

HEALTH CARE REFORM AND THE PUBLIC OPTION
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REMARKS ON THE FLOOR OF THE U.S. SENATE
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I'm glad that we are now engaged in the health care debate. This debate is long overdue. I congratulate the Obama Administration for taking on the tough issues. This is not an easy subject to try to reach the type of consensus necessary to pass major legislation. There are many special interests that are going to make it difficult for us to move forward. But I'm proud that this administration is taking up this issue because we are in a health care crisis in America.

The cost of health care is not sustainable. Per capita, we spend twice as much as the next most expensive nation in the world on health care. \$2.4 trillion per year – 15 percent of our Gross Domestic Product – is spent on health care. Those numbers are increasing dramatically each and every year. A debate over the future over the state of our health care system is long overdue.

We have had a great deal of discussion here about fiscal responsibility and bringing our budget into balance. President Obama is correct, if we don't deal with the escalating cost of health care, it is going to be virtually impossible for us to bring our budgets into balance in the future. Whether it's the Medicare budget, the Medicaid budget, or our household budget, we've got to do a better job in reining in the cost of health care.

America needs to be competitive internationally. We can't be competitive internationally unless we find a way to bring down the cost of health care.

Family insurance premiums have gone up threefold in the last eight years alone ... much faster than earnings ... three times as fast as earnings. The consequences for Marylanders are that they are going into bankruptcy. You heard it said: we're only one health incident away from filing for bankruptcy in America. Many families have to make difficult choices. Should I really see a doctor or not? Is it really that important? Do I really have the money to lay out, because it's not covered by my insurance? Or, I don't have insurance and what will I do?

We have 46 million Americans today who have no health insurance. When they need treatment, they are very costly to all of us. They wait until simple health problems become unavoidable. They use the emergency rooms. They don't get life-saving and money-saving preventive health care. There are approximately 760,000 Marylanders who do not have health insurance, including 15.4 percent of our non-elderly population.

So, Mr. President, we need to reform our health care system. We need to build on what's right in our health care system and correct what is wrong.

What is right is that we have some of the highest quality health care in the world. I'm proud of the fact that people from all over the world travel to my own state of Maryland to visit Johns Hopkins University or the University of Maryland medical Center or N.I.H. in order to get their health care needs met or to train their health care professionals. We want to maintain that edge in America of leading-edge technology.

We have a choice in our health care system and that is a good thing. You can choose your health plan or you can choose your provider, in many cases. I think that adds competition to quality of care in our system.

The first thing we have to correct in our health care system is the cost. We must bring it down. The first way to bring the cost down is for everyone to be in the system and deal with the uninsured. I congratulate the committees for bringing forward proposals that include universal coverage, which I have long advocated as a prerequisite for real reform.

Secondly, the proposals that are coming forward recognize the advantage of preventive health care. In 1997, we amended the Medicare bill to include preventive health care services to keep our seniors healthier, allow them to live better lives, and be less costly to the system itself if we can detect diseases with preventive health care. It saves money. The services cost in the hundreds of dollars. Surgery-related to disease not caught early continues to be in the thousands of dollars. It makes sense economically.

President Obama also is right to invest in health information technology that will save money and also manage individuals' care in a more effective way.

So there are many ways to bring down the cost of health care, but let me talk about one issue that has received much attention on this floor by some of my colleagues that seem to be opposing health care reform before we have a bill before us. That is the conversation about a public insurance option.

Mr. President, I'm somewhat bewildered by the recent discussion criticizing a public insurance option because I don't hear too many of my colleagues suggesting that the Medicare system should be done away with. The last time I checked, Medicare was a public insurance program. But let me differentiate because this point has been misled on the floor. Despite the rhetoric, a public option is about who pays for the system not who provides the care. Our seniors and disabled citizens go to private doctors and private hospitals. They have a choice, as they should.

The public insurance option provides the predictability of a plan that will always be there. My constituents in Maryland remember all too well the private insurance companies within Medicare who are here one day and gone the next day. Thank goodness they had the public option available to them in order to make sure they still received needed care. We need a public option first and foremost to help deal with cost. We've got to bring down the cost of health care.

We've got 46 million people without health insurance today. Are we going to let them try to figure out what insurance, private insurance, to go to without the controls on cost? That's just going to add to the cost and not bring it down. We've got to at least have a fair competition between public insurance and private insurance. I favor private insurance, but I want to have a public insurance option because I want the people in Maryland and around the nation to have a choice. I want them to be able to choose the plan that's best for them. They should be able to stay with the plan now if they are satisfied with it. We want them to be able to make a choice and we want the market to work. That's why the public insurance option is more and more important.

Let me just point out the two programs that we recently changed: Medicare Advantage, the private insurance program within Medicare that our seniors voluntarily have the option to join. When Medicare advantage starts, Medicare Plus Choice was a savings to the taxpayers because we paid the private insurance company 95 percent what we pay the fee-for-service public option, saving money made sense. Guess what? Today, we're paying the Medicare Advantage Plans, the private plans, 112 percent to 117 percent. Every person who picks private insurance costs the system money.

The Congressional Budget Office, a nonpartisan, objective scorekeeper here, says that the Medicare Advantage premium that we pay over what we would pay if they were fee-for-services costs the system \$150 billion over 10 years. So the public option not only offers choice to the

people of our country but it saves us money. Remember, the providers are going to be private. It is not who provides the benefits but who pays for it and who puts the plan together.

There is no public option in Medicare Part D. Many of us raised that issue back then that it would have saved taxpayer money and saved Medicare money.

Perhaps if we at least tried to keep the private insurance companies honest by having a public plan that allowed us to know what is being charged for prescription drugs? Most of the cost of our health care system is the cost of medicine. Why can't we have transparency? Why do we have to pay the high overhead without the competition of a model that could save the taxpayers' money and save out system money if this is not a government takeover as some of my colleagues have said. Medicare was not a government takeover. Medicare pays for the private doctors and hospitals so the disabled and seniors can get access to health care in America.

I think those who make the argument which are basically scare tactics, they are not adding to the debate here that is worthy of the issue. This is a very important issue to the people of our nation. This is our opportunity to fix our system by improving what's right, building on it and correcting what is wrong. We must strengthen the good parts of the system where it is working, but correct the runaway costs in our system. Let's provide a reasonable way that those who don't have health insurance can get health insurance. We should be working together, Democrats and Republicans. This is an American program. This is about America's competitiveness. This is about American families being able to afford their health care. This is about balancing our budgets in the future so America can continue to grow as the strongest economy in the works.

This debate is about fixing one of the underpinnings of our economy that is out of whack. We need universal coverage. We need to have openings available that will keep health care affordable for all people in this country and provide quality care for each American. That's what this debate is about.

I applaud our committees working on this and I applaud all the members of this body and the House who are seriously engaging in this discussion. I think we can all learn from each other. And if we work in good faith, we can develop a health care reform proposal that will maintain quality but provide access and affordability to every family in America. That should be our objective. I hope we will all work toward that end.