

**Conference: 10th Annual Grassroots
Conference: Health Action 2005
Luncheon: Expanding Health Coverage to
America's Children – John Kerry
January 27, 2005**

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

[START RECORDING]

RON: Once again, let me express my thanks for your ovation for me [laughter]. Before we start the program, there are two folks I want to just point out for you. AS many of you know, we almost had a hotel strike about ten days ago, and thankfully, Local 25 of the Hotel and Restaurant Employees Union won a contract ten days ago, and they're the ones that are serving us [cheers and applause]. As always, we thank you for your wonderful service, and we're so happy that your health coverage benefits were protected and so were your other benefits [cheers and applause]!

I want to introduce a person who I talked about as start of stage, screen and television. How many of you had a chance to see the film Families USA put together about the new Medicare legislation that was narrated by Walter Cronkite? Well, the star of that film is here, and I wanted her to take a bow, because those of you who had a chance to show it at your senior centers and retirement communities, Mildred Fooling truly was the star [applause]. People like to say that Walter Cronkite has a lot of credibility. We like to say that Mildred's got the credibility. So, delighted that you're here with us, Mildred.

When we started the Health Action 2005 Conference this morning, I said that the theme of this conference is "Don't

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

Agonize, Organize!" No one embodies that theme better than our distinguished luncheon speaker this afternoon, Senator John Kerry [applause]. On November 2nd, Senator Kerry received more than 57 million votes from Americans across the country, more than the votes that Jimmy Carter won when he was elected in 1976, more than the votes that Ronald Reagan won in either 1980 or 1984, more than the votes of George Bush, the current President's father won in 1988, more than the votes that Bill Clinton received both in 1992 and in 1996, and more than the votes received by George W. Bush in the year 2000. And yet, in the election last year, Senator Kerry won the Silver Medal, not the Gold. And when the election results were in, Senator Kerry, with great dignity, did not dwell on what could have been, but rather he focused on what we all must do in the future together. The speech Senator Kerry will give today, unveiling his new bill to secure health coverage for all of America's children exemplifies his forward looking, thinking, and attitude. And it also exemplifies his deep commitment to securing high quality, affordable coverage in our nation. I had the—Go ahead, applaud [applause]—I had the deep honor to witness the Senator's commitment to improving our nation's healthcare system up close. Over two years ago the Senator brought together some obscure academic institutions around Cambridge as well as some folks from Washington to help him as

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

we was developing his healthcare proposals for America. The Senator actively engaged us in a spirited and thoughtful discussion for over five hours, and subsequent meetings followed. And then the Senator put together a very comprehensive and very creative proposal, including an extraordinarily innovative way to help small businesses provide coverage at an affordable price. The Senator will unveil that proposal sometime later in the year. Today, the Senator builds on his commitment to affordable high quality coverage and we are truly honored and delighted that Senator Kerry has chosen to speak at Health Action 2005 to describe his plan for expanded health coverage to America's children. Please welcome Senator John Kerry [applause and cheers].

SENATOR JOHN KERRY: Thank you. Thank you. Thank you. Thank you very much. Thank you. Thank you, very, very much. Thank you, Ron, for a more than generous introduction. As you were rolling through those "more votes than. . .more votes than. . .more votes than. . ." [laughter], I was just waiting for you to announce that somewhere in Ohio you found more votes [laughter and applause]. I am really, really pleased to be here with all of you. I must say, I did have to travel a few more blocks than I had hoped to get here [laughter]. But what a wonderful audience and what a wonderful welcome. I want you

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

all to know that according to the exit polls, there are 2 million people here in this room right now [laughter].

It is a great pleasure for me to be here, and I want to thank Ron—I want to thank you all for what you do. I particularly want you to join me in thanking an old friend of mine from Massachusetts who, together with his wife Kate has helped us all be here today. He's had a long-time commitment to these efforts, and to justice in our country, and I'm talking, of course about Phil Villers, and we say thank you—and Kate! Thank you [applause]. And Mildred, congratulations on your rise to stardom! And we appreciate the cause in which we rose.

Thank you, all of you, for your long-standing willingness to stand up and fight the things that are right and that really make a difference to the quality of life in our country. Thank you for fighting for the values of working families across America.

Over the course of the last two years I experienced the special privilege, the remarkable privilege, the eye-opening privilege of criss-crossing this great nation of ours and of meeting ever single day with people who love their communities, who love our country, and who particularly, who are trying to build a better life for their children. What I saw and what they told me was both moving and motivating.

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

I'll never forget a single mother who told me what it's like to wake up in the middle of the night, or stay up some nights, worrying about her ability to pay for a child's healthcare, which she doesn't have, and take an entire month or two months' or more of salary to be able to do it. Moms and dads who save and save to be able to send their kids to college, and then they never quite make it, because their moms and dads don't get enough through Medicare, or run into some kind of crisis that isn't covered, and so the college fund is depleted.

In Erie, Pennsylvania, another man named Albert Barker—he wonders how he's going to pay for thousands of dollars of medical bills. He suffered a heart attack and he underwent surgery, and his employer then stopped his coverage—as we all know, just because it was too expensive—decided not to cover it at the time when he most needed it. It was too expensive, and his wife, as a result says, she just prays that nothing is going to happen. The message to all of us is clear: In the United States of America, we shouldn't have to rely on a faith-based initiative; we should rely on real healthcare [applause]!

In Castle Bluff, Iowa, I met a remarkable woman named Marilyn Woulk [misspelled?]. She's 82 years old and she still goes down and volunteers at the school, helps the children of the future to be able to learn. But she's struggling, and

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

doesn't have enough money in her Social Security check to be able to pay for her monthly prescription drugs that she needs. Her only source of income is Social Security, and every month she's worried about her ability to be able to take care of her drugstore bill.

In Jacksonville, Florida, I met a woman by the name of Renee Harris, who for years—I think about 50 years—her family owned a bus company. She finally had to sell the bus company because the costs of health insurance for her and her employees were so prohibitive that she just didn't know how to make ends meet, and she sells the company. That's wrong! And in this country, we know we can do better!

In Canonsburg, Pennsylvania, I was at a porch meeting with families. This woman stood up and pointed to her two daughters down the line and said, "See those two girls there? Those two wonderful teenagers?" She said, "I'm tired of having to say no to them all the time. We say no to them everyday because of the balancing act of the costs, where the salaries of the average American have gone down, while the costs of almost everything, particularly healthcare have gone up. I met people, like Laurie Shelton, the mother who told me that she's tired of saying no. I've met them all over this country, and every single one of you seated at the tables here who work in these efforts, you know these folks. They're your neighbors.

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

For some of you, they're your families. They may be you. They are our fellow Americans, and all across this country, people are struggling with something as fundamental as healthcare. That was a principle issue, and you know that I saw those people all through the campaign and talked about it. That issue did not disappear on November 2nd [applause]. It is as important today as it was then. The issue is as compelling today as it has ever been, even more compelling, because it grows in its importance as more and more people lose their health insurance. And the mission is clear: We need to make something happen about healthcare in America, and we need to make it happen now, this year, not next year, now [applause]!

So today I want you to stand up again, as you did over the course of these last months. I want you to become part of this fight. This is, after all, the democracy that is supposed to set the example for the rest of the world. This is the democracy, that we are spending several hundred billion dollars to export to one other nation, and other nations across the planet, and we need to put a few of our own dollars into our own effort to make it work right here at home, now [applause]. Simply put, America can no longer afford to ignore, not just 45 million Americans who don't have health insurance—and that's something, as Ron said, I will talk about later. But let's begin in a beginning place where hopefully we could all agree:

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

That is, the children of America who are not covered by health insurance. On Monday I introduced the Kids First Act of 2005, and it will cover every single one of the 11 million uninsured children in America, putting the force of law behind the commitment that so many Democrats and Republicans have supported in principle over the years, a commitment that this Congress and this Administration have failed to redeem for far too long. Just think about it: Nearly 7 million of those 11 million children are actually already eligible for coverage under the federal and state Medicaid and S-CHIP programs. But guess what? They're not getting the fulfillment and delivery of that promise that has already been made. And that's wrong! So we break a fundamental promise to these children again and again each and every day just by embracing the status quo. The cost of our broken promises, and the burden that we place on families, on businesses, on communities, and on the states is rising every single day. You know the numbers: Healthcare premiums up 65 percent; drug copays are up 50 percent; deductibles are up, any number of programs, different amounts, but they're all up; benefits in many cases are down; healthcare average premiums across America are up \$3500 over the last few years. No one's salary—excuse me—most American salaries did not rise by that amount. And the ranks of the uninsured went up by 5 million people, now mounting to the 45 million that we

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

see. And everybody understands that as that goes up, more and more people uninsured, that we have a less and less efficient delivery system, more and more people in extremis coming to the hospital, higher and higher cost of care when we take care of them, and the system revolves into this plummeting, spiral downwards. The ranks of the uninsured are growing, and healthcare is out of reach for the average Americans. And those who get it struggle often through a kind of whether-or-not-you're-really-covered set of debates, or whether-or-not-you're-really-going-to-get-paid-to-dates, and struggle with the coverage that they have.

I fought these last two years, as Ron said in his introduction, for a comprehensive plan. It expanded coverage and it lowered premiums. It brought 27 million Americans into the system. But that is not what I am here to talk about today, because the Washington that we confront today is unwilling, simply unwilling to tackle comprehensive reform. But we can begin, I'm convinced, where the cost of immediate action is low and where the cost of continued inaction is so very high, and that is with the children of America.

Today, the President of the United States is in Ohio, and he is addressing this issue of healthcare in Ohio. But his effort, I regret to say to you, is the same window dressing, the same avoidance of reality that we've seen throughout the

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

last four years. Unfortunately, the White House plans for healthcare will actually make healthcare delivery in America worse. The White House will let insurance rates get higher, not lower. It will abandon still more families and kids to fend for themselves. It will force still more people out of cheap preventative programs and into higher cost, more expensive intensive delivery systems. And the rest of us will be footing the bill. And it will decisively repudiate the national responsibility to promote quality affordable healthcare at a time where healthcare is unmistakably a national challenge.

So, pare back, take away all the rhetoric, and the White House plan is this: Let's not import less expensive drugs. Let's not negotiate better drug prices here in America. Let's ignore the 45 million Americans who have no health insurance at all. Let's forget about patients' rights. Let's weaken coverage. Let's raise premiums with a phony small business health plan and let's pretend that the answer for families struggling to afford insurance is just another tax cut, mostly for the wealthy, that leaves the average American behind. And while we're at it, let's dump the responsibility for dumping low-income families and their kids on the states, who can't afford it, and let them take the heat for dumping people altogether. My friends, we are going to reject that

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

kind of approach to healthcare in our country [applause and
cheers]!

That's how the President, who promised to usher in a
responsibility era—I'm quoting it—a responsibility era proposes
to deal with the real and present healthcare crisis of our
nation, even as he seeks to hype a phony crisis in Social
Security [applause]. You know what it sounds like to me? A
cradle-to-grave irresponsibility plan [laughter]. My Kids
First proposal is meant to serve as the first reasonable,
practical, achievable step towards bringing people into the
healthcare system in a way that will reduce costs and improve
care, and most importantly, improve the quality of life for
America's children and families. And when it comes to giving
kids healthcare coverage it's a promise that we not only can
afford to keep it's one we really can't afford to break.
Covering all kids will reduce avoidable hospitalizations by 22
percent. If you put aside the unnecessary pain and tragedy
that we cause when we let illnesses develop and grow—and
there's no way to quantify it, but put that aside—covering kids
means replacing expensive critical care with inexpensive
preventative care. And in many of the cases, for some
children, it means avoiding a learning disability for a
lifetime. And the long term cost savings, not only in
healthcare but in education, in job training, in stress in our

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

families are incalculable. We do know that children who are enrolled in public health insurance programs achieve a 68 percent improvement in the measurements in their school performance. That's stunning. If no child is left behind in the doctors' waiting rooms, my friends, we have a much better chance of leaving no child behind in the schools of America [applause].

Now, while our proposal most definitely establishes a national responsibility for children's healthcare, it does something else that's important. It also builds a strong relationship with the states. And the states, as we know, are already struggling under the burden. We're not talking about expanding children's care in this administration, we're talking—*they're* talking about cutting Medicaid. And the states are feeling this extraordinary burden. The governors all across the country are looking for a way out. Well, this is the way out, and it's also the way in for the children of America and for our families. It builds a strong partnership with the states, and they're the ones who are actually responsible, as you know, for administrating the day-to-day issues of healthcare in this country. And it also builds a partnership with parents who are fundamentally responsible for their children. Instead of dumping the problem on cash strapped states with a severance check and best wishes for success, my

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

proposal offers states a new bargain, a very simple bargain, the National government will give the states significant immediate fiscal relief in exchange for a state commitment to cover all of its kids, but not only to cover all of its kids, but to make sure that they aggressively guarantee that those kids get what they are eligible for. That means cutting the red tape that currently stands in the way of enrollments for a lot of kids. It means doing away with the bureaucratic obstacles that are responsible for about two thirds of the gap between the kids who, today, are eligible for coverage, but don't get it.

And do you know why the state will decide to do this and think it's a great idea? Because it is a net plus in dollars reimbursed to the states of our country. This makes sense; it's common sense. So we propose a new bargain, not just with the states, but also with parents. We're going to make it possible for the parents to use some of the money that we put available, and set it aside for children's healthcare, so that they can actually go out and buy employer sponsored coverage if it's available, and they can use this in order to do that. So it's not, necessarily, just a state program. We also will allow parents who don't normally qualify for public programs to be able to buy coverage for their kids at cost, so there will be available affordable coverage for those parents

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

who fall in between who don't buy it and they will be able to buy it at that affordable cost. So their side of the bargain is that they've got to take advantage of these tools in order to get their kids covered. And the way we encourage that is, make certain that if they don't exercise this basic fundamental parental responsibility, they're not going to be able to claim the child tax credit on their federal tax returns. I don't think that's asking too much, ladies and gentlemen; we ask people with a driver's license to go out and get their car insured, we ought to ask parents of America, who can afford it, to get their kids insured with healthcare [applause]. And that's what we're going to do [continued applause].

There's one other basic responsibility that we accept in proposing this initiative, and that's the responsibility of showing how we're going to pay for it. And even though we know that there is a long term pay off in the reduction of those hospitalizations, the 22 percent, in the kids that got the preventative care, and therefore don't have the learning disability. And you can pay for this, and you can quantify that over time, but we're not going to wait for that. We're going to do what is responsible, which has not been done here in this city, and we're going to show exactly how we're going to pay for it now. In a proposal called "Kids First" I will not add to the debt of this nation, which is now being piled on

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

kids [applause]. Their proposal, the Administration's version of this initiative is "Kids Pay First". My proposal will finance the coverage entirely by asking something back from the least needy beneficiaries of Washington's big borrowing spree: individuals who earn well over \$300,000 per year [applause]. And we're not going to do with anything new. We're just going to ask people to show the responsibility of going back to something old that worked. We're going to roll back a small portion of that tax cut that was put in place for the most fortunate citizens who did fabulously during the 1990's, and we're not even going to get close to the levels that they were paying in the 1990's. In other words, you can take care of all of the children in America and not even go back to the same level of taxation we were in the 1990's. I believe that is a choice worth making, it's a choice worth fighting for, and if you want to put values in front of this country that is a value that I think is worth standing up for [applause].

Like all Americans the wealthiest among us would benefit greatly from covering all kids. Through less taxpayer financed uncompensated care pools, fewer state and local tax increases in the short run, and though stronger families and communities that ultimately benefit the country as a whole, and a better educated and trained workforce in America. That is the value of shared responsibility, and that is, I think, a

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

test of who really believes in a United States of America
[applause].

Let me just say a quick word about this also. In a city where politicians like to use the word values, insuring kids is really a test of who just talks about family values and who actually values families. And I think that in the Book of James, and I said this a few times in the campaign—maybe I should have said it more—but in the Book of James we are taught that, "It is not enough, my brother, to say that you have faith if there are no works; faith without works is dead." And for me that means having and holding to a vision of our society, of the common bond where individual rights and freedoms are connected to our responsibility each to each other. It means understanding that the authentic role of leadership is to advance the good that can come to all of us when we work together as a united community. It means healthcare for every child in America, and if anyone wants to have a debate in Washington about those values let's have at it. That's worth having [applause].

So my message to you, all of you here, as you go out of here this afternoon and tomorrow when you leave, is to take back to your communities a reality check about what we can and can't achieve. Ron talked about the forces we have leashed in the course of that campaign: more volunteers, more young

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

people, more money raised, more effort and energy combined. Some people like to talk about the mandates, but I say to you I think the mandate is children. I think the mandate is to address the needs of this country everybody understands are waiting for leadership. So here's my message to you as you go out of here with this concept and in the days ahead: We long since have needed to keep our promise to the kids of America. It is unconscionable that children are so easily buffeted by the vagaries of our politics. To achieve this we don't need to expand government; we can actually make it smaller. We don't need new bureaucracy, we can have less. We don't need to have Washington do more than it can or should, we simply need a Washington that's willing to be a partner and to work with states and parents in common sense and in common bond. What we offer here are new opportunities as bold and as innovative as the latest medical breakthroughs themselves. And what we call upon are the mutual obligations as old, as unchanging as the Scriptures themselves. The best way to create a genuine responsibility era in America, a genuine commitment to families and to the values that they reflect is to begin with those to whom we owe the greatest responsibility, those whom we most value, those who most depend on us for the wisdom of our judgment and the commitment of our values. Those values, in my judgment, begin not with talk, but they begin by doing

¹ kaisernetwork.org makes every effort to ensure the accuracy of written transcripts, but due to the nature of transcribing recorded material and the deadlines involved, they may contain errors or incomplete content. We apologize for any inaccuracies.

something, and what we can do is guarantee that kids are put first, and kids have the healthcare they deserve. Thank you, and God bless you all [applause]. Thank you [continued applause and cheers].

RON: I'm just going to say a word of thanks here [continued applause]. Senator, you've just taught us a lesson that I think you yourself learned--no insult to anyone from Philadelphia--from the New England Patriots. Namely, if you want to win you've got to play some good offense as well as defense, and we all intend to do so. Thank you so much [applause]. For those of you who are interested in the Senator's bill, when we get back from the conference early next week we will place on our website the details about his proposal so that you can share it with your colleagues across the country. So, I hope that you enjoy the rest of the lunch. Afterwards we are going to have a plenary in the same place we had our session early this morning.

[END RECORDING]