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Public.

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WHEN YOUR PRESIDENT, RUFUS BROADAWAY, INVITED ME TO JOIN YOU TO SPEAK ON ANY SUBJECT OF MY CHOICE, I IMMEDIATLEY LOOKED AT THE TITLE OF YOUR ORGANIZATION AND -- BEING A QUALIFIED EXPERT ON NEITHER "FLORIDA" NOR "ACTION," SINCE I COME FROM A CONGRESS WHICH IS BETTER KNOWN FOR JUST THE OPPOSITE -- DECIDED IT WOULD BE APPROPRIATE TO TALK ABOUT EITHER "MEDICINE" OR "POLITICS."

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### LACK OF DISTINCTION

AS MANY OF YOU ARE AWARE, I HAVE RATHER RECENTLY GAINED A LOT OF EXPERIENCE IN BOTH AREAS. AND ALTHOUGH I MAINTAINED TO KANSAS VOTERS THROUGHOUT MY CAMPAIGN THAT DOCTORS AND POLITICIANS SHOULD REMAIN SEPARATE, I WOULD BE THE FIRST TO AGREE NOW THAT GOVERNMENTAL INTERFERENCE WITH YOUR PROFESSION HAS ACCELERATED TO THE POINT WHERE MEDICINE AND POLITICS ARE NO LONGER EASILY DISTINGUISHABLE.

SO WITH THAT IN MIND, I WOULD LIKE TO EXAMINE WHAT IS HAPPENING IN THE HEALTH CARE FIELD IN WASHINGTON, AND PERHAPS SUGGEST TO YOU WAYS IN WHICH YOU SHOULD PLAY A PART IN THE DEVELOPMENT OF NEW INITIATIVES. FOR YOUR ORGANIZATION -- BOTH ON THE STATE AND NATIONAL LEVELS -- HAS MADE AN EFFECTIVE CONTRIBUTION TO THE LEGISLATIVE PROCESS IN THE PAST, AND MUST CONTINUE TO INCREASE THAT ACTIVITY IN THE IMMEDIATE FUTURE.

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### PRESSURE FOR HEALTH PROGRAMS

THE PRINCIPAL REASON FOR THIS IS THAT PRESSURES HAVE MOUNTED IN RECENT YEARS OF THE FEDERAL GOVERNMENT TO BRING ABOUT SUBSTANTIAL CHANGES IN OUR HEALTH CARE SYSTEM -- PARTICULARLY IN THE AREA OF FINANCING. THESE HAVE GROWN OUT OF THE CONCERN THAT MANY OF OUR CITIZENS ARE UNABLE TO OBTAIN ADEQUATE MEDICAL CARE, EITHER BECAUSE THEY HAVE INADEQUATE RESOURCES, OR BECAUSE THEY LIVE IN UNDER-SERVED AREAS.

AT THE SAME TIME, WE HAVE BEEN FACED WITH THE RAPID SPIRAL IN HEALTH CARE PRICES AND THE CONCOMITANT INCREASE IN FEDERAL OUTLAYS IN THIS AREA. ACCORDINGLY, THERE HAS BEEN A MOVEMENT IN CONGRESS TO FURTHER CONTROL THE TOTAL HEALTH PICTURE -- WITH THE RESULT THAT UNLESS YOU DO RESPOND FORCEFULLY, SATISFACTION OF BOTH YOU AND YOUR PATIENTS' INTERESTS MAY NO LONGER BE A MATTER OF PROFESSIONAL DISCRETION AND INDIVIDUAL DESIRE.

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### PSRO CONCERN

WE WITNESSED A GOOD EXAMPLE OF THIS TREND WITH ENACTMENT IN 1972 OF THE PROFESSIONAL STANDARDS REVIEW ORGANIZATION LAW -- A NEW CONCEPT BILLED AS A PARTIAL SOLUTION TO THE DUAL PROBLEMS OF RISING COSTS AND MEDICALLY INAPPROPRIATE SERVICES BEING RENDERED UNDER THE MEDICARE AND MEDICAID PROGRAMS. OF COURSE, FEDERAL SUPERVISION WAS INTENDED TO BE SIMPLY OVERSIGHT IN NATURE -- ASSURING ONLY THAT ACTUAL, AND NOT PRO FORMA, REVIEWS WOULD BE CONDUCTED BY PHYSICIANS THEMSELVES WITHIN PROFESSIONALLY-DEVELOPED NORMS.

WELL, WE ARE ALL AWARE OF THE INTENSE CONTROVERSY SURROUNDING THE ACTUAL IMPACT OF THE LAW ITSELF AND ITS IMPLEMENTATION BY HEW. MANY OF YOU, I KNOW, ARE STRONGLY OPPOSED TO THE IDEA IN ANY FORM, AND OTHERS OF YOU FEEL THAT THE INPUT REQUIRED IN TERMS OF BOTH COST AND TIME SIMPLY CANNOT BE JUSTIFIED.

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### REPEAL OR REFORM?

SINCE I WAS ONE OF THE 18 SENATORS WHO VOTED TO STRIKE THE PROVISION FOR ESTABLISHMENT OF PSRO'S FROM THE ORIGINAL ENABLING LEGISLATION IN LATE 1970, I CAN CERTAINLY APPRECIATE BOTH VIEWS. HOWEVER, THE POLITICAL REALITY IS THAT IT IS NOT GOING TO BE REPEALED OUTRIGHT AND THAT OUR BEST CHANCE FOR ADDRESSING THE PROBLEMS IT CREATES IS THROUGH CONSTRUCTIVE REFORM.

THIS IS THE STAND WHICH YOUR NATIONAL ASSOCIATION HAS ADOPTED, AND THE APPROACH WHICH I TOOK IN INTRODUCING SENATE BILL S. 1472 -- A SERIES OF PSRO AMENDMENTS -- JUST LAST WEEK. I THINK THE CHANCES FOR ACTION IN THIS AREA ARE VERY GOOD, AND ALTHOUGH I CANNOT PREDICT EXACTLY WHEN CONGRESS WILL DO SO, I INTEND TO UTILIZE MY POSITION AS RANKING MINORITY MEMBER ON THE HEALTH SUBCOMMITTEE OF SENATE FINANCE TO PUSH FOR ITS EARLY CONSIDERATION.

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### PROSPECTS FOR NHI

IT IS PARTICULARLY IMPORTANT THAT WE REVISE AND REFORM THE PSRO REQUIREMENTS THIS YEAR, I BELIEVE, BECAUSE IN ALL LIKELIHOOD, THAT MECHANISM WILL BE EXPANDED TO INCLUDE ALL SERVICES UNDER ANY NATIONAL HEALTH INSURANCE BILL. WHILE PASSAGE OF ANY SUCH PROGRAM FOR THIS YEAR APPEARS DIM, IT IS SAFE TO ASSUME THAT WE WILL NEVERTHELESS BE TAKING A CLOSER LOOK AT A NUMBER OF THE ASSOCIATED QUESTIONS.

THE REASON FOR THE NEGATIVE OUTLOOK ON NATIONAL HEALTH INSURANCE ITSELF -- AT LEAST DURING THIS SESSION -- IS THAT EVEN THIS CONGRESS IS RELUCTANT TO PLACE ON THE FEDERAL BUDGET THE SUBSTANTIAL ADDITIONAL BURDEN WHICH SUCH MASSIVE DOMESTIC LEGISLATION WOULD REQUIRE. MOREOVER, WE HAVE OUR HANDS FULL DEALING WITH ECONOMIC AND ENERGY PROBLEMS, WHICH PRIORITIES DEMAND OUR ATTENTION FAR IN ADVANCE OF ANY ATTEMPTS TO RESOLVE THE QUESTION OF A NEW HEALTH SPENDING PROGRAM.

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### AMA PROPOSAL

THE STAGE IS BEING SET FOR RESUMPTION OF THE DEBATE IN THIS AREA, HOWEVER -- ESPECIALLY WITH AN ELECTION YEAR AHEAD -- SO YOU MUST NECESSARILY CONTINUE TO THINK ABOUT YOUR OWN PLACE IN IT ALL, AND ABOUT THE BASIC PLAN MOST FAVORABLE TO YOUR PROFESSION. CERTAINLY, YOUR NATIONAL ASSOCIATION HAS BEEN DOING THIS. AND, IN FACT, ON TUESDAY OF THIS WEEK INTRODUCED ITS NEW "COMPREHENSIVE HEALTH CARE INSURANCE ACT" THROUGH CONGRESSMAN FULTON OF TENNESSEE.

ALTHOUGH YOU WILL PROBABLY BE PROVIDED VERY SOON WITH INFORMATION ABOUT ITS NEW LOOK -- WHICH DIFFERS CONSIDERABLY FROM THE PREVIOUS "MEDICREDIT" PHILOSOPHY -- I MIGHT POINT OUT TO YOU THAT IT CONTEMPLATES FULL HEALTH CARE FOR ALL, FURNISHED ENTIRELY THROUGH PRIVATE INSURANCE PLANS, WITH THE FORMER TAX CREDIT PRINCIPLE APPLYING ONLY TO THE SELF OR NON-EMPLOYED. IT ALSO BUILDS-IN CATASTROPHIC COVERAGE, WITH A MAXIMUM 20 PERCENT CO-INSURANCE FEATURE, AND INCLUDES THE ALL-IMPORTANT LANGUAGE STIPULATING THAT "THE FEDERAL GOVERNMENT IS PROHIBITED FROM INTERFERING WITH THE PRACTICE OF MEDICINE."

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### SOUND APPROACH

I THINK THE APPROACH TAKEN IN H.R. 6222 IS BOTH REASONABLE AND WORKABLE -- ONCE WE DETERMINE THAT THE NEED FOR A COMPREHENSIVE BENEFIT STRUCTURE FOR ALL AMERICANS CAN AND MUST BE MET. AN IDENTICAL BILL IS BEING INTRODUCED IN THE SENATE BY SENATOR HANSEN, AND I COULD CERTAINLY GIVE IT MY SUPPORT AT THE APPROPRIATE TIME,

FOR THE MOMENT, THOUGH, WE ARE BEING FACED WITH A DECISION ON THE MORE LIMITED SUBJECT OF HEALTH INSURANCE BENEFITS FOR THE UNEMPLOYED. ONE SUCH BILL IS ALREADY ON THE SENATE CALENDAR, IN FACT, AND ANOTHER WAS REPORTED BY THE HOUSE WAYS AND MEANS COMMITTEE ON TUESDAY OF THIS WEEK.

### NHI FOR JOBLESS?

THE FIRST PROPOSAL WOULD RESTRICT COVERAGE ONLY TO THOSE WHO HAD GROUP HEALTH INSURANCE PROTECTION WHEN THEY WERE EMPLOYED -- THUS APPLYING TO UNDER ONE-HALF OF THE CURRENT JOBLESS WORKERS. THE OTHER, UTILIZING A DIFFERENT TWO-PART PROGRAM, WOULD EXTEND TO THE SAME SEGMENT OF UNEMPLOYED INDIVIDUALS, BUT A COMPETING HOUSE COMMERCE COMMITTEE PROPOSAL WOULD, IN ADDITION, MAKE THOSE WHO HAD NO HEALTH INSURANCE ON THE JOB TEMPORARILY ELIGIBLE FOR BENEFITS UNDER MEDICAID,

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THE PROBLEMS INHERENT IN ALL THESE MEASURES --  
EACH OF WHICH WOULD COST BETWEEN \$1.5 - 2 BILLION DOLLARS --  
HAVE CREATED CONSIDERABLE DOUBT AS TO THEIR ACCEPTABILITY.  
THAT IS, THERE IS GREAT DIFFICULTY IN RECONCILING THE  
INEQUITIES AND ADMINISTRATIVE BURDENS WHICH THEY POSE,  
ESPECIALLY IN THE FACE OF THE ARGUMENT THAT THEY ARE ONLY  
"TEMPORARY" PROGRAMS -- DESIGNED TO "EXPIRE" NEXT YEAR.

#### POLITICAL MALPRACTICE

WELL, WE ALL KNOW WHAT HAPPENS WITH THAT TYPE OF  
LABEL ON ANY GOVERNMENT PROGRAM: IT CHANGES TO "PERMANENT"  
AND STAYS THERE, WITH NO THOUGHT WHATSOEVER GIVEN TO THE  
ORIGINAL INTENT. SO IF WE DO END UP PASSING A BILL IN  
THIS AREA -- THEREBY ADOPTING A POLICY OF HELPING THE  
UNEMPLOYED WHEN THE RATE IS 8-1/2 PERCENT, BUT NOT WHEN IT  
IS AT 4 PERCENT, AND EXTENDING HEALTH BENEFITS ONLY TO  
THOSE WHO HAD THEM WHEN WORKING, WHILE DISREGARDING THE  
NEEDS OF THOSE WHO HAVE NEVER HAD ANY HEALTH COVERAGE AT  
ALL -- WE MIGHT VERY WELL BE GUILTY OF WHAT MIGHT BE TERMED  
POLITICAL "MALPRACTICE."

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UNFORTUNATELY, WE DO NOT HAVE ANY INSURANCE TO PROTECT OURSELVES AND OUR CONSTITUENTS AGAINST SUCH ACTIONS. BUT THEN I UNDERSTAND THAT COVERAGE IN OTHER PROFESSIONS MAY BE IN QUESTION VERY SOON ALSO, REFERRING, OF COURSE, TO THE SKYROCKETING COST -- AND IN SOME CASES, NONAVAILABILITY -- OF MEDICAL MALPRACTICE INSURANCE.

### LIABILITY CRISIS

PROBABLY NO SINGLE CRISIS HAS EVER GENERATED SO MUCH CONCERN IN THE HEALTH CARE FIELD AS THAT INVOLVING PROFESSIONAL LIABILITY INSURANCE. THIS IS SOMETHING THAT AFFECTS VIRTUALLY EVERY PHYSICIAN THROUGHOUT THE COUNTRY AND, UNLESS RESOLVED, MAY HAVE A DRAMATIC IMPACT.

SEVERAL PROPOSALS MANDATING A NATIONAL SOLUTION TO THIS DILEMMA -- EITHER USING A NO-FAULT APPROACH, REQUIRING STATE ARBITRATION OF CLAIMS, OR ESTABLISHING A FEDERAL REINSURANCE FUND -- HAVE BEEN INTRODUCED IN THE SENATE, WITH HEARINGS HAVING TAKEN PLACE OVER THE LAST TWO WEEKS. BUT THE FEELING BY MOST, I THINK -- AND I INCLUDE MYSELF -- IS THAT THE PROBLEM MAY BEST BE SOLVED THROUGH CHANGES IN THE RESPECTIVE STATE LAWS, WITHOUT FEDERAL INTERFERENCE.

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### FLORIDA EXAMPLE

A GOOD EXAMPLE OF THE ACTION WHICH CAN BE TAKEN TO REMEDY THIS SITUATION IS PRESENTED RIGHT HERE IN YOUR OWN STATE, WHERE THE LEGISLATURE IS WORKING ON VARIOUS MEASURES RANGING FROM REVISION IN THE STATUTE OF LIMITATIONS TO CREATION OF A MEDIATION PANEL. WHILE I DO NOT NECESSARILY ADVOCATE THE TYPE OF PRESSURE BROUGHT ABOUT BY THREATENED WALKOUTS OR STRIKES -- AS HAS OCCURRED IN DADE COUNTY -- I DO BELIEVE THE PROFESSION ITSELF CAN DO A GREAT DEAL TO BRING ABOUT A SOLUTION TO THE PROBLEM.

THESE EFFORTS CAN INCLUDE SUPPORT OF A JOINT UNDERWRITING PLAN AND CAN EVEN EXTEND TO CREATION OF DOCTOR-CONTROLLED SELF-INSURANCE COMPANIES. BUT REGARDLESS OF THE METHOD, IT SEEMS TO ME THAT PHYSICIANS -- THROUGH JOINT SOCIETY RESOLVE -- HAVE DEMONSTRATED THEIR WILLINGNESS AND ABILITY TO RESPOND TO SIMILAR CRISES FACING THEIR PROFESSION BEFORE, AND I HAVE EVERY REASON TO BELIEVE THEY CAN DO IT AGAIN IN THIS INSTANCE.

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### STRENGTH THROUGH ASSOCIATION

WHAT IT TAKES, OF COURSE, IS UNIFICATION OF PURPOSE AND DETERMINATION TO SUCCEED USING THE STRENGTH OF ASSOCIATION. THAT, IN FACT, HAS BEEN THE PRINCIPAL FACTOR CONTRIBUTING TO THE OBVIOUS ACHIEVEMENTS OF YOUR COMMITTEE IN THE PAST -- BOTH MEDICALLY AND POLITICALLY.

IT IS NO SECRET THAT YOU HAVE ONE OF THE MOST ACTIVE AND EFFECTIVE "PAC" GROUPS IN THE NATION, AND I CAN OFFER YOU NOTHING BUT ENCOURAGEMENT AS YOU PURSUE THE GOALS WHICH WILL ENHANCE THE STATUS OF YOUR PROFESSION. TOO OFTEN, YOUR EFFORTS AS INDIVIDUAL PHYSICIANS TO IMPROVE THE QUALITY OF LIFE FOR ALL OF US GO UNHERALDED, BUT TOGETHER YOU HAVE DEMONSTRATED WHAT CAN BE ACCOMPLISHED -- AND RECOGNIZED.

ELIHU ROOT ONCE PROPOUNDED THAT "IN MODERN TIMES IT IS ONLY BY THE POWER OF ASSOCIATION THAT MEN OF ANY CALLING EXERCISE THEIR DUE INFLUENCE IN THE COMMUNITY." I SUBMIT THAT AS YOUR OWN CHALLENGE TODAY.

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I DON'T BELIEVE I CAN OVERSTRESS THE IMPORTANCE OF THIS. THE EFFECTIVENESS OF POLITICAL ACTION GROUPS HAS ALREADY BEEN WELL DEMONSTRATED, UNFORTUNATELY, MOST ALWAYS BY GROUPS WHICH SEEK DIFFERENT LEGISLATIVE AND POLITICAL OBJECTIVES FROM YOUR OWN.

TAKE ORGANIZED LABOR'S POLITICAL ACTIVITY AS AN EXAMPLE. ITS SUCCESS HAS BEEN, TO SAY THE LEAST, IMPRESSIVE. BUT THAT SUCCESS IS NOT OWING TO THE UNERRING RIGHTNESS OF THE STANDS LABOR TAKES.

### TWO INGREDIENTS

LABOR HAS ACHIEVED THE GOALS IT WORKS FOR BY THE EXERCISE OF NOTHING MORE NOVEL THAN GOOD OLD HARD WORK MIXED WITH A FAIR SHARE OF POLITICAL SAVVY.

NEITHER OF THESE QUALITIES IS UNKNOWN AMONG THIS GROUP. AND INDEED, FLAMPAC HAS A RATHER IMPRESSIVE RECORD OF ITS OWN IN POLITICAL ACTION, A RECORD NOT, HOWEVER, SHARED AS WIDELY AS IT COULD BE AROUND THE COUNTRY.

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HOUR IS LATE

WE, ALL OF US WHO DON'T THINK IT'S PROPER FOR GOVERNMENT TO CONTROL MEDICINE -- OR MUCH ELSE FOR THAT MATTER -- HAVE TO WAKE UP BEFORE IT'S TOO LATE AND GET TOGETHER AND GO TO WORK.

AND WE HAVE TO DO IT IN FULL KNOWLEDGE THAT THE JOB WILL PROBABLY GET HARDER, NOT EASIER, IN THE NEXT FEW YEARS.

I DON'T WANT THE FEDERAL GOVERNMENT FUNDING MY RE-ELECTION CAMPAIGN SIX YEARS FROM NOW. THERE MUST BE A BETTER WAY TO REDUCE THE COSTS OF CAMPAIGNS THAN THAT, BUT IT IS POSSIBLE THAT WE'LL HAVE PUBLIC FINANCING BY THEN, WHETHER I WANT IT OR NOT. AND IF WE DO, IT WON'T HAMSTRING LABOR. IF ANYTHING, IT WILL FREE THEM TO DO EVEN MORE TO HELP ELECT THEIR CANDIDATES BY ALLOWING THEM TO DO LESS OF THE OUT-AND-OUT POLITICAL WORK THEY HAVE BEEN DOING 'VOLUNTARILY' IN THE PAST AND -- MORE THAN EVER BEFORE -- OF THE PROPAGANDIZING THEY DO SO WELL.

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BUT I KNOW THE NUMBERS ARE AGAINST US. THERE ARE TOO MANY OF 'THEM' -- NOT ENOUGH OF 'US', AND SO THERE'S NO POINT IN TRYING.

I HAVE HEARD THE ARGUMENTS. AS A MAN WHOSE OWN POLLS HAD HIM LOSING BY MORE THAN TEN PERCENTAGE POINTS A MONTH BEFORE THE LAST ELECTION, THOUGH, I DON'T BUY THEM.

WE DON'T HAVE TO JUST FIGHT TRENDS. WE CAN REVERSE THEM. AND THERE ARE TWO FACTORS WHICH WILL WORK STRONGLY IN YOUR FAVOR.

FIRST, THE AMERICAN PEOPLE HAVEN'T BASICALLY CHANGED. THEY ARE STILL COMMITTED, AND THIS COMMITMENT GROWS STRONGER EVERY DAY, TO HAVING A GOVERNMENT WHICH LEAVES THEM ALONE AS MUCH AS POSSIBLE TO MAKE THEIR OWN LIVINGS, SPEND THEIR OWN MONEY AND PAY THEIR OWN BILLS, EDUCATE THEIR CHILDREN, LIVE THEIR OWN LIVES AND, YES, CHOOSE THEIR OWN DOCTORS.

*grew* -16- *NA 55 J. 50 P*

*(let's go)*  
WHAT I AM SAYING IS THAT THEY ARE YOUR NATURAL ALLIES, WHETHER THAT HAS DAWNED ON THEM YET OR NOT.

*regale*  
AND SECONDLY, BECAUSE YOU ARE WHAT YOU ARE, YOU COMMAND RESPECT AND MORE IMPORTANTLY, YOU INSTILL CONFIDENCE. AS THE CREDIBILITY OF OTHERS, BUSINESSMEN, JOURNALISTS, POLITICIANS, DECLINES, THAT OF DOCTORS REMAINS HIGH.

THAT INSURES THAT WHEN YOU TALK, YOU WILL BE LISTENED TO. SO PLEASE, WHATEVER ELSE YOU MAY DECIDE TO DO OR NOT TO DO, KEEP ON TALKING.

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\* 907. y 22 A.N.P.K. money  
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2- cost 50 y M.D. ~~delany~~ (7,000 Total)  
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