Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo w/attach	Chris Jennings, Steve Edelstein to Melanne Re: Proposed Bus Trip Routes (2 pages)	9/4/93	P5
002. memo	Chris Jennings to POTUS Re: Taping with Senator Leahy at 7:00 p.m. (2 pages)	9/21/93	P5
003. memo w/attach	Chris Jennings, Steve Edelstein to Hillary Clinton Re: Health Care Workshops (13 pages)	9/4/93	P5

COLLECTION:
Clinton Presidential Records
Domestic Policy Council
Chris Jennings (Health Security Act)
OA/Box Number: 23754

FOLDER TITLE:
September 1993 HSA [2]

gf104

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
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b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
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FACSIMILE TRANSMISSION REQUEST

ADDRESSEE: (Name, Organization, Address)	FROM: (Name, Organization, Address)
CHRIS JENNINGS OEOB Phone: 456-2645	Lucia Giudice and Peter Hickman Phone: 202/690-8284

TOTAL PAGES: (Without Cover)	ADDRESSEE'S FAX MACHINE PHONE NUMBER: (If Known)	DATE:
5	456-7739	9/7/93

REMARKS:

Please deliver immediately.

IF FAX MACHINE RETRANSMISSION IS NECESSARY PLEASE CALL: Lucia (Name) **AT:** 690-8284 (Phone)

REQUESTOR'S INSTRUCTIONS TO RECEIVER:

____ Please call: _____ (Name) at _____ (Phone) for pick-up

____ Mail copies to: _____

Location: _____

_____

____ Retain copies in files.

Memorandum

TO: Chris Jennings

FR: Peter Hickman

RE: Medicare Outpatient Drug Benefit -- 9/7/93 Draft

DT: September 7, 1993

Attached are two provisions of the draft bill for the Medicare outpatient drug benefit that require your attention.

1. Verification of Average Manufacturer Price -- The bill permits the Secretary INSPECT the records of manufacturers.

2. Negotiated Rebate Amount for New Drugs -- The entire provision has been revised.

The OGC asked us to give them any comments or revisions of this draft today. As soon as you can, give me a call at the office -- 202/690-5950 or at home -- P6/b(6) (anytime except between 7 and 8 PM).

manufacturer non-retail price for each dosage form and strength of each covered outpatient drug for the quarter.

"(B) Base Quarter Prices.--Each manufacturer of a covered outpatient drug with an agreement under this section shall report to the Secretary, by not later than 30 days after the effective date of such agreement (or, if later, 30 days after the end of the base quarter), the average manufacturer retail price, for such base quarter, for each dosage form and strength of each such covered drug.

(1) → "(C) Verification of Average Manufacturer Price.--The Secretary may [inspect the records of] manufacturers, and survey wholesalers, pharmacies, and institutional purchasers of drugs, as necessary to verify prices reported under subparagraph (A).

"(D) Penalties.--

"(i) Civil Money Penalties.--The Secretary may impose a civil money penalty on a manufacturer with an agreement under this section--

"(I) for failure to provide information required under subparagraph (A) on a timely basis, in an amount up to $10,000 per day of delay;

"(II) for refusal to provide information about charges or prices requested by the Secretary for purposes of a verification

Memorandum

TO: Chris Jennings

FR: Peter Hickman and Lucia Giudice

RE: Modifications to 8/6/93 Working Group Draft/Medicare Outpatient Drug Benefit

DT: August 20, 1993

We reviewed the August 6th draft of "the book." Many of our earlier decisions and comments have yet to be incorporated into the draft. So, we are sending the comments through the appropriate channels again. Attached is the list of proposed changes and rationales for each. As you can see, they are the same suggestions we made in two previous documents.

There are several other issues regarding the prior approval process, the effective date, new drug price negotiations and the collection of rebates that we should discuss. Peter will be on vacation through August 27th, but you can reach Lucia at 202/690-8284.

"(A) the total number of units subject to rebate for such quarter, as described in subsection (b)(1)(B), multiplied by

"(B) the amount, if any, by which the average manufacturer retail price for covered drugs of the manufacturer exceeds the average manufacturer retail price for the base quarter, increased by the percentage increase in the Consumer Price Index for all urban consumers (U.S. average) from the end of such base quarter to the month before the beginning of such calendar quarter.

(2)

"(3) Negotiated Rebate Amount for New Drugs.--

"(A) In General.--The Secretary may negotiate with the manufacturer a per-unit rebate amount, in accordance with this paragraph, for any covered outpatient drug first marketed after June 30, 1993--

"(i) which is not marketed in any country specified in section 802(b)(4)(A) of the Federal Food, Drug, and Cosmetic Act and for which the Secretary believes the average manufacturer's retail price may be excessive, or

"(ii) which is marketed in one or more of such countries, at prices significantly lower than the average manufacturer retail price.

"(B) Maximum Rebate Amount.--The rebate negotiated pursuant to this paragraph for a drug described in subparagraph (A)(ii) may be an amount up to the

difference between the average manufacturer retail price and any price at which the drug is available to wholesalers in a country specified in such section 802(b)(4)(A).

"(C) Factors to Be Considered.--In determining whether the price of a covered drug described in subparagraph (A)(i) may be excessive, and in negotiating a rebate amount pursuant to this paragraph, the Secretary shall take into consideration, as applicable and appropriate, the prices of other drugs in the same therapeutic class, cost information requested by the Secretary and supplied by the manufacturer or estimated by the Secretary, prescription volumes, economies of scale, product stability, special manufacturing requirements, prices of the drug in other comparable countries, and other relevant factors. as specified (A)(i)

"(D) Option to Exclude Coverage.--If the Secretary is unable to negotiate with the manufacturer an acceptable rebate amount with respect to a covered outpatient drug pursuant to this paragraph, the Secretary may exclude such drug, and any other covered drug of the manufacturer, from coverage under this part.

"(E) Effective Date of Exclusion from Coverage.--An exclusion of a drug from coverage pursuant to subparagraph (D) shall be effective on and after--

"(i) the date 6 months after the effective date of marketing approval of such drug by the Food and Drug Administration, or

"(ii) (if earlier) the date the manufacturer terminates negotiations with the Secretary concerning the rebate amount.

"(4) Deposit of Rebates.--The Secretary shall deposit rebates under this section in the Federal Supplementary Medical Insurance Trust Fund established under section 1841.

"(d) Confidentiality of Information.--Notwithstanding any other provision of law, information disclosed by a manufacturer under this section is confidential and shall not be disclosed by the Secretary, except--

"(A) as the Secretary determines to be necessary to carry out this section,

"(B) to permit the Comptroller General to review the information provided, and

"(C) to permit the Director of the Congressional Budget Office to review the information provided.

"(e) Definitions.--For purposes of this section--

"(1) Average Manufacturer Retail Price.--The term 'average manufacturer retail price' means, with respect to a covered outpatient drug of a manufacturer for a calendar quarter, the average price (inclusive of discounts for cash payment, prompt payment, volume purchases, and rebates (other than rebates under this section), but exclusive of nominal prices) paid to the manufacturer for the drug in the

September 11, 1993

MEMORANDUM FOR JEFF ELLER, BOB BOORSTIN, JULIA MOFFETT, MELANNE VERVEER, CHRIS JENNINGS, JOHN HART, KEVIN ANDERSON

FROM: Mike Lux

SUBJECT: September 23rd South Lawn Event

Attached is a first draft of the speech. (For the principles, I have just used the standard boilerplate I got from Boorstin - it will obviously be tinkered with by message gurus in later drafts.) I'd like to have a meeting on this event with everyone receiving this memo on Monday - Debbie Fine will be contacting you to set it up. Major decisions include:

1. Do we have the most important people there (labor leaders, CEOs, head of AARP, head of Blue Cross, head of family physicians, etc.) on stage with the President? If not, how do we highlight the most important folks there?

2. Do we invite Members of Congress? What about other elected officials? What about Republicans? And what is the criteria for invitations if they are to be invited?

3. We need to make a final decision on crowd size - I've been thinking in the 800-1000 range.

4. Does anyone else speak besides the President? My tendency is to have HRC introduce the President and maybe say some things about the process in her speech, but have no other speakers.

5. How festive? My tendency is to make it festive and celebratory, including having a band.

cc: Alexis Herman
Steve Hilton
Marilyn Yager

DRAFT

REMARKS FOR HEALTH CARE RALLY

Today is an important day in the history of America. Today we come together to begin the process of doing that which has long been proposed but never acted upon: passing a truly comprehensive health care reform plan. The plan which I proposed last night to Congress is a plan which draws on a rich tradition of study and debate and real world experience, and more importantly, on the front line experience of Americans in the health care system: the providers who provide the care, the consumers who've seen the best and worst of our current system, the business people who pay so much of the cost and who've seen their costs spiral out of control.

Everyone here today played a role in helping us craft this plan, providing thoughtful input on a multitude of issues, and that is one reason this day is so important. The diversity of the people here today truly represents the diversity of America. Standing here with me today are doctors, nurses, physicians assistants, hospital administrators, psychiatrists and psychologists and social workers; Fortune 500 CEOs, small business owners, and leaders of organized labor; the leaders of senior citizen groups and the leaders of student groups; the head of Blue Cross Blue Shield and the leaders of some of the country's leading consumer groups. What is so important about all of these people being here together is the common vision we all share. Health care reform is a large complex issue involving one seventh of our nation's economy and thousands of small issue decisions. And coming from different backgrounds and perspectives as they do, it's probably safe to say that no one here agrees with or endorses every single detail of this proposal. Every interest group, every industry, every philosophical perspective will have to give up something to get this plan to pass and, far more importantly, to make it work effectively for the American people. Throughout the next few months, people from different perspectives and backgrounds will continue to work with Congress and the administration on refining the details for this plan. But what everyone here today has in common is that they have all worked thoughtfully and constructively with this administration to produce a plan with a common vision of how to reform this country's health care system.

The common vision we all share has these essential points in common:

- SECURITY: Reform must guarantee that no American ever again loses health coverage -- no matter whether you change jobs, get sick, or move.

- SAVINGS: Reform must control skyrocketing health care costs -- and produce savings for families, employers, health care professionals and our nation.

- SIMPLICITY: Reform must simplify the way Americans get and give health care.

- QUALITY: Reform must help improve the quality of American health care.

- CHOICE: Reform must preserve and enhance your right to choose who takes care of you.

- RESPONSIBILITY: Reform must make every American a responsible and active partner in his or her own health care. No one should get a free ride.

The solution to America's health care crisis has long been stymied by Washington gridlock, special interest power, and the knee-jerk reaction of cynics whenever change is proposed. We still have all those obstacles to overcome. Those who have become rich living off the gigantic waste in our current system - or are letting others foot the bill for their responsibilities - will fight us tooth and nail, and will distort everything we are trying to do. In fact, they've already begun: the Health Insurance Association of America and the National Federation of Independent Businesses have already spent millions of dollars making up phony studies, doing polling to find out what buttons to push to create fear, and buying 30-second ads that distort and downright lie about this plan.

But with your help, we can beat back the special interests, the guardians of gridlock, the knee-jerk cynics who say good things can never be done. With the people of good will here and all around this nation coming together for these common goals, we can and we will win this fight. I am honored by your presence here today, and humbled by your willingness to sacrifice and compromise for the common good. It is the American spirit at its very best represented here today. Thank you for your help in putting this plan together: it's a plan and a vision, you can all be very proud of. Keep up your good work, and together we'll get true health care reform.

2756(?) 2711 (2157)

Lᐳ Gary Claxton

Title

US Health Security Act

Title

- Medicare Opt in/out

- VA

- HRC's & Ira's schedule to Steve R.

Drugs

Ira - Mainstream Forum/

Dept of Labor — Ira
substantive criticism | concern of plan

Ira → meeting before substantive criticism

2157

- Budget Committee Strategy

Waxman:

+ JEC Q & A

- Wednesday message group

- Tuesday E&C &

Ed Labor

Patti

Sasser

file HCU

HEALTH CARE WORKSHOPS

Draft Schedule

SUNDAY, SEPTEMBER 19, 1993

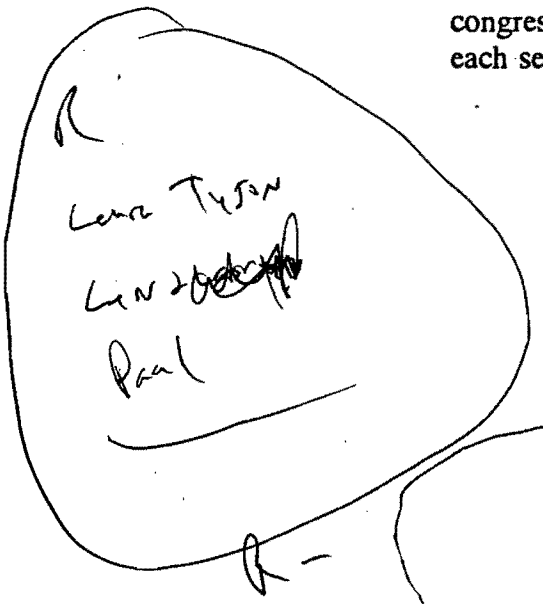
4:00 - 6:30 PM - Opening Session - All Attendees
(Overview of Plan, Design and Philosophy)
Main Presentation: Hillary Rodham Clinton
Remarks (3-5 Minutes Each):
Donna Shalala, Lloyd Bentsen, Robert Reich,
Leon Panetta, Janet Reno, Ron Brown, Jesse Brown,
Tipper Gore, Carol Rasco, Ira Magaziner, Judy Feder

7:00 - 9:00 PM - Dinner
(Message of Health Reform)
Presenters: Mandy Grunwald, Stan Greenberg

MONDAY, SEPTEMBER 20, 1993

8:30 - 9:45 AM - General Session - 4 Sections
(Includes Discussion of Consumers in the New System; Cost Containment and Budgets; and Savings, Costs and Financing)

[Each sessions will have representatives of the economic team and the health team making the presentations. Because we were not sure of the comfort level of the economic team members with health care, each has been assigned economic staff support. We did not believe that the health team members required similar staff support. There is also a congressional/political person and a communications person assigned to each session to assist with the Q & A and to keep things under control.]



Presenters:
Session A1
- Laura Tyson
  - (Staff Support - Sherry Glied)
- Ken Thorpe
- Larry Leavitt
- Chris Jennings
- Communications Staff

Session A2
- Robert Rubin
  - (Staff Support - David Cutler)
- Ira Magaziner
- Paul Starr
- Charlotte Hayes
- Communications Staff

Session A3
- Roger Altman
  - (Staff Support - Gene Sperling)
- Bruce Vladek
- Rick Kronick
- Karen Pollitz
- Communications Staff

Session A4
- Alice Rivlin
  - (Staff Support - Len Nichols)
- Judy Feder
- Gary Claxton
- Jerry Klepner
- Communications Staff

9:45 – 10:00 AM – Break

10:00 – 11:15 AM – General Sessions (Continue)

11:30 – 12:30 PM – Breakout Sessions

Session B – Business in the New System
Leads: Ira Magaziner, EOP — Ken Thorpe
Alexis Herman, OPL

Others: ~~Gary Claxton, HHS~~
Erskine Bowles, SBA
Steve Finan

Session C – Providers in the New System
Leads: Phil Lee, HHS
~~Paul Starr~~ Roz

Others: Risa Lavizzo-Mourey, HHS
Karen Pollitz, HHS
Arnold Epstein
Lynn Margherio, EOP (?)

Session D – Federal/State Roles
Leads: ~~Walter Zelman~~ Larry Leavitt
Sally Richardson, HHS

Others: Larry Leavitt, HHS
John Hart, EOP
Christine Heenan, EOP (?)
Nancy Delew, HHS (?)

Session E – Elderly and Persons with Disabilities in the New System
Leads: Judy Feder, HHS
Fernando Torres-Gil, HHS
Robyn Stone

Others: ~~Kathy Butto, HHS~~
Barbara Cooper, HHS
Portia Mittleman, HHS (?)

Session F – Underserved (Rural and Urban Populations)

Leads: Lois Quam
Claudia Baquet

Rural: Lois Quam
Denise Denton
Dina Pushkin
Jeff Human

Urban: Claudia Baquet
~~Joanne Lukomnik~~ Bonnie Leftkowitz
Mark Smith (?) Christine Cellie
Richard Veloz

12:45 – 1:45 PM – Lunch
[How to Respond to Media Questions and Critiques
Presenters: Paul Begala, Kevin Anderson]

2:00 – 3:00 PM – Breakout Sessions – All Attendees
Session B
Session C
Session D
Session E
Session F

3:15 – 4:15 PM – Breakout Sessions – All Attendees
Session B
Session C
Session D
Session E
Session F

4:30 – 5:30 PM – Breakout Sessions – All Attendees
Session B
Session C
Session D
Session E
Session F

5:45 – 6:30 PM – Closing Session – BC

MONDAY, SEPTEMBER 20, 1993

5:00 - 6:30 - Overview - Republicans
(Overview of Plan, Design and Philosophy)
Presenter: HRC

6:30 PM - Reception - Republicans

TUESDAY, SEPTEMBER 21, 1993

8:00 - 10:30 - General Session - 3 Sessions
Consumers in the New System;
Cost Containment and budgets;
Savings, Costs and Financing
Presenters:

Session A4
- Economic Team 1
- Economic Staff 1
- Health Team 1
- Health Staff 1
- Congressional Staff 1

Session A5
- Economic Team 2
- Economic Staff 2
- Health Team 2
- Health Staff 2
- Congressional Staff 2

Session A6
- Economic Team 3
- Economic Staff 3
- Health Team 3
- Health Staff 3
- Congressional Staff 3

10:45 – 11:45 AM – Breakout Sessions –

Session B – Business in the New System
Presenters:

Session C – Providers in the New System
Presenters:

Session D – Federal/State Roles
Presenters:

Session E – Elderly in the New System
Presenters:

Session F – Rural Health Care
Presenters:

Session G – Urban and Underserved
Presenters:

12:00 – 1:00 PM – Breakout Sessions – Sunday and Monday Attendees

Session B
Presenters:

Session C
Presenters:

Session D
Presenters:

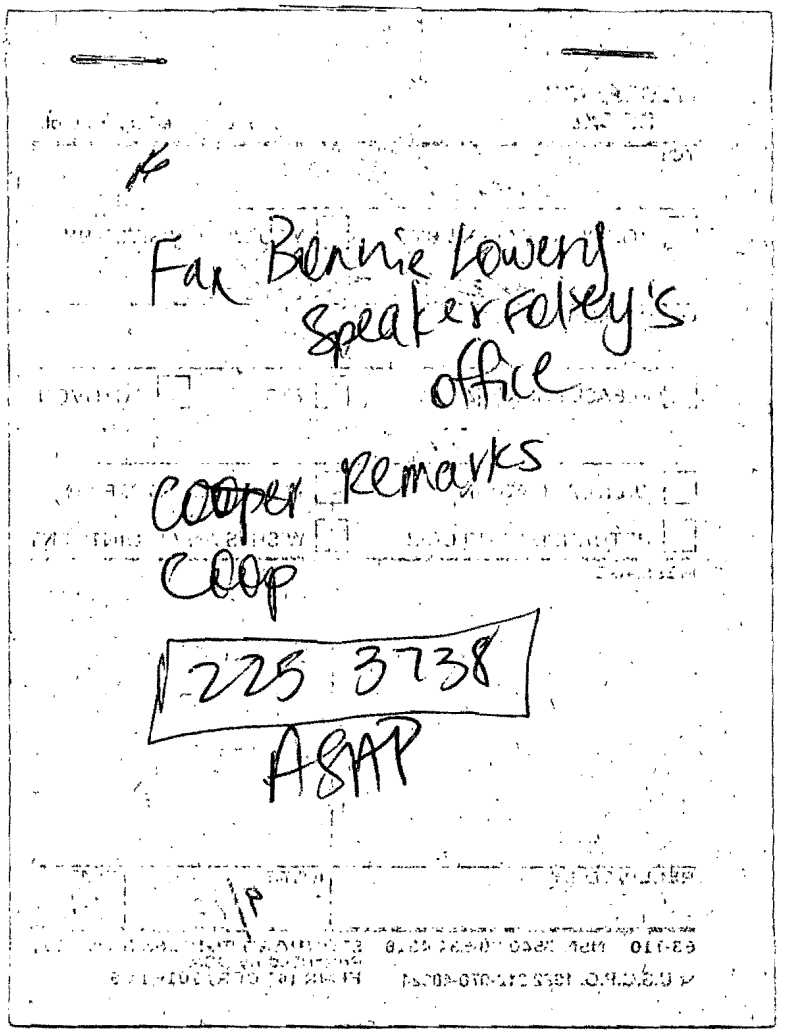
Session E
Presenters:

Session F
Presenters:

Session G
Presenters:

1:00 – 2:30 PM – Lunch –

Message of Health Reform
Presenters: David Gergen (?), Doug Bailey (?)


Fax Bonnie Lowery
Speaker Foley's
office
Cooper Remarks
Coop
225 3738
ASAP

H.C. University

C. EVERETT KOOP, M.D.
REMARKS
HEALTH CARE UNIVERSITY
SEPTEMBER 20, 1993

I'VE SPOKEN TO MANY OF YOU BEFORE, WHEN I SERVED AS YOUR SURGEON GENERAL. ON THOSE OCCASIONS, I SPOKE TO YOU AS THE APPOINTEE OF A REPUBLICAN PRESIDENT. TODAY I SPEAK TO YOU ON THE INVITATION OF A DEMOCRATIC PRESIDENT. IT DOESN'T MAKE ANY DIFFERENCE TO ME. AND I HOPE IT DOESN'T MAKE ANY DIFFERENCE TO YOU WHETHER THE HEALTH CARE REFORM PROPOSALS YOU WILL SOON RECEIVE ARE THE PRODUCT OF AN ADMINISTRATION FROM YOUR OWN PARTY OR FROM THE OPPOSITION.

WHEN I WAS SURGEON GENERAL, I SET ONE OVER-ARCHING GOAL: TO LIFT THE HEALTH OF THE AMERICAN PEOPLE ABOVE THE SNIPING OF PARTISAN POLITICS. I CHALLENGE YOU TO DO THE SAME WITH THE CURRENT HEALTH CARE PROPOSALS. THE ADMINISTRATION'S HEALTH CARE REFORM INITIATIVE IS COMPREHENSIVE, IT IS COMPLEX, IT IS, WELL, COMPLICATED. THAT IS BECAUSE IT IS OFFERED IN THE SPIRIT OF COMPROMISE.

PRESIDENT CLINTON HAS TOLD ME THAT HE VIEWS THESE HEALTH CARE PROPOSALS, NOT AS A TAKE-IT-OR-LEAVE-IT PACKAGE, BUT AS WHAT THEY ARE - - PROPOSALS: PROPOSALS THAT WILL LEAD TO CONSTRUCTIVE DEBATE, AND NOT JUST TO CONSTRUCTIVE DEBATE, BUT THEN TO CONSTRUCTIVE LEGISLATION. THEY ARE PROPOSALS OFFERED IN TRUST THAT AN HONEST CONGRESSIONAL - - AND NATIONAL - - DISCUSSION WILL BRING OUT THE BEST IN HEALTH CARE REFORM FOR THE AMERICAN PEOPLE.

WHEN I READ THE FIRST DRAFT OF THE PLAN I WAS IMPRESSED WITH THE ATTENTION THAT HAD BEEN GIVEN TO DETAIL - - PRESENT SITUATIONS THAT SHOULD BE ELIMINATED, NEEDED ADDITIONS THAT WOULD BE MADE. I WAS SUPPORTIVE OF THE PLAN, EVEN IF THERE WERE SPECIFIC ISSUES WITH WHICH I DISAGREED. LATER I WAS ALSO PLEASED THAT SUGGESTIONS I MADE IN A CRITIQUE OF THE PLAN DID NOT FALL ON DEAF EARS.

I DON'T IMAGINE ANY ONE OF US WILL AGREE WITH EVERY POINT IN THE PROPOSED REFORMS. I IMAGINE THAT THE PRESIDENT HAS HIS OWN RESERVATIONS ABOUT SOME POINTS. BUT OUR RESERVATIONS - - OR EVEN OUTRIGHT OBJECTIONS - - TO SOME PROVISIONS CANNOT GIVE US THE EXCUSE TO OPPOSE EVERYTHING.

MY CONCERNS ABOUT SOME ISSUES WILL NOT STOP ME FROM FIGHTING FOR THE MANY REFORMS THE AMERICAN HEALTH CARE SYSTEM SO DESPERATELY NEEDS. I HOPE YOU WILL APPROACH THE REFORM PROPOSALS IN THE SAME SPIRIT.

WE ARE NO LONGER DECIDING IF WE WILL HAVE HEALTH CARE REFORM. WE ARE NOW IN THE MIDST OF WIDESPREAD HEALTH CARE REFORM BECAUSE PRESIDENT CLINTON HAS ALREADY DONE MORE THAN ANY OF HIS LIVING PREDECESSORS TO ENGENDER CHANGE SIMPLY BY PROMISING - - OR THREATENING - - TO REFORM THE SYSTEM.

IN THE LAST SEVERAL MONTHS, ALL ACROSS THE LAND, THE VARIOUS PLAYERS IN THE HEALTH CARE GAME - - PHYSICIANS AND NURSES, HOSPITALS, PATIENTS, INSURANCE COMPANIES, PHARMACEUTICAL COMPANIES, STATE GOVERNMENTS - - HAVE BEGUN TO REFORM THEMSELVES. THAT'S GOOD, AND WE CAN BENEFIT FROM THE VARIETY AND THE IMAGINATION OF THESE INITIATIVES. BUT WE CANNOT SOLVE OUR HEALTH CARE PROBLEMS IN PIECE-MEAL, HELTER-SKELTER FASHION.

REAL REFORM IN OUR HEALTH CARE SYSTEM WILL REQUIRE ALL THE PLAYERS TO ACT IN COORDINATION, AT THE SAME TIME, AS IN A FOOTBALL PLAY. IF ONE PLAYER FAILS TO MOVE WHEN THE BALL IS SNAPPED, THE PLAY FAILS. RIGHT NOW THE VARIOUS PLAYERS IN HEALTH CARE ARE LIKE FOOTBALL PLAYERS IN THE HUDDLE DURING THE FOURTH QUARTER OF A LOSING GAME; THEY CANNOT AGREE AND THEY JUST YELL AT EACH OTHER. ONLY THE COACH CAN CALL THE PLAY, ONLY WHITE HOUSE CAN PROVIDE THAT KIND OF LEADERSHIP.

THE SOLUTION TO THE HEALTH CARE CRISIS IS COMPLICATED. THEREFORE IT CALLS FOR A VARIETY OF SOLUTIONS: NATIONAL, REGIONAL, AND LOCAL - - PUBLIC AND PRIVATE - - AND PERSONAL. BUT THERE IS NO PANACEA, NO SINGLE MAGIC BULLET. THERE ARE NO EASY ANSWERS, ONLY HARD CHOICES.

AMERICANS HAVE THREE BASIC DEMANDS WHEN IT COMES TO HEALTH CARE. WE DEMAND:

- IMMEDIATE ACCESS TO HEALTH CARE,
- THE LATEST HIGH-TECH MEDICINE,
- A LIMITED PRICE.

BUT NOW THESE DEMANDS HAVE BECOME INCOMPATIBLE. IT IS NOT TOO DIFFICULT TO DELIVER ANY TWO OF THESE, BUT IT MAY BE IMPOSSIBLE

TO HAVE ALL THREE, EVEN IF WE UNDERSTAND THE LIMITS OF MEDICINE, EVEN IF WE UNDERSTAND THE LIMITS OF LIFE.

OUR HEALTH CARE SYSTEM MAY FUNCTION WITH COMPASSION AND COMPETENCE - - EVEN EXCELLENCE - - FOR SOME INDIVIDUALS. BUT FOR TOO MANY AMERICANS OUR HEALTH CARE SYSTEM IS A TYRANNY, MORE A CURSE THAN A BLESSING.

THE NEXT DECADE WILL FORCE US TO DO SOME HARD THINKING - - AND DECIDING - - ABOUT THE BASIC PURPOSE OF MEDICINE.

WE HAVEN'T DONE MUCH OF THAT.

TOO MUCH OF THE INTENSIFYING DEBATE ABOUT HEALTH CARE REFORM FOCUSES ON QUESTIONS OF HOW WE FINANCE HEALTH CARE REFORM, ON THE ECONOMIC AND POLITICAL DIMENSIONS OF HEALTH CARE REFORM. THIS PUTS THE CART BEFORE THE HORSE.

MORE IMPORTANT THAN THE ECONOMIC AND POLITICAL PRESSURES IS THE ETHICAL IMPERATIVE FOR HEALTH CARE REFORM. BEFORE WE CAN ENACT THE SWEEPING REFORM WE NEED IN HEALTH CARE, WE MUST AGREE ON THE BASIC VALUES AND ETHICS UPON WHICH OUR HEALTH CARE SYSTEM - - AND OUR SOCIETY - - IS BASED AND FROM WHICH IT DERIVES ITS MORAL POWER. IF WE COULD REACH AN ETHICAL CONSENSUS, MANY OF THE ECONOMIC AND POLITICAL PROBLEMS OF HEALTH CARE REFORM WOULD BE EASILY SOLVED.

THE INTERPLAY AND TENSION BETWEEN THE JUDEO-CHRISTIAN TRADITION AND THE SECULAR ENLIGHTENMENT HAS STRENGTHENED TWO FORCES IN THE AMERICAN CULTURAL PERSONALITY: INDIVIDUALISM AND ALTRUISM, THE LONE RANGER AND BARN-RAISINGS.

THESE TWO FORCES OF ALTRUISM AND INDIVIDUALISM CAN EITHER IMPEDE OR ACCELERATE HEALTH CARE REFORM. I THINK, OR AT LEAST I LIKE TO THINK, THAT OUR LAST MAJOR HEALTH CARE REFORM EFFORT - - THE ENACTMENT OF MEDICARE AND MEDICAID DURING THE 1960'S - - STEMMED FROM A GENUINE ALTRUISM.

IT ALSO HAPPENED AT A TIME WHEN WE THOUGHT WE COULD AFFORD IT.

MEDICARE AND MEDICAID, EVEN WITH ALL THEIR FLAWS, HAVE REMOVED MUCH OF THE FEAR AND UNCERTAINTY FROM THE YEARS OF ELDERLY LIFE, AND HAVE MITIGATED SOME OF THE CRUSHING BURDENS OF LIFE IN POVERTY. THEY SHOULD STAND AS LANDMARKS TO THE BASIC DECENCY OF THE AMERICAN ETHICAL CORE.

IN A SIMILAR WAY, I BELIEVE THAT PART OF THE DEMAND FOR HEALTH CARE REFORM TODAY COMES FROM AN ALTRUISTIC CONCERN ON THE PART OF THOSE WHO ENJOY AMPLE HEALTH INSURANCE FOR THE 37 MILLION AMERICANS WITHOUT HEALTH INSURANCE. MANY OF US STILL BELIEVE THAT WE ARE OUR BROTHER'S KEEPER.

BUT OUR RUGGED INDIVIDUALISM ALSO LIES BEHIND SOME OF THE MOST INTRACTABLE PROBLEMS IN BRINGING ABOUT HEALTH CARE REFORM AS PHYSICIANS INSIST UPON AUTONOMOUS PRACTICE, HOSPITALS WANT TO MAKE MARKET CHOICES BUT BE FREE FROM MARKET COMPETITION, INSURANCE COMPANIES WANT THE FREEDOM TO DENY COVERAGE TO HIGH-RISK PEOPLE, PHARMACEUTICAL COMPANIES WANT TO CONTROL DEVELOPMENT AND DISTRIBUTION OF THEIR PRODUCTS, PATIENTS WANT CHOICE IN ACCESS TO CARE WITHOUT GATEKEEPERS OR WAITING LINES, AND TAXPAYERS WANT MORE MONEY FOR THEMSELVES.

APPLYING ETHICS TO COST CONTROL IN HEALTH CARE GETS US INTO REAL DILEMMAS. CONTAINING HIGH HEALTH CARE COSTS IS CRUCIAL TO THE PRESIDENT'S HEALTH CARE REFORM PLANS, AND IT'S A TOUGH ASSIGNMENT. SO FAR, MOST EFFORTS TO CONTAIN HEALTH CARE COSTS HAVE SIMPLY RESULTED IN COST-SHIFTING, LIKE SQUEEZING A BALLOON: SQUEEZING ONE END JUST CAUSES THE OTHER END TO BULGE.

ANOTHER VITAL COMPONENT OF THE PRESIDENT'S PLAN IS UNIVERSAL ACCESS, OR REALLY UNIVERSAL HEALTH CARE INSURANCE. BUT, THERE IS A VEXING CONNECTION BETWEEN INSURANCE AND COST. COMPREHENSIVE INSURANCE PROGRAMS - - INSURANCE PLANS THAT PAY FOR ALL HEALTH CARE - - ARE PART OF THE PROBLEM AS WELL AS PART OF THE SOLUTION.

AFTER ALL, IF I SAID YOU DIDN'T HAVE TO PAY FOR IT, WHAT KIND OF CARE WOULD YOU DRIVE? THAT'S WHAT INSURANCE CAN DO TO COSTS.

IRONICALLY, ALTHOUGH SOME AMERICANS HAVE TOO LITTLE HEALTH CARE, THE REAL PROBLEM IS THAT TOO MANY AMERICANS HAVE TOO MUCH HEALTH CARE.

IN OUR COSTLIEST NATIONAL ENTERPRISE - - HEALTH CARE SPENDING - - WE KNOW VERY LITTLE ABOUT WHAT WORKS AND WHAT DOESN'T. WE SPEND BILLIONS ON TESTS AND PROCEDURES THAT PATIENTS DON'T NEED, THAT PATIENTS DON'T WANT, THAT MANY DOCTORS DON'T REALLY UNDERSTAND.

IN HEALTH CARE, MORE IS NOT ALWAYS BETTER, AND MAY EVEN BE HAZARDOUS TO YOUR HEALTH.

OUTCOMES RESEARCH - - IN ITS BROADEST TERMS...

BATTING AVERAGES FOR PHYSICIANS AND HOSPITALS
UTILIZATION OF RESOURCES
USE OF PATIENTS' VALUES IN INFORMED DECISION MAKING

...CAN HELP ENORMOUSLY.

IF WE WERE TO ALLOCATE EVEN A FRACTION OF A CENT OF EACH INSURANCE DOLLAR TO FUND OUTCOMES RESEARCH - - TO FIND OUT WHAT WORKS IN MEDICINE AND WHAT DOESN'T - - AND IF WE WERE TO MAKE SURE THE VALUES OF THE PATIENT PLAYED A CENTRAL ROLE IN THE CHOICE OF MEDICAL TREATMENT, WE WOULD ACHIEVE LOWER COSTS AND HIGHER QUALITY HEALTH CARE FOR EVERYONE.. WE HAVE PROVEN THAT AT DARTMOUTH.

I AM AMONG THOSE WHO HAVE CONCLUDED THAT 25-30% OF CURRENT DIAGNOSTIC AND TREATMENT PROCEDURES IS MEDICALLY UNNECESSARY. IF WE CUT THAT FAT ALONE WE WOULD SAVE 200 BILLION DOLLARS, WHICH WOULD MORE THAN PAY FOR WHAT THE UNINSURED LACK.

WE COULD DO IT IN FIVE YEARS.

UNINSURED AMERICANS ARE SUFFERING THE VERY REAL HEALTH CONSEQUENCES OF HAVING NO MEDICAL INSURANCE. UNINSURED PEOPLE DON'T GET CARE AS OFTEN AS THEY NEED IT, AND WHEN THEY FINALLY GO TO A CLINIC OR HOSPITAL, THEIR CARE AND THEIR OUTCOMES ARE INFERIOR TO INSURED PATIENTS.

PATIENTS WITH NO HEALTH INSURANCE ARE THREE TIMES MORE LIKELY TO DIE IN THE HOSPITAL THAN PATIENTS WITH PRIVATE HEALTH INSURANCE.

AND ALL OF US WILL SUFFER THE CONSEQUENCES TOO, BECAUSE THE HEALTH PROBLEMS OF THE UNINSURED, IF IGNORED BY SOCIETY NOW, WILL BE BORNE BY SOCIETY LATER.

THOSE WHO HAVE THE MOST TO GAIN FROM HEALTH CARE REFORM ARE UNFUNDED AND UNORGANIZED, WHILE THE PEOPLE WHO HAVE THE MOST TO LOSE FROM HEALTH CARE REFORM ARE WELL ORGANIZED AND WELL FUNDED.

THERE ARE MANY INTEREST GROUPS ASSOCIATED WITH HEALTH CARE WHO ARE MORE CONCERNED ABOUT THEIR OWN WEALTH THAN ABOUT THE AMERICAN PEOPLE'S HEALTH.

ANY EFFORT TO LOWER COST AND INCREASE ACCESS MUST ALSO REFORM OUR SYSTEM OF MEDICAL EDUCATION. WE MUST REDUCE THE BURDEN OF EDUCATIONAL DEBT THAT SO OFTEN DISCOURAGES YOUNG DOCTORS FROM CHOOSING TO BECOME THE PRIMARY CARE PHYSICIANS WE NEED THE MOST.

MEDICAL EDUCATION SHOULD INCREASINGLY TAKE PLACE IN THE PRIMARY CARE FACILITIES AND WALK-IN CLINICS WHERE MUCH OF REAL MEDICINE IS PRACTICED, NOT EXCLUSIVELY IN THE TERTIARY-CARE ACADEMIC HOSPITALS WHERE THE PROFESSIONAL CLIMATE OF ORDERING EVERY TEST AND PERFORMING EVERY POSSIBLE PROCEDURE CREATES PATTERNS OF MEDICAL PRACTICE IN YOUNG PHYSICIANS THAT DRIVE UP COSTS UNNECESSARILY, JUST AS PRACTICING DEFENSIVE MEDICINE AGAINST MALPRACTICE LITIGATION DOES.

IN THE END, WE MUST REMEMBER THAT EVEN WITH THE BEST OF HEALTH CARE AVAILABLE TO ALL AMERICANS AT A REASONABLE COST, EVEN THEN, WE WILL NOT LIVE FOREVER.

SOMETIMES I THINK AMERICANS HAVE FORGOTTEN THEY HAVE TO DIE OF SOMETHING.

THE MIRACLES OF MODERN MEDICINE MAY TEMPT US TO SUSTAIN LIFE AT ALL COST, BUT NOW PATIENTS AND PHYSICIANS ALIKE ARE DEBATING THE WISDOM OF USING SO-CALLED "EXTRAORDINARY" MEASURES TO SAVE OR PROLONG THE LIVES OF PERSONS PROFOUNDLY TRAUMATIZED OR TERMINALLY ILL.

ON THE OTHER HAND, WE MUST BE WARY OF THOSE WHO ARE TOO WILLING TO END THE LIVES OF THE ELDERLY AND THE ILL.

IF WE EVER DECIDE THAT A POOR QUALITY OF LIFE JUSTIFIES ENDING THAT LIFE, WE HAVE TAKEN A STEP DOWN A SLIPPERY SLOPE THAT PLACES ALL OF US IN DANGER. THERE IS A DIFFERENCE BETWEEN ALLOWING NATURE TO TAKE ITS COURSE, AND ACTIVELY ASSISTING DEATH.

MEDICINE CANNOT BE OUR HEALER AND OUR KILLER.

FINALLY, I WANT TO ASK THAT AS I'VE SAID "HEALTH CARE", "HEALTH CARE" SO OFTEN IN THE LAST MINUTES, HOW MANY OF YOU TRANSLATED THAT TO HEALTHCURE?

WE MAY PUT TOO MUCH EMPHASIS ON CURING, TOO LITTLE ON CARING.

WE NEED A HEALTH CARE SYSTEM OF SENSITIVITY AND COMPASSION, SO THAT WE CAN ALWAYS PROVIDE THE CARE, EVEN WHEN WE CANNOT PROVIDE THE CURE.

CURING WILL COST US BILLIONS, BUT CARING COMES FROM THE INFINITE RESOURCES OF HEART AND SOUL.

Jordana —

Please fax this to

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