

COORS AD MISLEADING ATTACK AD ON HEALTH CARE, :30

SCRIPT:

[Narrator]: While healthcare costs skyrocket lawyer Ken Salazar opposes caps on malpractice lawsuit damages. Salazar has taken over half a million dollars from the trial lawyer lobby.

THE FACTS:

➤ **FACT: Ken Salazar Has A Real Plan To Control Health Care Costs.**

- **Lowering Health Care Costs For Small Businesses And Families.** Over 50 percent of uninsured workers are employed by a small business. This proposal would create a 50 percent tax credit to help small businesses with the costs of health coverage. This proposal would expand CHIP to children with family incomes below 300 percent of the poverty level. It would also provide new tax credits to help working families purchase health insurance for their kids, either through CHIP or their employers.
- **Lowering Prescription Drug Costs.** This proposal will allow individual consumers to immediately purchase prescription medicines from Canada for their personal use or the personal use of a family member.
- **Ending HMO Slush Funds.** HMOs are getting tens of billions of dollars in subsidies for the Presidents new drug benefit, even before seniors will see a single penny in benefits. This proposal would eliminate these unfair slush funds.
- **Effective Disease Management And Prevention.** These programs provide an opportunity to improve outcomes and limit spending by identifying and monitoring high-risk populations.
- **Electronic Medical Records.** This proposal would ensure that all Americans have secure, private electronic medical records by 2008, to lower health care costs system wide.

	<p>➤ <u>FACT</u>: Independent experts questioned the effectiveness of Coors’ health plan, including his calls for tort reform.</p> <p><u>DP</u>: Experts Say Tort Reform “Would Barely Affect Overall [Health Care] Spending On September 12, 2004, the <u>Denver Post</u> reported “experts say the effort to curb lawsuits - known as tort reform - would barely affect overall spending.” (<u>DP</u>, 9/12/04)</p> <p>CCHI Director Does Not See Tort Reform As The Largest Driver In The Rise Of Health Care Costs Lorez Meinhold, director of the nonpartisan Colorado Consumer Health Initiative, said "We don't see that [tort reform] as the largest driver in the rise of health care costs." (<u>DP</u>, 9/12/04)</p> <p>Thorpe: “The Role That Tort Liability Has Assumed In Increasing The Cost [Of Health Care] Has Been Nil” Ken Thorpe, a professor at Emory University, said that, “the role that tort liability has assumed in increasing the cost [of health care] has been nil.” The <u>Denver Post</u> wrote that Thorpe is “considered one of the foremost experts on the issue.” (<u>DP</u>, 9/12/04)</p>
<p>[Pete Coors]: The lawsuit abuse in America is out of control. It’s killing jobs and hurting families</p>	<p>➤ <u>FACT</u>: The only job-killer in the Colorado Senate race is Peter Coors. And he keeps lying about it, even after the <u>Denver Post</u> called him on it.</p> <p>Under Pete Coors, Coors Brewing Cut 1,500 Jobs – Including 900 In The Last Ten Years – To Their Lowest North American Worker Count In A Decade In 1988 (when Pete Coors became President of Coors Brewing), Adolph Coors employed 6,900 workers, By 1994, the Adolph Coors (under CEO of brewery operations Peter Coors) employed 6,300 North American workers. By 2003, Adolph Coors (under Chairman Peter Coors) employed only 5,400 in North America, a decrease of 900 jobs and the lowest employment level of the decade. (<u>DP</u>, 8/27/04; <u>RMN</u>, 8/13/04)</p>

Since 1993, Coors Eliminated More American Jobs Than He Created

According to the Denver Post, “Adolph Coors Co. annual reports show that the company has cut more American jobs than it created since Coors became chief executive of its operating division, Coors Brewing Co., in December 1992.” (DP, 8/27/04)

Denver Post Criticized Coors For Claiming He Created Jobs: “Those Facts Don’t Square With [His] TV Ads...”

In an editorial on August 28, 2004, the Denver Post wrote of the jobs cut at Coors under Peter Coors leadership, “Those facts don’t square with TV ads that label him as a job creator or with campaign speeches in which he often has made the claim. ... To protect the credibility of his new brand - Coors for Senate - Coors should drop the questionable job-creator soundbite from his ads and speeches.” (editorial, DP, 8/28/04)

Coors Claimed “Job Creator” Mantle Three Times In Two Weeks After Being Blasted By Denver Post As Lacking Credibility

Since the August 28, 2004 Denver Post editorial which said that Coors’ claim of being a job creator was “questionable” because the “facts don’t square” with his claim, Pete Coors has repeated the job-creator lie three times in just two weeks:

- **8/30/04:** “I bring a lifetime of work in the private sector where I’ve created jobs and grown a major business...” (Coors speech to RNC, 8/30/04)
- **9/7/04:** “Pete has created jobs...” (Coors radio ad, Durango, 9/7/04)
- **9/11/04:** “I’m a job creator...” (Coors at Club20 Debate, 9/11/04)

... causing healthcare costs to skyrocket,

➤ **FACT: Peter Coors isn’t being honest with Colorado voters. The non-**

putting doctors out of business.

partisan Congressional Budget Office confirmed that tort liability accounts for less than two percent of increased health care spending. And the Center for Medicare and Medicaid Services, which administers Medicare, found that out-of-pocket prescription drug cost increases were the largest contributor to out-of-pocket health care cost increases.

CBO: Eliminating Malpractice Costs Would Lower Healthcare Costs by Only 0.4 to 0.5 Percent

In a report entitled “Limiting Tort Liability for Medical Malpractice” by the non-partisan Congressional Budget Office released in January 2004, a reduction of 25 to 30 percent of malpractice costs would “lower health care costs by only about 0.4 percent to 0.5 percent and the likely effect on health insurance premiums would be comparably small.” (CBO, “Limiting Tort Liability for Medical Malpractice,” 1/8/04, www.cbo.gov/showdoc.cfm?index=4968&sequence=0)

CBO: Malpractice Costs Account for Less Than Two Percent of Health Care Spending

According to report entitled “Limiting Tort Liability for Medical Malpractice” by the non-partisan Congressional Budget Office released in January 2004, “Evidence from the states indicates that premiums for malpractice insurance are lower when tort liability is restricted than they would be otherwise. But even large savings in premiums can have only a small direct impact on health care spending--private or governmental--because malpractice costs account for less than 2 percent of that spending.” The CBO calculated its figure from data from Tillinghast-Towers Perrin, an actuarial and management consulting firm, and the Office of the Actuary at the Centers for Medicare and Medicaid Services (CMMS), the official oversight agency for Medicare and Medicaid under the Department of Health and Human Services and which collects data on national health spending and oversees healthcare concerns for nearly one in four Americans. (CBO, “Limiting Tort Liability for Medical Malpractice,” 1/8/04, www.cbo.gov/showdoc.cfm?index=4968&sequence=0#F3; CMS, 2003, www.cms.hhs.gov/researchers/projects/APR/2003/facts.pdf)

CMMS: Rising Out-of-Pocket Drug Costs Were Biggest Cause Of Out-Of-Pocket

Health Care Cost Increases

According to Center for Medicare and Medicaid Services, which administers Medicare and helps administer Medicaid and SCHIP, “Over half of the increase in out-of-pocket spending for all health services came from increases in out-of-pocket spending for prescriptions drugs in 2002.” (www.cms.hhs.gov/statistics/nhe/historical/highlights.asp)

Between 1997 and 2002, Prescription Drug Prices Were Fastest Growing Health Care Cost Segment

According to January 2004 testimony before the Senate Health Education Labor and Pensions Committee, CBO Director Douglas Holtz-Eakin noted that between 1997 and 2002, “growth in real spending on prescription drugs has been especially rapid--at more than 14 percent per year on average from 1997 to 2002, making it the fastest growing category of health spending during the period.” (Statement of CBO Director Douglas Holtz-Eakin, Senate Committee on Health, Education, Labor, and Pensions, 1/28/04)

Americans for Insurance Reform: Medical Malpractice Costs Had Made Up Less Than One Percent of Healthcare Costs For The Past 18 Years

According to Americans for Insurance Reform, medical malpractice payouts account for less than one percent of total U.S. health care costs. AIR stated, “All ‘losses’ (verdicts, settlements, legal fees, etc.) have stayed under one percent for the last 18 years.” In 2002, payouts (0.38 percent) and premiums (0.58 percent) stayed below one percent of total U.S. healthcare costs. (American for Insurance Reform, “Healthcare Costs,” 8/04, www.insurance-reform.org/pr/AIRhealthcosts.pdf)

HHS Found That Legal Liability Fears Contributing Max Of Seven Percent Of Total Overall Healthcare Expenditures

According to the Washington Post, a report by the Department of Health and Human Services “found that expenses traceable to legal liability fears contribute between \$60 billion and \$108 billion a year to the total \$1.6 trillion health care bill.” (Washington Post, 7/20/04)

National Center for State Courts Study Showed That The Number Of Malpractice

Filings Actually Down Between 1992 and 2001, Not Increasing

According to the National Center for State Courts' survey of medical malpractice data among 17 states, between 1992 and 2001, medical malpractice filings per 100,000 population have only fluctuated minimally, with an overall 1 percent decrease in per capita filings. (*Examining the Work of State Courts, 2002; A National Perspective from the Court Statistics Project* (2003), p. 28. This finding is based on medical malpractice data from 17 states.)

NCSC Survey Of 35 States: Number Of Tort Cases Decline 4 Percent Between 1993 & 2002

According to a survey conducted in 35 states by the nonpartisan National Center for State Courts, the total number of tort cases fell 4 percent between 1993 and 2002. Colorado was included in the NCSC survey. (DP, 9/12/04)

Justice Dept: The Number Of Medical Malpractice Cases Is Falling

According to the Justice Department's Bureau of Justice Statistics, the number of medical malpractice cases fell from 1,356 in 1992 to 1,112 in 2001 in the 75 largest counties in America. (DP, 9/12/04)

DP: Tort Reform In Colorado Has Not Health Care Costs From Rising

On September 12, 2004 the Denver Post reported that Colorado has "imposed limits on lawsuits since the mid-1980s, but health care costs keep rising anyway. (DP, 9/12/04)

Pharmaceutical Giant Pfizer's VP of Marketing, Dr. Peter Rost: "The Safety Issue Is A Made-Up Story..."

On September 13, 2004, VP of marketing for drug manufacturer Pfizer, Dr. Peter Rost, spoke at a press conference in suburban Washington DC to endorse a plan for Montgomery County employees to purchase prescription drugs from Canada. Rost argued to allow importation of Canadian drugs, saying, "This has been proven to be safe in Europe ... The real concern about safety is about people who do not take drugs because they cannot afford it. The safety issue is a made-up story." Rost told the Winnipeg Free Press "It's exactly the same product that the same (pharmaceutical) companies are selling in **Canada** that they are selling in the U.S." (WP, 9/14/04; Edmonton Sun, 9/18/04)

While we lose the trial lawyers cash in.

➤ **FACT: Peter Coors knows all about cashing in on other's health care**

troubles. As the head of Coors brewing, he raised premiums on his own employees \$600 per year, but gave himself a \$17K raise and \$281K in bonuses the next year.

Coors Company Revised Medical Coverage To Require Employees To Pay \$600 Per Year For Health Care Coverage

In October 1992, Coors Brewing Company announced it would be charging its approximately 6,500 employees \$600 per year for family health care coverage. The new medical plan began in early 1993, and was intended to cut medical costs which the company could no longer meet. "Our company simply cannot afford to continue to pay as we have in the past . . . The impact on the bottom line is undeniable," said Pete Coors, President of Coors brewing Company. Previous to this decision, the Coors Company covered the full cost of employee and their family's health insurance. (DP, 10/28/92)

1993: Coors Received \$44K Bonus, \$49K in Long-Term Awards, and \$13K in "Other Annual Compensation," On Top of \$466K Salary

According to the Adolph Coors Company 1993 10-K filing, Peter H. Coors received \$465,688 in his annual compensation salary. In addition, Coors received \$44,185 in 1993 through ACC's Annual Cash Incentive Award. A targeted award given when annual pre-tax profit targets are met. Coors also received \$49,312 in the Coors' long-term awards program, a restricted long-term stock plan targeted toward the "75th percentile of relevant, broadly-defined external markets." Additionally, Coors received \$13,041 in 1993 under the company's "Other Annual Compensation." The total of extra executive compensation, outside of salary an long-term underlying securities, was \$106,538. (SEC, "Adolph Coors Company 10-K Filing," 12/26/94)

1994: Coors Received \$281K In Bonuses On Top of \$483K Salary

According to the Adolph Coors Company 1994 10-K filing, Peter H. Coors received \$483,328 in his annual compensation salary. In addition, Coors received \$281,262 in 1994 through ACC's Annual Cash Incentive Award. (SEC, Adolph Coors Company 10-K, 12/26/95)

The lawyers and professional politicians in

➤ **FACT: Of those 57 lawyers, more than half belong to Peter Coors' own**

the Senate won't change things. But I will.
I'm Pete Coors and I approve this message.

party. Of course, Peter Coors doesn't mention that he'd rank fifth among the Senate's 40 millionaires.

US Senate Currently Boasts 57 Lawyers, More Than Half Are GOPers

According to the 2004 Almanac of American Politics, there are 57 lawyers in the US Senate. Of these 57, 30 of them more than half- are Republicans: Richard Shelby (R-AL), Jeff Sessions (R-AL), Ted Stevens (R-AK), Lisa Murkowski (R-AK), Jon Kyl (R-AZ), Saxby Chambliss (R-GA), Mike Crapo (R-ID), Peter Fitzgerald (R-IL), Sam Brownback (R-KS), Trent Lott (R-MS), Thad Cochran (R-MS), Kit Bond (R-MO), Jim Talent (R-MO), Judd Gregg (R-NH), Pete Domenici (R-NM), Mike DeWine (R-OH), George Voinovich (R-OH), Gordon Smith (R-OR), Arlen Specter (R-PA), Rick Santorum (R-PA), Lindsay Graham (R-SC), John Cornyn (R-TX) , Orrin Hatch (R-UT), John Warner (R-VA), George Allen (R-VA), Mitch McConnell (R-KY), Norm Coleman (R-MN), Elizabeth Dole (R-NC), Lamar Alexander (R-TN), and Kay Bailey Hutchison (R-TX). (2004 Almanac of American Politics)

US Senate Currently Boasts 40 Millionaires, 22 Are GOPers

According to official public financial disclosure forms, the US Senate currently includes at least 40 Senators with a net worth of greater than \$1 million. Of these 40, 22 are Republicans - 55 percent. (CNN.com, www.cnn.com/2003/ALLPOLITICS/06/13/senators.finances)

Coors Net Worth: \$15M to \$64M, Would Rank Him As High As Fifth Among All Senators

According to his public financial disclosure form, Coors listed his assets as between \$15 million and \$64 million, not including his shares in four family trusts valued at a combined between \$301 and \$428 million. A net worth of \$15 million would rank Coors ninth among all Senators, and a net work of \$64 million would rank him fifth among all Senators. (RMN, 5/18/04; CNN.com, www.cnn.com/2003/ALLPOLITICS/06/13/senators.finances)

Nearly Two-Thirds Of Republican Millionaires In The Senate Are Lawyers

	<p>Of the 22 Republican millionaires currently in the Senate, 14 (63 percent) are lawyers: Peter Fitzgerald (R-IL), Richard Shelby (R-Al), Gordon Smith (R-OR), Lamar Alexander (R-TN), Mike DeWine (R-OH), James Talent (R-MO), Arlen Specter (R-PA), Judd Gregg (R-NH), John Warner (R-VA), Kay Bailey Hutchison (R-TX), Mitch McConnell (R-KY), Sam Brownback (R-KS), Ted Stevens (R-AK), and Orrin Hatch (R-UT). (CNN.com, www.cnn.com/2003/ALLPOLITICS/06/13/senators.finances; 2004 Almanac of American Politics)</p>
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