



For Immediate Release
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**Hearing Statement of Senator Max Baucus (D-Mont.)
Regarding Seizing the New Opportunity for Health Care Reform**

Goethe said: “Art is long, life short; judgment difficult, [and] opportunity transient.”

The title of today’s hearing is: “Seizing the New Opportunity for Health Care Reform.” Today, we have a new opportunity to achieve what previous Congresses and Presidents were unable to do. We have an opportunity to agree on how to provide access to affordable, high-quality health care for all Americans.

But as Goethe said, opportunity is transient.

For at least a century, our Country has debated healthcare reform, pretty much every generation.

In the early 1900s, the Progressive Party pressed the case. In the late 1930s and early 1940s, there was the Wagner-Murray-Dingell bill. President Truman tried in the late 1940s. In the early 1970s, President Nixon proposed what by today’s standards was a progressive plan. And in the early 1990s, President Clinton proposed the Health Security Act.

None of these efforts succeeded. Each, for its own reasons, failed.

But these past attempts at reform must not scare us off. Past failure does not mean that reform is impossible.

It means that the issues and challenges have endured. It means that the need for reform remains.

So we must seize the opportunity. We must try again. This committee must prepare for the challenge of building consensus. I am confident that this time we will succeed.

Why is health reform important today? It’s important because the problems in our health system are so great. The problems are greater than the incremental solutions that Congress has tried to date.

And the problems are getting worse. Since the year 2000, nearly 10 million more Americans have joined the ranks of the uninsured. Since 2000, insurance premiums have increased by 75 percent. That’s more than six times as fast as the growth in median income.

Families are grappling with high healthcare bills. According to a new survey, nearly a third of Americans report that paying for health care and health insurance is a serious problem. And more than four in 10 have gone without medical treatment due to costs.

Businesses — large and small — are struggling to afford coverage for their workers and retirees. Between 2000 and 2007, the share of employers providing health benefits for their workers declined from 69 percent to 60 percent. That’s in large part due to rising costs.

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America spends more than \$2 trillion a year on health care. That's 16 percent of our economy. But the quality of care is not as high as it could be. Nor are the financial incentives in our system aligned with the best interests of patients.

The moral and economic case for reform has never been stronger.

And there is abundant common ground for reform. As I read through the reform proposals on the table, I see many shared principles. I see commonality among major healthcare stakeholders, interest groups, coalitions, and even Presidential candidates.

To start, there is widespread agreement that we must strive for universal coverage. We must cover the uninsured.

And there is widespread agreement that reform should do more. It must also slow the growth in healthcare costs.

Value-based purchasing, comparative effectiveness, and greater use of health information technology and electronic health records are just a few proposals that can transform our delivery system. These ideas can help Americans to get better value and quality of care.

There is also widespread recognition that our health-insurance marketplace is broken. The individual market, in particular, leaves too many people behind. It encourages risk selection. And it tolerates pernicious behavior by insurers. The practice of rescinding coverage to avoid paying claims is just one example.

There is broad interest in pooling risk, streamlining the application and underwriting process, and guaranteeing that even the sickest can purchase affordable coverage.

Achieving these goals will not be easy. They have stymied many before us. And although the areas of consensus have grown, there are still many difficult decisions to make.

Should we mandate that everyone must have health insurance? How should universal coverage be financed? What roles should the Federal government, states, employers, and families play?

I don't have all of the answers. But I know that to achieve our goals, we must work together. And we must be inclusive.

I also know that the Finance Committee will play a central role in answering these questions. We have jurisdiction over Medicare, tax subsidies to finance health care, and our nation's healthcare safety net programs. So there is much work for us to do.

Today's hearing is the first in a series. We've designed these hearings to prepare us for the opportunity to engage in a national debate over health reform. That debate awaits us in the next Congress.

And what better way to start than to hear from two distinguished former Secretaries of Health and Human Services. Both have appeared before this Committee numerous times.

I would like to welcome Secretary Donna Shalala and Secretary Tommy Thompson. They served us admirably as leaders of our Federal health agencies. They can offer us lessons to live by, as we move forward.

And so, let us recognize that life is short. Let us begin now to address the difficult judgments. And let us seize this new, but transient opportunity for healthcare reform.

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