HEALTH CARE REFORM

DOLE OUTLINES SIX GUIDING PRINCIPLES FOR REAL REFORM:
ISSUE CRIES OUT FOR BIPARTISAN COOPERATION;
EXCLUDING REPUBLICANS "BAD POLITICS, BAD POLICY, BAD SIGNAL"

WASHINGTON -- THE FOLLOWING ARE REMARKS PREPARED FOR DELIVERY BY SENATE REPUBLICAN LEADER BOB DOLE TO THE FEDERATION OF AMERICAN HEALTH SYSTEMS AT THE WASHINGTON HILTON IN WASHINGTON, DC:

YOUR PRESENCE HERE IN WASHINGTON COMES AT A CRITICAL TIME. IT IS A TIME WHEN SOME SO-CALLED HEALTH CARE REFORMERS SEEM TO BE IN SEARCH OF AN ENEMY, RATHER THAN A SOLUTION. THEY'RE LOOKING FOR SOMEONE TO BLAME FOR ALL THE COMPLEX PROBLEMS CONFRONTING OUR HEALTH CARE DELIVERY SYSTEM. UNFORTUNATELY THESE SAME REFORMERS, WHILE CRYING FOR CHANGE ARE TELLING GROUPS LIKE YOURS THAT YOU ARE SIMPLY A "SPECIAL INTEREST", AND THEREFORE SHOULD HAVE NO VOICE IN THE DEBATE. THEY APPARENTLY FEEL THE SAME WAY ABOUT REPUBLICANS -- WE'VE ALSO BEEN EXCLUDED FROM HAVING ANY INPUT INTO THE WHITE HOUSE TASK FORCE UNTIL AFTER THE "PRODUCT" IS DONE.

WELL, I'M HERE TO TELL YOU THAT THE ONLY SPECIAL INTEREST I CARE ABOUT IS THE AMERICAN PEOPLE. THEY ARE THE ONES WHO WILL SUFFER IF THE WHITE HOUSE AND CONGRESS DO THE WRONG THING.

AS MANY OF YOU KNOW, SENATE REPUBLICANS HAVE BEEN DEEPLY IMMERSED IN THE ISSUE. WE'VE HAD A HEALTH TASK FORCE HARD AT WORK FOR THE PAST TWO YEARS, AND I SAY WITH PRIDE THAT SOME OF MY REPUBLICAN COLLEAGUES TAKE A BACKSEAT TO NO ONE WHEN IT COMES TO HEALTH CARE EXPERTISE AND COMPASSION.

THOSE OF US WHO HAVE BEEN ON THE FRONTLINES OF THIS ISSUE KNOW FIRSTHAND THAT THE HEALTH CARE CHALLENGE IS BIGGER THAN ANY ONE GROUP -- BIGGER THAN THE REPUBLICAN TASK FORCE, BIGGER THAN THE DEMOCRATIC TASK FORCE AND BIGGER THAN THE WHITE HOUSE -- AND THE SOONER WE ALL GET INVOLVED THE BETTER.

NO DOUBT ABOUT IT, HEALTH CARE IS AN ISSUE THAT CRIES OUT FOR BIPARTISAN COOPERATION. IT WILL BE NEARLY IMPOSSIBLE TO PASS ANY MAJOR REFORM WITHOUT IT. AND BIPARTISAN DOESN'T MEAN SIMPLY PICKING OFF THREE REPUBLICANS SO THAT THE DEMOCRAT MAJORITY CAN RAM A FLAWED PLAN THROUGH CONGRESS AND CLAIM VICTORY.

IT IS HARDLY NEWS THAT HEALTH CARE COSTS HAVE SPIRALED OUT OF CONTROL -- WE ARE RAPIDLY APPROACHING THE ONE TRILLION DOLLAR MARK FOR HEALTH CARE SPENDING. AND, AS YOU KNOW, THIS SPENDING IS ONE OF THE MAJOR FACTORS IN THE RECORD-SETTING FEDERAL DEFICIT, WITH ENTITLEMENT PROGRAMS GROWING AND GROWING EACH YEAR, ALONG WITH THE NUMBER OF UNINSURED.

EVERYONE WANTS TO KNOW WHY HEALTH CARE COSTS KEEP GOING UP. FOR LEADERS AND EXPERTS, THE ANSWER IS THAT THE COST ISSUE IS A COMPLEX ONE. THEY REFER TO FACTORS SUCH AS DUPLICATION OF TECHNOLOGY AND SERVICES, DEFENSIVE MEDICINE, TOO MANY REGULATIONS, MOUNTAINS OF PAPERWORK, HEALTH COSTS ASSOCIATED WITH CRIME AND DRUG ABUSE, AND AN AGING POPULATION.

BUT, AS I POINTED OUT TO SOME OF YOUR COLLEAGUES IN MEDICINE ON WEDNESDAY, ACCORDING TO A RECENT SURVEY FROM GALLUP, THE
American people can sum up the cost issue in one simple word: "Greed". The survey shows that Americans blame the high costs on unnecessary tests, wasteful hospitals, overpaid doctors, ambulance-chasing malpractice lawyers, and overpriced pharmaceuticals. From the public's perspective, we don't have a cost problem, we have a "profits" problem.

The American people believe that our health care system is riddled with waste and greed. Therefore, no one is eager to talk about hard choices. No one wants to give up anything. And not many want to consider choices that raise their own costs or reduce the services they get. The hard facts are, if we are going to improve the lot of some -- others will have to do with changes in what they get and how much they pay. It's much easier to simply make you the enemy -- to put price controls and global budgets in place. In the view of this senator -- and in the view of many others in our task force -- that's not the answer.

The catastrophic health care legislation that Congress passed in 1988 is a good example of good intentions gone bad. We thought it was a pretty good idea. We said to the people who were better off than others, that they ought to pay a little more. I thought it made a lot of sense, and was good legislative policy, a tough decision -- but it is based on an overwhelming majority. Less than a year later, it was repealed because the people who were going to have to pay more had a very effective lobby. They told us how they earned these benefits, and how even though they might be better off, they shouldn't have to pay one more cent. And let's face it, when the senior citizens speak up, Congress listens -- and when they spoke, Congress changed its vote. What looked like common sense reform was quickly repealed.

So the lesson we learned then, and what we are learning now, is that Americans still want more care, more quality, more access, but at lower costs. So, what do we do?

I believe we all share the same goals -- universal access for all, in a system that contains costs while preserving choice and the high quality of care.

We all want to see health care reform -- we all know that we cannot sustain our current rate of spending -- and we all know that we must find a way to bring everyone into the system.

The American public should expect us, their elected representatives, to seek solutions that maintain the following six principles. These principles should be used to evaluate any plan put forward by the administration or by Republicans if they are forced to develop their own alternative.

1. Protect Quality -- there is a reason our health system is the envy of the world -- why people from every country in the world send their young people here to be trained, to do research; why they flock here to your hospitals for care -- the reason is quality. Thanks to our search for quality and excellence, we have defeated plagues, made spare parts for nearly every body organ, your intensive care nurseries and can save the life of the smallest, frailest newborn. In our wish to lower costs and better manage our resources, let's not throw away our medical miracles.

2. Increase access, preserve choice, and flexibility -- consumers, not the government, should be the ones to make choices about where they get their care and from whom. At the heart of our free market system, is our ability to choose. In health care, as in no other industry, that choice is critical to maintaining quality health care for you and your family. And critical to maintaining choice is flexibility in any system. Whether it's the ability to choose between hospital based care or home based care -- or the ability to design a system specifically geared to those in rural America -- we must allow those choices and that targeting of resources.
3. **Preserve Jobs** -- This may be one of our toughest challenges. We all agree that we have to increase the number of people in the country who have access to health care and health insurance. Some will argue that mandates on employers is the only option. But what we can’t afford to do is put our people out of work by mandating and taxing small business out of business. Every small employer I talk to describes the precarious financial situation they are in -- another mandating payroll tax -- another mandate could put them over the edge. Keeping people at work and keeping our economy growing is the best prescription for better health care benefits.

4. **No Government Controlled Care** -- It’s a shame that some critics have to be reminded, but we are not Sweden or Germany or even Canada -- and we don’t want to be. Yes, we’ve got real problems. But they require American solutions. Managed competition -- as it has been described to me -- builds on the private sector and helps people make better choices about their families and what they need. The government should be there to help those who need it and have no other resources -- it’s not there to control our lives. Yes, people want the security that an illness won’t bankrupt them. But, Americans don’t want socialism which some are trying mightily to institute whenever they can.

5. **Control Costs Not Care** -- Global budgets and price controls translate into reduced quality and rationed care. Controls on the prices of health care only postpone the necessary confrontation with the underlying demand that have produced their increase. Unfortunately, controls are inevitably targeted at the symptoms not the causes. Let’s create an environment to reduce costs and utilization through a better, more appropriate use of services. Let’s put responsibility on not only providers, but also on employers and employees to use care wisely. Let’s encourage prevention -- let’s encourage better management of care and resources. Let’s change financial incentives not create new barriers.

6. **Real Tort Reform** -- In no other industrialized country do health care providers confront the day-to-day threat of litigation. It’s no wonder physicians and nurses and others find it hard to say no when a patient demands another test, or order a test so as to avoid the charge they didn’t do enough. That’s no way to do business.

Now, let me be clear -- no doubt that mistakes are sometimes made and some patients are fully deserving of protection under the law, and are due proper compensation. But at some point, reason must rule. It’s long past time for the Democrat majority on Capitol Hill to stand up to the trial lawyers association and say, enough is enough! It’s also time for us to create a legal environment that encourages hospitals and other institutional providers to use their resources in ways that reduce costs, maximize access and reward innovation.

This year, as you know, we are discussing "managed competition", which some say will control costs while bringing every American into the system. I have to believe that many Americans -- including some in government -- are uncertain of what managed competition is, or how it really works. I, for one, have questioned how managed competition will work in Russell, Kansas, or any rural area, or inner city, where there are only one or two doctors.

And, there is concern by many that managed competition will reduce the ability of Americans to choose their providers, or will lead to rationing of care. These are issues that will have to be addressed.

The challenge now is to develop a fair and equitable health care strategy to make health care available to all Americans through a competitive private sector health care system.

Perhaps the real challenge is to accomplish this without ravaging the economy -- without hurting business -- and without
FURTHER STRAINING OUR BANKRUPT ECONOMY. IT’S PRETTY EASY TO PROMISE EVERYBODY EVERYTHING, BUT THAT KIND OF PROPAGANDA WILL ONLY HELP MAKE THE CRISIS A PERMANENT ONE.

THIS DEBATE CAN NOT DISINTEGRATE INTO A POLITICAL CONTEST. IF IT DOES, THE AMERICAN PEOPLE WILL BE THE LOSERS. THE AMERICAN PEOPLE WANT ANSWERS AND SOLUTIONS, AND THEY DON’T CARE WHICH PARTY TAKES CREDIT. CLEARLY, WE HAVE TO WORK TOGETHER -- PROVIDERS, BUSINESS, INSURERS, CONSUMERS, AND THE GOVERNMENT.

I AM CONVINCED THAT REFORM CAN TAKE PLACE AND I AM CONVINCED THAT IT CAN BE DONE WITHOUT CREATING VOLUMES OF NEW REGULATIONS.

NO DOUBT ABOUT IT, THE ADMINISTRATION AND CONGRESS MUST WORK TOGETHER ON REFORMING OUR NATION’S HEALTH CARE SYSTEM. AND REPUBLICANS ARE READY TO ROLL UP OUR SLEEVES AND FACE THE DIFFICULT DECISIONS THAT MUST BE MADE.


I CAN ASSURE YOU THAT REPUBLICANS CONTINUE TO BE FULLY COMMITTED TO REFORMING OUR HEALTH CARE DELIVERY SYSTEM. WE CONTINUE TO MEET ON A WEEKLY BASIS AND WILL REMAIN COMMITTED UNTIL HEALTH CARE COSTS ARE CONTAINED AND ALL AMERICANS HAVE ACCESS TO THE SYSTEM. WE MAY BE LOCKED OUT OF THE WHITE HOUSE, BUT WE REFUSE TO BE LOCKED OUT OF THE DEBATE. IF THE WHITE HOUSE REFUSES TO INCLUDE THE FEDERATION OF AMERICAN HEALTH SYSTEMS AND EVERY OTHER GROUP OF PROFESSIONALS, THEN IT’S TIME TO TELL THE WHITE HOUSE IT NEEDS A CHECK-UP.

AGAIN I THANK YOU FOR YOUR EFFORTS, AND LOOK FORWARD TO WORKING WITH YOU.