



# Perspective

## Doctors, Patients, and the Need for Health Care Reform

Senator Max Baucus

One Montanan wrote to me recently about her father's death. Six months away from qualifying for Medicare coverage, he did not have health insurance or the cash to pay for recommended

heart surgery. He died on Christmas Day.

Since I began my current fight for health care reform 2 years ago, I have heard from hundreds of Montanans from across the state. So many of them tell heartbreaking personal accounts of tragedy and suffering that have resulted from our broken health care system. In nearly a century of effort, this country has never been as close as we are today to bringing true stability and security to our health care system. We must seize this opportunity on behalf of the millions of people throughout the country for whom this system is no longer working.

There is no denying that our

system is broken. Millions of Americans struggle each day because they do not have the coverage they need. Currently, more than 46 million people are uninsured and therefore risk their health and financial stability every time they get sick.<sup>1</sup> Another 25 million Americans do not have sufficient insurance to adequately cover their medical needs — a situation that is fueling an increase in bankruptcies caused by high medical costs.<sup>2</sup> The United States is home to the finest medical professionals in the world. These professionals are on the front lines of the crisis, witnessing the failings of our country's health care system firsthand every

day, as ever more Americans suffer physically and financially.

Rising costs and abusive practices by the health insurance industry have left the sickest and most vulnerable Americans at risk. All Americans — regardless of their station in life — should be able to get the care they need, not just the care they can afford. The rate of growth of health care costs is unsustainable. Doing nothing is simply not an option. Preserving the status quo would mean that Medicare would go broke in 2017. Preserving the status quo would mean that more Americans would lose their insurance coverage. And preserving the status quo would mean that our country would have to sacrifice other priorities to spend more and more of our federal budget on health care.

For providers, the crisis is equally grim. Impending work-

force shortages, excessive volume-based purchasing, rising costs, and unpredictable Medicare payments all plague our system. Just last month, the Association of American Medical Colleges released findings indicating that 15 years from now the United States will have 159,000 fewer doctors than we need. Although there are shortages in nearly every field of medicine, primary care physicians are in particularly short supply. With the heavy burden of medical school loans, which averaged more than \$150,000 per medical school graduate in 2008,<sup>3</sup> recruiting new physicians will be a challenge in years to come.

Over the past 2 years, I have led the Senate Finance Committee through more than 20 health care reform hearings to learn how we can work together to put an end to the status quo and modernize our health care system. In June 2008, we held a bipartisan health care summit at the Library of Congress that brought some of the best minds together to discuss this issue. In November, that work culminated in my 89-page blueprint for reform. This year, we held three roundtable discussions with experts in each of the three major areas of reform — health care delivery, coverage, and methods of paying for reform — and released detailed papers outlining policy options in connection with each area. The public dialogue about this issue has been extensive.

On October 13, the Senate Finance Committee, which I chair, reported its legislation with bipartisan support. The Finance Committee bill — the America's Healthy Future Act — lays the foundation for continued progress. According to analysis from

the Congressional Budget Office (CBO), our bill would fulfill the promise to slow the growth of health care costs and to provide high-quality, affordable coverage. The bill would increase the percentage of Americans who have insurance to 94%. It would reduce the federal deficit by \$81 billion over the next 10 years. In the 10 years after that, our bill, according to CBO projections, would continue to reduce the deficit relative to current law, with a total effect during that decade in the range of 0.25 to 0.50% of the gross domestic product. In today's dollars, that means a deficit reduction of \$450 billion to \$900 billion.<sup>4</sup>

The America's Healthy Future Act would also reform the system for delivering care by putting in place game-changing policies that would benefit providers and patients. For providers, the bill would establish payment incentives and reallocate unused residency training slots to encourage more doctors to enter primary care. It would reduce unnecessary paperwork and inefficiencies that now keep providers on the phone with insurance companies instead of spending time with their patients. It would promote coordination of care through physician-led accountable care organizations that would allow groups of providers who are delivering high-quality care to share in the savings they achieve for the Medicare program. And ultimately, it would help shift the focus of health care to the prevention of disease and the promotion of wellness.

For patients, the bill would stop insurance companies from denying or dropping coverage on the basis of health status or sex. It would also take the sometimes

frightening risk out of seeking needed care by putting caps on out-of-pocket costs and eliminating caps on the benefits patients can receive in a given year or during their lifetime.

Health care reform should also ensure the stability and security of Medicare payments, next year and into the future. The important delivery-system reforms included in the America's Healthy Future Act will be most meaningful and sustainable if they are built on a solid payment foundation. I look forward to working with my Senate colleagues to find a lasting solution for the Medicare physician-payment system.

In the coming weeks, we will work with senators and representatives to merge our work into a final package. For all our differences on the details, we share a commitment to reform that will help providers deliver high-quality, cost-efficient care to patients. We share a dedication to ensuring that providers have the tools to do their jobs, without having to haggle with insurance companies. And we share a commitment to giving patients the peace of mind to know that no person in the United States of America will go broke just because he or she gets sick.

As patients' greatest advocates, providers play a vital role in helping to achieve reform. The stakes are high, and now is the time to fight against the misinformation that threatens the promise of reform. Together, we can take the first steps toward lowering costs, improving quality, and expanding access to high-quality, affordable coverage. At the end of the day, Americans are counting on us to end the status quo and bring our health care system in line with

the principles and character of this great nation.

No potential conflict of interest relevant to his article was reported.

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Senator Baucus (D-MT) is the chairman of the Senate Finance Committee.

*Editor's note:* We have also invited Senator Charles Grassley (R-IA), the ranking member of the Senate Finance Committee, to provide his views on health care reform.

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