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BAUCUS EYES BIPARTISAN CONSENSUS FOR HEALTH CARE REFORM AS FINANCE PANEL BEGINS REVIEW OF OPTIONS FOR 2009

<u>Former Health and Human Services Secretaries Shalala, Thompson offer ideas</u> on comprehensive reform, universal coverage

Washington, *DC* – Senate Finance Committee Chairman Max Baucus (D-Mont.) today solicited ideas from former Secretaries of Health and Human Services Donna Shalala and Tommy Thompson as the Finance panel launched a series of hearings exploring opportunities for reforming American health care. Baucus and other Finance members questioned Shalala and Thompson on steps the Committee should take to help achieve comprehensive reform as early as 2009. At the hearing, Baucus stressed the importance of working together to achieve universal coverage.

"Today we have to seize this new opportunity for health care reform," said Baucus. "Clearly we have to have bipartisanship, we have to do something that is more than incremental, and we have to have universal coverage. We have an opportunity to agree on how to provide access to affordable, high-quality health care for all Americans."

Both former secretaries agreed that bipartisanship and reducing costs would be keys to successful reform. Shalala, now the President of the University of Miami, emphasized the importance of developing a plan that all Americans can understand and can agree to support. Shalala explained that while there is general consensus regarding problems in the health care system, having both agreement on the problem and consensus about the solution is the giant step needed to successfully implementing reform.

"We've got to be in this together," said Shalala. "We've got to have the basic information in health care. There ought to be a limited number of elements and everybody's got to be covered."

Thompson stressed initiatives to reduce costs, such as increased focus on wellness and prevention, education about the importance of nutrition and fitness, improved long-term care of chronic illnesses, encouraging people to participate in smoking cessation programs, and reducing costs in Medicare. He also encouraged the committee to implement e-prescribing and electronic health care records.

"Right now, we have a disease system, we don't have a wellness system," said Thompson. "We have to change it, we have to transform it, and it's going to take the leadership of the Senate Finance Committee, the Senate and the House. Health care has got to be reformed."

Watch the webcast of today's hearing on the Finance Committee website at http://www.finance.senate.gov/sitepages/hearings.htm.

Discussion at today's hearing touched on Medicare, what role the tax code could play in broad health care reform, and health care safety net programs. Senators raised questions about whether reform could be successful if it modified the current employer-based system, or if successful reform required a new system. Baucus, in particular, questioned what would be required to achieve universal coverage in a new system and what role a mandate would play in that process. The leaders asked the former Secretaries about the challenges posed by the current system for the government to reimburse doctors providing care through public programs, including a severe shortage of primary care physicians, and a lack of nurse educators. The Senators and the Secretaries agreed that high costs within the system and low reimbursement rates to primary care doctors were main causes of that crisis.

Senators also stressed the importance of methods to reduce health care costs including paying more for quality health care, greater transparency about health care costs and the shares insurance companies and individuals pay, and increased use of new technology.

Baucus expects to announce the second hearing in the Finance panel's health reform series in the coming days, as well as a bipartisan Health Reform Summit slated for next month.

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