
The Campaign Against *Sicko*

MOST of the two thousand people who crowded into the Grand Théâtre Lumière at the Cannes Film Festival early on Saturday morning, May 19, 2007, for the world premiere of *Sicko*, Michael Moore's indictment of the U.S. health care system, rose to their feet at the end of the film and gave Moore and his new documentary an astonishing fifteen-minute standing ovation.

One young man, however, could not stay to applaud because of an urgent assignment. Largely unnoticed, he slipped out of the theater and made his way to his hotel room, where he placed a call to the organization in Washington, D.C., that not only had covered his trip to the French Riviera and his ticket to the premiere but also paid his salary.

Dialing America's Health Insurance Plans, he was immediately patched into a conference call where dozens of insurance executives, including me, waited anxiously on the line. All knew of the threat to the industry; none knew any specifics. Moore had kept such tight control over the release of his film that none of us knew exactly what it was about. Would it focus on big pharmaceutical companies, as early rumors had suggested, or on the insurance industry?

As he read from the extensive notes he had taken in the back of the dark theater, AHIP's reconnaissance agent confirmed our worst

fears: Private health insurance companies played the role of the villain.

Which companies were in the movie, we wanted to know, and how badly were they portrayed?

I was cautiously optimistic. Because there had not been a single Moore sighting at any of CIGNA's facilities or any reports that he had interviewed anyone associated with the company, I thought there was a good chance he had chosen other targets. I was hoping especially that archrival Aetna had been in his sights.

But I was wrong: CIGNA was among the first companies in the line of fire. My phone would soon be ringing off the hook with calls from reporters and TV producers wanting to get my reaction to the claims of people in the film who said we had refused to pay for needed medical care. I also knew, though, that I would get a lot of support from AHIP, which was poised to mount a massive PR campaign to discredit Moore and his movie.

Industry leaders had already agreed to provide the resources for a campaign to attack the movie because of the concern that it would persuade more Americans to support a Medicare-for-all, government-run health care system that would marginalize, if not eliminate, the role of private insurance companies. Industry-commissioned polls had been showing for several years that many Americans, worried about rapidly rising insurance premiums and reports of insurance companies refusing to pay for necessary medical treatments, were not as opposed to such a system as they used to be. Several years had passed since the fear-based propaganda campaigns financed by special interests had scared Americans away from Bill and Hillary Clinton's health care reform proposal. There had been only occasional need for fear-mongering during the industry-friendly Bush years.

Another big concern was the timing of Moore's film. The campaigns for the Democratic and Republican presidential nominations were in full swing. If Moore's movie attracted big audiences and generated a lot of positive buzz, it might embolden one or more

Democratic candidates to join Representative Dennis Kucinich (D-Ohio) in endorsing the expansion of Medicare to cover everybody. If the man or woman elected in 2008 favored such a radical restructuring of the American health care system, the increasingly profitable insurance industry would find itself in a war for survival.

After hearing the report from Cannes, we knew that was a real possibility. Moore's movie compared the U.S. system, dominated by large for-profit insurance companies, with the nonprofit, government-run systems of Canada, France, the United Kingdom, and even Cuba, all of which have attained universal coverage for their citizens while spending far less for care that's as good as, if not better than, the care Americans receive. Not surprisingly, considering the anticorporate theme of Moore's previous documentaries, the U.S. system did not fare well in the comparison.

AHIP—and every PR person in the health insurance industry—had been trying to get information about Moore's intentions since July 2004, when he had mentioned to a reporter that his next film would be about the U.S. health care system. Most of us had feared it was just a matter of time before he and his film crew began showing up at our corporate headquarters demanding to talk to our CEOs, or worse, waiting at their homes.

In anticipation of those tactics—which he had used in most of his other films—I met with corporate security to develop a plan to make sure that managers at every CIGNA office knew what to do in the event that Moore showed up at their doorstep. I also scheduled media-training sessions with all of the company's top executives, equipping them with pithy things to say and pointers on how not to look like a deer caught in the headlights if they got ambushed leaving their home or getting out of their limo.

Above all, we in the industry strove to keep our activities and plans close to the vest. Fearful that an internal memo or e-mail might be leaked to the media or wind up in Moore's hands, AHIP advised all of its member companies not to put Moore's name or anything

remotely related to his project in writing. AHIP didn't want insurance companies to appear to be on the defensive. In December 2004, it was disclosed that at least six drug companies had been warning their employees, in internal e-mails, to keep an eye out for Moore. When one of the e-mails was leaked, Moore went straight to the media with it, knowing that the drug companies had unwittingly given him exactly what he needed to generate early interest in his movie.

Determined to avoid the same scenario, insurers were giving their employees the same instructions, but not in writing. AHIP was so cautious that its staff was instructed to use the code term "Hollywood" in communications to company executives about Moore and his movie.

In one of her few written communications about Moore, AHIP president Karen Ignagni sent a note to her board of directors in late 2004 about "health care and Hollywood." Ignagni had charged AHIP's communications staff and PR agencies with the task of searching for every mention of the movie they could find, and they had come across a brief story in the blog Cinematical, which read in part, "Though he's clearly passionate about exposing the problems with American health care, Moore still seems to be struggling a bit with the film—after all, he says, 'everyone knows that health care is a mess in this country.' His goal, then, seems to be less education than motivation: Moore hopes that [*Sicko*] 'pushes health care to the top of the public agenda' and, presumably, forces politicians to get involved."

IT NEVER HURTS TO PLAN AHEAD

In late May 2007, ten days after *Sicko*'s Cannes premiere, the top public relations executives of the country's biggest health insurers flew to Philadelphia to be briefed on AHIP's multipronged strategy to discredit both Moore and his movie.

The meeting was being held in Philadelphia instead of Washington because the chair of AHIP's Strategic Communications

Committee was CIGNA's CEO, H. Edward Hanway, and he wanted to host the meeting close to home. It was the second time in two weeks that the group had met there. Three days before *Sicko's* premiere, they had convened to hear Bill McInturff, partner and cofounder of Public Opinion Strategies, a national Republican and corporate research firm, disclose the results of four focus groups and three national polls his firm had conducted for AHIP in recent months to determine Americans' attitudes on the need for health care reform.

McInturff, who was later to be lead pollster for the 2008 McCain-Palin campaign, has had a long association with the health insurance industry, going back to the early 1990s. He earned his chops when he teamed up with the political consultants and creative team at ad agency Goddard Claussen to create the "Harry and Louise" commercials, which helped scuttle the Clinton health care reform plan in 1994. He has played a key role ever since in helping the industry defeat any federal legislation that has posed a serious threat to insurers' profitability.

Much of McInturff's work has been devoted to what he describes as "'combat message development,' not simply monitoring public opinion, but developing messages to defend and promote client interests on complex public policy issues."

McInturff began his presentation by making it clear—and showing the evidence—that Americans were rapidly losing confidence in the private health insurance market. His first slide showed that there had been a significant shift in recent years and that a majority of people, according to his polls, were now saying the government should do more to solve the many problems that plagued the American health care system. Even more troublesome, a fast-growing percentage also embraced the idea that a government-run, publicly funded health care system—like the ones Moore portrayed in *Sicko*—should be implemented in the United States.

As a result of this trend and in anticipation of the first national debate on reforming the health care system since insurers had played

a key role in killing the Clinton reform plan, AHIP had recently restructured its Strategic Communications Committee to include only CEOs. It had originally been made up of member companies' top PR people, and I had served on the committee as CIGNA's representative, but AHIP's board reasoned that the committee's recommendations would have greater clout throughout the industry if CEOs were perceived to have created them. (The PR chiefs, including me and my peers from the other companies that would be attending the second Philadelphia meeting, now comprised the Strategic Communications *Advisory* Committee.)

Also traveling to Philadelphia for the meeting were AHIP's Mike Tuffin and Robert Schooling, senior vice president of the Washington-based PR firm APCO Worldwide. Tuffin and Schooling would be the main presenters of the industry's strategy against *Sicko*.

APCO was founded in 1984 by one of Washington's biggest law firms, Arnold & Porter, which is well known for its representation of the tobacco industry. From one office in Washington, APCO has grown into an international operation with offices in twenty-nine locations throughout North America, Europe, Asia, and Africa. On its Web site, APCO has referred to itself as "a global communications consultancy" specializing in "influencing decision-makers and shaping public opinion by crafting compelling messages and recruiting effective allies."

One of the deceptive practices of which APCO has a long history is setting up and running front groups for its clients. In 1993, Philip Morris hired APCO to organize a front group called the Advancement of Sound Science Coalition in response to the U.S. Environmental Protection Agency's ruling that secondhand tobacco smoke was a carcinogen. Philip Morris also hired APCO to manage what it called a "massive national effort aimed at altering the American judicial system to be more hostile toward product liability suits" and to build a coalition to advocate for tort reform. According to the Center for Media and Democracy, the tobacco industry paid APCO almost a million dollars in 1995 to implement behind-the-scenes tort reform

efforts and specifically to create chapters of “grassroots” citizens’ groups called Citizens Against Lawsuit Abuse.

A 1995 APCO pamphlet described how the firm helped corporations advance their goals by influencing lawmakers, drafting legislation and regulations, and creating business coalitions tailored to specific issues: “We [APCO] use the most effective, up-to-date technology and campaign tactics to help you achieve your legislative and regulatory goals . . . [We have] built numerous national and state coalitions on a variety of issues including the environment, science, energy, trade, intellectual property, education, tort reform and health care . . . [We] apply tactics usually reserved for political campaigns to target audiences and recruit third-party advocates. Our staff has the political field experience and has written the direct mail, managed the telephones, crafted the television commercials and trained the grassroots volunteers. We apply these hard-learned skills and tactics to mobilize hundreds, even thousands, of constituents. Or, when just the ‘grasstops’ are needed, we recruit just a few of a target’s key friends or contributors to join us. No matter the issue, we bring together coalitions that are credible, persuasive and cost-effective.”

While APCO mentions some of its clients on its Web site under the heading of “Client Success,” it doesn’t disclose all of them. You will find no mention of AHIP there. That’s because AHIP does not want the public to know anything about the PR strategies the firm creates and the front groups it sets up for the insurance industry.

At the time of the Philadelphia meeting, Tuffin had recently returned to AHIP from APCO, where he had served as a top account executive whose clients had included the pharmaceutical industry. Before APCO and his first stint at AHIP, he’d been the senior director of strategic communications at the trade group Pharmaceutical Researchers and Manufacturers of America and, earlier, the communications director at GOPAC, a Republican political action committee.

Schooling, who had joined APCO in 1995 after working as a senior field director for the National Association of Homebuilders, came

from the other side of the political aisle. In the early part of his career, he had been a field director for the Democratic Congressional Campaign Committee.

For the strategy meeting, AHIP had encouraged the PR people to attend in person rather than calling in. It did not want to risk the chance that anyone other than those specifically invited would be able to hear how the industry planned to discredit Moore and his film. Secrecy was paramount. There would be no handouts. A secure conference call line was set up for those few who could not attend in person, and they were given passwords—but only after the meeting started—so they could view the PowerPoint presentations on their office computers. The “save” and “print” functions were disabled so that no one could keep any evidence, other than their own handwritten notes, that the meeting had taken place.

To drive the point home, the first slide of the presentation warned that any communications we disseminated in writing, even to employees, could wind up on Moore’s Web site.

Though the movie would not reach American screens for another month, AHIP and APCO had created a comprehensive PR campaign, elements of which, we were to learn, were already being implemented.

The initial thrust of the campaign would be an attempt to shift the media’s focus away from Moore’s agenda as much as possible and to position health insurers as part of the solution rather than part of the problem. Tuffin said that when any of us talked to the media about *Sicko*, we should acknowledge the compelling stories and personal tragedies in the film but then try to change the subject to how insurers contribute to the American health care system.

Schooling added that it was imperative for all of us to redouble our efforts to educate the public on the positive things the industry does. Hanway suggested that every company should begin collecting positive stories to counter the negative ones in the movie. Schooling said that APCO would work with any company’s PR team to help

place positive stories in the media. While this effort was under way, APCO would work behind the scenes to “reframe the debate” by mounting a campaign against government-run health care systems. Schooling said the strategy to do that would be bifurcated. On the one hand, insurers would need to stay on message by continuing to talk about how they can help solve problems relating to access, cost, and quality of care. On the other hand, AHIP and APCO would recruit allies to communicate what industry spokespeople could not do with credibility—that Moore was a nut whose ideas on reform would be a disaster for the country.

Tuffin and Schooling said they had already begun recruiting conservative and free-market think tanks, including the American Enterprise Institute and the Galen Institute, as third-party allies. Those allies, they said, would be working aggressively to discredit Moore and his movie.

They then mentioned an ally that most of us had never heard of, Health Care America. It had been created by AHIP and APCO for the sole purpose of attacking Moore and his contention that people in countries with government-run systems spent far less and got better care than people in the United States. The sole reason Health Care America exists, they said, was to talk about the shortcomings of government-run systems.

Unlike the Galen Institute and AEI, Health Care America was a front group, funded by money from the health insurance industry and other special interests, that APCO would set up and run out of its offices. Although Schooling didn’t disclose this at the meeting, the person who would serve as the media contact for Health Care America would be APCO employee Bill Pierce, a man who had served in the top communications job at the Blue Cross and Blue Shield Association, another insurance trade group, and as a public affairs officer at the Department of Health and Human Services during the George W. Bush administration, before joining APCO as a senior vice president.

Creating Health Care America—which would spring into action as soon as *Sicko* hit theaters in the United States—was deemed necessary because of the steady and alarming erosion in Americans’ opposition to government-run systems, as borne out by McInturff’s research. Health Care America would lead the effort to restore Americans’ fear of government-run health care.

While Health Care America and the industry’s allies would be doing the fearmongering, AHIP and insurers would try to persuade the public as well as lawmakers that the industry had a legitimate reason to exist. One of the key messages AHIP would stress in every media interview about health care reform during the coming months was that this time the industry would be “bringing solutions to the table,” and would be willing to make certain concessions when Congress began drafting reform legislation. This would be the part of its PR charm offensive that insurers would want the public to see.

The part they would not want the public to see, however, was their effort to depict Moore as such a polarizing figure—loved by left-wingers and liberal activists but viewed with suspicion by more conservative voters—that Democrats would talk positively about *Sicko* at their own peril. The goal was to make Moore radioactive to centrist Democrats in particular. The plan included recruiting political pundits, including some Democrats, to articulate that threat. AHIP and APCO would also reach out to political reporters and try to frame the movie as an effort on the part of Moore and other liberals to drive the agenda to the political left.

Tuffin and Schooling wrapped up their presentation with a “worst-case scenario” plan. If *Sicko* showed signs of being as influential in shaping public opinion on health care reform as *An Inconvenient Truth* had been in changing attitudes about climate change, then the industry would have to consider implementing a plan “to push Moore off the cliff.” They didn’t elaborate, and no one asked what they meant by that. We knew they didn’t mean it literally—that a hit man would be sent to take Moore out. Rather, an all-out effort would be made to depict

Moore as someone intent on destroying the free-market health care system and with it, the American way of life.

TOO BAD THE CIA ISN'T THIS EFFICIENT

A few days later, my assistant brought me a one-and-a-half-inch-thick unmarked three-ring binder. The only indications that it came from AHIP were a few references in the table of contents to a white paper the organization had produced on the Canadian health care system and a few other documents on AHIP's reform proposals.

The binder contained responses to just about any conceivable question a reporter might ask about the movie or government-run systems, but in keeping with AHIP's ban on even mentioning Moore or *Sicko* in writing, there were no specific references to either. AHIP sent the binder to all of the PR chiefs who participated in the Philadelphia meeting to equip us with negative anecdotes and statistics about any of the health care systems depicted in *Sicko* and to remind us to always mention in our conversations with anyone about the movie that Americans do not want a government takeover of their health care system.

The phrase "government takeover" is one that has tested extremely well over the years and has been central to every campaign the industry has conducted in recent decades to defeat reform efforts, including the Clinton proposal in 1994. The industry has paid McInturff and other consultants and pollsters millions of dollars to craft and test such phrases in focus groups and surveys. Knowing from that research that many Americans react negatively to more government involvement in their lives, particularly if it involves higher taxes, AHIP ensured that a warning against a government takeover was included in the briefing packets for lawmakers in Washington, the industry's business allies, and conservative pundits, talk show hosts, and editorial writers.

Two weeks after the Philadelphia meeting, I was on a cross-country reconnaissance mission of my own. Although the AHIP

staffer who saw the movie in Cannes provided a pretty good report, he did not give many details about how CIGNA was portrayed in the film.

After hearing that the first public screening of the movie would be held in Sacramento on June 12, I asked the head of our state government affairs unit if she could finagle a ticket for me. I wanted to be as prepared as possible to answer questions from the media when they began to flood in. The best way to do that would be to see the movie myself. Terry McGann, CIGNA's longtime lobbyist in Sacramento, was able to score a couple of tickets for a colleague and me from California State Assembly speaker Fabian Núñez, a Democrat from Los Angeles.

The screening was an unofficial premiere. The official premiere would be held four days later in the Michigan town of Bellaire, which is near where Moore and his wife live. Moore had been persuaded by the California Nurses Association and Physicians for a National Health Program—both advocates of a single-payer health care system in the United States—to show the movie in Sacramento first because California lawmakers had twice approved bills creating a single-payer system in the state. Had Governor Arnold Schwarzenegger not vetoed both bills, California would have been the first state in the nation to ban private insurance companies and operate its own government-run health care system, like many of those depicted in *Sicko*.

After picking up our tickets in McGann's office, my colleague and I walked to the theater, trying to blend in with the thousands of politicians, state government employees, doctors, and nurses who were already in line to see the movie. Once inside, we went to the very back row and took out our pens and notebooks, ready to capture the details of the stories told in the movie by people who claimed that CIGNA had refused to pay for care their doctors had said they needed.

It seemed as if there were more stories about CIGNA than about any other company, although I didn't pay as much attention to how

badly Moore treated our competitors. Probably one of the most memorable vignettes in the whole movie was about a hearing-impaired little girl, Annette Noe, whose doctors said she needed cochlear implants in both of her ears. CIGNA initially paid for only one, saying that implantation in both ears would be “too experimental.” The girl’s father, Doug Noe, was one of twenty-five thousand people who had responded to Moore’s call for health insurance horror stories. Undoubtedly, one of the reasons Annette’s story made it into the movie is that her father told the CIGNA representative he had been dealing with that he had been in touch with Moore.

“Has your CEO ever been in a movie?” Noe asked the CIGNA guy.

The next scene showed CIGNA’s fifty-eight-story glass-sheathed headquarters in Philadelphia, where I worked. What viewers heard next was the CIGNA representative calling back and leaving good news on the Noes’ answering machine. CIGNA would pay for both implants after all.

I cringed when I heard that, but I wasn’t surprised. The squeaky wheel gets the grease in the managed care world. That wasn’t the first time CIGNA had delivered good news after a member had complained to the media about a denial. It would not be the last, either.

But the movie had an effect on me that I didn’t expect. Because of all the experience I’d had handling “horror stories” like the ones depicted, I knew that they were a common occurrence—that many Americans found themselves in similar situations every day. I also found the film very moving and very effective in its condemnation of the practices of private health insurance companies. There were many times when I had to fight to hold back tears. Moore had gotten it right. If I hadn’t been with a colleague, I probably would have joined all the others in the audience in giving the movie a standing ovation, just as the people at Cannes did when it was first screened.

The next day, the front group that APCO had set up to discredit *Sicko* issued a statement warning against “a government takeover” of health care:

“Health Care America, a non-partisan, non-profit health care advocacy organization, released the following statement in response to a California rally held by Michael Moore and a variety of advocates in support of a government takeover of our health care system.

“The reality is that government-run health systems around the world are failing patients—forcing them to forgo treatments or seek out-of-pocket care in other countries.”

Bill Pierce was listed as the contact person for Health Care America, but if you had dialed the phone number listed for him at the organization, you would have reached him at his desk at APCO in Washington.

A week later, Moore held another screening, this one in Washington. He invited members of Congress, but few showed up. He also invited the heads of the big health care trade associations. None of them attended.

The industry, however, was prepared for the event. An ad targeting the movie appeared in Washington’s newspapers. The message: “In America, you wait in line to see a movie. In government-run health care systems, you wait to see a doctor.” The sponsor: Health Care America.

For several weeks after that screening, APCO sent me and other PR chiefs daily reports of the stories it had placed in the media via Health Care America as well as the commentaries and op-eds APCO’s recruits had had published in newspapers and other media outlets from coast to coast.

The campaign cost hundreds of thousands of dollars, all of which came from premiums paid by health-plan members, but industry executives felt this was a good and appropriate use of those premium dollars. Though *Sicko* grossed nearly \$25 million at the box office in the United States, that figure wasn’t even in the same ballpark as the \$120 million that Moore’s *Fahrenheit 9/11* had made on U.S. screens just three years earlier. We believed the industry’s behind-the-scenes campaign against the movie might have had something to do with the comparatively small box office numbers. We were pleased that AHIP and

APCO had succeeded in getting their talking points into most of the stories that appeared about the movie, and that not a single reporter had done enough investigative work to find out that insurers had provided the lion's share of funding to set up Health Care America.

We were also relieved that centrist Democrats had not embraced *Sicko*. All in all, the movie, in our view, had not succeeded in altering the "collective opinion." Spending the extra money to push Moore off the cliff had not been necessary.

More important, we considered the campaign against *Sicko* to be a warm-up act to the health care reform debate that all of us knew would begin in Congress soon after the next president took office. And most of us still believed that person would be the industry's former nemesis, Hillary Clinton.