

## **Address to C-Change Annual Membership Meeting**

**“Health Care Reform, the Fight against Cancer, and C-Change”**

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**Mr. President and distinguished leaders of C-Change\*, I am honored to have this opportunity to speak with you today about health care reform and its importance to the fight against cancer.**

**The perspectives I will present 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.**

**I am especially pleased to note that President Bush, who co-chairs C-Change with his extraordinary wife, former First Lady Barbara Bush, is also Honorary Co-Chairman of the National Coalition on Health Care. We are grateful for his leadership and his commitment.**

**And I am pleased to be partnered on the program today with Carolyn Clancy and Humphrey Taylor. Both are first-rate thinkers and doers. Both are also friends of the Coalition and have spoken at our meetings.**

**My remarks today will be in three parts.**

- First, I will discuss the crisis in health care and why it impedes the fight against cancer;**

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**\* C-Change is comprised of the nation’s key cancer leaders from government, business, and the non-profit sectors. There are about 130 participants in the effort. C-Change is both a forum and catalyst for identifying issues and major challenges facing the cancer community and for initiating collaborative actions to complement the efforts of individual C-Change members. Former President George Bush and former First Lady Barbara Bush are Co-Chairs of C-Change, and Senator Dianne Feinstein serves as Vice-Chair.**

- **Second, I will summarize the Coalition's recommendations for system-wide health care reform and why they would advance the fight against cancer.**
- **Third, I will offer a few thoughts about how C-Change could help to educate leaders throughout our society about why health care reform is so essential.**

**I'll begin with a few more words about the National Coalition on Health Care.**

**Our membership consists of about 75 of the nation's largest companies, unions and professional organizations, patient advocacy and consumer groups, associations of health care providers, health and pension funds, higher education councils, 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, the American Cancer Society, the American Council on Education, the American Heart Association, the California public employee and state teachers retirement systems, General Electric, the National Education Association, the Principal Financial Group, the Salvation Army, and the UnitedHealth Group.**

**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 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 George H.W. Bush and Jimmy Carter.

## **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; and**
- **Third, an epidemic of sub-standard 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.

According to a report issued last month by the Henry J. Kaiser Family Foundation, health insurance premiums have nearly doubled in just the past seven years.

The average annual premium for family coverage in the United States has jumped from about \$6,300 in 2000 to \$12,106 this year.

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.

As President George W. Bush's Council of Economic Advisers noted in a recent report, "Rising costs of health care and health insurance

**are creating financial burdens for families and employers and increasing the number of uninsured.”**

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

**As I will discuss in a few moments, unless and until we achieve system-wide health care reform, spiraling health care costs, and the ever-increasing rates of uninsurance they produce, will make it much more difficult to realize the vision of C-Change.**

**In addition, the escalation of health care costs is no longer only a health care issue; it has also created a gigantic national economic problem.**

**As these costs rise, they slow the rate of economic growth. 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.**

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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 a**

**new report from the Census Bureau, the number of uninsured Americans rose to 47 million in 2006 – an increase in just one year of 2.2 million.**

**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.**

**And the uninsured must live each day in financial as well as physical jeopardy, knowing that if they are injured or contract a serious disease and if they are able to obtain care, they may have to liquidate their assets in order to pay for it.**

**In addition, the costs of providing uncompensated care to uninsured patients, in emergency rooms and other settings, are built into the charges for care of those with insurance. These shifted costs add more than \$1,000 per year to the average cost of employer-sponsored family coverage.**

**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.”

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, “[R]aising coverage rates will improve cancer treatment.”

About a year ago, John Seffrin, Chief Executive Officer of the American Cancer Society, delivered a major speech at the National Press Club in Washington. In response to a question at that session, here is what John said -- directly and powerfully -- about the impact of lack of access to care on mortality from cancer:

“If we don’t do something to fix the health care system and provide access to people, then before I’m finished, lack of access will be a bigger killer [through] cancer than tobacco. And if we let that happen, shame on us.”

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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."

## **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 would greatly advance the fight against cancer.

After more than a year of deliberations and consensus-building among our members, the National Coalition on Health Care issued a set of recommendations – what we called specifications – for reform. We hope that these specifications will help to accelerate and frame the 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.

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, and
- 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.

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 a new and updated assessment -- by a highly respected health care economist, Professor Kenneth Thorpe of Emory University, whom I mentioned earlier -- of the costs and savings that would be associated with health care reform along the lines commended by our members.

Using conservative assumptions similar to those that would be applied by the Congressional Budget Office, 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.

In fact, the savings would be huge. By year 10, annual system-wide savings would range between \$172 billion and \$233 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 \$1.3 trillion!

**America can afford health care reform. What we cannot afford is a continuation of the crisis in health care, which imperils the health and prosperity of all Americans.**

### **III. Working Together to Increase the Momentum for Reform**

**At this point, I'd like to offer some suggestions about how C-Change could help to advance the prospects for health care reform – and by doing so, further the mission to which all of you are committed.**

**As President George H.W. Bush summarized that mission, C-Change is focused on “accelerat[ing] our progress toward a future where cancer is prevented, detected early, and cured or managed successfully as chronic illness.”**

**That is an extremely important mission – and one that the National Coalition on Health Care would wholeheartedly embrace.**

**But what I want to underscore here this morning is that system-wide health care reform would contribute mightily toward the achievement of that mission.**

**In fact, I would go a step further: Securing timely, accessible, high-quality for all Americans, which may seem beyond the parameters of cancer policy, is actually central to it.**

**Americans who have no health coverage of any sort, and who have no regular source of care, are at greater risk for late-stage, instead of early, detection of cancer – and for insufficient and discontinuous care as cancer patients.**

**To eliminate cancer as a major public health problem in America, we will need to reform health care.**

**The proposition is just that simple – and that challenging.**

**And so I would encourage – in fact, I would urge – this important group of leaders to speak out and work for system-wide reform.**

**Within this room – within C-Change – you have extraordinary reach and influence.**

**You can educate your peers – in the private, non-profit, and public sectors – about the importance of building a better and more inclusive health care system, even as we vigorously pursue other initiatives to improve the prevention of cancer, detection, and care.**

**You can educate the members, employees, associates, patients, and congregants in the organizations you lead.**

**You can help the public to understand the connections between reform and the fight against cancer.**

**And you can help make sure that the national dialogue about reform is focused on the national interest, not on partisan gamesmanship. The stakes could not be higher.**

**I want to close by saying something that I assure you is genuine: Let us know how we can help.**

**The National Coalition on Health Care and C-Change should find ways to work together. We are natural partners. Our missions, our goals, our understandings are complementary.**

**The prospects for achieving system-wide health care reform are better now than they have been in many years. The national conversation has turned our way. We need to redouble our efforts – and close the deal.**

**For the health and well-being of all Americans.**

**Thank you for your attention. I would be glad to answer any questions.**

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