

Cover Story

Health America: The Proposal To Save America's Health Care Problem

The following is a letter of support and the blueprint for the health plan called AmeriCare. This blueprint, one of the best to be proposed in years, needs tremendous support. All too often a proposal such as this is left to linger on the desks of lazy politicians who do not take the demands of their constituency seriously. Great ideas are proposed but rarely are they followed through. Unfortunately, the health care problem in America is so atrocious that everyone, Republicans and Democrats alike, is looking for solutions. Now it is up to the American people to push ardently for action. Take time to write or call the United States Senate. Let them know that you support genuine solutions to the health care problem in America. Contact Senator Terry Sanford, 716 Hart Senate Building, Washington, DC 20510, (202) 224-3154. The same address can be used to contact Senate Majority Leader George J. Mitchell.

STATEMENT OF SENATE MAJORITY LEADER GEORGE J. MITCHELL REGARDING INTRODUCTION OF HEALTH AMERICA: AFFORDABLE HEALTH CARE FOR ALL AMERICANS

Today I will join with my colleagues to introduce comprehensive legislation to reform the nation's health care system to assure access to affordable health care for all Americans.

This legislation is the culmination of nearly two years of work by members of the Senate Finance and Labor Committees, and reflects input from a wide range of interest groups including health care providers, insurers, consumer groups, the States, and many others.

This proposal is the first of a two part strategy to address the gaps in health coverage for all Americans. The second piece - coverage for long term care - will complete our efforts to assure affordable, quality health care for all citizens. I am committed to enactment of a long term care program, and intend to introduce legislation to accomplish this goal in the near future.

Access to affordable, quality health care should be a right for all Americans, not merely a luxury for those who have the economic means to purchase health insurance. As many as 37 million Americans have no health care coverage, and millions more have insurance coverage which is inadequate to protect them against the costs of serious illness.

Furthermore, the rising cost of health insurance threatens coverage for all who are currently insured. Nearly one million Americans lose their health insurance coverage each year, often because their employers drop coverage because of the rising costs.

The problem of the uninsured is not principally a problem of the unemployed - two-thirds of the uninsured are working persons or their dependents whose jobs do not provide what was once considered a routine benefit - health insurance.

One-third of the uninsured are children - one of four children in the United States has no health insurance. If we ignore the health care of our children now, it will cost us more to deal with the effects later.

The underlying crisis in our nation's health care system is the rapidly rising cost which is eroding the very foundation of the system for all Americans, regardless of income.

We must find a way to bring health care costs under control or we risk adding millions more to the rolls of the uninsured, and ultimately face a total collapse of the health care system.

In 1990, the United States spent \$671 billion on health care, approximately 12.2% of the Gross National Product, up from 11.6% - \$604 billion - in 1989.

Yet, in spite of the tremendous amount spent on health care and our nation's advances in medical treatment and technology, our health care outcomes compare poorly with many other industrialized nations.

I believe we must build upon the existing public - private health care system which asks employers to provide access to health care for their employees and their dependents.

The legislation we are introducing today will require all employers to either provide private health insurance to their employees or contribute to a public program which will provide coverage.

This program will replace the existing Medicaid program for all services except long term care. All persons who are not eligible for employer-based health insurance will be eligible to receive health benefits through AmeriCare.

AmeriCare is a dramatically new public program. Federal standards will be set for eligibility, benefits, and reimbursement.

The legislation also includes a number of provisions which are intended to provide financial assistance to small

businesses in the form of tax credits to help them adjust to the new requirements.

In addition, this legislation includes a provision to reform the small group insurance market. This reform is critical to small businesses who currently cannot afford insurance or whose employees are excluded from coverage because of pre-existing conditions.

This legislation also recognizes that the Federal and State governments must share the burden in reforming the health care system and assuring access to care for all of our citizens. Even under the best care scenario, not all Americans will have access to employer-based health insurance.

If this legislation is to accomplish our goal of providing quality, affordable health care for all Americans it must have as its underlying foundation meaningful cost containment. The cost containment provisions included in this bill will result in significant reductions in the rate of increases throughout the system. The establishment of a National Health Care Expenditure Board and State Consortia are the linchpin of cost containment provisions which are estimated to save nearly \$80 billion over five years.

Reforming the health care system will be difficult. While most of us believe there is a serious problem, few can agree on the solution. A perfect solution does not exist. Some argue that the United States should adopt a Canadian model of national health insurance. Others argue that tax incentives to businesses with no requirement to provide coverage is the answer.

The legislation we are introducing today represents a compromise between those two views, keeping in mind our own traditions and values as Americans.

Our nation's health care system is on the critical list. I believe the time to act is now. If we do not work together to control the soaring costs of health care and to provide care for millions of Americans now covered or at risk of losing their coverage, we will all fall victim to the collapse of the system.

I look forward to working with my colleagues in the Congress to enact meaningful health care reform in this Congress. I challenge the Bush Administration to work with us to accomplish this goal which is vital for the future of our nation.

Introduced by Senate Majority Leader George Mitchell, Senator Edward Kennedy, Senator Don Riegle, and Senator Jay Rockefeller

THE PROBLEM

Uninsured and underinsured Americans: Every family is at risk

Thirty-four million Americans have no health insurance, and the number is rising every year. Over a two-year period, an additional 30 million Americans will be without health insurance for substantial periods of time, often for as long as six or seven months. Sixty million more have health insurance that the Department of Health and Human Services said in 1987 would prove inadequate in the event of serious illness.

Children represent more than a quarter of the uninsured. The great bulk of the uninsured - more than two-thirds - are members of the working families in which the main breadwinner works full-time.

These numbers, large as they are, are only the tip of the iceberg. No American family can be confident that it is more than one job loss, one job change, or one serious illness away from being uninsured. Under current practices in the insurance industry, individuals who have had a serious illness often find it almost impossible to obtain adequate coverage. As cost pressures mount, businesses are increasingly cutting back on

(con't on page 18)