

SUNBURST CREATIVE GROUP

REINVENTING HEALTHCARE

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PRODUCER: DOMINIQUE LASSEUR

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ARTHUR MILLER:

19:01:46:00 Good evening, panelists.

GROUP VOICES:

19:01:48:00 Good evening.

ARTHUR MILLER:

19:01:50:00 I want to introduce you to Ed Manning. Ed is 56. He's been working at a company, Widget Inc. for many years.

19:02:19:00 He has a wife, Betty is 54. Now recently, another company came to the community. We'll call it Acme. Acme and Widget make the same product, exactly the same product.

19:02:57:00 So he applies at Acme. And he's hired, or offered the job as nightshift supervisor. Ed says to himself, this is really an opportunity. And boy, they are willing to pay me substantially

more. So I think maybe I'll take this job." Now Bill Novelli, is there anything else I should be thinking of?

BILL NOVELLI:

19:03:47:00

Well, I would say, Ed, that-- first of all, I hope you're a member of AARP. (LAUGHTER) Secondly-- I think that-- you really need to look into whether the new company is going to be offering you health care insurance that's comparable to what you already have.

BILL NOVELLI:

19:04:20:00

Make sure that you're covered in terms of health care. Because you're 56--

ARTHUR MILLER:

19:04:44:00

Oh, can't I just take the Widget-- health care with me?

BILL NOVELLI:

19:04:51:00

Unfortunately, it's not portable. The way we operate in this country, the employer offers you insurance. And that insurance is good as long as

you're at-- the employer.

ARTHUR MILLER:

19:05:13:00 Yeah. So what am I supposed to do? They both said they had health care programs.

BILL NOVELLI:

19:05:20:00 Well, do a side by side comparison. And make sure--

ARTHUR MILLER:

19:05:22:00 Me?

BILL NOVELLI:

19:05:24:00 Make sure-- well, you could always have someone advise you. Make sure that--

ARTHUR MILLER:

19:05:27:00 They want an answer tomorrow.

BILL NOVELLI:

19:05:30:00 I would say to you it's great that you want to be entrepreneurial, that you want to better yourself, that you're looking for a new horizon. But Ed, be careful.

REGINA BENJAMIN:

19:06:30:00 Why don't you just ask whether or not-- what your deductible is, whether or not your wife is also covered, and whether preexisting illnesses are there. Those--

TR REID:

19:06:39:00 Whether they have a lifetime limit.

MALE VOICE:

19:06:41:00 Right.

TR REID:

19:06:40:00 'Cause if you get hit by a truck and they say you only have \$100,000 worth of coverage, you're gonna go bankrupt.

ARTHUR MILLER:

19:07:16:00 Look, look. My daddy once said, "If they show 'ya the money, that's when you act." They've shown me a lot of money, 12, \$15,000 more in pay.

19:07:32:00 Why can't I just go buy my own health?

REGINA BENJAMIN:

19:08:57:00 You can, but it's gonna be very expensive.

TR REID:

19:08:59:00 Have you been sick in the last ten years?

ARTHUR MILLER:

19:09:06:00 I can buy auto insurance. Why can't I buy health insurance?

REGINA BENJAMIN:

19:09:09:00 You've gotta find somebody to sell it to you.

ARTHUR MILLER:

19:09:11:00 Right. Well, there are these things called insurance companies, right?

TR REID:

19:09:15:00 Yeah, but they won't deal with you if you've been sick in the last few years. They only want to insure people who will never use their product.
(LAUGHTER) That's the rule in that industry.

WALKER

That's how you make money

ARTHUR MILLER:

19:09:27:00 That's how you make money—

TR REID

That's how you make money.

19:09:28:00

(OVERTALK) (LAUGHTER)

ARTHUR MILLER:

19:10:27:00

It turns out that Widget had a gold standard type policy. The premiums, to me, were low. Low deductibles and co-pays. The Acme policy: high deductibles, big premium co-pays, basically-- a catastrophic event --kind of policy.

MIKE TANNER:

19:11:12:00

Well, that's what insurance is supposed to be. You look at your homeowner's insurance, your homeowner's insurance protects you if your house burns down. It doesn't paint your house and mow your lawn. You don't need health insurance that's gonna pay routine, low dollar costs. It's designed to take catastrophic costs and spread them over a larger pool.

REGINA HERZLINGER:

19:11:42:00

Let me add to that. You got less health

insurance. But you've got more salary.

MALE VOICE:

19:11:49:00 Well, and--

REGINA HERZLINGER:

19:11:49:00 So now you have a choice. Do you want more salary, or do you want more health insurance? What's cluttering up all of this--

ARTHUR MILLER:

19:11:57:00 Regina, help me. Which one do I want?

REGINA:

19:11:58:00 It depends.

ARTHUR MILLER:

19:11:59:00 I don't-- I'm a bird-in-the-hand kinda guy. \

REGINA HERZLINGER:

19:12:01:00 Yeah. So I don't--

DAVE WALKER:

19:12:02:00 You may not have more net salary.

REGINA HERZLINGER:

19:12:03:00 --see any birds in your head.

DAVE WALKER:

19:12:04:00

Because-- (CHUCKLE) because the tax free for health care if your current employer is paying a lot more money for your health insurance, you don't pay income tax on that. You don't pay payroll tax on that. Plus you have better coverage. So when you actually run the numbers, you could be takin' a pay cut and taking on more risk with regards to health care. Ed, you and I are the same age, 56. Things happen when you get a little bit more seasoned in life. So you need to look at security. And you also need to make sure the numbers work.

GERRY SHEA:

19:12:34:00

And Ed, one third of the people who take-- those kinda policies you're talking about, the high deductibles, high co-pays and so forth? One third of those people were recently found to be under-insured, meaning they couldn't afford to use the insurance they had because the amount of

money they had to pay.

ARTHUR MILLER:

19:13:35:00 I've never met a group of people selling doom and gloom the way this crowd is doing.

MALE VOICE:

19:13:39:00 And-- and still--

Michael Anaya:

19:13:41:00 Ed, lem-- lemme ask you a question. What-- what's your health status like?

ARTHUR MILLER:

19:13:42:00 Oh, my health status? Eh.

Michael Anaya:

19:13:45:00 Are you willing to take a gamble?

ARTHUR MILLER:

19:13:47:00 Well-- a man after my own heart. (CHUCKLE) Look, I'm overweight. Probably 20, 25, 30 pounds, elevated blood pressure. Got it under control with a pill. (COUGH) And I take one of those-- those cholesterol pills. I think I'm in pretty good shape, 56.

EDUARDO SANCHEZ:

19:14:16:00 Do you smoke?

ARTHUR MILLER:

19:14:17:00 Do I smoke?

EDUARDO SANCHEZ:

19:14:18:00 Uh-huh (AFFIRM).

ARTHUR MILLER:

19:14:21:00 No. (CHUCKLE)

EDUARDO SANCHEZ:

19:14:21:00 Does Betty?

ARTHUR MILLER:

19:14:23:00 Does Betty?

EDUARDO SANCHEZ:

19:14:23:00 Uh-huh (AFFIRM).

ARTHUR MILLER:

19:14:25:00 What are you so nosy about my wife for?

(LAUGHTER)

MALE VOICE:

19:14:27:00 We-- we ask you about health status.

MALE VOICE:

19:14:28:00 'Cause you want insurance.

EDUARDO SANCHEZ:

19:14:38:00 What's Betty's health like?

ARTHUR MILLER:

19:14:42:00 Betty-- Betty's not in bad shape. She's also got a little elevated-- blood pressure. But I think she's in good shape. And I guess the truth is her parents both died of heart disease. Well, how do I factor that in?

DAVE RATNER:

19:15:06:00 The first thing before you make any decisions, is you gotta tell the second company that you can't take a job until you get cleared from the insurance company that they're gonna take you in. Second thing is it's-- it's really a decision that you have to make, which one is gonna pay you more-- you know, versus the-- the-- the salary or the health insurance.

ARTHUR MILLER:

19:15:38:00 Well, right now I've done a little math.

DAVE RATNER:

19:15:40:00 Yeah.

ARTHUR MILLER:

19:15:42:00 The salary pays me more. I think I'm ahead of the game.

19:15:59:00 Look, you were so interested in my health situation.

EDUARDO SANCHEZ:

19:16:05:00 Yes, sir.

ARTHUR MILLER:

19:16:07:00 Would you sell me a supplemental policy based on what I've told you?

EDUARDO SANCHEZ:

19:16:10:00 I think I'd want a little bit more information-- about you and Betty. And I would say, -- you might wanna sit down with your doc and have a conversation about-- where is your blood pressure? Is it controlled, Ed? What is your

cholesterol? Is it controlled? How much are you paying for the medications that you're on?

REGINA HERZLINGER:

19:16:45:00 So we're really skirting around a terrible issue. And that is--

ARTHUR MILLER:

19:16:49:00 I thought I was just changing jobs.

REGINA HERZLINGER:

19:16:51:00 --if an individual--

ARTHUR MILLER:

19:16:51:00 He-- he-- he's making me be introspective beyond belief. (CHUCKLE)

REGINA HERZLINGER:

19:16:56:00 But if--

ARTHUR MILLER:

19:16:56:00 Making me think about things I don't wanna think about.

REGINA HERZLINGER:

19:16:58:00 But it's a matter of public policy. Don't we want people to change jobs without thinking about

their health insurance?

ARTHUR MILLER:

19:17:06:00 I thought this was a free country.

REGINA HERZLINGER:

19:17:07:00 Yeah, you would think so.

ARTHUR MILLER:

19:17:08:00 That I could change jobs (CHUCKLE) without--

REGINA HERZLINGER:

19:17:08:00 You could change--

ARTHUR MILLER:

19:17:10:00 --going through this.

REGINA HERZLINGER:

19:17:10:00 --jobs. So the dilemma is that you can't change jobs without thinking about health insurance.

DENISE V. RODGERS, MD:

19:19:06:00 I've been your doctor now. You and Betty have been comin' to see me for the last 15 years. And unfortunately, I don't participate in the plan that Acme is offering you. And so

19:19:26:00 if you wanted to continue to come and see me

you're just gonna have to pay me out of pocket
(INAUDIBLE).

ARTHUR MILLER:

19:19:38:00 Well, how 'bout this? somebody-- raised the
notion of taking a chance. I'm 56, right?

DENISE V. RODGERS, MD:

19:19:46:00 Yeah. You are. And you're not in as good a
health as you think you are. (LAUGHTER) But you
won't know that.

TR REID:

19:19:51:00 Thank you, doctor. (LAUGHTER)

DAVE WALKER:

19:19:53:00 Check that scale, Ed.

19:19:55 DENISE RODGERS

Denial is a powerful thing Ed, and we've been
working on it. But...

19:19:58 ARTHUR MILLER

Well, but listen--

19:19:57 DENISE RODGERS

You know --

ARTHUR MILLER:

19:19:59:00 --Denise, this is what I was thinking of. I'm
56. In nine years, I'll be on Medicare.

DENISE V. RODGERS, MD:

19:20:04:00 Yep.

ARTHUR MILLER:

19:20:06:00 All I have to do is roll the dice for nine years.

DENISE V. RODGERS, MD:

19:20:08:00 That's right.

ARTHUR MILLER:

19:20:10:00 All I have to do, under your gentle tutelage, is
reduce my weight--

DENISE V. RODGERS, MD:

19:20:15:00 Uh-huh (AFFIRM).

ARTHUR MILLER:

19:20:16:00 --less salt, more exercise, and you can still be
my doctor.

19:20:31:00 The thing we haven't talked about, though, Ed,
and-- and, you know, you and I have tried to work

on this before, is that, your dad died at 60 from a heart attack. And with your hypertension and your elevated cholesterol, while we've got it under fairly good control, we continue to struggle to get your weight under control.

19:20:52:00

You don't exercise very much at all. My own feeling is, when you change jobs, you're gonna get more money. But you're gonna get a new stress. So-- I think the dice that you're rolling are far bigger than you think they are.

19:21:21:00

That's part of life is rolling the dice here and there. What's wrong with rolling the dice-- for Medicare?

DAVE WALKER:

19:21:28:00

Nine years is a long time, Ed. And this is not just about you. This is about your wife. This is about your family. You know, this is about your kids.

REGINA HERZLINGER:

19:21:37:00

But you're gonna be \$100,000 richer.

DENISE V. RODGERS, MD:

19:21:41:00 Not if you can't work.

MALE VOICE:

19:21:42:00 And-- oh yeah.

DENISE V. RODGERS, MD:

19:21:43:00 You're only-- you're making an assumption that Ed
is--

REGINA HERZLINGER:

19:21:45:00 Well, he has catastrophic--

DENISE V. RODGERS, MD:

19:21:46:00 --gonna stay healthy--

REGINA HERZLINGER:

19:21:47:00 --insurance.

DENISE V. RODGERS, MD:

19:21:48:00 And-- and-- with a huge--

REGINA HERZLINGER:

19:21:48:00 But ordinary care--

DENISE V. RODGERS, MD:

19:21:48:00 --with a huge deductible. So if he is--

FEMALE VOICE:

19:21:50:00 \$100,000 deductible?

DENISE V. RODGERS, MD:

19:21:52:00 Your insurance is gonna kick in after you've paid \$50,000 of your-- your fee. the other thing that we've talked about, Ed, over time, is how much credit card debt you and Betty have. (LAUGHTER) And so, you know, when we get down to it, you don't have that \$50,000, and that hospital is comin' after you for every dime of it.

REED V. TUCKSON, MD:

19:23:46:00 I'm not nearly as-- pessimistic.

19:24:08:00 All we are saying to you, and it is really no different now in health care than at any other part of your life. Sit down and decide what is right for you. It is time for you to make choices. You have the benefit of choice.

DAN JONES:

19:24:35:00 But--

REED V. TUCKSON, MD:

19:24:36:00 If that scares you--

ARTHUR MILLER:

19:24:36:00 All right. I'm-- I've just made a choice.

REED V. TUCKSON, MD:

19:24:38:00 If that scares you, you really aren't capable and competent to do the new job.

ARTHUR MILLER:

19:24:41:00 You're-- you're-- you're the first person on this panel who has made me feel like a human being again. (LAUGHTER) And here's my choice. I'm goin' Acme. I'm goin' Acme.

19:25:23:00 You know the first thing I discover when I go to refill my blood pressure medicine. And I discover that the Acme plan doesn't cover drugs. And the pharmacist says, "100 bucks to refill." So I guess I see some of the points you folks were making before I made my decision about it ain't a clear \$12,000

19:26:09:00 Well-- here-- here's what I think I'm gonna do. We gotta keep Betty on her prescription. I just

think I'll skip mine.

DANIEL W. JONES, MD:

19:26:21:00 A lot of people do-- under those circumstances.

ARTHUR MILLER:

19:26:24:00 Eh?

DANIEL W. JONES, MD:

19:26:24:00 A lot of people do.

ARTHUR MILLER:

19:26:24:00 I'll skip mine. I feel good.

EDUARDO SANCHEZ:

19:26:29:00 Not a good thing to do, Ed. (CHUCKLE)

GERRY SHEA:

19:26:38:00 This is what we call the faith-based health care plan. (LAUGHTER) And-- it-- it is-- you can pray--

19:26:45:00 --and maybe you're very good at praying, and you get a lot of response. So--

ARTHUR MILLER:

19:26:47:00 I wanna know from Dr. Jones, who instantly said, "A lot of people do that."

DANIEL W. JONES, MD:

19:26:52:00 One of the inequities in our health care system today is those who choose, or who can't afford, or don't have jobs that offer good health insurance plans-- they simply delay health care. They don't get their preventive services that they need. They don't take the ideal medications.

They do just what you're thinking about doing, Ed. They decide, "I'm just gonna wait." And they wait until that stroke comes, or until that heart attack comes. And then they lose their job because they no longer can perform--

ARTHUR MILLER:

19:27:25:00 But if the stroke doesn't come, then I've won?

DENISE V. RODGERS, MD:

19:27:29:00 That's right.

DENISE V. RODGERS, MD:

19:27:30:00 No. That's a gamble

DANIEL W. JONES, MD:

19:27:31:00 But the odds-- the odds are really against you,

Ed.

EDUARDO SANCHEZ:

19:27:32:00

That's not right, Ed. If the stroke doesn't come, there's still damage that's done every single day that your blood pressure's not controlled. There's damage done to your kidneys. There's damage done to your heart. The risk of stroke increases.

MIKE TANNER:

19:28:54:00

There are intermediate choices, as well. It is not stop taking your medicine or, you know, you've got the-- the extra salary. You could use that to pay for your pills. You could switch to a generic drug instead of the brand name, which is cheaper.

ARTHUR MILLER:

19:29:07:00

If there is one.

MIKE TANNER:

19:29:07:00

You-- if there is one. You could start exercising more and doing things that will bring

down your cholesterol. You can eat better. You can do a number of things. You know, you can't just eat the fries and then pass the bill for the Lipitor to us.

ARTHUR MILLER:

19:29:19:00 Uh-huh (AFFIRM).

MIKE TANNER:

19:29:21:00 You know, you've got to-- at some point, you've got to take a little bit of responsibility.

ARTHUR MILLER:

19:29:23:00 My whole plan was to stay healthy. (CHUCKLE)

MIKE TANNER:

19:29:26:00 That's right.

ARTHUR MILLER:

19:29:26:00 Even if it required doing these nauseatingly boring (LAUGHTER) exercises every day. Yeah, yeah, and he tells me-- the old-- the old ticker is slowly setting in the west (LAUGHTER) if I don't take my pill. What if I take my pill every third day? (CHUCKLE)

EDUARDO SANCHEZ

It is not gonna work. It would be a great idea to have a conversation with your physician about puttin' you on medications that cost less than the ones you're on, if they are as effective and there are those drugs out there.

ARTHUR MILLER:

19:30:14:00

Okay, let's look at somebody else for a few minutes. Working over there at Widget, with the great health plan, happens to be Ed's son, Tom. He and his wife, Virginia, have wanted to have children, wanted to have children. Fortunately, their health plan covers fertility treatments.

19:31:14:00

Well after a year, of injections and pills and-- all of that stuff, Virginia blessedly gets pregnant. Wonderful. Everybody's happy. And then it's determined she's not just gonna have a baby, she's going to have quintts. (LAUGHTER)

DAVE WALKER:

19:31:42:00

Stand by.

ARTHUR MILLER:

19:31:44:00 Five. Five. Well (SIGH) complications set in. She is-- in effect, hospitalized in her sixth month. The babies come in the eight month, 19:32:12:00 They're in neonatal intensive care. It's getting to be very, very expensive. In fact, they tell Tom that the costs thus far are about \$1 million. 19:35:13:00 So what's gonna happen over there at Widget as a result of this extraordinary quint event?

REED V. TUCKSON, MD:

19:35:18:00 They are not going to cover invertil-- in-- invitro fertilization-- again. And because they will recognize--

ARTHUR MILLER:

19:35:23:00 Ah-hah. So coverage-- gets reduced.

DAVE WALKER:

19:35:39:00 Ed-- it depends, to a great extent, on how big Widget is. If Widget is a small business, believe me, it's gonna get re-priced. It's gonna get re-thought. If-- Widget is a very large

business, it has less of an impact. That's just reality.

GERRY SHEA:

19:35:51:00 And the typical thing that happens in this kind of a situation is that the company makes a calculation, they say, "Well, we're gonna have to ask the employees to pay more."

ARTHUR MILLER:

19:36:19:00 So Tom is gonna have to pay more?

SHEA:

19:36:21:00 And everybody else in the company.

MALE VOICE:

19:36:22:00 And everybody in his company.

ARTHUR MILLER:

19:36:25:00 I'm just worried about Tom. Tom's my son. Tom has five sets of diapers to deal with. Tom's costs have skyrocketed--

REGINA BENJAMIN, MD:

19:36:34:00 Yes.

MALE VOICE:

19:36:35:00 Tom better be--

ARTHUR MILLER:

19:36:35:00 --at home.

MALE VOICE:

19:36:36:00 --working a lot of overtime.

MALE VOICE:

19:36:36:00 Yeah.

REED V. TUCKSON, MD:

19:36:37:00 All the employees at that company are gonna have to have the same conversation that we, in America, have to have. And that is, ultimately, everybody cannot have everything all the time. There are choices that we have to make.

19:36:54:00 In no country in the world does everybody get everything all the time. Everybody can't have five cat scans, MRIs, this, that. At some point, America can't afford it. And companies can't afford it. The problem that we have now is how do we have a rational conversation about what is

important, and what should everybody get to?

19:37:19:00 That's a much harder conversation. (COUGH) That's where we are today.

ARTHUR MILLER:

19:37:58:00 Why is insurance coming through the employer?

MIKE TANNER:

19:38:06:00 Well, there's no logical--

19:38:07:00 (OVERTALK)

MIKE TANNER:

19:38:08:00 --reason to it. It-- it's actually an historical accident. I mean it grew out of World War II. You had wage-price controls. And you had a labor shortage 'cause the men were over at the front. And so they started offering health insurance as a way to lure in workers, getting around the wage-price controls. And then in 1953, I believe it was, the I.R.S. codified it that it was a tax-free benefit. So that's why we sort of gravitated to that. But it makes no logical sense. There's no nexus between--

ARTHUR MILLER:

19:38:37:00 So we are ruled—

MICHAEL TANNER:

19:38:37:00 --your place of employment and your job.

ARTHUR MILLER:

19:38:39:00 --Michael? I realize this is a conservative tenet. But we're ruled by the dead hand of history?

MICHAEL TANNER:

19:38:45:00 We're ruled by the tax code, which--

ARTHUR MILLER:

19:38:48:00 The tax--

MICHAEL TANNER:

19:38:48:00 --which penalizes us--

MALE VOICE:

19:38:50:00 It creates perverse incentives.

MICHAEL TANNER:

19:38:49:00 --for getting individual insurance, and rewards us—

ARTHUR MILLER:

19:38:51:00 Perverse incentives.

MICHAEL TANNER:

19:38:52:00 --for getting that.

ARTHUR MILLER:

19:38:53:00 Only in America are we ruled by the tax code and
perverse incentives. (CHUCKLE) Dave, you're a
small businessman, a nice businessman with a
curious product mix. But we'll pass that.
(LAUGHTER) Why do you offer--

GERRY SHEA:

19:39:10:00 The dogs have to have soda. Don't you understand
this?

ARTHUR MILLER:

19:39:13:00 Why-- why should a business person--

DAVE RATNER:

19:39:18:00 Yep.

ARTHUR MILLER:

19:39:20:00 --provide health care for employees?

DAVE RATNER:

19:39:24:00 There's-- there's several reasons. The first reason is that the big guys do. I'm in the retail business. I need better employees than the big guys. So I can't possibly get better employees without offering health insurance. That's the first reason.

ARTHUR MILLER:

19:39:40:00 Competitive.

DAVE RATNER:

19:39:42:00 Competitive reasons. Second thing is I couldn't morally have people working for me-- who aren't making \$1 million a year to begin with, that don't have coverage.

DAVE WALKER:

19:40:01:00 But it's also productivity. It's also to keep people focused-- to try to help make sure that they're doing the thing to be able to stay on the job. That if their family members are sick that they don't have to worry as much about that. So

there's a lot of other intangibles that you have to look at, as well.

DENISE V. RODGERS, MD:

19:40:33:00 There's no reason to tie health insurance to the employer.

REGINA HERZLINGER:

19:40:43:00 It's-- it's very--

DENISE V. RODGERS, MD:

19:40:43:00 I mean I think if you look at a lot of other countries-- there are mechanisms that could be used that actually disentangle insurance from employment, and probably provide a much greater safety net.

ARTHUR MILLER:

19:40:57:00 And TR, you're the globalist here.

T.R. REID:

19:40:59:00 Yeah, yeah.

ARTHUR MILLER:

19:41:01:00 Are we in the game or out of the game on this score?

T.R. REID:

19:41:04:00 We're outliers. Nobody else does it the way we do it.

19:41:07:00 Nobody would do it the way we do it. (CHUCKLE) I mean when they argue about health care in other countries, the government always says, "What, you want the American system?" And everybody says, "Oh God, no, not that." (CHUCKLE) No, we're the outlier. Nobody does it the way we do.

GERRY SHEA:

19:46:14:00 You don't have to go across the border to find a health program that works well for the people who are in it. It's Medicare. Much cheaper than--

MICHAEL TANNER:

19:46:22:00 Medicare is \$70 trillion in debt. I mean that-- that's not exactly a recommendation for cost control. (CHUCKLE)

GERRY SHEA:

19:46:29:00 Are you finished, Michael? (CHUCKLE) Much cheaper than private insurance is. The leader in quality

improvement-- in the health care industry-- in this country. And a much slower growth in health care inflation. Yes, there are funding issues to it.

REED TUCKSON:

19:48:21:00 There's some sort of sense of magical thinking that-- if the government was in this, and it was all government-run, there would be an endless pot of money that would allow everybody to be able to get everything they want.

19:48:46:00 Medicare especially, you have very tough choices. So you can't avoid the conversation around what is it that people should get--

MALE VOICE:

19:49:04:00 But is--

REED TUCKSON:

19:49:05:00 --and how much of that, and what's appropriate and what's the right thing.

DAVE WALKER:

19:49:06:00 Yeah, newsflash. Government has no money.

(LAUGHTER) All right? Government has no money. I mean, you know, the government is running huge deficits. It's tens of trillions of dollars in the hole on realistic accounting, on an accrual basis. There's one thing that could bankrupt America it's health care costs. And so we're gonna have to make choices. I mean one of the choices is gonna have to be is how do we ration rationally?

ARTHUR MILLER:

19:49:31:00 Uh, uh, uh, uh, uh, uh, uh.

WALKER :

19:49:32:00 Rationally.

REGINA BENJAMIN, MD:

19:49:33:00 But what's-- what-- what's troubling--

ARTHUR MILLER:

19:49:33:00 Uh, uh, these global thoughts give me a headache.

I-- I-- I wanna--

WALKER:

19:49:37:00 The big picture gives you a headache.

ARTHUR MILLER:

19:49:38:00 Yeah. Yeah.

REGINA BENJAMIN, MD:

19:49:39:00 What's-- what--

ARTHUR MILLER:

19:49:39:00 The little picture gives me a headache, too.
But-- (LAUGHTER) Regina, I wanna give you a
patient. Name is Bonnie.

ARTHUR MILLER:

19:49:49:00 She's obese. High blood pressure. Chest pains.
She finally comes in to see you. Don't you get
the feeling that you would have liked to see her
sooner?

REGINA BENJAMIN, MD:

19:50:21:00 Certainly. Yes.

ARTHUR MILLER:

19:50:24:00 What would you have done?

REGINA BENJAMIN:

19:50:33:00 Talk to her, encourage her, oftentimes, when
people come in for the first time, no one's ever

told them what they need to do. They've heard things on T.V., but they never told them about their particular health care, their individual--

ARTHUR MILLER:

19:50:59:00 How long a conversation would that have been?

REGINA BENJAMIN, MD:

19:51:02:00 Longer than the-- average doctor's visit would be.

ARTHUR MILLER:

19:51:08:00 Once?

REGINA BENJAMIN, MD:

19:51:11:00 A number of times. I would need more than that ten minute visit. I need time to get to know them, establish a relationship with that patient.

ARTHUR MILLER:

19:51:19:00 Uh-huh (AFFIRM). Would you have been paid for that?

REGINA BENJAMIN, MD:

19:51:21:00 No. No. The most I could-- could charge would be an office visit and, you know, that's about

it.

ARTHUR MILLER:

19:51:30:00 I don't understand that. It sounds to me as if you were describing preventative health care.

REGINA BENJAMIN, MD:

19:51:37:00 Preventative health care, and health maintenance.

MICHAEL ANAYA:

19:52:09:00 We've not done enough on education and prevention. (COUGH) we don't do a very good job in-- in prevention of ourselves, healthy lifestyles, those kinds of things. We don't reimburse our physicians--

ARTHUR MILLER:

19:52:29:00 Why?

MICHAEL ANAYA:

19:52:30:00 --and our primary care--

ARTHUR MILLER:

19:52:31:00 Why?

MICHAEL ANAYA:

19:52:31:00 --organizations for that.

EDUARDO SANCHEZ:

19:52:49:00 The system evolved to be a treatment system.

MALE VOICE:

19:52:52:00 Right.

EDUARDO SANCHEZ:

19:52:53:00 And not a prevention system. That treatment system worked well in the 100 years between 1900 and 2000. We figured out that washing our hands kept infections from moving from one person to another. We figured out how to use antibiotics and vaccines.

19:53:13:00 The things that are afflicting us today, are not infections and injuries. They are chronic disease. And what we haven't done is figured out the-- hand washing or the antibiotic or vaccine equivalent for those chronic illnesses.

19:53:31:00 And I would argue that part of this conversation is that prevention doesn't only take place in the doctor's office. Prevention actually takes place where we live our lives.

ARTHUR MILLER:

19:54:30:00 But why haven't we made what seems, at least you make it sound obvious direction, and compensate the medical profession for engaging in preventative medicine?

REED V. TUCKSON, MD:

19:55:15:00 The employer, the small business person and others, are saying, "That's all well and good." But as you do these changes, please make sure that you don't escalate health care costs even more than they are now, because I can't stay in business. And the five guys that work for me are gonna lose their jobs if this goes up. So somebody wins, somebody loses.

MICHAEL TANNER:

19:56:00:00 There's an idea out there that preventive care somehow-- is a big cost saver. It's a health saver. It makes us healthier. But it actually costs more money, because a lot of the people--

EDUARDO SANCHEZ:

19:56:17:00 It costs more money more money compared to what?
As nation, we take no issue, with-- you go to the
hospital after suffering your MI, your heart
attack, and we will do whatever it takes to save
you. And we'll do this one expensive procedure,
no questions asked.

MICHAEL TANNER:

19:56:41:00 I understand--

EDUARDO SANCHEZ:

19:56:40:00 But Michael--
19:56:43:00 putting someone on aspirin before they've had
their heart attack, every single day, those men
over 40 and women over 50, it'll cost something.
how much does a bottle of aspirin cost?

MALE VOICE:

19:56:59:00 It-- it costs money.

MALE VOICE:

19:56:59:00 Not too much money.

MIKE TANNER:

19:57:05:00 if you look at the academic literature, most preventive care is not an ultimate money saver. let's take the obese person, for example. If we had a weight reduction program, you would-- reduce the incidence of diabetes, for example, which would save you a great deal of money.

19:57:22:00 But for every person you stop from getting diabetes, you treat nine or ten people in that weight loss program who were never going to get diabetes in the first place. And you're having to pay for the weight loss for them.

EDUARDO SANCHEZ:

19:57:43:00 Michael (UNINTEL)--

19:57:43:00 You lose weight, you live a healthier life. You're physically active and you're eating. It's not just diabetes that you prevent. You prevent cardiovascular disease. You prevent some forms of cancer. You prevent arthritis from becoming the problem that it can become. You prevent

gallbladder disease. So there's a whole host of things.

19:58:03:00 Three things that I can name off the top of my head: aspirin counseling (CLEARS THROAT) and the proper therapy, tobacco counseling and making sure people don't smoke.

19:58:27:00 And the third is childhood immunizations.

REGINA HERZLINGER:

19:58:43:00 You are treating the American people like they're idiots. Ed, you. You've gotten a \$12,000 raise. You need to spend \$100 a month for a pill that will keep you alive. And you're not gonna do it? Newsflash: most people will do it.

DENISE V. RODGERS, MD:

19:59:01:00 No, they won't.

REGINA HERZLINGER:

19:59:01:00 The American people--

DENISE V. RODGERS, MD:

19:59:03:00 Absolutely not.

REGINA HERZLINGER:

19:59:04:00 --there is a lot of data--

DENISE V. RODGERS, MD:

19:59:05:00 Absolutely not.

REGINA HERZLINGER:

19:59:06:00 --that shows that when people pay out of their own pocket, they actually become more compliant. And the reason is they say, "It's my money."

DENISE V. RODGERS, MD:

19:59:15:00 No.

REGINA HERZLINGER:

19:59:15:00 "I now have to take care of-- "

DENISE V. RODGERS, MD:

19:59:18:00 I-- I'm sorry.

19:59:17:00 (OVERTALK)

REGINA HERZLINGER:

19:59:18:00 Let me finish. Let me finish.

19:59:19:00 (OVERTALK)

REGINA HERZLINGER:

19:59:21:00 Let me finish. Our health, people my age, middle

30s, if you look-- (LAUGHTER) at people my age, ten years ago, 20 years ago, and how healthy they were, and compare them to people my age right now, we're much healthier. So we didn't pay the doctors to do all of that. Who did that? We did that. We stopped smoking.

ARTHUR MILLER:

19:59:46:00 Denise?

REGINA HERZLINGER:

19:59:48:00 We took care of our health.

ARTHUR MILLER:

19:59:50:00 Denise?

DENISE V. RODGERS, MD:

19:59:54:00 I think that there is this illusion that somehow, if you make people pay for their health care, they're more responsible about their health care. I think the literature on that is mixed. I think the literature on that, though, is unequivocal for people on the margin. If you have to pay \$100 for your health care, for your-- your pills,

and you don't have that \$100--

REGINA HERZLINGER:

20:00:17:00 Absolutely.

DENISE V. RODGERS, MD:

20:00:18:00 --there's no way (COUGH) you value that more.

REGINA HERZLINGER:

20:00:18:00 I wouldn't argue.

ARTHUR MILLER:

20:01:34:00 Okay, okay. Bonnie has aged considerably
(LAUGHTER) while you people have been discussing
this. And Regina, Bonnie is now on Medicare.

REGINA BENJAMIN:

20:01:45:00 Medicare?

ARTHUR MILLER:

20:01:46:00 Yeah. You happy?

REGINA BENJAMIN:

20:01:49:00 Sure.

ARTHUR MILLER:

20:01:49:00 Economically are you happy?

MALE VOICE:

20:01:51:00 Reimbursement.

REGINA BENJAMIN:

20:01:51:00 Reimbursement for Medicare is not the greatest.

ARTHUR MILLER:

20:01:55:00 You speak very softly, but your (CHUCKLE) face betrays a certain amount of disappointment.

REGINA BENJAMIN:

20:02:01:00 Well it's-- it's a wonderful program to have and--
- and it's-- it covers things. The burden to the physician is tremendous. The rules--

MICHAEL ANAYA:

20:02:13:00 And the hospital.

REGINA BENJAMIN:

20:02:13:00 --trying-- and the hospital-- and trying to figure out what the rules are. And it's so complicated that I put more effort and work into processing a Medicare bill than it's worth it some times. I mean it's just tremendous.

ARTHUR MILLER:

20:02:44:00 A Medicare patient is a loss economically, how do you compensate for that?

REGINA BENJAMIN:

20:02:56:00 You don't. We used to cost shift some through-- private insurance and-- and things, but we can't do that anymore.

ARTHUR MILLER:

20:03:04:00 Cost shift, What do you mean?

REGINA BENJAMIN:

20:03:08:00 --it's where those who could afford it paid a price plus a small amount of profit. Many of the insurers and Medicare and Medicaid have now taken the profit out so we don't have any profit. We used to take the profit and take care of those who didn't have anything. There is no profit in healthcare anymore, and so--

ARTHUR MILLER:

20:03:29:00 So what do you do?

REGINA BENJAMIN:

20:03:32:00 Most physicians and hospitals are basically tryin' to make ends meet however they can. And what I find is that it's poor public policy to-- to make policy based on the fact that physicians and hospitals will care for people no matter what, 'cause you know we're not gonna let 'em bleed on the floor. We-- we'll take care of it.

ARTHUR MILLER:

20:03:55:00 But Bonnie isn't just Bonnie there's--

REGINA BENJAMIN:

20:03:57:00 When Bonnie comes in my--

ARTHUR MILLER:

20:03:57:00 --a whole bunch of Bonnies.

REGINA BENJAMIN:

20:03:59:00 I'm g--

ARTHUR MILLER:

20:03:59:00 And they're all knockin' at your door, and they're all on Medicare.

REGINA BENJAMIN:

20:04:02:00 I-- and I can't turn my--

MICHAEL ANAYA:

20:04:02:00 The primary care foundation of our system here in the United States is broken, with the primary care docs and with the hospitals, based on the fact that reimbursement from Medicare, Medicaid, CACP is much less than what it needs to be. When you're talkin' 45 percent reimbursement on Medicare, 45 cents on the dollar reimbursement of the cost of care, the hospitals and the physicians --they end up, at the end of the day they end up eating it.

ARTHUR MILLER:

20:04:45:00 Well that can't go on forever. Would you--

REGINA BENJAMIN:

20:04:47:00 No, no it can't.

ARTHUR MILLER:

20:05:05:00 And when the next Bonnie comes?

REGINA BENJAMIN:

20:05:07:00 I have to see her too.

ARTHUR MILLER:

20:05:08:00 And the next?

REGINA BENJAMIN:

20:05:10:00 And see 'em.

20:05:10:00 (OVERTALK)

REGINA BENJAMIN:

20:05:10:00 And then on top of that, at least she has Medicare, the other 30, 40 percent of the people have nothing.

ARTHUR MILLER:

20:05:17:00 Nothing.

EDUARDO SANCHEZ:

20:05:19:00 Some of our colleagues are not--

ARTHUR MILLER:

20:05:20:00 Wait, wait, wait, wait.

EDUARDO SANCHEZ:

20:05:20:00 --taking Medicare. So Regina's an angel.

20:05:23:00 (OVERTALK)

EDUARDO SANCHEZ:

20:05:23:00 There's lots of our colleagues who are--

ARTHUR MILLER:

20:05:25:00 Oh, you make it even worse.

EDUARDO SANCHEZ:

20:05:27:00 Well but it's the truth. Some of our colleagues are closin' doors. So more Bonnies go to Regina because the doctor across the street has said, "You know what, I can't take anymore Medicare."

ARTHUR MILLER:

20:05:37:00 That sounds like a quota system.

EDUARDO SANCHEZ:

20:05:39:00 I wouldn't call it a quota system.

ARTHUR MILLER:

20:05:41:00 I did.

EDUARDO SANCHEZ:

20:05:42:00 It's a-- it's a-- (LAUGHTER) you did. It's a-- you did and okay. It's-- it's-- it's a--

REGINA BENJAMIN:

20:05:50:00 It's only the-- only that-- that's as much as

they can take and keep their doors open. They
Have to cut it off at some point.

ARTHUR MILLER:

20:12:42:00 Sad. This whole thing makes me very sad,

MALE VOICE:

20:12:47:00 We-- well you cannot--

ARTHUR MILLER:

20:12:48:00 Denise,

20:12:53:00 Let me give you a patient. Maria. Maria works
at a fast food place, moonlights as a waitress.
She's in to see you, She's been having pain for
almost a year. She has no insurance, You examine
her and it's clear there's some tumors in her
uterus. You know you have to do some tests,
right?

DENISE RODGERS

Right.

ARTHUR MILLER

She doesn't have the money for any tests. What
are these tests gonna cost?

DENISE RODGERS:

20:14:05:00 A lot.

ARTHUR MILLER:

20:14:38:00 She has no insurance, Medicare isn't an option,
Medicaid isn't an option.

20:14:58:00 So what do we do?

DENISE RODGERS:

20:15:01:00 Well--

20:15:03:00 --I see a fair number of patients like Maria.
I've been taking care of Maria for quite some
time. And--I have-- fortunately a safety net
hospital that-- is in the town where I practice.
And so I'm going to send Maria to a safety net
hospital. But that's only because we're in this
particular town and state.

ARTHUR MILLER:

20:15:57:00 And if you weren't?

DENISE RODGERS:

20:15:58:00 Then it's really about my powers of persuasion

the degree to which-- I have enough sort of stature in my community that I can grovel and beg the hospital C.E.O. to potentially take care of Maria, and I can grovel and beg my surgical colleagues to see her, Now the problem, of course is it becomes extremely difficult for us to go grovel and beg for let's say she needs chemotherapy-- or ongoing medications. So that's when we go to the 7-11 in her neighborhood and we put a can on the counter and we say, "Let's help Maria get her medical care." And ask people to donate their spare change

ARTHUR MILLER:

20:17:10:00 Is this what you went to medical school for?

DENISE RODGERS:

20:17:13:00 Not even. Not even.

DAN JONES:

20:17:38:00 And shame on us being the richest country in the world, that we let citizens go through this. And this will result, for her, in a health disaster.

She'll receive healthcare later than she needs it. It likely will result in a personal bankruptcy for her family-- and it will mean that the hospital that does take care of her likely will lose substantial money on her care so that the other patients who are sent to that safety net hospital will be getting care in a hospital that has fewer resources than other people in that same community are getting. And shame on us for allowing that to happen in-- in-- in the richest

TR REID:

20:18:23:00 And the National Academy of Sciences says that 20,000 Americans die every year because they can't afford--

FEMALE VOICE:

20:18:27:00 Exactly (UNINTEL).

TR REID:

20:18:28:00 --to go to the doctor.

ARTHUR MILLER:

20:18:30:00 So if--

TR REID:

20:18:30:00 The richest country in the world.

20:18:31:00 (OVERTALK)

MALE VOICE:

20:18:31:00 And-- and the safety net-- and the safety net
hospitals have lost money.

ARTHUR MILLER:

20:18:32:00 --she does not get the care?

DENISE RODGERS:

20:18:35:00 Right.

MALE VOICE:

20:18:35:00 Oh yeah.

ARTHUR MILLER:

20:18:35:00 Is T.R. right that a plausible outcome is she
dies?

DENISE RODGERS:

20:18:40:00 Oh-- we're-- we're literally talking about 20,000
people--

20:18:44:00 --who-- who die a-- a year.

REED TUCKSON:

20:18:45:00 I was on the committee that did that study, and I will tell you that those numbers are absolutely-- rock solid.

MALE VOICE:

20:18:50:00 Arthur--

DENISE RODGERS:

20:18:51:00 Yeah, I mean--

REGINA BENJAMIN:

20:18:51:00 (UNINTEL) things that happens before she dies. There's a whole process of dying. She loses her job, if she has kids and family they're also now destitute, they may lose their home, and they're gonna do everything to try to keep her comfortable, keep her alive, and they're going to bankrupt themselves.

ARTHUR MILLER:

20:19:07:00 But at some point, when surgery is clearly indicated, you might help?

DAN JONES:

20:19:15:00 It'll-- it'll be done.

REGINA BENJAMIN:

20:19:16:00 It'll be done.

20:19:16:00 (OVERTALK)

MALE VOICE:

20:19:17:00 It'll be done.

DANIEL JONES:

20:19:16:00 It'll be done but history tells us--

REGINA BENJAMIN:

20:19:17:00 And when I--

DANIEL JONES:

20:19:18:00 --history tells us it will be done later than it should have been done if she's poor, if she is in a poor state, if she's in a rural community-- she'll receive that care, on average, later than people in more affluent communities. And her likelihood of surviving-- is much less. And all that's been described about the personal agony to her and to her family, are realities that are

happening every day in this country.

ARTHUR MILLER:

20:19:50:00 Well for whatever reason she in fact does wait and does not come in until the pain is agonizing. Now T.R., put your journalist hat on. You've just heard about Maria, quite clearly no matter how good the surgery, she has a short time.

20:20:22:00 Then there's Priscilla. Priscilla is an executive with a company with let's say the gold standard health plan. What happens with Priscilla versus what happens to Maria?

T.R. REID:

20:20:39:00 Priscilla goes to a doctor earlier, the doctor spots the problem, they treat it. She probably-- we have the greatest healthcare in the world for people like that, she probably survives.

ARTHUR MILLER:

20:20:48:00 So Priscilla lives, Maria dies.

T.R. REID:

20:20:51:00 Yeah, it's interesting because they both get one

vote, they both get a free public education, they both get help from the government to have a lawyer if they're charged with a crime, but they don't both get healthcare.

MICHAEL TANNER:

There's national healthcare systems around the world that claim that they provide universal coverage, but there's 750,000 people awaiting admission to NHS hospitals right now. If she comes in with cancer, her chances of ever seeing an oncologist is about 20 to 40 percent in Britain. In Canada there's 800,000 people on the waiting list.

ARTHUR MILLER:

20:22:15:00

--Michael is poo-pooing Canada, England, France.

T.R. REID:

20:22:23:00

You know, I just went to Canada and I asked them specifically this question, "How many Canadians die each year because they can't afford to see a doctor?" Zero. You know how many die in

Britain--

MICHAEL TANNER:

20:22:33:00 that's not what the Canadian Supreme Court says. They... In 2005 the Canadian Supreme Court struck down part of their Medicare law. And said it was undisputed by the Canadian government that people on the waiting list died while on the waiting list for care in Canada.

MALE VOICE:

20:22:49:00 Arthur--

DENISE RODGERS:

20:22:49:00 Well but let's face it, we have people on a waiting list and we don't even make the waiting list, number one. And number two what you can't dispute is every country that you just listed has better health outcomes than we do.

MALE VOICE:

20:22:58:00 Right.

MALE VOICE:

20:22:57:00 Exactly.

20:22:58:00 (OVERTALK)

DENISE RODGERS:

20:22:59:00 Every single one of them.

MICHAEL TANNER:

20:22:59:00 By what outcome, by what outcome?

DENISE RODGERS:

20:23:00:00 Mortality rates, morbidity rates--

MICHAEL TANNER:

20:23:03:00 Wait a minute, wait a minute, wait a minute.

DENISE RODGERS:

20:23:03:00 --quality of life, all of them.

MICHAEL TANNER:

20:23:04:00 Mortality rates have nothing whatsoever to do with the healthcare system, they deal with-- they deal with suicides, accidents, homicides--

MALE VOICE:

20:23:09:00 Well no they--

FEMALE VOICE:

20:23:10:00 No, no, no, no, no that's not what (UNINTEL).

MALE VOICE:

20:23:12:00 Michael--

DENISE RODGERS:

20:23:12:00 What-- what epidemiology class did you go to where you came up with that? That's absolutely not true. That--

ARTHUR MILLER:

20:23:22:00 Eduardo?

EDUARDO SANCHEZ:

20:23:24:00 The point, we pay more money on a per capita basis for "supposed" healthcare, than any other country in the world. And whether you're lookin' at mortality or infant mortality or morbidity rates--

EDUARDO SANCHEZ:

20:23:38:00 --other kinds of measures of health, we do not-- we do not stack up anywhere near the next highest spending countries.

ARTHUR MILLER:

20:24:53:00 I have a surprise for you. The election is over,

the election is over.

MALE VOICE:

20:25:07:00 Thank God. (LAUGHTER)

ARTHUR MILLER:

20:25:13:00 And I'm the president of the United States.

WALKER:

20:25:15:00 You got a big job friend.

MALE VOICE:

20:25:15:00 Congratulations.

ARTHUR MILLER

20:25:17:00 And I have campaigned, on the notion that we've got to fix the healthcare system.

Now, What is healthcare? Is it a right, is it a privilege?

20:25:55:00 You're my health commission. Start me off with the basics.

DAVE WALKER:

20:26:02:00 I think we have to address four dimensions, coverage, cost, quality, and personal responsibility.

20:26:32:00 It is in our-- it is in our--

ARTHUR MILLER:

20:26:33:00 What is it?

DAVE WALKER:

20:26:32:00 --broad based societal interest--

MALE VOICE:

20:26:34:00 Commodity.

DAVE WALKER:

20:26:35:00 --to make sure that every American, no matter age, no matter income, no matter geographic location, etcetera, that they have access to certain basic and essential--

ARTHUR MILLER:

20:26:45:00 Did we ever vote on that?

DAN JONES:

20:27:00:00 So we-- we-- we can't turn down patients if they have emergencies, if there's someone who's bleeding, who needs help, every hospital in this country is obligated to take care of them.

TR REID:

20:27:09:00 No, no, only if he's near death. He's gotta be on the brink of death--And they don't treat them, they send them away

MICHAEL ANAYA:

20:28:21:00 I truly believe that each and every person here understands that life is precious, and we wanna do the right thing. However, our system doesn't allow us to do it. And when you have a bunch of different people and a bunch of different-- organizations and processes in place with a different-- t-- attack angle at it, it makes it a very complicated-- very complex piece.

BILL NOVELLI:

20:28:45:00 These words-- that you're using, right, privilege, this is campaign rhetoric, this gets in the way of what Dave was talking about which is we have a societal responsibility. And it is a societal necessity that we fix the healthcare system. We can't go on with an unsustainable

system.

BILL NOVELLI:

20:29:06:00 And you don't start-- you don't necessarily start--

ARTHUR MILLER:

20:29:07:00 Okay, okay I'm sensing a consensus--

BILL NOVELLI:

20:29:08:00 --with coverage. We have a broken system.

ARTHUR MILLER:

20:29:10:00 --that we've gotta do something. So let's get beyond the syntax, and the semantics do we really mean universal?

MICHAEL TANNER:

20:29:34:00 Why is universal the criteria by which we're judging the success of healthcare reform? First of all, I don't care if Bill Gates has health insurance or not. So whether we get 100 percent doesn't matter. Do we want to expand coverage to people? Sure. But there's other issues involved, like cost and quality and personal

responsibility.

TR REID:

20:30:02:00 Well do you think--

MALE VOICE:

20:30:02:00 Well frankly most people aren't Bill Gates.

TR REID:

20:30:02:00 --we should have the universal right to vote?
Should everybody have a right to vote?

MICHAEL TANNER:

20:30:06:00 There-- there's a difference between--

TR REID:

20:30:06:00 That's different from being healthy?

MICHAEL TANNER:

20:30:08:00 Quite-- quite different. We have a right to free
speech, right worship, things like that. We
don't have a right, to things like healthcare or
sh-- shelter or food, all of which are important.

20:30:19:00 TR REID

(UNITEL) To our neighbors?

ARTHUR MILLER:

Somehow we have crossed that divide with regard to education.

BILL NOVELLI:

20:30:46:00 We call that a social good.

ARTHUR MILLER:

20:30:47:00 A social good?

NOVELLI:

20:30:47:00 Healthcare is a social good as well.

MIKE TANNER:

20:30:48:00 Yeah, but that's different than a right.

REED TUCKSON:

20:30:50:00 When-- when death is the consequence of failure, this takes on a different dimension, well beyond education, well beyond all the right to vote even. When you die as a result of failure to achieve this, the dimensionality of that is so profound as to require action.

20:31:48:00 Now, the question then becomes if you say not universal, we are deciding as a society, you by

definition, you're expendable. See you later, have a nice day. Too bad, go off to the side and-- and let the wolves devour you.

ARTHUR MILLER:

20:32:19:00 What is it that we think, as a society, we must give everyone?

REED TUCKSON:

20:32:30:00 So the first steps in that process have to be informed by science. So what we need, Mr. President, is tomorrow you should and must convene those federal agencies where the science is, and you must say to them, we want to know what is essential, what works. And equally important, Mr. President, what doesn't work. Put together a basic set of benefits that everyone should have, then with a science basis turn that over to the political process, 'cause it must, and then we will have at-- the discussion within the public domain. However, we've got to be very clear, that we have to cover as many people as

quickly as possible this time and build on it.

ARTHUR MILLER:

20:33:31:00 if I hear you correctly, the sort of unstated
premise is not everything.

REED TUCKSON:

20:33:50:00 Absolutely, their can't be.

REED TUCKSON:

20:33:52:00 And this is the reason why. I would hate to be in
any position where someone's particular important
condition or desire or need is not in the mix.
But what irritates me more than anything is while
we fight through that year after year, The people
who have nothing still have nothin' tomorrow, the
next day and the next day. And my point only
ultimately is while you fight out for all that
perfect, at least get as much done as you can
now.

DAVE WALKER:

20:34:32:00 You'd have universal coverage--

20:34:37:00 For basic and essential. It has to be evidence

based. You cannot write a blank check. Even the United States can't write a blank check. In fact we're the only country on earth that's dumb enough to write a blank check for healthcare and it'll bankrupt us if we don't do somethin' about it.

REGINA HERZLINGER:

20:34:51:00 You know, what (UNINTEL) conversation, we spend \$2 trillion on healthcare, \$2 trillion is the GDP of China, it's a hell of a lot of money.

ARTHUR MILLER:

20:35:03:00 But what—

REGINA HERZLINGER:

20:35:03:00 Where does that money come from?

TR REID:

20:35:05:00 You know--

ARTHUR MILLER:

20:35:06:00 --what—

REGINA HERZLINGER:

20:35:06:00 It's our money. He says ask the scientists, why

not ask the people.

FEMALE VOICE:

20:35:11:00 Ask the people.

ARTHUR MILLER:

20:35:12:00 Well I was-- I was--

REGINA HERZLINGER:

20:35:13:00 It's all their money. Why not ask the people
what they want.

20:35:16:00 (OVERTALK)

REED TUCKSON:

20:35:16:00 Regina--

MALE VOICE:

20:35:17:00 Now but-- but-- wait-- wait--

REED TUCKSON:

20:35:17:00 --Regina let's be real clear. I said, and I
wanna be-- and I was very precise--

MALE VOICE:

20:35:21:00 Let me get out of the way here.

REED TUCKSON:

20:35:21:00 --the science informs the conversation, and then

you turn to the people and then you have an informed political discourse.

ARTHUR MILLER:

20:35:42:00 Wait a second-- wait a second, I wanna talk to Bill. Everyone, not everything, that which is essential, do you know what's essential?

BILL NOVELLI:

20:36:01:00 No, but I think that both Regina and Reed are correct. What we need to do is we really need to apply science. We have to have evidence based research to understand what works and what doesn't work. Much of care is wasted, much of the work we do in-- in tests is defensive medicine.

20:36:32:00 So we really need evidence based research. And at the same time we need to have this conversation that Regina and Dave are talking about, with the public. The public has to basically help us to understand what they want and what they're willing to pay for. And what we have now is a system that's totally broken. If

we just tomorrow, if-- if you as Mr. President tomorrow says, "We're gonna cover everybody," you're gonna put another 45 million people into a broken system and it will bankrupt the country faster.

ARTHUR MILLER:

20:37:00:00 Now how do you deal with those--

TR REID:

20:37:01:00 I don't buy that.

ARTHUR MILLER:

20:37:02:00 --who say once you acknowledge, you cannot cover everything, maybe you can provide some baseline, for everybody. Then you can move it up a bit, but you'll never get to everything?

FEMALE VOICE:

20:37:23:00 It's just like--

ARTHUR MILLER:

20:37:24:00 That, to me, sounds

BILL NOVELLI:

20:37:36:00 It's another loaded word. Every country has to

do this. We do not have infinite-- resources in this country. If you have baseline medication that will keep people healthy and well then people can pay for more, if they have more money, that's not-- undemocratic.

ARTHUR MILLER:

20:37:54:00 And if they don't have more money, like Maria?

BILL NOVELLI:

20:37:55:00 Maria will be covered, because that will be in the essential and basic coverage.

GERRY SHEA:

20:38:01:00 When we say essential, we're really talking about pretty comprehensive coverage. It's not bare bones kind of coverage, that's the gist of the policy discussion.

TR REID:

20:38:09:00 You know, Arthur, all the other countries have decided the basic package and they're all different. Britain covers Viagra in their basic plan, I went across the channel the Health

Minister of France said to me, "Frenchmen do not need Viagra." (LAUGHTER) So everybody-- everybody defines their basic plan differently.

ARTHUR MILLER:

20:38:51:00 We realize we can't cover everything, essential, Maria's essential, Viagra may not be essential.

FEMALE VOICE:

20:39:05:00 But it's--

ARTHUR MILLER:

20:39:05:00 Who decides becomes critical.

FEMALE VOICE:

20:39:08:00 It does.

ARTHUR MILLER:

20:39:09:00 Absolutely critical.

MALE VOICE:

20:39:10:00 So you--

FEMALE VOICE:

20:39:10:00 It's very--

ARTHUR MILLER:

20:39:12:00 If you decide, maybe I've got some hope--

MALE VOICE:

20:39:13:00 (UNINTEL) and some scientists.

ARTHUR MILLER:

20:39:14:00 --given my age.

TR REID:

20:39:16:00 Just so it's done publically and transparently

MALE VOICE:

20:39:19:00 By knowledgeable people.

TR REID:

20:39:19:00 --can argue about it. If you don't like it you
can argue about it and get it changed.

REGINA BENJAMIN:

20:39:22:00 And we can go back to your auto--

MIKE TANNER:

20:39:22:00 (UNINTEL) assume that everybody-- everybody has
an equal say in Congress. The way it works is
that The special interests will show up in
Washington, every disease constituency and every
provider group will demand to be included in that
basic benefit package. The t... the people paying

the bill who will see their premiums go up by a buck or two bucks each time a benefit or-- is added, don't have the same incentive to go down and argue against it. The result is ultimately the cost will keep going up.

20:39:53:00

I come back to Ed at the beginning of our argument here. Who should make the decision? Why should the government make the decision what's in this policy? Why should his boss make the decision what's in his policy? Why don't we give the money to Ed and let Ed buy a policy that includes the type of benefits that he wants. Maybe he wants Viagra, maybe he doesn't. But let him make that decision.

ARTHUR MILLER:

20:40:31:00

Now Regina--

MALE VOICE:

20:40:31:00

(UNINTEL) liability.

ARTHUR MILLER:

20:40:32:00

--you used the words consumer based driven, what

did you mean?

REGINA HERZLINGER:

20:40:37:00 I meant give the money back to the people. It's all our money.

REGINA BENJAMIN:

20:40:42:00 That's right.

REGINA HERZLINGER:

20:40:42:00 It's not my boss charitably buying health insurance.

What you really want is to make sure that I'm insured for very expensive things.

REGINA BENJAMIN:

20:41:20:00 And that if she--

DENISE RODGERS:

20:41:21:00 Well then we also want to make sure that you're insured for-- for primary care as well, and preventive care. I think the other irony for me though, in all of this, is that when we talk about universal care that all of the sudden we have to have input into what get-- gets covered

and who does what.

20:41:55:00

In our insurance system right now, people have no ability to say, "I don't want the limited formulary that my HMO has decided that I'm gonna have." People have no ability to say that there's only this pool of doctors that I can go to who are covered in my plan. I mean, all of the sudden we have to have the pure, perfect system when we wanna try to cover the 46 plus million people in this country who have no insurance. And we have anything but all this choice for the vast majority of insured people in this country.

DENISE RODGERS:

20:43:39:00

I mean if you look at Medicare-- let's-- let's talk about Medicare.

ARTHUR MILLER:

20:43:41:00

Yeah, let's talk about Medicare.

DENISE RODGERS:

20:43:42:00

Let's talk about actually--

DENISE RODGERS:

20:43:44:00 --one major solution could be just to make Medicare available for everybody. Actually seniors love Medicare.

TR REID:

20:43:51:00 That would work.

DENISE RODGERS:

20:43:51:00 I mean, you know, there's a lot (UNINTEL) about. But let's talk about the fact that--

ARTHUR MILLER:

20:43:55:00 From--

DENISE RODGERS:

20:43:55:00 --the government wasn't allowed to negotiate with the pharmaceutical industries over costs for Medicare. There's some very logical things we could do, that we don't have limited formularies for Medicare. I mean there are clear things that we could do--

ARTHUR MILLER:

20:44:04:00 But wait-- wait--

DENISE RODGERS:

20:44:06:00 --to make a universal, single payer system that would reduce costs, that would cover the things that people need, and it's not rocket science.

REGINA BENJAMIN:

20:44:15:00 Yeah, but I also know what I need.

TR REID:

20:44:15:00 It doesn't even have to be single payer. Reed can still sell his policy, but you can buy Medicare if you don't want his.

ARTHUR MILLER:

20:45:44:00 I need clarification from Regina.

MALE VOICE:

20:45:46:00 They won't buy it.

MALE VOICE:

20:45:48:00 It's cheaper.

MALE VOICE:

20:45:48:00 They won't buy it.

ARTHUR MILLER:

20:45:48:00 Are you advocating or--

MALE VOICE:

20:45:51:00 Oh no, you make 'em. (LAUGHTER)

ARTHUR MILLER:

20:45:55:00 --suggesting consumer driven, consumer choice from top to bottom, or are you assuming some baseline system above which everything is consumer driven?

REGINA HERZLINGER:

20:46:09:00 I think at a minimum we need people to be insured about catastrophically expensive healthcare.

20:46:18:00 that's what people want. They want protection against bankruptcy. They want to know that if they're seriously sick they will have insurance to cover them.

MALE VOICE:

20:46:37:00 There has--

REGINA HERZLINGER:

20:46:36:00 The other things are up to them. You've been paying for this supposedly free thing all along, but suddenly you realize it's your

money.

MALE VOICE:

20:46:55:00 Regina--

REGINA HERZLINGER:

20:46:55:00 And you can spend it in other ways.

MALE VOICE:

20:46:57:00 But Regina then you have the problem--

ARTHUR MILLER:

20:46:57:00 Wait, wait, wait, wait, wait.

GERRY SHEA :

20:46:58:00 --you have the problem of Ed who wants to roll
the dice.

ARTHUR MILLER:

20:46:59:00 Dan has been very civilized while you ruffians
have been running rough shod over him.

DANIEL JONES:

20:47:06:00 It's the Mississippi thing to do.

20:47:13:00 For some-- this ultimate consumer driven
healthcare will certainly work fine and having
catastrophic insurance. But if you have a junior

high education-- and you have an income of \$20,000 and your choice are new tennis shoes for your second grader to start school or getting your preventive health services, and that comes out of your pocket, then that person is very unlikely to get that healthcare. And it will be bad for society for us to not pay for that coverage. And so basic coverage needs to allow for those basic, evidence based, preventative services for everyone so people don't have to make the choice between food and preventive health services.

GERRY SHEA:

20:48:51:00

The idea that people can chose implies that they would have information about what they're choosing.

TR REID

If I-- if I go to my doctor (LAUGHTER) and he says, "You're sick, I'm gonna put you on 100 milligrams of tetrathorazine," am I supposed to

say, "Well that's expensive, just make it 25"? I don't know enough to do that.

GERRY SHEA:

20:51:19:00

The good news, Mr. President, is over the past ten years, there has been a tremendously collegial and cooperative process going on involving everyone in healthcare about we know this system is not nearly what it was cracked up to be, we know we can measure what quality is, even if not perfectly yet, but we'll get there. And we can improve it once we measure it. And that process is going on.

20:51:54:00

So you don't have to just get stuck in the zone of philosophy about structures. You have to get people to work on this. And people are ready to work on it.

ARTHUR MILLER:

20:52:02:00

I know, but-- I've only got--

MALE VOICE:

20:52:04:00

People are working on it.

ARTHUR MILLER:

20:52:04:00 --four or eight years in this job (LAUGHTER).

EDUARDO SANCHEZ:

20:52:08:00 Mr. President-- If indeed we have a system where all you're paying for is catastrophic insurance, and a significant percentage of the population chooses to be smokers and overeaters and sedentary-- individuals, we all are gonna bear the-- the-- the burden of that-- of that behavior.

20:52:39:00 And even as we talk about consumer choice, it has to be something that doesn't create a moral hazard. You can misbehave in a system that is just about catastrophic insurance and still reap the benefit when you suffer that heart attack at 50 years old. And I who have been running every day since I was 12 will bear some of the cost for that behavior. So we need public health, we need policy, we need basic preventive measures.

ARTHUR MILLER:

20:53:37:00 All right, my advisors tell me that I am due for a photo op with the American Kennel Club, so we have to draw this to a (LAUGHTER) close. Dan, this is unbelievably complicated, unbelievably.

DANIEL JONES:

20:54:08:00 It is.

ARTHUR MILLER:

20:54:09:00 Which is greater, the cost of doing something, the cost of not doing something?

DANIEL JONES:

20:54:15:00 Whatever we do next, we can be sure, Mr. President, will not be perfect, but with leadership we can move from where we are and change-- change the argument about whether or not we should be providing healthcare for everyone-- focus on prevention, focus on access. And then, Mr. President, you move us from the desert of healthcare that we're in now-- to at least-- to

at least-- healthcare that approaches what most of the rest of the industrialized world has.

REED TUCKSON:

20:55:25:00 And you do-- and you do it by being a leader. You do it by bringing people together-

DANIEL JONES:

20:55:27:00 A leader.

DAVE WALKER:

20:56:00:00 Well first M-- Mr. President, I think what you have to recognize is there are certain things you should and you shouldn't do. First, you should not expand to universal coverage and put 45 plus million people in a system that is not a system, it is not affordable, it is not sustainable, it is not acceptable. Secondly, you have to do something to reduce the rate of increase in healthcare costs and there's a lot of things we can do on that right now,

20:56:31:00 And thirdly, you need to lead a discussion with the American people involving all key stakeholder

to try to achieve four objectives: universal coverage for basic and essential. And that means preventative, wellness, as well as catastrophic, both ends of the perspective, with choices for more than that. A budget on the federal government will spend on healthcare, 'cause it'll bankrupt us if we don't have one. Movement to evidence based national practice standards for the practice of medicine and use of prescription drugs and enhanced personal responsibility and accountability. If we do that we can achieve much better results for much less money. And we can keep from bankrupting the country.

ARTHUR MILLER:

20:57:09:00 From the ground, on the street, in the pit, on the firing line, he makes sense?

DENISE RODGERS:

20:57:16:00 from a theoretical standpoint he makes sense. From my day-to-day reality of all of the uninsured people I take care of and the 20,000

people who die every year because they're uninsured, we have a moral imperative to do this. It is an international disgrace, the number of uninsured people in this country and the price they pay for that. And we cannot forget that.

ARTHUR MILLER:

20:57:47:00

So we have to get off the dime?

DENISE RODGERS:

20:57:48:00

We've got to get off the dime. We've got to do it yesterday.

--- END ---