ublican
onal
lmittee

of the Chairman

MEMORANDUM FOR REPUBLICAN LEADERS

FROM: CHAiRMAN MICHAEL STEELE

DATE: JUNE 30, 2009

To date, President Obama and the Democrats in Congress have amassed an incredible record of deficit spending, debt, bailouts, and an unprecedented government takeover of various sectors' of our economy.

While the president remains personally popular, Americans are, with each passing day, becoming increasingly alarmed by his policies. There is a mountain of public polling proving this. Consider the following from an RNC national survey conducted June 15-17 by OnMessage Inc. (This research was quite extensive, consisting of two surveys each including 1,100 likely general election voters. Both surveys were stratified by state to reflect historic voter trends. The margin of error for both surveys is +/- 2.95%.)

I AM GOING TO READ SOME NAMES OF PEOPLE AND ORGANIZATIONS IN THE NEWS. FOR EACH ONE, PLEASE TELL ME, FIRST WHETHER YOU'VE HEARD OF THE PERSON, THEN, IF SO, PLEASE TELL ME WHETHER YOU HAVE A FAVORABLE OR UNFAVORABLE IMPRESSION OF THE PERSON.

"BARACK OBAMA"

61%	FAVORABLE
35%	UNFAVORABLE
4%	NO OPINION

WOULD YOU SAY YOU APPROVE OR DISAPPROVE OF PRESIDENT OBAMA'S HANDLING OF HEALTH CARE REFORM?

41%	APPROVE
41%	DISAPPROVE
18%	DK/REFUSED

THINKING ABOUT THE ELECTIONS NEXT YEAR WHICH OF THE FOLLOWING CANDIDATES FOR CONGRESS WOULD YOU MOST LIKELY VOTE FOR?

1. A CANDIDATE WHO WOULD HELP PRESIDENT OBAMA AND THE DEMOCRATS IN CONGRESS PASS THEIR AGENDA.
2. A CANDIDATE WHO WOULD BE A CHECK AND BALANCE TO PRESIDENT OBAMA AND THE DEMOCRATS IN CONGRESS.

35%	HELP OBAMA
56%	CHECK AN D BALANCE
1%	BOTH
4%	NEITHER
4%	DK/REFUSED

Despite the president's increasingly skeptical reviews, it should also be noted that the Obama administration is fantastic at the PR game. In some cases, they are even a little too good at it, selling things that are demonstrably untrue. Consider the following:

- They sold the idea that the stimulus would create jobs, saying that if it didn't pass unemployment would top out at 8%. Sadly, millions of American workers have lost their jobs since the stimulus was passed and our nation's unemployment rate is nearing 10%.
- The Obama administration has repeatedly told Americans that they're concerned about spending, yet while the president has predicted a deficit of nearly $1.2 trillion for 2010, the CBO puts next year's budget gap at nearly $1.4 trillion. And this year's deficit is now projected to soar past $1.8 trillion, or 13 percent of the economy -- the deepest well of red ink since the end of World War II.
- Now they are selling the yarn that they can make health care more affordable by executing yet another multi-trillion dollar spending debacle.

Only in Washington could something so expensive, be sold as a cost cutting measure.

The truth is, the Obama Administration is engaged in a grand experiment, attempting to find the outer limits of how much stress our country and our economy can bear.

As the Obama administration turns its focus to health care, the experimenting has gone from risky to down-right dangerous. It is one thing to expand government. It's quite another to ram through a government takeover of our nation's health care system, which accounts for nearly 17% of our nation's economy.

Situation Analysis

- The Republican Party knows we have the best health care system in the world. The Republican Party also knows it is a system in need of reform because it is costing our families and our businesses too much.

- Republicans know that we can maintain the high quality of health care only if it is affordable.

Paid for by the Republican National Committee
Not Authorized By Any Candidate Or Candidate's Committee
www.gop.com

- But more than anything else, Republicans and voters know that turning America's health care system over to the government is a bad idea.

THINKING ABOUT HEALTH CARE RIGHT NOW, WHICH OF THE FOLLOWING STATEMENTS COMES CLOSEST TO YOUR OPINION?

1. ACCESS TO AFFORDABLE HEALTH CARE IS A RIGHT OF EVERY AMERICAN AND THE GOVERNMENT SHOULD TAKE A MORE ACTIVE ROLE TO INSURE THAT EVERY AMERICAN HAS ACCESS TO HEALTH CARE .... OR ...
2. GOVERNMENT SHOULD TAKE A MORE ACTIVE ROLE IN LOWERING THE COST OF HEALTH CARE BUT THE GOVERNMENT SHOULD NOT TRY TO RUN OUR HEALTH CARE SYSTEM.

32%	GOV'T ACTIVE ROLE
59%	GOV'T NOT RUN SYS.
3%	BOTH
4%	NEITHER
2%	DK/REFUSED

PLEASE TELL ME IF YOU AGREE OR DISAGREE WITH EACH OF THE FOLLOWING STATEMENTS.

"AMERICANS SHOULD NOT BE FORCED INTO A NEW GOVERNMENT-RUN HEALTH CARE PLAN THAT WOULD ELIMINATE THE HEALTH COVERAGE THAT MORE THAN 100 MILLION AMERICANS CURRENTLY RECEIVE THROUGH THEIR JOB AND LIMIT THEIR CHOICE OF DOCTORS AND MEDICAL TREATMENT OPTIONS"

73%	AGREE
18%	DISAGREE
9%	DK/REFUSED

- The party that harms quality loses - the Democrats are that party.
- The price tag for the Democrats' plan is unacceptable. Again, the voters speak loud and clear on this point.
- Massive tax increases on already struggling American families is a terrible idea that could prolong our recession.
- Americans demand control of their health care.
- The doctor-patient relationship must be strengthened, without interference from government bureaucrats.

Countering the President's **PR**

The president's PR team uses rhetoric to mask reality, and the White House spin machine is in overdrive trying to convince Americans as well as our nation's health care professionals that their plan is the cure for what ails us. Republicans will not allow the Democrats' rhetoric to define this debate. Republicans will confront and correct the five elements of the president's misinformation campaign:

o *Democrat Myth* #1: *"Republicans oppose health core reform."*

01' Reality: Republicans support common sense reforms that will control cost. preserve quality and provide the health care that Americans deserve.

Our plans will:

- Reduce and control individual costs.
- Protect the doctor-patient relationship.
- Preserve and improve quality & choice.
- End lawsuit abuse in order to reduce costs to *consumers.*
- Responsibly *reform* health care without further bankrupting the country.

o *Democrat Myth #2: President Obama's government-run plan will be budget neutral.*

01' Reality: The president's plan costs more money than we have *or* can afford to spend.

- The price tag for the president's plan is somewhere between $1 and $2 trillion dollars. The president has already submitted a budget which doubles the national debt to $lS trillion.
- The president will either have to break his pledge to not raise taxes on those earning less than $200,000 per year or break his pledge to have his reform plan fully paid for.
- The burden of proof is on the president as to how exactly his reforms will be paid for.
- If the president intends on breaking his campaign promise not to raise taxes on Americans making less than $200,000 a year-and we knew he would - it's long past time that he says so.

o *Democrat Myth #3: The president's government-run plan will equal fair competition.*

01' Reality: When government competes. government wins. A government-run plan. backed by tax dollars and subsidies. will create a monopoly, not choice, and will:

- Undercut private insurance rates.
- Set rates, set prices and determine what treatments to cover.
- Force private insurers out of business.

o *Democrat Myth #4: President Obama's government-run plan will reduce costs.*

01' Reality: President Obama's plan will drive up the cost and drive down the quality of health care.

- Nothing ever becomes cheaper by being *more* expensive.
- Everything the government touches becomes more expensive.
- Americans will pay more for health *care* because of huge tax increases on everything from their health care benefits to a new national sales tax, among others.
- The president wants to finance his plan by raising over $300 billion dollars in new taxes and cutting over $600 billion dollars from Medicare and Medicaid.

o *Democrat Myth #5: "If you like your plan you can keep it."*

01' Reality: The president's plan will force Americans to join a government-run plan even if they like their current plan and their doctor.

Paid for by the Republican National Committee
Not Authorized By Any Candidate *Or* Candidate's Committee
www.gop.com

- Employers, especially small businesses, will stop offering private health care plans because their employees could get coverage through the government-run plan.
- The non-partisan Lewin Group analyzed how a Medicare-like public plan, the kind insisted on by House Democrats, would result in 119 million Americans being driven from their private insurance to the government "option."

Conclusion

Every Republican should stand up for health care reform that controls cost, preserves quality and provides the health care that Americans deserve. This means standing up against President Obama's health care plan. The Obama administration is acting with extreme haste, hoping to push through their health care experiment as fast as they can. Make no mistake-their timeline is based on what works for them politically, not on what will result in the best health care policy for Americans. The reckless speed with which they are attempting to jam through this experiment is a grave threat to America's health care, and America's health.

Our playbook on this issue is simple and straightforward: Fight for health care reform while fighting against the elements of the Democrats' plans that will adversely impact care and further bankrupt our country. Republicans should stand firm against each of the following:

- The decline in quality of care that will come from a government controlled insurance option.
- Government deciding what treatments we can have, and who can have them.
- Tax hikes to pay for President Obama's risky and expensive plan.
- Cutting Medicare to pay for President Obama's risky and expensive plan.
- More debt and more spending that will prolong the recession.
- Rushing another flawed bill that will cost trillions and hurt existing health care.
- Punishing small businesses in this time of unprecedented unemployment.
- The "public plan" - gateway to a government takeover of health care.

The Republican National Committee will engage in every activity we can to slow down this mad rush while promoting sensible alternatives that address health care costs and preserve quality. Republicans in the U.S. House and Senate have proposed alternatives that would help make health care more affordable and ensure that patients and doctors remain in control of their health care decisions.

Please add your voice and your talents to this effort before it is too late.

Paid for by the Republican National Committee
Not Authorized By Any Candidate Or Candidate's Committee
www.gop.com