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REMARKS BY SENATOR HUBERT H. HUMPHREY

NATIONAL HEALTH SECURITY ACTION COUNCIL

PICK NICOLLET HOTEL  
MINNEAPOLIS, MINNESOTA

APRIL 14, 1973

I WANT TO TAKE THIS OPPORTUNITY TO APPLAUD YOU FOR HAVING  
 PUT TOGETHER THIS WORK SESSION FOR AN IN-DEPTH STUDY OF  
NATIONAL HEALTH INSURANCE LEGISLATION AND THE DEVELOPMENT OF  
STRATEGIES TO PROMOTE CITIZEN CONCERN AND ACTION ON THIS VITAL  
ISSUE.

*Delivery of modern effective  
healthcare*

IT IS ABUNDANTLY CLEAR THAT THERE IS AN URGENT NEED FOR  
THE ENACTMENT OF LEGISLATION TO ASSURE ALL OUR CITIZENS  
IMMEDIATE ACCESS TO QUALITY HEALTH CARE AND AT THE LOWEST  
POSSIBLE COST. THE TIME HAS COME TO ESTABLISH THE RIGHT OF  
ALL AMERICANS TO HEALTH,

TODAY, MORE THAN 30 MILLION AMERICANS ARE NOT EVEN COVERED  
 BY ANY HEALTH PROGRAM OR PRIVATE INSURANCE PLAN. MEANWHILE,  
 OVER THE PAST 20 YEARS THE COST OF MEDICAL CARE HAS SOARED.

*"Sickness insurance"*

Costs - future \$550 per cap 1975  
\$815.2 ... 1980

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IN 1950, PERSONAL HEALTH CARE SPENDING WAS \$12 BILLION.

BUT IN FISCAL 1972, THE TOTAL BILL WAS \$83.4 BILLION.

L IN 1950, THE PROTECTION OF HEALTH CONSUMED ABOUT 4.6 %

PERCENT OF THE GROSS NATIONAL PRODUCT, OR \$78 PER CAPITA.

IN 1971, IT CONSUMED 7.4 PERCENT OF THE GNP, OR \$358, IF

AVERAGED OUT, FOR EVERY MAN, WOMAN, AND CHILD IN THE UNITED

STATES -- JUMPING ANOTHER \$26 PER PERSON LAST YEAR.

L WE SPEND A LARGER PERCENTAGE OF OUR GNP AND MORE MONEY

PER PERSON ON HEALTH CARE THAN ANY OTHER PEOPLE *in the world!*

L ~~THE~~ THE PRESSURE FOR PROTECTING OUR PEOPLE FROM THE

HEAVY BURDEN OF HEALTH CARE COSTS HAS BEEN A DIRECT RESULT

OF THE ESCALATION OF THESE COSTS IN RECENT YEARS -- THE GRAPH

CURVE HAS SUDDENLY GONE STRIAIGHT UP OFF THE TOP OF THE CHART.

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LAST YEAR, ALONE, THE TOTAL HEALTH BILL ROSE BY 10.3 PERCENT  
OVER THE PREVIOUS ~~FISCAL~~ YEAR OF 1971.

MEANWHILE, ALL TOO MANY OF OUR CITIZENS CANNOT GET  
HEALTH CARE EVEN IF THEY HAVE THE DOLLARS TO PAY FOR IT. THERE  
ARE NO -- REPEAT, NO -- ACTIVE NON-FEDERAL PHYSICIANS IN 132  
COUNTIES IN THE UNITED STATES. THIRTY-FOUR COUNTIES LOST THEIR  
LAST DOCTOR JUST SINCE 1963. TODAY, ALMOST HALF A MILLION  
PEOPLE IN A LAND AREA OF 140,699 SQUARE MILES HAVE NO PHYSICIAN.  
~~HOW HAVE OUR PEOPLE TRIED TO PREPARE FOR THE COSTS OF~~  
~~THE HEALTH CARE THEY DO MANAGE TO OBTAIN?~~

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h In 1970, NEARLY 4 OUT OF 5 AMERICANS HAD SOME FORM OF  
PRIVATE INSURANCE PROTECTION AGAINST THE COSTS OF IN-PATIENT  
HOSPITAL CARE. LESS THAN HALF THE POPULATION WAS PROTECTED  
AGAINST THE COSTS OF OUT-PATIENT CARE. AND FOR THIS LIMITED  
COVERAGE, HEALTH CONSUMERS PAID \$17.2 BILLION IN 1970, AN  
INCREASE OF 17 PERCENT IN ONE YEAR ALONE. INSURANCE COMPANIES  
PAID OUT 92 PERCENT OF PREMIUM INCOME IN BENEFIT PAYMENTS  
IN 1970, TWO-THIRDS OF WHICH WENT FOR HOSPITAL CARE. ~~THE~~  
h THE AVERAGE DAILY COST PER PATIENT IN COMMUNITY HOSPITALS  
SOARED TO \$105 LAST YEAR.

FOUR DOLLARS OUT OF EVERY TEN DOLLARS IN CONSUMER EXPENDITURES FOR HEALTH CARE IN 1970 WENT FOR PRIVATE HEALTH INSURANCE PREMIUMS. PRIVATE INSURANCE MET ABOUT THREE-FOURTHS OF THE OUTLAYS FOR HOSPITAL CARE THAT YEAR, AND ABOUT HALF OF THE COST OF PHYSICIANS' HOSPITAL CARE THAT YEAR, AND ABOUT HALF OF THE COST OF PHYSICIANS' SERVICES. THE PERCENTAGE OF COVERAGE DROPS STILL FURTHER IF ALL PRIVATE HEALTH COSTS ARE ADDED TOGETHER.

HOW HEALTHY ARE WE AS A RESULT OF SUCH HEAVY OUTLAYS?

IN 1967, THE UNITED STATES RANKED 14TH IN THE RATE OF INFANT MORTALITY AMONG INDUSTRIAL NATIONS.

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A SIGNIFICANT PART OF THIS HIGH HOSPITAL COST -- WHICH HAS INCREASED 115 PERCENT SINCE 1964 -- IS A DIRECT RESULT OF PRIVATE HEALTH INSURANCE EMPHASIS UPON HOSPITALIZATION COVERAGE, DIVERTING RESOURCES AWAY FROM DIAGNOSTIC, PREVENTIVE, AND ALTERNATIVE MODES OF HEALTH CARE.

MEANWHILE, AS REPORTED BY THE DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, PRIVATE HEALTH INSURANCE BENEFIT PAYMENTS DURING THE 1972 FISCAL YEAR MET ONLY ABOUT 26.4 PERCENT OF THE COST OF PERSONAL HEALTH SERVICES AND SUPPLIES. THE OTHER 74 PERCENT WAS AN OUT-OF-POCKET EXPENSE TO THE CONSUMER OR WAS PAID BY GOVERNMENT.

BUT JUST HOW HEALTHY ARE WE AS A RESULT OF ALL THESE OUTLAYS ? IN 1970, THE UNITED STATES RANKED 15TH IN THE RATE OF INFANT MORTALITY AMONG INDUSTRIAL NATIONS.

FOR THOSE THAT SURVIVE, THE LIFE EXPECTANCY IS GENERALLY  
SHORTER THAN IN OTHER DEVELOPED NATIONS. IN 10 NATIONS, THE  
EXPECTANCY FOR FEMALES EXCEEDS THE 73.8 YEAR AVERAGE FOR  
THE UNITED STATES. FOR BLACKS AND OTHER MINORITIES, THE LIFE  
EXPECTANCY IS SIGNIFICANTLY SHORTER. *Here is the moral*  
*issue*  
L 360 OUT OF EVERY 100,000 AMERICANS DIED FROM HEART DISEASE  
IN 1970 -- THE LEADING KILLER IN OUR NATION.  
L RESPIRATORY AILMENTS WERE THE LEADING CAUSES OF DAYS OF  
BED DISABILITY PER 100 PERSONS, ACCOUNTING FOR 207.4 OF THE  
TOTAL OF 381 DAYS.



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L BUT WE ALSO HAVE A GENERAL PROBLEM OF DAYS LOST TO  
DISABILITY IN AMERICA. L IN 1969, AN AVERAGE INDIVIDUAL HAD  
SOME 15 RESTRICTED ACTIVITY DAYS, ABOUT 6 DAYS OF BED  
DISABILITY, AND OVER FIVE WORK-LOSS DAYS PER YEAR.

L ALL TOO MANY OF OUR PEOPLE FIND IT DIFFICULT TO GET  
A DOCTOR'S APPOINTMENT FOR THE TREATMENT OF THE CAUSES OF  
THESE DISABILITIES. L IT IS ESTIMATED THAT AMERICA CURRENTLY  
NEEDS ABOUT 50,000 MORE PHYSICIANS L NOW, THE AMERICAN MEDICAL  
ASSOCIATION WILL TELL YOU THAT THE UNITED STATES HAS A HIGHER  
PHYSICIAN-TO-POPULATION RATIO THAN MOST OTHER NATIONS, BUT  
IT RECOGNIZES THAT THERE IS A PROBLEM OF MALDISTRIBUTION.

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INDEED, THERE IS A SERIOUS PROBLEM. THE SIMPLE FACT IS THAT  
A LARGE PROPORTION OF DOCTORS ARE NOT IN PATIENT CARE! THE  
SECOND FACT IS THAT THE LARGEST NUMBER OF PHYSICIANS ARE  
CONCENTRATED IN ONLY FOUR STATES -- NEW YORK, CALIFORNIA,  
PENNSYLVANIA, AND ILLINOIS. AND THE THIRD AND MOST SERIOUS  
FACT IS THAT RELATIVELY FEW PHYSICIANS TEND TO BE LOCATED IN  
RURAL AREAS, IN CORE CITY AREAS, AND IN LOW-INCOME AREAS  
GENERALLY.

THESE FACTS AND STATISTICS DEMONSTRATE BEYOND THE SHADOW  
OF A DOUBT THAT A NATIONWIDE REFORM OF OUR HEALTH CARE DELIVERY  
SYSTEM IS DEMANDED -- AND DEMANDED NOW.

IN 1949 -- OVER TWO DECADES AGO -- I SPONSORED ORIGINAL  
LEGISLATION TO ESTABLISH A COMPREHENSIVE NATIONAL HEALTH  
INSURANCE PROGRAM, AND I CONTINUED TO PRESS FOR THE ADOPTION  
OF WHAT CAME TO BE KNOWN AS THE MEDICARE PROGRAM, WHICH WAS  
DESIGNED TO MEET AT LEAST THE IMMEDIATE AND CRITICAL HEALTH  
COST AND TREATMENT PROBLEMS OF THE ELDERLY.

✓ IT OUGHT TO BE EXPECTED THAT THE NIXON ADMINISTRATION WOULD  
BUILD UPON THIS BASE TO ADDRESS THE HEALTH CARE CRISIS IN  
AMERICA. BUT SUCH IS DEFINITELY NOT THE CASE.

✓ INSTEAD, THE ADMINISTRATION'S FISCAL ECONOMIZING WOULD  
UNDERMINE EVEN THE ACHIEVEMENT OF THE GOAL OF ASSURING HEALTH  
SECURITY FOR OLDER AMERICANS.

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IT WOULD HIT THE ELDERLY WITH A BILL FOR A SUBSTANTIALLY  
HIGHER PROPORTION OF THE COSTS OF HOSPITAL CARE AND MEDICAL  
TREATMENT UNDER <sup>in order</sup> MEDICARE TO ACHIEVE A SAVINGS TO THE FEDERAL  
GOVERNMENT OF OVER ONE BILLION DOLLARS

✓ BUT IT WOULD NOT APPLY THESE SAVINGS TO REDUCED PREMIUMS  
PAID BY THE ELDERLY OR CUTBACKS IN PAYROLL TAXES PAID BY WORKERS  
TO FINANCE SOCIAL SECURITY AND MEDICARE ~~OH NO~~ INSTEAD,  
THE NIXON ADMINISTRATION WOULD APPLY THIS FISCAL SAVING AS  
AN OFFSET TO ITS WHOPPING BUDGET DEFICIT

✓ IN SHORT, THE NIXON ADMINISTRATION DEMONSTRATES AN  
UNCONSCIONABLE INSENSITIVITY, IN TRADING OFF BETTER HEALTH  
CARE FOR OLDER AMERICANS TO PAY THE BILL FOR INCREASED  
DEFENSE EXPENDITURES FOR WHICH THERE IS NO ESSENTIAL REQUIREMENT

BUT THE NIXON ADMINISTRATION HAS NOT STOPPED THERE. ITS  
BUDGET PROPOSALS, IF CARRIED OUT, WOULD SET BACK EFFORTS TO  
IMPROVE HEALTH CARE IN THE UNITED STATES TO AN EXTENT THAT  
WOULD TAKE YEARS TO OVERCOME.

UNDER THE ADMINISTRATION'S PLANS, THE HILL-BURTON PROGRAM  
FOR CONSTRUCTION OF VARIOUS HEALTH FACILITIES IS SLATED TO BE  
PHASED OUT -- A PROGRAM THAT HAS PROVIDED 6,265 HOSPITALS  
AND NURSING HOMES IN THE PAST 26 YEARS.

FEDERAL SUPPORT WOULD BE TOTALLY WITHDRAWN FROM THE  
COMMUNITY MENTAL HEALTH CENTERS PROGRAM -- LEAVING SOME 500  
CENTERS WITHOUT VITALLY NEEDED RESOURCES.

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L A SIMILAR FATE AWAITS THE REGIONAL MEDICAL PROGRAMS -- 56  
PROGRAMS ACROSS AMERICA THAT HAVE PROVIDED A LINK-UP IN  
RESEARCH, TRAINING, MEDICAL DATA EXCHANGE, AND DEMONSTRATION  
OF PATIENT CARE IN FIELDS OF HEART DISEASE, CANCER, STROKE,  
AND RELATED AILMENTS.

L THE ADMINISTRATION                      ASSERTS THAT IF DOCTORS  
REALLY WANT THESE SYSTEMS, THEY WILL DO IT ON THEIR OWN. IT  
BLINDS ITSELF TO THE HEAVY CAPITAL EXPENSE OF SUCH SYSTEMS,  
Regional Medical Programs  
BUT ESPECIALLY TO THE FACT THAT RMP'S HAVE BROUGHT DESPERATELY  
NEEDED HEALTH CARE TO RURAL AMERICA. THE NORTHLANDS REGIONAL  
MEDICAL PROGRAM, WHICH HAS BEEN OF DECISIVE IMPORTANCE IN  
PROVIDING HEALTH SERVICES TO A MAJOR AREA OF MINNESOTA, JUST  
RECENTLY HAD TO ANNOUNCE THAT IT WAS CLOSING ITS DOORS.

*1) cancel Grants -  
no new medical facilities  
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Nursing Training  
Neighborhood Health centers*

← FURTHER HEALTH BUDGET CUTS PROPOSED BY THE ADMINISTRATION  
WILL HAVE A SERIOUS IMPACT UPON THE WHOLE AREA OF MEDICAL  
RESEARCH AND TRAINING, RESULTING IN A SUBSTANTIAL DECLINE OF  
PROGRAMS TO IMPROVE OUR HEALTH PROFESSIONS RESOURCES.

CONGRESS HAS TAKEN STEPS TO REVERSE THIS RECORD OF TOTAL  
IRRESPONSIBILITY ON THE PART OF THE EXECUTIVE BRANCH WITH  
RESPECT TO PLANNING AND ACTION TO MEET THE URGENT HEALTH CARE  
NEEDS OF AMERICA.

BUT MORE THAN CORRECTIVE MEASURES, MORE THAN REAR-GUARD  
DEFENSIVE ACTIONS TO PROTECT OUR PRESENT HEALTH RESOURCES, ARE  
REQUIRED TODAY.

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L THE 93RD CONGRESS SHOULD PUT ITSELF ON RECORD  
AS THE CONGRESS THAT GUARANTEED EVERY AMERICAN THE RIGHT TO  
GOOD HEALTH CARE.

L THE HEALTH INSURANCE PROGRAM PROPOSED BY THE NIXON  
ADMINISTRATION WOULD FALL FAR SHORT OF THIS GOAL, BASICALLY,  
IT WOULD CALL UPON EMPLOYERS AND EMPLOYEES TO PAY THE BILL,  
L IT WOULD USE PRIVATE INSURANCE COMPANIES TO RUN THE PROGRAM.  
L BUT EVEN THESE COMPANIES, RECOGNIZING THE SHORTCOMINGS OF  
THE ADMINISTRATION'S PLAN, HAVE DRAFTED A SIGNIFICANTLY  
DIFFERENT LEGISLATIVE PROPOSAL. BUT THE FUNDAMENTAL FAULT  
OF THE ADMINISTRATION'S HEALTH INSURANCE PLAN IS THAT IT IS  
NOT PRIMARILY BASED ON MAKING ANY MAJOR CHANGES IN THE HEALTH  
CARE DELIVERY SYSTEM, EXCEPT WITH RESPECT TO ENCOURAGING



I AM AN ORIGINAL SPONSOR OF THE HEALTH SECURITY ACT, S.3,  
AND I INTEND TO DO EVERYTHING POSSIBLE IN HELPING ACHIEVE  
ACTION ON THIS VITAL LEGISLATION BY THE 93RD CONGRESS.

THE SPONSORS OF THE HEALTH SECURITY ACT HAVE CLEARLY  
INDICATED THEIR READINESS TO GIVE CAREFUL CONSIDERATION TO  
PROPOSALS FOR TECHNICAL IMPROVEMENTS IN THIS LEGISLATION.

BUT WE WILL NOT BUDGE ONE INCH IN OUR COMMITMENT TO ITS BASIC  
CONCEPTS, WHICH ARE THAT EVERY AMERICAN MUST BE TREATED  
EQUALLY IN HAVING ACCESS TO QUALITY HEALTH CARE; THAT COMPRE-  
HENSIVE SERVICES MUST BE READILY AVAILABLE AT THE LOWEST  
POSSIBLE COST; →

AND THAT GOVERNMENT HAS A DIRECT RESPONSIBILITY

IN SEEING TO IT THAT THESE SERVICES WILL BE PROVIDED AND THESE

COSTS WILL BE MET.

✓ EVERY AMERICAN CITIZEN, REGARDLESS OF WHERE HE OR SHE

LIVES OR WORKS, AND WHATEVER HIS OR HER MEDICAL HISTORY,

INCOME, OR SIZE OF FAMILY, OR ANY OTHER FACTOR, MUST BE

PROVIDED WITH HEALTH INSURANCE COVERAGE AND QUALITY HEALTH

SERVICES MUST BE AVAILABLE AND NEARBY WHEN WE NEED THEM,

✓ FINALLY, THERE MUST BE NO ECONOMIC DISCRIMINATION IN HEALTH

CARE. ✓ IT SHOULD BE FINANCED BASICALLY BY AMERICANS PAYING

TAXES GEARED TO THEIR INCOME, AND IT MUST HAVE EFFECTIVE

CONTROLS TO KEEP THE COSTS DOWN AND TO ASSURE THE HIGHEST

LEVEL OF EFFICIENCY IN SERVICES.

I URGE YOU TODAY TO BEGIN WORKING FOR THIS ~~V~~ITAL REFORM  
IN THE PROVISION OF HEALTH CARE IN THE UNITED STATES. WE  
DO NOT WANT A PATCHWORK JOB. WE MUST GET AT THE ROOTS OF  
THE CRISIS BY ATTACKING THE INADEQUATE SERVICE, THE MANPOWER  
AND RESOURCES DIFFICULTIES, AND THE SOARING COSTS. WE MUST  
ACT, ONCE AND FOR ALL, TO RELEASE OUR PEOPLE FROM THE TERRIBLE  
BURDEN OF DESPAIR AND ANXIETY OVER OBTAINING ADEQUATE  
TREATMENT FOR ILLNESS AND PAYING ITS COSTS.

"HE WHO HAS HEALTH HAS HOPE.

"HE WHO HAS HOPE HAS EVERYTHING."

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