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**Viewpoints: The Healthcare Debate
American Medical Association President Nancy Nielsen
Kaiser Family Foundation
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JACKIE JUDD: Dr. Nielsen, thank you for joining us on Health08.org today.

NANCY NIELSEN: My pleasure Jackie.

JACKIE JUDD: The AMA has a very broad, very vicious advocacy agenda, but if you had to say, what would you describe as the single most pressing issue in the health care system today?

NANCY NIELSEN: The AMA is absolutely committed to making sure that the 47 million Americans who have no health insurance get access to that health insurance. We know that people who do not have health insurance live sicker and they die sooner. They delay preventive care, they delay treatment because of concerns about being able to afford it and this is a tragedy. It is not just a statistic. It is 1 in 7 of us and the AMA is committed to making sure that that changes.

JACKIE JUDD: Are you a practicing physician yourself?

NANCY NIELSEN: I am.

JACKIE JUDD: And how do you see the problems of the uninsured play itself out in your practice or the practice of your colleagues in upstate New York?

NANCY NIELSEN: It is just a real problem. Remember that people who come to a doctor in the office are often the people with insurance. Those who do not have insurance do not even go there because of concerns about cost. So, the problem

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is we end up seeing them but we see them late. We see them in the emergency room, we see them when their condition has worsened to the point where either it is unable to be helped or it takes much more expensive therapies or hospitalization to solve it.

So, we see it all the time and we still see people dying of preventable conditions like cancer of the cervix because a woman did not have a pap smear in time. It just does not make sense and frankly, we need to switch that. We need to make sure we cover all Americans.

JACKIE JUDD: And what is the AMA's prescription for getting those uninsured coverage and access?

NANCY NIELSEN: We have a plan that we have worked on and refined over a decade. And it is now gaining traction both with economists and frankly with all the presidential candidates because when you look at their platforms, there are elements in each of them that have some of the AMA's plan.

Basically, it has three elements. First, that individuals can choose and own their own health insurance. Second, that low income Americans are given the means to purchase their own health insurance. And finally, reform of the health care market so that people with preexisting conditions can get insurance and that insurance is more affordable for all.

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JACKIE JUDD: Let us go into detail on each point. Let us go back to the first one, making insurance coverage portable. How does that work in your plan?

NANCY NIELSEN: What we think is there needs to be a change in the tax system so that an individual who purchases insurance on the individual market is not disadvantaged compared to those who purchase insurance through their employer. [Interposing] -tax breaks, exactly.

Right now, of course, someone purchasing insurance on the individual market gets, first of all, cannot afford it, it is very, very expensive. They are not in a risk pool. And frankly, they get no tax benefit from doing it. Whereas the tax benefits are all for those who are employed. And there is a complex way of doing that, but that is in essence equalizing it so that those who are purchasing it individually are not disadvantaged.

JACKIE JUDD: So, people who currently have insurance through their employer, under that piece of your plan, it would not change for them. People on the individual market would begin to get the same kinds of tax breaks that those others do?

NANCY NIELSEN: There are several ways it could work. But for example, an individual attempting to purchase on the individual market would get some tax credit as would a low income individual be given a tax credit. Now, if a person is really low income the tax credit will not be enough. They have

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to have cash. The cash could be in the form of a voucher, could be used only to purchase health insurance. But what that would do, is give even a low income individual and any individual the ability to make choices.

The reason that choice is so important is right now, first of all, only 60-percent of employers even offer health insurance. And of those employers who offer it, 88-percent offer only one option. That is not called choice. So we think that an individual could make better choices that would fit the needs of themselves and their families and the financing could be done through the employer, much as it is at the present time, but the choice and the ownership of the health plan would remain with the individual. That is a big change.

JACKIE JUDD: Just to clarify one thing. You are suggesting the people who are employed; get their insurance through their employer—

NANCY NIELSEN: They could.

JACKIE JUDD: —Could opt out of what the employer offers in order to get a larger ray of choices?

NANCY NIELSEN: Those are details that can be worked out. But, the point is, right now if you leave your employment of course you lose your health insurance. That is a problem. We think that individuals can make better choices to meet their needs of themselves and their families. And an individual with a young healthy family may choose a policy that addresses

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certain things like are my kids going to get the immunizations?
Am I going to have access to a doctor when my child gets sick?

Whereas an individual with a complicated illness may make a different kind of choice with an insurance plan that offers more choices, more access to higher cost drugs etcetera. Again, Americans are very good in every other aspects of their lives of making choices based on value. So this really gets back to, what is the value that we are getting for the money that we are spending as a country?

JACKIE JUDD: And with that part of the plan, how many people would the AMA expect to become covered who are not now?

NANCY NIELSEN: Well it depends. And it really depends on whether or not one imposes a mandate. That is going to be the issue. That is a political question that needs to be debated.

JACKIE JUDD: And the AMA does not take that on in its plan, correct?

NANCY NIELSEN: We do not at the present time because health insurance is so affordable. We are not imposing [interposing].

JACKIE JUDD: Because health insurance is so unaffordable.

NANCY NIELSEN: Unaffordable, sorry.

JACKIE JUDD: I thought you said affordable.

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NANCY NIELSEN: I did, I misspoke. Because health insurance, at least for individuals on the individual market is so unaffordable, we do not make that mandate effective for those at the lower income levels.

JACKIE JUDD: And then the third piece of the plan is fair rules of the game that include protections for high risk patients and greater individual responsibility.

NANCY NIELSEN: Absolutely.

JACKIE JUDD: What is that about?

NANCY NIELSEN: Well, first of all, as you undoubtedly know, an individual attempting to purchase health insurance on the individual market who has a preexisting condition like breast cancer, it is not a matter of not being able to afford health insurance, it is a matter of being able to get it at all, at any cost.

There has to be some protection because while individuals have to take responsibility for their own health and we all need to do that. We need to address, as a nation, the issues of smoking, of risky choices, of what we eat, do we exercise, those are things that we have to take responsibility for and have to have more of a conversation about.

But, having said that, there are many health conditions that personal responsibility is not the issue, it is an accident. It is an accident that someone develops cancer. It is not always due to smoking. So we cannot penalize people

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who, through no fault of their own, have a bad condition that has made them essentially uninsurable at the present time.

JACKIE JUDD: One of the things that strikes me in our conversation and also in the reform proposal is that the AMA is not as specific as some other organizations are when they roll out their health reform plan. You clearly signal that there is room for negotiation, there is room for debate. There is room for different ideas to be brought to the table unlike some other organizations and I am wondering why the AMA chose that strategically.

NANCY NIELSEN: Well we certainly have ideas about how to get through implementation. On the other hand, it is really important that this not be a political issue. We have to put politics aside and patients first. This has got to be a bipartisan solution. So let us have the debate but let us get to an answer because to date, with all of the entrenched interest we have had a worsening problem of the uninsured. Costs for health insurance are going up and up and up. Administrative costs are excessive and that needs to be addressed as well.

So, at this point, we want all Americans to vote with the issue of the uninsured in mind. To that end, we have a large campaign called Voice For The Uninsured and viewers can see that if they go to voicefortheuninsured.com. We are asking all voters to demand of candidates, not just presidential

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candidates, but congressional candidates, state candidates, what is your plan for the uninsured? If you do not like the AMA plan, what is yours? Let us have the debate. Let us have the negotiation. But, it is just too important for us to not solve this. So our Voice for the Uninsured campaign is seeking, by 2009, legislative remedies to allow states to experiment with solutions that will fit the needs of that state.

JACKIE JUDD: Well, you have raised an interesting point there. Does the AMA view the states rather than the federal government as the place where real change, reform, whatever words you want to use, will take place, can take place?

NANCY NIELSEN: We are already seeing that. Everyone is watching Massachusetts obviously.

JACKIE JUDD: -Vermont, Maine.

NANCY NIELSEN: Vermont, Maine, we also were watching California where it was not implemented as you know. We think that the states are the proper learning laboratories. Because once we adopt a federal solution, if it is the wrong solution, that is not a good idea. We certainly want to know the appropriate American way to go that will solve the needs of all our people, those who now have health insurance benefits and those who are unable to afford it.

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JACKIE JUDD: My final question, give me a really hard nosed assessment of whether you think at the national level, there will be number one, a serious debate, and number two, changes made to the system in the coming years.

NANCY NIELSEN: There is already a serious debate, there is no question. Where this will run into propellers is on the issue of how to finance it. It is not an issue of people being unconcerned about the uninsured but the problem has worsened. And the problem has affected most families.

When I talk to audiences about this problem, I ask them, how many of you, in your family or someone in your block that you know, has for some time been uninsured, 75 to 80-percent of the hands go up. So this is not an issue of people who are chronically unemployed. This is all of us. And it a down-turning economy and people worried about losing their jobs, it is a bigger issue. So, the debate is already there. What we have to do is force politicians to get serious and in a bipartisan way with all of the interests being concerned, considered, but putting patients first.

We must get to a solution and we are really demanding that by 2009. We are committed to it; it brings us right back to where we started. We think every American deserves a physician they can trust that they can rely on to get the health care they need when they need it.

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JACKIE JUDD: If the AMA got what it wants, how would it change the economics of being a doctor? Not the practice but the economics of it.

NANCY NIELSEN: Well, it is interesting. I guess from a very selfish standpoint, one could say well, some of the things that we are doing for patients who have no insurance that we are doing for free we might get paid for. But that is really not the issue. The issue is would a patient come to see me earlier in their disorder, would they come to see me for the preventive care that they need? That is the goal, to make sure that people get the care that they need when they need it. We think that that will make a difference in the economics of health care.

We think that doctors will be able to see any patient who needs their time as opposed to trying to make sure who has insurance, who does not have insurance. And the real problem is not a patient who comes in who does not have insurance but a patient who fails to come in because they are worried about going bankrupt.

JACKIE JUDD: Dr. Nancy Nielsen, thank you for joining us today.

NANCY NIELSEN: Thank you Jackie.

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