



February 2004 Findings Memo – Health Care

ACTIVITY

- **In February, 66 candidates and organizations sponsored healthcare-related ads which aired 24,539 times in 30 states, on national Cable, and in the District of Columbia.**
- ***Federal – Spending down 12%.*** Heavy spending by the Democratic candidates for President dropped dramatically as candidates began to withdraw from the race. Over \$13.6 million was spent on healthcare-related television advertising by candidates for federal office. Spending breaks out as follows: President \$5.25 million (38%); U.S. Senate \$4.86 million (36%); Issue Advocacy \$2.54 million (19%); and, U.S. House \$1 million (7%).
- ***State – Spending skyrocketed 460%.*** Candidates for Governor, State Senate, and various organizations campaigning for down ballot state issues spent an estimated \$6.4 million on television advertising. Healthcare, Prescription Drugs, and Tort Reform were the major issues addressed. ***Californians for a Balanced Budget***, supporters of California Proposition 56, spent nearly \$4.2 million on statewide television.
- ***Brand Identity*** - Over \$287,000 was spent on dual purpose image TV ad campaigns (corporate identity and issue advocacy) by ***Pfizer***, the ***Biotechnology Industry***, and the ***Trover Foundation***.

OVERVIEW - ISSUE

- **Healthcare** issue advertising generated **24,539** airings at an estimated cost of **\$20,451,513**. An estimated \$37,325,901 has been on healthcare-related television advertising in 2004.
- **Prescription Drugs** – An estimated \$3.4 million was spent on television advertising critical of the pharmaceutical industry and the cost of the drugs they manufacture. ***In 2003, a total of \$4.7 million was spent on ads categorized as “anti-industry.”*** Blair Hull for U.S. Senate spent over to \$2.4 million on anti-pharmaceutical industry ads in February.
- **Tort Reform** – During February, CMAG captured 2,553 tort reform airings at an estimated cost of \$2,034,314. (see Tort Reform Findings memo for more detail)

OVERVIEW – POLITICAL

- **U.S. Senate, Illinois** – Over \$4.3 million was spent on healthcare advertising. Democratic candidates spent an estimated \$4.15 million, while one Republican, **Jim Oberweis**, spent a little over \$190,000. **Blair Hull** was the top sponsor spending over \$3.25 million on ads addressing the high cost of healthcare and prescription drugs.
- **U.S. Senate, Pennsylvania** – The legislative achievements of Republicans **Senator Arlen Specter** and **Congressman Pat Toomey** were on prominent display during the month. Specter spent an estimated \$494,000 touting his record of funding healthcare projects in the state. Toomey, Specter’s Republican primary challenger, accused Specter of standing with the trial lawyers instead of addressing the malpractice crisis that is crippling the state’s healthcare system.
- **U.S. House, Ohio 14** –**Capri Cafaro** sponsored two ads that were critical of the pharmaceutical industry and President Bush’s “phony Medicare scheme.” Cafaro spent nearly \$125,000 in February and emerged victorious in the Democratic primary on March 2nd.
- **2004 Presidential Primary** – Over \$5.2 million was spent on healthcare TV ads in February. **John Kerry** led the pack, spending an estimated \$3.1 million on ads promising affordable healthcare for all Americans.

Top Markets by Spending - Jan		Top Markets by Spending YTD	
CHICAGO	\$2,458,968	BOSTON	\$3,786,841
LOS ANGELES	\$2,328,591	CHICAGO	\$2,861,316
CABLE	\$2,027,687	LOS ANGELES	\$2,328,591
SAN FRANCISCO	\$1,581,424	CABLE	\$2,027,687
ST LOUIS	\$983,828	SAN FRANCISCO	\$1,581,424

Top Markets By Spots - Jan		Top Markets by Spots YTD	
LEXINGTON	1,228	LEXINGTON	3,271
CHICAGO	1,051	DAVENPORT	1,762
FRESNO	1,035	BOSTON	1,639
CHAMPAIGN	988	MANCHESTER	1,240
LOS ANGELES	862	COLUMBIA	1,210

TRENDS

- **Healthcare 2004:** Open and competitive seats, early primaries, and a divided Congress should result in an unprecedented amount of advertising during the 2004 election season. Based on advertising over the past few months, we expect to see a large number of ads attacking big insurance companies and HMOs. For an idea of what to expect, over \$259 million and \$208 million was spent on television healthcare advertising during the 2000 and 2002 elections respectively.
- **Rx 2004.** Prescription drug coverage for seniors is one issue that will not go away despite the passage of a Medicare benefit in 2003. Candidates for President, U.S. Senate, and the

U.S. House continue to criticize the bill, the pharmaceutical industry, drug importation from Canada, and the high cost of prescription drugs. Even if the Democrats are successful in defeating President Bush in November, Republican majorities in the House and Senate will prolong this debate for years to come.

IN OTHER ADVERTISING:

During February, one large campaign of note was the special election for Kentucky's 6th Congressional District, which had been vacated when Dr. Ernie Fletcher resigned the position to take the office of Governor. The 6th Congressional District is comprised of much of central Kentucky, including Frankfort and Lexington. On February 17th, Ben Chandler defeated Alice Forgy Kerr by **12.2%**, to claim the seat. Here's a recap of the advertising.

- With a campaign focusing on his role as Attorney General, and attacking Forgy Kerr on her votes in the State Senate (including a vote for a "pension grab"), Chandler's campaign spent an estimated **\$540,000**. Almost half of that spending came in the month of February. His campaign was supported by the **Democratic Congressional Campaign Committee**, who spent an estimated **\$400,000**, and the **League of Conservation Voters**, spending just under **\$25,000**.
- In a state that was strongly behind President Bush in the 2000 presidential election, Alice Forgy Kerr's campaign focused on her support for President Bush's agenda. She outspent her opponent by approximately **\$240,000**, spending an estimated **\$783,000**. She was supported by the **National Republican Congressional Committee**, who spent close to **\$450,000** during the course of the election, half of that coming in the last weeks before the election.