I am Dr. Sandra Adamson Fryhofer, a practicing internist in Atlanta, Georgia. I am here today as President of the American College of Physicians - American Society of Internal Medicine (ACP-ASIM), representing over 115,000 physicians who specialize in internal medicine and medical students with an interest in internal medicine. Our membership includes practicing physicians, teaching physicians, residents, students, researchers, and administrators who are dedicated to assuring access to high quality medical care for all Americans. It is my distinct honor to participate in this hearing to present our perspectives on the problem of lack of health insurance.

Last year, ACP-ASIM launched a major campaign to address the problem of the uninsured. Specifically, we have sought to bring the issue to the forefront of the 2000 presidential and congressional elections through our commitment of $1 million to the "Decision 2000" campaign. Our campaign has included a three-pronged effort of research, public education and direct political action. We will continue to press for solutions next year and in the years to come until there is affordable, accessible health insurance for all Americans.

The latest statistics from the Census Bureau indicate that roughly one out of every six non-elderly Americans — or 43 million people in the United States - have no health insurance. Millions more have some health insurance, but lack adequate coverage to provide financial access to needed health care or sufficient protection from catastrophic medical expenses. But as dismal as these numbers are, we find one statistic even more appalling: more than 80 percent of the uninsured are in working families.

The reason this country has prospered is because of its dedicated working families, but when it comes to health care we have left many of them on their own. Often they must choose between a doctor’s appointment or feeding their families, buying medicine or paying the rent. A popular myth exists that not having health insurance is merely an inconvenience. The myth asserts that anyone can go to an emergency room or free clinic and get care. But as a doctor, let me assure you living without health insurance is a serious health threat.

Research findings
To help dispel this myth, ACP-ASIM conducted an extensive literature search concerning the relationship of lack of health insurance to people’s health. We identified more than 100 scientific studies that confirmed what doctors know from their own practice experiences: people without health insurance tend to live sicker and die younger than people with health insurance. Our results were published in a report called, "No Health Insurance: It’s Enough to Make You Sick."

Let me share some quick statistics from the report:

- Uninsured Americans are three times more likely than the insured to experience an avoidable hospitalization for diabetes.
- Uninsured people are more than three times more likely to die in the hospital than the insured.
- Uninsured adolescents between the ages of 10 and 18 are four times more likely to have unmet health needs, four times less likely to get dental care, four times less likely to get needed prescriptions, and four times less likely to get needed eyeglasses.
- Uninsured children are up to 40% less likely to receive medical attention for a serious injury.

**Women’s and Latino Health**

The situation is equally dire for women’s health. For example, early detection is the best weapon for fighting cancer. But uninsured women aged 50-64 are two times less likely to have had a recent mammogram, two times less likely to have had a recent Pap test, and two times less likely to have had a recent clinical breast examination.

In sum, uninsured women with breast cancer, compared with the insured, have a 49% higher adjusted risk of death.

We followed this initial report with another one titled, "No Health Insurance? It’s Enough to Make You Sick: Latino Community at Great Risk." This work examines the unmet health needs of America’s Latino population, the nation’s fastest growing minority group.

Some of the report’s major findings include:

- Incidence of diabetes-related end-stage renal disease in the Latino population is up to six times greater than in the non-Latino white population.
- Mexican-American men and women are up to three and a half times less likely to seek care to control hypertension than the general population.
- Uninsured Latino women with breast cancer are more than twice as likely to be diagnosed at a later stage compared to uninsured non-Latino women.
- Uninsured Latino men with prostate cancer are almost four times more likely to be diagnosed at a later stage than uninsured non-Latino men.
- Uninsured Latino children with asthma are six times more likely not to receive standard medical treatment than uninsured non-Latino children.
We are also funding a study on the unmet health needs of uninsured persons, the results of which will be available soon and provided to the Committee.

**Symposia on Latinos in Crisis: Living Without Health Insurance**

As part of our educational efforts, ACP-ASIM partnered with the Commonwealth Fund and the National Hispanic Medical Association (NHMA) to jointly sponsor a series of three events designed to highlight the health risks of the uninsured Latino community and examine why Latinos are more likely to be uninsured than the general public. Each of these events includes a symposium and a press conference. These events are being held in cities in the states with large Latino populations. The first symposium was held last month in Chicago, IL. The next will be tomorrow in Miami, FL; and the third will be held later this month in Austin, TX. At each of these events, we are engaging leaders of the local community in a discussion about the extent of the problem, the reasons for the particular coverage crisis for Latinos, and the health consequences of reduced access and poorer medical outcomes faced by uninsured Latinos. Additionally, a local leader from ACP-ASIM presents data on the uninsured Latino population in each selected city and state, and the NHMA presents information from the perspective of practicing Hispanic physicians.

During our recent symposium on the uninsured in Chicago, I met a 33 year-old patient who was in danger of losing one of her toes as a complication of her diabetes. She did not have health insurance and could not afford the insulin and glucose monitoring tests that could have controlled her diabetes. Access to routine medical care and these modest, self-administered medical services certainly would have saved her from nearly experiencing the painful loss of a toe and saved the health care system the potential for expensive and avoidable surgery. Fortunately, the woman obtained an emergency intervention at the Community Health Clinic before amputation was required. She described her situation as "being in limbo…making enough money not to be on Medicaid but not enough to pay for her own insurance."

**Other Public Education Activities**

A major objective of our campaign has been to increase public awareness of the need for everyone to be covered by health insurance and to make this an issue in the 2000 elections. Perhaps some of you saw some of the ads that we ran over the past year and a half in Roll Call, The Washington Post or The National Journal. We also received press coverage in many newspapers nationwide including The Wall Street Journal, Chicago Tribune, and The Los Angeles Times. Informational ads on the need for action on health insurance also ran in selected media during the New Hampshire and Iowa primaries.

In addition, we ran television and radio ads nationally and in selected local markets. Recently, with the help of a grant from the Robert Wood Johnson Foundation, we were able to further refine our message. Focus groups were convened in Detroit; Cincinnati; Long Beach, CA; and in the Washington, DC area. These focus groups helped us to identify popular misconceptions about the uninsured and will guide us as we resume our informational advertising campaign this fall. Our new advertising will reinforce our message about the harmful consequences of being without health insurance and will emphasize that most of the uninsured are in families of hard-
working Americans. A video will soon be aired on CNN, and I, along with other leaders of the College, will continue to be available to the news media to get our message out to the public. We also conducted a petition drive with the Catholic Health Association whereby citizens urged all candidates in the presidential and congressional elections to commit to making solutions to the health insurance problem among their highest priorities.

**What Can Be Done?**

The College understands that it is not enough just to educate voters and policymakers on why it is important that everyone have access to affordable health care—the goal of the Decision 2000 campaign. We must also explain how improvements should be done to improve access to care.

As a first step toward defining what should be done to improve access, ACP-ASIM is in the process of developing a set of core policy principles on access. The principles build upon a landmark 1990 public policy paper published by the American College of Physicians (ACP) in the *Annals of Internal Medicine* [American College of Physicians. Access to Health Care. *Ann Intern Med*. 1990; 112; 641-61]. We expect to release the principles at the end of October, and we’ll be pleased to share them with the Committee. The College does not anticipate that any one particular legislative proposal will address each and every one of the core principles that we are identifying.

One of the key principles that we will be articulating is that sequential reforms that will lead to coverage for all Americans should be considered. Past incremental steps, like the CHIPs program, have extended health insurance to some people who otherwise might have remained unprotected. But, others have lost insurance coverage, and the total number of uninsured remains unacceptably high. What we need is a clear step-by-step plan that sets out a series of sequential steps that will be taken within a defined timeframe to extend health insurance coverage to all Americans. The sequential reforms should include an evaluation mechanism by an independent, advisory body on the effectiveness of actions for providing coverage to targeted populations and recommendations on subsequent steps that need to be taken to further expand coverage.

The College plans to evaluate specific policy options for improving access to care against our core principles. The evaluations will be published in 2001 in several policy monographs that will be provided to policymakers to guide them as they consider specific proposals to expand access. The monographs will look at each proposal from the standpoint of how well they satisfy the College’s core principles. Among the monographs that are under consideration are ones on individually-owned health insurance coverage, tax credits for the uninsured, the Federal Employees Health Plan model, and expansion of Medicaid, Medicare, and CHIP to cover more uninsured persons.

**Proposals for Sequential Reform**

Early in 1999, the College released a package of proposed reforms that sought to use the federal tax code, existing government programs, and some new subsidies to help reduce the number of uninsured. During the past decade we have identified a number of steps that could be taken to improve access to health insurance. We urge the Committee to consider ways to achieve the
long-term goal of assuring that all Americans can obtain affordable, accessible health insurance coverage.

The following proposals should be considered as part of a comprehensive, sequential plan of action that will lead to coverage for all Americans:

- Enact refundable tax credits to expand coverage for lower-income Americans;
- Expand Medicaid to cover all individuals at or below 100% of the poverty level;
- Increase funding for outreach to encourage eligible children and families to enroll in Medicaid and the CHIP (Child Health Insurance Program);
- Provide subsidies for those individuals who are eligible for COBRA coverage but cannot afford it;
- Establish a defined timeframe for achieving affordable coverage for all Americans; and
- Include an ongoing plan of evaluation to assure progress.

This multi-faceted approach recognizes that there is not just one way to expand health insurance coverage for all Americans. Expansion of Medicaid and the CHIP program will work well for certain segments of the population. Refundable tax credits will work well for individuals whose income is above poverty but not sufficient to purchase insurance in the marketplace. The College strongly supports the approach taken in S. 2320, the Health Coverage, Access, Relief, and Equity (CARE) Act, to provide refundable tax credits to low-to-moderate-income Americans.

There are several important considerations on how a tax credit should be designed to assure that it is effective in reaching the targeted population of low-to-moderate income Americans. The tax credit should include an advance payment option, which would enable taxpayers to receive monthly payments to offset premium costs, rather than having to wait until their taxes are filed to obtain credits. The credit should be refundable, meaning that individuals who have no federal income tax liability would still be able to qualify for the credit. The credit needs to be high enough to subsidize 90% or more of the costs of purchasing health insurance coverage, since a smaller credit will not be enough to make coverage affordable for many lower-income individuals. ACP-ASIM commends this Committee's chairman for his efforts to bring Republicans and Democrats together in support of legislation to create a refundable and targeted tax credit. We strongly encourage this Committee to increase the amount of the premium covered by the tax credit, however, in order to assure that it will be sufficient to make insurance affordable for those most in need.

Congress should recognize that a tax credit, by itself, would still leave millions of Americans without access to affordable health insurance coverage. Tax credits will be more effective if combined with expansion of Medicaid and CHIP. The College therefore recommends a combined approach of tax credits, program expansions, and increased funding for outreach to make coverage available to all Americans with incomes up to 150% of the federal poverty level. We further recommend that such reforms be included as part of an overall sequential package that will lead to coverage for all Americans by a defined date, rather than being treated as stand-alone incremental measures.
The 107th Congress will have a unique opportunity to finally tackle the issue of lack of health insurance. This Committee is to be praised for taking the initiative now to pave the way for constructive action next year. We urge the Committee to seek to identify the subsequent steps, targeted populations, and financing mechanisms that will result in all Americans having access to affordable coverage.

We are in the midst of an unprecedented economic boom with new jobs being created at a phenomenal rate. Our unemployment rates are lower than they have ever been, and inflation is under control. The federal government is running a surplus and paying down the national debt. The number of uninsured continues to be unacceptably high despite the booming economy. Access to health insurance is a key issue in this year’s presidential and congressional elections. The new Congress and Administration will have an opportunity to make a fresh start in solving this problem.

As a nation we are capable of great things. When we muster our collective will, no enemy or obstacle can withstand our collective might. If we all recognize the health risks associated with the lack of health insurance and if we can all agree that it is a problem that must be solved, we believe that we can achieve health coverage for all in the near future. Concern for the health risks of the uninsured is not an issue for one party or another. The health risks of the uninsured can and must be addressed by all.

Thank you. I'll be glad to respond to any questions you may have.