't know how much President Obama's unprecedented spending binge might devalue the dollar or how much inflation it could inflame. We don't know if a double-dip recession is only in our fears or around the corner.

“But, we do know this: Now is not the time for Las Vegas on the Potomac – to gamble a trillion dollars on this irresponsible Congress's 2,000 page health care concoction. Whether or not they support health care reform, shouldn't all responsible Americans agree to delay the trillion dollar Reid-Pelosi health care experiment until we at least see what shape the economy is going to be in next year and, more importantly, whether Americans are working or unemployed?”

I also wrote to President Obama yesterday, calling on him to listen to the American people:

“Whether you are a Democrat or Republican, all of us can agree on this: In this uncertain economy, growth and jobs have to be our priorities. The American people think of little else. Common sense tells us this is the worst possible moment for Congress to risk spending another trillion dollars we don't have.

This is not the time to gamble a trillion dollars on a 2,000 page health care experiment Congress is stitching together by the seat of its pants.”

The longer President Obama and Congressional Democrats don't listen, the more frustrated Americans will become with them. It's not hard to find damning statements from Democrats who will be exceptionally vulnerable to this message. At every opportunity, we must hit this new message:

- Sen. Blanche Lincoln (D-AR) said just a few weeks ago, “creating jobs, putting our economy back on the right track, is my no. 1 priority...”
- Sen. Byron Dorgan (D-ND) said in July, “we have got to give the American people the understanding that we are focused like a laser on trying to pull this economy out of a ditch and get people back to work.”
- Sen. Evan Bayh (D-IN) said in November, “jobs should be our top priority and we shouldn't do anything that detracts from that.”
- Sen. Michael Bennet (D-CO) said in January that the “economy is the highest priority” since we're in “the largest recession we've seen since 1930.”

House Democrats should be exposed as well:

- Rep. Peter DeFazio (D-OR) said a few weeks ago that “there are a lot of Democrats who ... want to see something more effective done to create employment.”
- Rep. Steven Driehaus (D-OH) said in May that “our top priority has been trying to turn around our ailing economy ... [W]e still have a long way to go...”
- Rep. Debbie Halvorson (D-IL) says on her website that “getting our economy back on track so that it works for working Americans is one of [my] most important priorities.”
- Rep. Dina Titus (D-NV) said just over a week ago that it is “critical that we focus our efforts on creating good jobs that will put Nevadans back to work.”

The question for these Democrats will be whether or not their votes will match their rhetoric. And if frustrated Americans in their districts continue to be ignored, there will be consequences next November, just like we saw last month in New Jersey and Virginia.

## **Conclusion**

The truth is that we just don't know what the economy is going to look like next year. Everybody agrees on that. So now is not the time to gamble spending a trillion dollars we don't have on a big new big government program, even if it is health care, which everyone agrees is in need of serious reform.

As Republicans have already proposed, we should take 5 or 6 thoughtful steps now to reduce the ever rising costs of health care. We can do that by Christmas. But people with a broad range of health reform ideas should be able to come together and realize we need to delay the trillion dollar Obama-Pelosi-Reid health care experiment until next year when we see what the shape of the economy will be.

Finally, I urge everyone to spend every bit of capital and energy you have to stop this health care reform. The Democrats have accused us of trying to delay, stall, slow down, and stop this bill. They are right. We do want to delay, stall, slow down, and ultimately stop them from experimenting on our nation's health care. And guess what, so do a majority of Americans.

I have heard Republican political operatives say that it will be good for our Party next November if the Democrats pass this bill. They note that the bill is unpopular with Independents, suburban voters, and senior citizens. They say that the voters will run them out of office for it.

That may be, but we cannot take that approach. Some things are more important than politics. This is one of those times. Please do everything you can to stop this bill ... before it is too late.