

**Address to the National Executive Team
of the American Cancer Society**

**“Health Care Reform, the Fight Against Cancer, and the American
Cancer Society”**

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Thank you. I'm pleased to have this opportunity to speak with you today and to help frame a discussion about health care reform and its importance to the fight against cancer.

The views I will share with you are those of the National Coalition on Health Care, the largest and most broadly representative alliance of organizations working for system-wide health care reform.

The American Cancer Society is an active and important member of the Coalition. We appreciate and greatly value your commitment to health care reform, and we look forward to working with all of you to achieve our shared objectives.

I want to focus today on three topics

- First, the crisis in health care and why it impedes the fight against cancer;
- Second, the Coalition's recommendations for system-wide health care reform and why they would advance the fight against cancer; and
- Third, how, working together, we can educate the public and its leaders about these issues and increase the momentum for reform.

The Coalition's membership consists of more than eighty of the nation's largest companies, unions, patient advocacy and consumer groups, associations of health care providers, health and pension funds, insurers, and religious denominations.

Many of these organizations are huge in their reach and their roles in the American economy, in our society, and in the health care system – for example, the AARP, the AFL-CIO, Verizon, the National Council of Churches, the Salvation Army, the California Public Employees Retirement System, the New York State Common Retirement System, the Association of Academic Health Centers, and the American Cancer Society.

Our member organizations represent – as employees, members, volunteers, or congregants – more than 150 million Americans.

And collectively they spend hundreds of billions of dollars each year on health care and account for literally trillions of dollars of corporate ownership.

The Coalition speaks for a broad cross-section of America. Ours is a voice not for any special interest, but for the national interest in a more inclusive, more efficient, and safer health care system.

And we are rigorously non-partisan. Our Co-chairmen are former Republican Governor Robert D. Ray of Iowa and former Democratic Congressman Paul G. Rogers of Florida, who is, as you know, a member of the national board of the American Cancer Society. Our Honorary Co-chairmen are former Presidents Bush, Carter, and Ford.

This Coalition – your Coalition -- is a powerful aggregation. At our membership meeting last month, Drew Altman – President of the Henry J. Kaiser Family Foundation – described the Coalition as this nation’s most credible and effective group working for system-wide health care reform.

Together – if we marshal our credibility, our reach, our influence, our expertise – we can accomplish great things.

I. The Crisis in Health Care

I want to begin by discussing the crisis in health care and its direct implications for the fight against cancer.

There are three huge and interconnected problems in American health care:

- First, rapidly escalating costs;
- Second, a huge and growing number of Americans without any health coverage or with inadequate coverage; and
- Third, an epidemic of sub-standard, wasteful and dangerous care.

The costs of health care are surging at extraordinary rates. National health care spending will exceed \$2.7 trillion in 2010, nearly a trillion dollars more than was spent in 2004.

Health insurance premiums have leaped an astonishing 73 percent in just the past five years.

The average annual premium for family coverage last year was nearly \$11,000 – up from about \$6,300 in 2000.

These enormous increases in premiums are making it much more difficult for employers to continue providing health coverage for employees and retirees.

And rapid premium increases are also making it much more difficult for individuals and families to pay their shares of the cost of employer-sponsored coverage or to buy health insurance themselves.

It is no coincidence that the numbers of Americans without health coverage have been climbing – a point that I'll return to shortly.

And increases in the costs associated with specific tests and treatments – for cancer, as for other diseases -- mean that the steep barriers to care for those without coverage continue to rise.

What's more, the escalation of health care costs is no longer only a health care issue; rising costs have now created a gigantic national economic problem.

As these costs rise, they slow the rate of economic growth – a linkage that our Coalition has been warning about for years and one that President Bush and his Council of Economic Advisors officially recognized this past summer. By cutting into corporate operating margins, surging health care costs reduce the capacity of firms to grow by investing in research, plant and equipment.

These same costs also slow the rate of job growth by making it more expensive for companies to add new workers.

They suppress wage increases for current workers by driving up total compensation costs.

They erode the ability of firms to fund current levels of pension and health benefits.

They generate collective bargaining disputes.

They drive up program expenditures and create severe federal and state budget problems.

And they put American firms at a steep disadvantage in world markets, where they have to compete against companies in countries with much lower health care costs.

The domestic challenges that the public is most concerned about – economic growth, jobs, retirement security, and health care – are now one and the same issue. Economic growth, jobs, and retirement security cannot be assured unless health care costs are contained.

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The second facet of our health care crisis is a huge and growing number of Americans without any health insurance.

According to the Census Bureau, the number of uninsured Americans rose to 45.8 million in 2004.

And as health insurance premiums continue to rise, so too will the incidence of uninsurance. We project that the number of Americans without health insurance will exceed 51 million this year -- an addition of more than 10 million since 2001.

But even these numbers understate the real scope of the uninsurance problem. Over the course of a two-year period, nearly a third of the population below the age of 65 spends at least a portion of time without health coverage.

Uninsurance exacts a grim toll on the health of the uninsured. Those without coverage receive less care, endure more pain and suffering, and are more likely to die prematurely.

A recent Commonwealth Fund survey found that uninsured adults were at least three times more likely than insured adults to report that they had not seen a primary care physician or a specialist in the past year or that they had gone without a needed medical test or treatment because of cost.

These findings have direct implications for the fight against cancer.

The steadily rising incidence of uninsurance means that every year, more Americans are at risk for late-stage detection of cancer and for insufficient and discontinuous care as cancer patients.

Numerous studies have established specifically that those without health coverage are less likely than those with coverage to undergo timely screenings for cancer. According to a new analysis by Joseph Ross and Susan Busch of Yale University, uninsured adults are 13 percentage points less likely than insured adults to be screened for cervical cancer, 27 percentage points less likely

to be screened for breast cancer, and 25 percentage points less likely to be screened for colorectal cancer.

These disparities have dire consequences. According to the Institute of Medicine, “Uninsured cancer patients generally have poorer outcomes and are more likely to die prematurely than persons with insurance, largely because of delayed diagnosis.”

And even after being diagnosed, cancer patients without health coverage receive substantially less care than those with coverage. A recent study by Kenneth Thorpe and David Howard of Emory University found that uninsured cancer patients have fewer provider encounters across all of the categories analyzed: fewer emergency room visits, fewer inpatient admissions, fewer hospital outpatient treatments, and fewer appointments in physician offices.

In summary, according to Professors Thorpe and Howard, “Raising coverage rates will improve cancer treatment.”

The third major system-wide problem is an epidemic of sub-standard and dangerous care. There is what the Institute of Medicine has termed a “quality chasm” between the care that patients should receive and the care that is actually delivered.

Literally hundreds of thousands of Americans die prematurely each year because of sub-standard care. Millions more are harmed. Unnecessary accidents, errors, and poor quality of care are the nation’s third leading cause of death, just behind cancer and heart disease.

According to the Institute of Medicine, there is a quality chasm in cancer care specifically. After a careful review of the available literature and data, the IOM’s National Cancer Policy Board reported several years ago that “[f]or many Americans with cancer, there is a wide gulf between what could be construed as the ideal and the reality of their experience with cancer care.”

We need to improve health care quality primarily to improve outcomes for patients, but quality is also a huge cost issue. According to Dr. Donald Berwick, president of the renowned Institute for Healthcare Improvement and a faculty member at Harvard Medical School, “[T]otal cost reductions of nearly 30 percent below current levels should be attainable while improving the overall quality of health care.” With annual health care spending now exceeding \$1.7 trillion, this estimate suggests that we may be wasting more than \$500 billion a year.

II. System-wide Health Care Reform and the Fight Against Cancer

All of this adds up to a real crisis, but not an intractable one. This crisis can be addressed effectively through system-wide health care reform – reform that greatly advance your fight against cancer.

Last summer, after more than a year of deliberations and consensus-building, the National Coalition on Health Care issued a major report setting out a framework, and a set of recommendations, for system-wide reform. The American Cancer Society – and especially Dr. Lamar McGinnis, who was an exceptionally able and constructive participant – contributed a great deal of expertise and wisdom to the development and refinement of these recommendations.

The Coalition's report, which is entitled Building a Better Health Care System: Specifications for Reform. – has been made available to all of you.

We hope that our Coalition's specifications will help to accelerate a renewed debate about how to improve the American health care system, and we hope that -- because they are backed by so many organizations that represent such a broad cross-section of America -- they will embolden political leaders to act.

As you will see in our report, these recommendations, which I'll summarize briefly here, are precise, detailed, ambitious, and systemic. They go well beyond a broad statement of principles. They are a blueprint for reform.

First, our members call for coverage of all Americans within two to three years after the passage of legislation. We recommend that Congress specify a core benefit package.

Coverage would encompass medically necessary, comprehensive care, including emergency care, acute care, prescription drugs, early detection and screening, preventive care, care for chronic conditions, and end-of-life care. Thus, all Americans would have access to the full range of medical services needed to screen for cancer, to treat cancer, and to reduce suffering for cancer. Individuals and employers would be able to purchase supplemental coverage beyond the core package.

The Coalition identifies a range of options that Congress could use to insure all Americans, including

- Employer mandates (supplemented with individual mandates as necessary)
- Expansion of existing public programs that cover subsets of the uninsured
- Creation of new programs targeted at subsets of the uninsured or
- Establishment of a universal publicly financed program.

To assure that everyone gets coverage, participation must be mandatory, and subsidies must be provided for those who are less affluent.

Second, the Coalition proposes measures to assure much more effective cost management. These measures are designed to achieve two goals. The first – to be accomplished in five years – is to bring increases in the costs and premiums associated with the core benefit package into alignment with increases in per capita gross domestic product. The second is to increase the value for patients that would be generated by any given level of health care spending.

Our members believe that over time, the health care system must be made far more efficient by providing more and better information for patients, providers, and purchasers; improving the quality and outcomes of care; and building a national information technology infrastructure for health care.

But we also believe that the urgent need for cost relief requires short-term constraints, even as these other measures are being implemented. These constraints would include rates for reimbursing providers for care encompassed by the core benefit package and, only after those rates take effect, limits on increases in insurance premiums for the core benefit package.

Third, our members call for a major system-wide effort to improve the quality and safety of health care. A key element of this effort would be the accelerated development of an integrated national information technology infrastructure for the health care system, and mechanisms to provide incentives and capital for the upfront investments necessary to build the infrastructure.

The Coalition recommends that public and private efforts to improve quality be coordinated by an independent national board, with members drawn equally from the public and private sectors. The board would also be responsible for coordinating the development of evidence-based national practice guidelines, which would help to reduce waste as well as improve quality and safety.

These guidelines would be based on reviews, by panels of leading health care professionals, of research on the impacts of alternative technologies and procedures. For technologies and procedures about which additional data are needed, the board would fund new studies and assessments.

Fourth, our members call for steps to make the financing of health care more equitable, including the reduction over time of inequitable cost-shifting across categories of insurance programs and payers. Our report identifies mechanisms that could be used to fund the upfront program costs of reform.

Lastly, the Coalition recommends steps to simplify the administration of health care. The reforms we propose -- including universal coverage, a standard benefit package, and the creation of a national information technology infrastructure -- would dramatically simplify the system, reduce the cost of administration, and enable health care markets to function more effectively.

Recently, the Coalition commissioned an independent assessment by a highly respected health care economist -- Kenneth Thorpe of Emory University -- of the costs and savings that would be associated with health care reform along the lines recommended by our members. Using conservative assumptions, Professor Thorpe modeled the impacts of four scenarios consistent with the Coalition's specifications.

He found that in all four scenarios, the cost of a reformed system would be less -- much less -- than the cost of continuing with the status quo.

By the tenth year of implementation, annual system-wide savings would range between \$125 billion and \$182 billion -- depending on the scenario pursued -- and the savings would grow year to year after that. In the first decade after implementation, system-wide savings could exceed one trillion dollars.

America can afford health care reform. What we cannot afford is a continued failure to address the crisis in health care -- a crisis that imperils the health and prosperity of all Americans.

III. Working Together to Increase the Momentum for Reform

The issue before us now is not whether system-wide health care reform will be passed this year.

The issue is what we can do --working together, now and soon, this year and next -- to advance the case for reform and accelerate the timing of reform.

At our December meeting, the members of the Coalition approved an ambitious strategy for 2006 and 2007, designed to increase the momentum for reform. If you would find it helpful to your discussion this afternoon, we could review some of the details of the strategy. For now, I'll just mention some key elements of the plan that the members adopted:

This year, we will be especially focused on working to make health care reform a prominent issue in congressional and gubernatorial elections -- through community forums, communications initiatives, and other activities that are consistent with our rigorous non-partisanship. Our members believe that this mid-term election cycle affords us an excellent opportunity to generate attention to and debate about health care.

We will develop and customize materials for Coalition organizations to use in educating their members, employees, and congregants.

We will expand our media operations. We will seek opportunities to brief journalists and help them with story ideas and background information, and we

will issue a steady stream of press releases, Coalition statements, and opinion pieces.

We will continue to brief members of Congress and their staffs, with a special focus on leaders in both parties and members of the committees and subcommittees with jurisdiction over health care, and we will testify at hearings. We will also reach out to prospective presidential candidates and their advisors, to educate them about the health care crisis and potential remedies.

This past spring, we spoke at the annual meeting of the National Governors Association about the need for reform at the national level. Since then, we have had a series of meetings with individual governors as well. We will continue to build working relationships with governors, both to encourage and support their advocacy of system-wide reform and to collaborate in planning and convening state-wide and community forums on health care reform. We are also working on arrangements to brief meetings of both the Democratic Governors Association and the Republican Governors Association this year.

We will continue to broaden the constituency for change – and the capacity of the Coalition to reach Americans where they live and work and worship – by recruiting member organizations. With the help of our current members, we will pursue opportunities to meet with and brief leaders and boards of prospective members.

In addition to speaking at conferences organized by other entities, we will work with Coalition members to plan and convene Coalition-sponsored community forums in strategically targeted locations. These forums will be accompanied by communications initiatives to amplify the impact of the meetings and to help build and sustain dialogue about health care reform.

And we will continue to analyze health care issues and proposals, including systemic and incremental bills and initiatives

The American Cancer Society's mission is to eliminate cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer.

That mission cannot be fully achieved without system-wide health care reform that assures all Americans affordable, high-quality, comprehensive care.

An unreformed health care system – the system that we have now -- inherently and increasingly limits the progress that can be made in the fight against cancer.

That is why I believe – and I hope you believe – that the pursuit of system-wide reform should be an integral part of your strategy for achieving the ACS's objectives.

The American Cancer Society can make a huge difference to the prospects for system-wide reform. You have extraordinary capacities and credibility, access, influence, and moral force.

You and your colleagues can help to educate America – your three million volunteers and 42 million donors, the general public, health care providers, political leaders and policymakers at all levels – about why we need health care reform and about how reform would advance the fight against cancer.

In concert with other members of the National Coalition on Health Care, you can help to generate awareness, inform and encourage debate, and build the demand for reform.

Your mission and the mission of the National Coalition on Health Care – your Coalition – are bound together.

We are all in the same fight.

We are all in the right fight.

And working together – the American Cancer Society and the other powerful members of the Coalition – we can win.

We must win.

For cancer patients, for all patients.

For current generations and generations to come.

To prevent cancer and other diseases, to save lives, to diminish suffering.

Thank you for your attention.

And thank you for your dedication, for your leadership, and for all the extraordinarily important work that you do and will continue to do even more successfully in a reformed health care system.
