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UNPRECEDENTED ALLIANCE OF HEALTH CARE LEADERS ANNOUNCES HISTORIC AGREEMENT TO HELP REDUCE THE NUMBERS OF AMERICA'S UNINSURED

Proposal includes balanced approach to expand health care coverage, starting with children

Diverse organizations that have often opposed each other on federal health policies forge consensus, vow to work together for immediate congressional action

Washington, D.C. – Most of the nation's largest health care organizations today announced that they have agreed on a proposal that would significantly expand health coverage for America's almost 47 million uninsured, starting immediately with expanded coverage for children in 2007. Calling itself the Health Coverage Coalition for the Uninsured (HCCU), the group is made up of 16 influential, national organizations that have played leading roles in every federal health policy debate of the last 30 years, often on opposing sides. Despite their divergent political and ideological views, the groups today committed to immediately and jointly press lawmakers to act on their historic, two-phased consensus proposal.

The agreement includes a balance of private and public initiatives and is the culmination of lengthy meetings among the groups over approximately two years. It allows the new Congress to begin its work on health coverage from a proposal that already has the agreement of diverse advocates.

"This historic agreement transcends traditional political and ideological boundaries to break the gridlock about expanded health coverage for the uninsured," said Ron Pollack, executive director, Families USA. "Our unprecedented agreement and coalition should serve as a model for Congress and the President to see that health coverage is expanded to as many people as possible as quickly as possible – starting with America's children this year."

HCCU participating organizations include AARP, American Academy of Family Physicians, American Hospital Association, American Medical Association, American Public Health Association, America's Health Insurance Plans, Blue Cross and Blue Shield Association, Catholic Health Association, Families USA, Federation of American Hospitals, Healthcare Leadership Council, Johnson & Johnson, Kaiser Permanente, Pfizer Inc., United Health Foundation and U.S. Chamber of Commerce.

"Reaching consensus is a long and sometimes difficult process, but every participating group put the interests of America's uninsured first – even when doing so meant walking away from certain long-held positions," said Scott P. Serota, Blue Cross and Blue Shield Association president and CEO. "With such divergent political ideologies, it is unprecedented for these groups to have a joint agreement. Helping the millions of Americans who do not have health insurance is an issue that needs to transcend politics and partisanship, and that is why we worked together to give Congress a starting point that we can all support."

With Congress scheduled to consider the reauthorization of the State Children's Health Insurance Program (SCHIP) in the coming months, the proposal could have an immediate impact. Its first phase is a "Kids First Initiative" to allow parents to more easily enroll their children in public programs, like SCHIP and Medicaid. It

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calls for a “one-stop shopping” system whereby low-income families could enroll uninsured children in SCHIP or Medicaid at the same time as they apply for other public programs, like reduced-cost lunches or food stamps. The proposal would provide states with the additional funds needed to enroll eligible children. HCCU members believe this could help up to six million uninsured children who are eligible for, but not enrolled in, public insurance programs.

The proposal also calls for a new tax credit to help families cover some of the cost of providing private health insurance for their children. Eligible families could earn up to three times the federal poverty level (about \$60,000 annually for a family of four). The tax credits would be refundable and advanceable.

The HCCU organizations also propose a competitive grant program to enable states to experiment with new, innovative approaches to expand health coverage.

The second phase of the coalition’s proposal focuses on uninsured adults. It would give states the flexibility and funds to expand Medicaid eligibility to cover all adults with incomes below the federal poverty level, millions of whom are currently ineligible for public coverage. For those with higher incomes between 100 and 300 percent of the federal poverty level, a refundable, advanceable tax credit would be established to help individuals cover the costs of private insurance.

Census figures show more than one in seven Americans were uninsured in 2005. Studies show the uninsured are often unable to receive the primary and preventive care that they need. The Institute of Medicine estimates approximately 18,000 people die each year from diseases that would have been treatable or preventable if they had health coverage.

A number of other organizations worked closely with the coalition throughout its deliberation process, including the Heritage Foundation, National Association of Counties, National Conference of State Legislatures, National Governors Association and Project HOPE.

The HCCU Consensus-Building process was organized and conducted as a project of Search for Common Ground-U.S. Consensus Council, in partnership with the Meridian Institute. The organizations fashioned a unique approach for bringing diverse organizations together on public policy issues. The Economic and Social Research Institute and the Lewin Group provided research and analytical support.

Funding for the coalition’s work was provided by the participating organizations, with additional support from the Robert Wood Johnson Foundation, Ascension Health, the Rapoport Foundation, The Colorado Health Foundation and The California Endowment.

The HCCU consensus agreement, as well as additional information about HCCU is available at www.coalitionfortheuninsured.org.

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COMMENTS FROM HCCU ORGANIZATIONS

AARP:

“We must work together to find consensus on a way to expand coverage to as many people as possible in all stages of life. The coalition’s health care proposal released today is an important step that aims to move beyond the trend of eroding health coverage. As we are demonstrating with this coalition and partnerships like DividedWeFail.org, AARP is committed to working with partners, coalitions and political leaders to forge common-sense, centrist solutions to the needs of all Americans for health and long-term financial security.”

– *John Rother, policy director, AARP*

American Academy of Family Physicians:

“America’s family doctors constantly strive to put patients first. That’s why we are an active participant in the Health Coverage Coalition for the Uninsured. The AAFP has long been an advocate for expanding health care coverage. The HCCU proposes a solution that is realistic and achievable. America’s family doctors urge Congress to vote to implement the important health coverage changes we are proposing today.”

– *Rick Kellerman, M.D., president of the American Academy of Family Physicians and a family physician in Wichita, KS*

American Hospital Association:

“The women and men working in America’s hospitals see firsthand the consequences of having no insurance. Too often, people without health insurance depend on the local emergency department as their family doctor. The end result is that uninsured patients live with illness until it becomes much worse, often seriously so. We know that there is a better way and believe today’s agreement marks a significant step toward expanding health coverage to those who have none.”

– *Kevin Lofton, American Hospital Association chairman; president and CEO of the Denver-based Catholic Health Initiatives*

American Medical Association:

“The American Medical Association is committed to expanding health care coverage to the uninsured. As physicians, we see firsthand the devastating consequences of not having health care coverage: uninsured patients live sicker and die younger. It is imperative that all Americans get covered, and by working with this diverse coalition we are taking concrete steps to make it happen.”

– *Jeremy Lazarus, M.D., board member, American Medical Association*

American Public Health Association:

“The growing crisis of the uninsured carries a heavy burden, particularly among the most vulnerable Americans. People who lack health insurance are sicker and die earlier compared with insured individuals. By forging alliances with our partners in this important endeavor, we create an unprecedented opportunity to break the logjam that has prevented decisive action on this vital issue. This affordable and practical plan will move us forward in preventing premature death and disability among uninsured Americans.”

– *Georges C. Benjamin, M.D., executive director, American Public Health Association*

America’s Health Insurance Plans:

“After more than 60 years of debate on how to achieve universal access, this group of diverse stakeholders has come together on a common solution. Now is the time to move forward and make these goals a reality.”

– *Karen Ignagni, president and CEO, America’s Health Insurance Plans*

Blue Cross and Blue Shield Association:

“Reaching consensus is a long and sometimes difficult process, but every participating group put the interests of America’s uninsured first – even when doing so meant walking away from certain long-held positions. With such divergent political ideologies, it is unprecedented for these groups to have a joint agreement. Helping the millions of Americans who do not have health insurance is an issue that needs to transcend politics and partisanship, and that is why we worked together to give Congress a starting point that we can all support.”

– *Scott P. Serota, president and CEO, Blue Cross and Blue Shield Association*

Catholic Health Association:

“The Catholic Health Association has long advocated for those in need, especially the uninsured. Our work with the coalition has been guided by our health ministry's vision to right the injustices of nearly 46 million women, men, and children without health coverage. We hope that the goodwill of two years of deliberations among diverse stakeholders has resulted in a proposal that is the catalyst for change because maintaining the status quo is simply not acceptable.”

– *Sister Carol Keehan, president and CEO, Catholic Health Association*

Families USA:

“This historic agreement transcends traditional political and ideological boundaries to break the gridlock about expanded health coverage for the uninsured. Our unprecedented agreement and coalition should serve as a model for Congress and the President to see that health coverage is expanded to as many people as possible as quickly as possible – starting with America's children this year.”

– *Ron Pollack, executive director, Families USA*

Federation of American Hospitals:

“Forty-six million Americans lacking insurance is a problem for this country, but it is a tragedy for individuals and families who have no coverage. Every day of every week, hospital emergency rooms treat untold scores of patients whose illnesses have become serious and life-threatening simply because they lack coverage and cannot afford primary care. Coverage is the key – we urge policymakers to approve legislation to extend coverage to millions of uninsured Americans.”

– *Chip Kahn, president, Federation of American Hospitals*

Healthcare Leadership Council:

“These 16 diverse organizations are saying with one voice that not only is America's uninsured crisis a solvable challenge, but also that inaction and gridlock are not legitimate options. If our groups can put aside long-standing political and philosophical differences to develop solutions, then so can and should our nation's policymakers.”

– *Mary R. Grealy, president, Healthcare Leadership Council*

Johnson & Johnson:

“As Congress focuses on health this year, our coalition hopes that Members review our proposal in light of the significant current costs to patients and the health care system that result from inadequate health insurance. Each year, for example, more than 18,000 uninsured Americans die from preventable or treatable diseases. Our balanced proposal can dramatically reduce the number of uninsured, enhancing both patient lives and our health care system broadly.”

– *Robert Darretta, vice chairman, Johnson & Johnson*

Kaiser Permanente:

“Working with this diverse group of stakeholders has been a good experience for all of us. In the end, we discovered that we all shared a strong commitment to moving this issue forward at the national level. That commitment paved the way to agreement by helping everyone transcend ideological barriers and find a remarkable degree of consensus on concrete, real-world solutions. We hope our approach, emphasizing the synergy of private and public initiatives, provides a model for quick congressional action that will extend health care coverage to as many people as possible.”

– *Robert Crane, senior vice president for research and policy development, Kaiser Permanente*

Pfizer Inc:

“At Pfizer, we believe that Americans should have access to quality health care coverage, and we are pleased to be part of this unprecedented effort among a broad group of health care leaders. Despite our diverse perspectives about America’s health care system, we’ve come together to put forth a balanced set of health coverage expansion proposals. We are committed to working together to provide uninsured Americans with improved access to affordable and quality health care coverage.”

– *Karen Katen, vice chairman, Pfizer Inc.*

United Health Foundation:

“As the organization that convened this effort, we at United Health Foundation are proud that 16 organizations were able to seek and achieve common ground, in a high-minded and principled way, to advance a strategy to cover as many uninsured people as possible, as quickly as possible. The result is a tangible recommendation that can be immediately implemented. While our efforts are not the final or only solution, the proposal we have forged is a significant achievement that can make meaningful coverage available to millions of adults and children who desperately need more action and less debate.”

– *Reed Tuckson, M.D., senior vice president, United Health Foundation*

U.S. Chamber of Commerce:

“The issue of the uninsured affects every individual in this country and every employer. This diverse group has importantly paired private sector and public sector policy proposals to grapple with this complex problem. It is time to advance this issue and implement a creative solution that will build on the current system and create new avenues for expanding coverage for all Americans.”

– *R. Bruce Josten, executive vice president, U.S. Chamber of Commerce*

Search for Common Ground - U.S. Consensus Council:

“This proposal demonstrates that finding common ground is possible, even on the most complex and difficult national issues. I credit the participants’ statesmanship, their commitment to work together across ideological lines and a good process as keys to the success. This consensus-building process worked and it can work for other important issues facing our nation.”

– *Robert J. Fersh, executive director, Search for Common Ground-USA and U.S. Consensus Council*