

Statement

Senator Edward M. Kennedy

Hearing on Expanding Health Coverage for the Uninsured

Our hearing today addresses one of the gravest challenges facing America today – the 39 million Americans who have no health insurance. We are the most powerful and prosperous nation on earth. Yet, 39 million of our citizens get up every morning hoping that they and their loved ones don't get sick or have an accident. They are people with disabilities, who cannot obtain health insurance at any price. They are workers who go to the job every day – but still cannot afford health insurance.

One of the great challenges of our time is to end this national shame. We face this challenge at a time when health care costs are rising, unemployment is up, and the number of uninsured is escalating. Moreover, states are facing a serious budget crisis – \$40 billion in deficit in growing – and patients are paying the price.

We know what it means to be uninsured. Those without health coverage are four times more likely not to get medical care than insured Americans. Medical bills too often force the uninsured to default on their debts or lose everything they have. More and more medical miracles are becoming available in this extraordinary new age of the life sciences. Yet good health care is increasingly beyond the reach of vast numbers of Americans.

It is time to act. Some people say we cannot afford the cost of covering the uninsured – because of our budget crisis. But the national budget reflects our national priorities. And I can't think of a more important priority than helping Americans who worry that a family illness will bring bankruptcy, helping parents who worry about letting their children play sports because they can't afford a trip to the hospital, or helping people with diabetes and cancer get lifesaving treatments.

There are different approaches to how best to cover the uninsured that we'll be examining today. The Administration is advocating a tax credit for the individual market. But their plan does nothing for the millions of Americans who cannot afford the \$1,000 deductibles.

It does nothing for Americans with disabilities or other chronic conditions who cannot buy affordable coverage in the private market at all. And it does nothing for sicker and older Americans who face exorbitant premiums that the Administration's tax credits will never cover.

We should assure that Americans have comprehensive affordable health care coverage that they can rarely use.

We should start by passing the Family Care bill currently before Congress that builds on the bipartisan Children's Health Insurance Program to cover parents as well as children. In a time when Federal dollars are tight, this proposal spends the most money on the uninsured. It's the best bang for the buck.

We must enact the Family Opportunity Act to allow parents of children with disabilities to buy Medicaid coverage and go to work.

We should make sure we that during this economic downturn, we don't slide back on the number of uninsured. That means helping Americans who have lost their jobs and their health insurance as a result of the terrorist attacks and the faltering

economy. On average, health insurance premiums for these families cost nearly two-thirds of their unemployment insurance. We should help subsidize this coverage so families can afford it.

Most of the uninsured are working and most aren't offered coverage on the job. If employers take responsibility, we can dramatically reduce the number of uninsured. Soon, I plan to introduce legislation to require that health insurance come with every job. Our bill will require all employers with more than fifty employees to provide quality health coverage.

Finally, I am pleased that this hearing will focus on the trends in CHIP and Medicaid – that help some of the most vulnerable Americans. The Medicaid program – that helps people with disabilities, poor children, pregnant women, people in nursing homes, and millions more vulnerable Americans. Now is not the time to scale back these protections.

I am very concerned about the Administration's recent actions to approve Medicaid waivers that impose high costs our most vulnerable citizens – such as \$100 costs just to go to the hospital –

and that reduce benefits. I understand the first waiver approved by the Bush Administration provides health insurance that does not cover hospital visits. That sounds like buying a car with no transmission.

The problem here is not that our public programs don't work. They do. CHIP enrollment just reached 4.6 million children. Medicaid is helping 35 million Americans, and until recently states were expanding their programs.

The problem is that states are in a recession and health costs are increasing. In fact, Congress made this problem worse just last week when – in the name of economic stimulus – it passed tax cuts that actually drain state revenues. This will force some states to cut their Medicaid programs, just at a time when more Americans need it. We should provide them relief – not dig the hole deeper.

America cannot have the best workforce in the world if we do not also have the healthiest workforce in the world. The battle for

quality, affordable health care has never been easy. If it were, we would have met this challenge a generation ago. The new spirit, after September 11th, calls forth the best in all of us. It challenges us to move forward effectively to achieve good health care for all Americans.