

**Bob Dole**

U.S. SENATOR FOR KANSAS

NEWS

FROM:

SENATE MAJORITY LEADER



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**AMERICAN HOSPITAL ASSOCIATION  
REMARKS PREPARED FOR DELIVERY  
SENATE MAJORITY LEADER BOB DOLE  
WASHINGTON HILTON - WASHINGTON, D.C.**

I had the pleasure of speaking to the gathering this group had exactly one year ago tomorrow.

What a difference a year makes!

Last year, I joined you as Senate Minority Leader.

This year, I join you as Senate Majority Leader.

Last year--and for the past 40 years--the Democrats controlled the House of Representatives. This year, the Republicans control both the House and the Senate.

Last year, terms like "global budgets," "price controls" "employer mandates," and "government monopolies" were front and center in the health care debate. This year, you can find those terms in the same pile as tickets to the 1994 World Series.

Last year the liberals in the media would have had you believe that the only serious legislation was the administration's bill. They also tried to convince us that anything short of an absolute revolution was just not worth doing. Incremental was a dirty word.

Well, three facts have not changed in the past year. The first is that America still has the best health care delivery system in the world. Second is that there are still Americans who need our help in gaining access to this system. And the third, escalating costs continue to plague state and federal governments.

So, what will health care reform look like in 1995?

**Limited, Incremental Reform**

You will not see one large bill emerging. Even the President has offered a new version of reform which can only be described as limited. And frankly, it looks a lot like major portions of last year's Dole/Packwood bill. Last year I said over and over again that there were provisions we could pass in a day with wide support if we could separate them from the political quagmire.

There is no excuse for letting another year go by without passing some of the insurance reforms we have talked about for so long. I see no reason to hold these reforms hostage to other areas that may be much more contentious. Let's eliminate pre-existing condition problems. Let's make insurance portable. Let's free people who are in a job lock situation simply due to a fear of losing their insurance. Let's make insurance deductible for the self-employed. I think every single bill last year had these provisions in them. But, they never passed because we couldn't get agreement on other areas that were less popular.

I see no reason to ask small businesses to wait for insurance market reforms until we can agree on how to reform malpractice laws. Both are important. But they don't have to be passed together. Our priorities will include insurance reform, malpractice reform, paperwork simplification, and tax equity.

So, we'll pass one bill at a time. And in the process help a lot of people along the way.

**True Bipartisan Reform**

It is my hope that health care in 1995 will look different from last year because it will be truly bipartisan. The President has already admitted he made a mistake last year. He didn't hold up any veto pens in this year's State-of-the-Union address. I hope that is a sign that Democrats will work with Republicans this year to pass responsible health care measures. I know Republicans will be reaching out to Democrats at every step along the way. Doing the right thing makes sense for both sides.

(more)

### Controlling Costs

Perhaps the toughest issue we will all face in 1995 will be how to control costs. The administration began the discussion on health care last year by warning that controlling health care costs was an essential precondition for balancing the budget. But, somewhere between the time the diagnosis was made and the cure proposed, the focus on health care costs vanished.

We can't afford to ignore this issue once again. Of course, heading the list will be concerns about both Medicare and Medicaid.

I spent this morning with a number of Republican governors. They, like the federal government, are facing serious fiscal problems at a time when the demand for services is greater than it has ever been. We owe it to them to look at new answers to old problems.

What this all boils down to is that the health care debate needs to be reframed. Traditionally, people talked about what government could do to make health care better. But now the government is broke. What we need to do is focus on how to do more with less -- thinking smaller and thinking smarter.

That also means a revamping of Medicare. History has taught us that new benefits always create new demand. That is precisely why Medicare is in the condition it is today.

Just about everyone agrees: the November elections were a mandate for smaller government and a secure tomorrow for America's children. That means we have to stop mortgaging their future with entitlement programs that consistently take a bigger chunk out of the budget every year.

With this in mind, we need to examine line by line how the government is spending your money -- just like any family or business would do if it were experiencing a financial crisis. Then we need to decide where we can tighten our belts. It's not easy. And it's not fun. But, we don't have a choice. The American public has demanded it, and our children and grandchildren deserve it.

### Examining Medicare

So, we'll take a hard look at the Medicare program, just like everything else. And, we'll look at it not only in terms of its financial crisis, but also in terms of its identity crisis.

The world has changed quite a bit since President Johnson signed Medicare into law in 1965. Back then almost half of America's seniors lived in poverty. By 1975 the program was already servicing 25 million elderly at a cost of almost \$15 billion. Last year, Medicare provided about \$161 billion worth of care to 36 million beneficiaries. Most do not live in poverty.

So Medicare is at a crossroads. I'm not interested in talking about arbitrary cuts to Medicare. There is no magical number. Instead, I am more interested in knowing how we can move Medicare into the 21st century. What role should the government play in ensuring that our seniors and the disabled have adequate health care? What role can you play?

No doubt about it -- these questions cannot be answered by Congress alone. We need to hear your ideas and your concerns.

### Real Solutions from the American People

Finally the other change you will see this year is a reaching out beyond Capitol Hill. And that's where you come in.

The health care debate last year had really hit a nerve with most Americans. And, that is really saying a lot, because I think Washington gets on people's nerves all the time. But, health care is a personal issue and one that affects everyone's life.

The solutions to our health care problems aren't going to come from a White House War Room. They're going to come from people like you who are out there daily working through these issues.

Let me conclude by looking ahead to next January, when the AHA returns to Washington. With the invaluable expertise that you folks I hope will pass along -- and with all that we learned in 1994, I truly believe we can have a health care bill this year that is much more rational and one that will have the support of the American public. But let me say, as I did last year, we all have the same goals in mind, providing care to those who need it in a timely and cost effective manner. But in our zeal for reform lets not lose sight of what made us great, a commitment to quality and innovation -- lets not trade that away.

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