

John Kerry Lays Out Health Care Plan

By John Kerry

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Today at Boston's Faneuil Hall, Senator John Kerry put forth his comprehensive health care plan. Kerry's plan lowers cost and improves quality of health care, covers every child in America, and ensures that every American has access to the same type of health care that members of Congress give themselves. Kerry's plan will guarantee that every American has health insurance by 2012. Below are Kerry's remarks as prepared for delivery:

"Health Care for All Americans"

Senator John Kerry

Faneuil Hall

Boston, Massachusetts

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Faneuil Hall, as you know, is more than a historic building. This birthplace of American

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Now, today, I return to discuss health care - which is not only the great unfinished business of half a century, but a matter of fundamental moral values. I would remind those who invoke values for their own narrow political purposes that the Scriptures do not command us to "heal the sick" only if they have the money to pay for it.

And I would remind my fellow Democrats that our party will be hollow in purpose, expedient and short-sighted until we renew - and finally win - the battle to make health care a right and not a privilege for every American.

For five decades, presidents have approached this challenge and then backed away - and powerful interests have had their way. As Democrats, we have to take up the cause and refuse to back down. We can't triangulate this issue; no, we have to go to the heart of it - affordable health care for every American.

Today I will set out a health care plan that I believe must be a centerpiece of our purpose and promise to the nation. Here are the goals and principles of this plan:

- First - Every American, and I mean everybody, must have health coverage by 2012.
- Second - To get there, we start with kids first. They're born, they're enrolled in health care. They go to child care, they're enrolled. They go to school, they're enrolled. No "ifs," "ands," or "buts," every child gets health care - automatically, immediately, every child in America gets health care now.
- Third - We must and will control the skyrocketing premiums, co-pays, and exclusions that make a mockery of the insurance hard-working families pay for month after month. No longer will families be pushed into bankruptcy by medical bills they can't pay - no longer will sons and daughters have to choose between paying for a doctor's bill for one child or college tuition for another - it is time to finally guarantee that as health care costs are held down, Americans get the health care they need and deserve.
- Fourth and finally, instead of telling tens of millions to wait until they are sick enough to go to an emergency room, we must and will assure high quality and preventive care for every American.

Now this is not a new issue for me. It's not the flavor of the month. During the 2004 presidential campaign, I fought for a comprehensive health care proposal aimed at dealing simultaneously with escalating costs, eroding coverage, and erratic quality. One of my biggest regrets is that the fear talk trumped the health care walk and that we are less safe abroad and less healthy at home because of that.

Two years later this president and his party still have nothing to offer on health care other than a Medicare prescription drug plan that has turned out to be an unfolding disaster for seniors and a massive give-away to the big drug companies. Every single day since Election Day, the health care crisis has grown steadily worse. The president has stuck to his guns - or more accurately, his empty holster - and done nothing beyond trotting out the conservative hobby-horse of health savings accounts. Well let me tell you, Americans whose wages have shrunk so they can't save at all, need more than the empty promise of an account they can never create with money they can't save for health care they can't afford.

So, I'm sticking to my guns as well. It is time to jump-start a debate around the country that can shake Washington into action before the health care crisis devastates millions more of America's families - and hollows out America's economy.

We can no longer accept a twentieth-century health care system for a twenty-first century economy. The roots of our current system are planted in the mid-twentieth-century idea that most working Americans will get health care benefits from a large company that employs them for decades, or perhaps for a lifetime.

But today, lifetime employment with one company has become the exception, not the rule. Businesses are operating in a global marketplace in which their competitors don't carry the health care burden. And thanks to the health care cost spiral in our country, that burden is growing heavier every day.

I reject the Hobson's choice - the false choice - between putting companies out of business and workers out of jobs - or leaving more and more Americans without health insurance. With the right leadership, we can have both. We can guarantee health coverage and grow jobs, wages, and our economy.

Two corporations show the dangerous path ahead for employer-based health coverage. One used to be the largest company in the world - General Motors. The other is the largest company today - Wal-Mart.

As General Motors goes, people used to say, so goes the country. Well today, General Motors is weighed down with so many health care costs that it's been called "an HMO dressed up as an auto company." GM adds \$1,500 to the cost of every car and truck it produces just to pay for health care for its workers. To give you an idea of how much this affects American businesses in the global marketplace, Toyota pays only \$500 in health care costs per vehicle.

Now this isn't just a problem for manufacturing industries. The CEO of Starbucks, Howard Shultz, said his company spends more on health care than coffee beans. They're trying to do the right thing, but the people running our country aren't doing the right thing by them.

Companies like Wal-Mart have adopted a totally different strategy - use workers until they get sick, don't cover them for check-ups, and then tell them they're on their own. The nice person who greets you at Wal-Mart's door is shown the door when illness strikes. Whether it's because Wal-Mart hires part-time workers and doesn't offer them insurance, or offers health care packages most workers there can't possibly afford, passing along enormous costs to families and taxpayers, the bottom line is clear: at Wal-Mart, less than forty percent of the employees have health insurance. That's 600,000 working Americans on their own. It's unconscionable and it is unacceptable that five of the ten richest people in America are Wal-Mart stockholders from the same family - worth double-digit billions each - but they can't find the money to secure health coverage for their own workers and their families.

Wal-Mart workers aren't alone. Millions of Americans with full-time jobs end up without health insurance. No family should be left with their fingers crossed, hoping to dodge a bullet, afraid that bad news from their doctor will leave them bankrupt or without care.

America believes in real family values and lives them; this Administration just talks about family values, but does little to actually value families. Think about it: 46 million Americans uninsured including eleven million children, six million more than when this president took

office. Those six million are casualties of indifference and incompetence every bit as much as the hundreds of people who are losing their lives in Iraq every week. And to demand change we must resolve to take both of these moral issues to the ballot box this fall.

Now, the administration's answer to millions without health care is: "They're lucky just to have a low-paying job." And the Administration's answer to businesses trying

took my father, and Tom Farrington's father, the disease that we have the medical science and moral obligation to prevent, detect, and treat so that it no longer robs sons and daughters and wives of their fathers and husbands and loved ones. Just as the doctrine of "separate but equal," was wrong in education, it's wrong in health care: we have to reform the system so that the quality of health care for every American never again depends on the color any American's skin.

To get there we must tackle three major challenges - spiraling costs, shrinking coverage, and uneven quality.

But we can't meet that challenge if Washington just tinkers with one little problem or another, timidly one at a time, when what we need is a new and comprehensive national health strategy. We can't accept a Washington trapped in so-called solutions that are cynically designed to get through the next election by ignoring the needs of the next generation.

Every time their pollsters warn the Republicans that their indifference to the health care crisis is beginning to take root,

dream up the most miraculous cures for the most devastating illnesses we can make certain that none of our people ever again die because they can't afford the treatments and the doctors that are right down the street. The Democratic Party must stand for health care for all Americans - or we don't stand for anything at all.

The proposal I will advance today - and continue to fight for this year and next year - lives up to that challenge in a sensible, practical, comprehensive way that will cover all Americans with better quality at lower costs by 2012.

The first step toward a twenty-first century health care system is to contain the increasing financial burden on employers, small businesses, and middle-class families.

This requires investments in cutting-edge health information technology, investments that will save more than they cost.

The current system forces too many people go to too many different doctors to get too many different prescriptions and too many different tests with their information scattered on too many different health records. This is time-consuming, health-endangering, and money-wasting.

To end the fragmentation of care we must improve coordination and implement electronic records for all - and we must do it now.

We must provide new incentives for physicians to join group practices so we can achieve lower costs, reform management practices, and improve health outcomes with shorter wait times, and more time spent with a doctor.

We must create public-private partnerships to fund research on the comparative effectiveness of drugs and therapies so that care is decided on the basis of evidence, not because a company has the slickest ads or salesmen. The truth is, drug companies should be investing in cures, not commercials.

And patients should never be given a prescription drug just because a corporation gives a doctor a meal, a trip, or a financial bonus.

We can and must lower costs through a new federal reinsurance plan for catastrophic care. Now, reinsurance may be one of the big words I get a bad rap for, but reinsurance is a common-sense concept. Let me just say a word about it:

Today, the high costs of treating the sickest patients are driving up the price tag for everyone else and taking a huge toll on our businesses. Just one percent of the population accounted for over 20% of health care expenses in 2002. The bottom half of all claims accounted for just three percent of all health care expenses.

So to help our businesses get out from under the heavy financial burden of these expensive cases that hike up everyone's premiums, the federal government ought to make a new deal with employers and health insurers. Here's the deal: we will reimburse a percentage of the highest cost cases if you include preventive care and health promotion benefits in your plan and implement practices proven to make care affordable. This means lower costs and lower premiums for both employers and employees.

So reinsurance is a big word, but - you know what? It's also a big idea.

The second part of my health care plan is fundamental: every American should have health coverage - and we will start by seeing to it that every child in this country is covered without equivocation, bureaucratic excess or endless delay. It's simply wrong that the wealthiest country in the world leaves eleven million children without coverage - with no care, inadequate care, or care that comes too late.

You want a test of family values to take out to the heartland? Here's a test: Instead of people earning a million dollars a year getting another tax cut, every child gets health care.

The first bill I introduced when I returned to the Senate after the presidential campaign was called Kids First: it calls for a federal-state partnership to mandate health coverage to every child in America.

The proposal makes the states an offer they can't refuse.

The federal government will pay for the most expensive part: enrolling all low-income children in Medicaid, automatically. The states will pay to expand coverage to higher income children. The result? Massachusetts will save more than \$219 million annually - funding that can offset the costs of implementing the new state-based universal coverage plan. In the end, states across the country will save more than \$6 billion a year, and every child will have health care. That's good economics - and let me tell you something else, it's good values too.

Beyond this, to achieve universal coverage nationwide, we must break out of the old and narrow debates, focus on new and creative ways to build on what works.

everybody to by into the same kind of health care as we have for kids first, we should let us as Congress give themselves

instead of asking the government to cover them when they show up in hospital emergency rooms.

Massachusetts is showing America how to take the initiative, break the gridlock, and confront this issue head-on. More than any single public leader in our country, for forty years, through Democratic and Republican Administrations, day in and day out, the senior Senator from our state - my friend - Ted Kennedy has led the legislative fight and commanded the conscience of our nation in urging universal health care. Here at home, Democratic legislators fought for reform for years, none more so than Sal DiMasi and Robert Travaglini, and in Mitt Romney they found a Republican Governor who helped them make reform a reality. Unfortunately, in Washington, we haven't found that kind of bipartisan cooperation from the Bush Administration.

If we did, it wouldn't be hard to see that controlling costs and expanding coverage are critical elements of a solution to the health care crisis - and that the health of all Americans - not the interests of the few - must be our goal: Patients, not profits, first.

But today, our current health system places too much focus on the bottom line and not enough on the lives and health of millions of Americans. Improving the quality of care not only saves us money; it saves lives. As many as 1.5 million people get sick, are injured or die every year as a result of medical errors. The quality standard in other industries is just 4 errors per million. In health care, the standard is 100,000 errors per million. That's extraordinary. We should not have a higher quality standard for the production of cars than we do for the protection of the sick.

Our hardworking health professionals - our doctors, our nurses, our hospital employees - would agree: it's unacceptable and we need to fix the system to cut down on errors.

In 1993, Boston's Brigham and Women's Hospital was one of the first in the country to implement an electronic prescription system called Computer Physician Order Entry. It should be the model for the whole nation - digitized, private medical records, for prescriptions, treatment, and it must become a national priority and an everyday practice in every medical facility in America.

We must be determined as a nation to invest in this vision - and our investment must be real. Unfortunately, President Bush's \$116 million for Health Information Technology is a mere token, a tiny down payment on what is needed - less than half of what we spend each day on the war in Iraq. We need a real commitment to quality improvements to save lives in America. This is not something that can be done halfway. We have to invest now to save billions down the road.

So that brings us to the last question: How will we pay to transform our health care system? Well, you can't play games with this one. Here's the best way: It is time to roll back this president's unaffordable tax cuts for the very wealthiest, those of us who make more than \$200,000 a year. And the bottom line is: I don't need a tax cut more than 46 million Americans need health care coverage.

No one should forget that back in the 1990s, before the big Bush tax cuts, our economy created vast new wealth, tens of thousands of millionaires, and indeed, the first mass upper-middle-class in human history. Who wouldn't trade the economy we have today for the growth and progress of the 1990's? Instead, believe me, if we don't get a handle on health care and energy costs, we are headed straight back to the "stagflation" of the seventies, with

its skyrocketing prices and interest rates, and ultimately, double-digit unemployment. And our businesses will lose their ability to compete internationally, precisely when globalization has made the competitive challenge a matter of national resources and economic preeminence.

I'm happy to say that over twenty major organizations have endorsed my Kids First health care plan alone, but unfortunately not a single Republican Senator has stepped up to the challenge.

Americans have a choice here: in 2006, if the Congress won't fix health care, then Americans can fix the Congress.

Some have suggested that I offer a new health care plan so it can sound new. What I put forward in 2004 works. It was a good plan then, and it's a good plan now. I'm not willing to give up that fight. What we need is a new Congress this year and a new president in 2008 to make sure we finish the job. Let's stand together to cure what ails this country - to give America back its future and the truth - and to secure the basic right of health coverage for every American.