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In Case You Missed It

Health care record threatens Teague's re-election bid

Albuquerque, NM—On the 2008 campaign trail, Harry Teague often touted the fact that his companies provided health care benefits to their employees. That's why it was surprising when Washington-based *Politico* published a story revealing that at the same time Teague was sending mixed messages concerning his stance on Congress's health care bill, (he first voted to advance it, before voting against it) his companies were doing away with health benefits, advising employees to “seek an alternative solution.”

Another interesting nugget found in the *Politico* story: although Teague publicly declared in December that he was divesting himself of interests in his companies, he still hasn't done it.

In response to *Politico's* piece, New Mexico blogger, Heath Haussamen, expanded on the story, pointing out the political challenges now facing the freshman lawmaker.

Haussamen writes: “... *Teague asked people to support him not because of what he would do in Washington on health care reform, but because of what he had done in the past for his employees. Now that's gone. What is Teague left with?*”

Read yesterday's *Politico* article [here](#).

Haussamen's article is printed below in its entirety.

Health care record threatens Teague's re-election bid

NMPolitics.net

By Heath Haussamen

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Read online at: <http://www.nmpolitics.net/index/2010/05/health-care-record-threatens->

[teague%e2%80%99s-re-election-bid/](#)

Health care record threatens Teague's re-election bid

Teague ran as a populist, but what stands out most today is the fact that he's the wealthy owner of a corporation that doesn't provide health insurance for employees. Progressives aren't going to vote for Pearce. But they might stay home on Election Day.

The first time I met [Harry Teague](#), in December 2007 when he was running for Congress, he brought up the fact that he provided affordable health insurance to employees of his businesses.

In fact, he [told me at the time](#) that he was in the process of creating a clinic and hiring a nurse practitioner for the employees of his company. He said he could offer his employees basic services cheaper than other clinics, and he hoped it would also reduce his costs as an employer.

Before being elected in November 2008, Teague, a Democrat, talked about his companies' health care benefits time and time again on the campaign trail.

So I was surprised to learn today, from [an article](#) published by Politico, that Teague's companies have cut all health care benefits for their employees.

But first, something else I was surprised about: They're still Teague's companies.

That's interesting because three of the companies announced last year they were re-forming under the name Cavaloz Energy Inc., and Teague said he was [divesting himself of all interests](#) in the companies. As of last week, that hadn't happened, Politico reported. Though Teague has given control of the companies over to his son, Teague still owns the majority interest in the companies.

I e-mailed Teague's office to ask why, almost six months after it told me Teague was divesting himself of those interests, it hasn't happened. I'll let you know if I get a reply.

Cutting health insurance for employees

On to the health care. Politico reported that as the health care reform debate was "raging" in Washington (Teague twice voted against reform bills), his companies were eliminating health care for employees. From the article:

"On Dec. 21, 2009 — as the health care debate was raging in Congress — a human resources manager at Teague's Cavaloz Energy sent a memo to 250 employees of Teague-affiliated companies:

“Please be aware that effective Feb. 28, Cavaloz Energy Inc., Teaco Energy Services Inc., ABC Rental Tool, Eunice Well Servicing, Teaco Drilling will no longer offer health insurance to [its] employees. We would ask that all employees currently covered under the company’s insurance policy begin to seek an alternative solution.’

“We apologize for any inconvenience this may cause,’ the notice added. ‘Know that we value your employment here at Cavaloz.’”

Teague spokeswoman Kara Kelber was quoted by Politico as saying that Teague “thinks employers should provide health insurance coverage for employees — that’s what he did when he was running a company. But he also knows that the economic downturn has forced many small businesses to make tough choices to survive.”

“While he is not involved in day-to-day operations of the company anymore, he deeply regrets that the rising cost of health insurance forced the company to make this decision,” Politico quoted Kelber as saying. “Ultimately, it came down to cutting the high-cost benefit or cutting jobs.”

A political problem

Teague is in a tough re-election battle against former U.S. Rep. [Steve Pearce](#), R.N.M., who he replaced in Congress in 2008. Teague has angered his party’s base by voting against health care reform, and his businesses’ cutting of health benefits only promises to fan the flames.

Teague has often been short on policy in public speeches and interviews with journalists, instead telling stories about what he’s done in the past. Nowhere has that been truer than with health care.

In fact, during that first interview I had with Teague in 2007, he told me about the health clinic he was creating for employees instead of answering a question about what health care reforms he would push in Washington.

In other words, Teague asked people to support him not because of what he would do in Washington on health care reform, but because of what he had done in the past for his employees.

Now that’s gone. What is Teague left with? He has opposed health care reform in Washington and his companies have ended health care benefits for employees.

So he’s offering no solutions to the health care crisis with his actions in Washington and Southern New Mexico. What about with his words?

He’s not offering much there either. In statements released after he voted against both

health care bills ([here](#) and [here](#)), Teague said he will continue working to lower costs for families and rein in insurance companies, but he was not specific about how he thinks that can and should be done.

I've been called twice today by Democrats who are upset with Teague. And therein lies his problem: He's alienating progressive voters who he needs if he's going to win re-election. Teague ran as a populist, but what stands out most today is the fact that he's the wealthy owner of a corporation that doesn't provide health insurance for employees.

Progressives aren't going to vote for Pearce. But they might stay home on Election Day. With three polls of the race showing that it's a toss-up ([here](#), [here](#) and [here](#)), that could make all the difference.

You can watch Teague talking about the health benefits he gave employees in [this 2008 campaign commercial](#).

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