



State of the Nation's Health Care 2012

Oral Remarks

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Good afternoon...

Thank you for joining us for this report from the American College of Physicians on the state of the nation's health care.

I'm Virginia Hood – President of the College – and I'm pleased to be here today representing 132,000 internal medicine physicians and medical student members. Our members are physician specialists uniquely trained to apply scientific knowledge to care of adults across the spectrum from health to complex illness.

In my home town of Burlington, Vermont, I am a professor of medicine at the University of Vermont College of Medicine and an attending physician and nephrologist at Fletcher Allen Health Care, where I take care of patients, teach and do research. I am also a consulting physician for the Central Vermont Medical Center.

One of my responsibilities as president of ACP is to visit physician colleagues around the country to learn about their experiences. And this is what they tell me:

- While they're encouraged about the progress being made in addressing some of the challenges to providing affordable, available, and quality care to most Americans, they are sobered by the obstacles that remain.
- They are greatly concerned about uneven health care access, uneven quality, unsustainable health care cost increases, and a growing shortage of physicians, including internal medicine specialists and some subspecialists.
- But overall, they are extremely frustrated by what can only be described as a broken political culture that stands as perhaps the biggest barrier to achieving bipartisan, common-sense solutions to improve health care for the American people.

Today, ACP releases a report on the state of the nation's health care in 2012 that supports our members' concerns.

It is a story of progress AND continuing challenges.

Examples from today's report include some good news and some bad news:

- Although annual health care cost increases have slowed dramatically, some of this may be due to Americans forgoing needed care.
- Also, spending on health care has reached an all-time high. It is projected to continue to grow faster than the economy, consuming a larger share as measured by percentage of GDP. Increased federal spending associated with an aging population and rising costs of health care continue to pose the greatest challenge to the fiscal health of the United States.
- Yes... Health status has improved for many Americans, but even as the Affordable Care Act has begun to reduce barriers to having insurance, more than 46 million persons still lack it. It is a sobering reality that those without health care insurance live sicker and die younger.
- Primary care physicians are critical for coordination of patient care. There has been a sizeable increase in primary care physicians and other health professionals who provide primary care who benefit from scholarships and loan forgiveness under the National Health Service Corps. This program has provided improved access to care for millions of persons in underserved communities. Yet despite this progress, the United States is still facing a projected shortage of more than 40,000 primary care physicians and those in other critical fields.

While we are pleased to report that there is progress being made to improve access, reduce costs, and address physician shortages, recent and proposed cuts in federal funding for many critical health programs threaten to turn back the clock. This will endanger the health of millions of persons and threaten access to care for the most vulnerable Americans.

We are also well aware that the United States needs to reduce spending on ineffective and low priority programs, but bad budget choices that underfund critical programs will result in less effective and more costly health care.

Today, we are calling on Congress to replace the 1.2 trillion dollar across-the-board budget cuts mandated by sequestration with an alternative framework, one which will achieve fiscally and socially responsible policies to attain health care savings while preserving funding for critical programs.

Unlike sequestration, which cuts highly effective and critical programs by the same amount as ineffective and lower priority programs, ACP's alternative framework addresses the key cost drivers in health care. Politicians often focus on spending cuts, not the critical need for cost reduction.

ACP proposes reforms to reduce costs, including eliminating the cycle of Medicare payment cuts caused by the Sustainable Growth Rate (SGR) formula.

We are proposing to transition to better models for paying physicians, to reduce the costs of defensive medicine, to promote high-value and cost-conscious care, to make structural improvements in Medicare and Medicaid, and to reform federal tax policies to encourage individuals to consider cost in their selection of health insurance.

Unfortunately, our broken politics are making it harder to achieve a national consensus on such necessary reforms. Instead of seeking bipartisan solutions, American politics today are characterized by deep ideological polarization, cynical and deceptive attacks on the ideas of others, an aversion to compromise, and a failure of politicians to level with the public about the choices that must be made.

As we enter a 2012 election that may determine the direction of health care for decades to come, ACP calls on the candidates to rise above the fray and provide clear answers on how they would improve American health care, not use vague rhetoric about the value of the status quo or the past.

Today's report includes a checklist of questions that we believe the candidates should answer. Answers would help voters discern how candidates from both parties propose to address the challenges of unsustainable cost increases and uneven quality and access.

Now, Bob Doherty, ACP's senior vice president of governmental affairs and public policy, will tell you more about our checklist of questions for the candidates and our ideas to achieve health care savings in a fiscally and socially responsible way.

After Bob's comments, we'll both be open to Q&A from you. Bob...