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File/Taps

MEMORANDUM

August 28, 1990

To: Distribution
From: Bill Cannell *Bill*
Subj: NGA -- Health Care Reform

Attached is information on the new NGA project on health care reform. This will be a major focus of the National Governors' Association over the next year.

Funding options to support health care reform will be a primary area of concern.

WAC:sc

Attachment

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GOVERNORS!

WEEKLY BULLETIN

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Gov. Gardner Launches Health Care Initiative

Washington Gov. Booth Gardner, NGA's new chairman, has launched a year-long initiative to develop strategies to control health care inflation, expand access to health care, and ensure quality services.

Gov. Gardner announced the initiative last week at the closing session of NGA's annual meeting.

"As governors, each of us confronts health care costs that threaten the fiscal stability of our governments and take money away from teachers, students, our social service system, and our environment," he said. "But the crisis is not just a crisis of numbers and dollars. It is a crisis that also affects people.

"States are on the front line in the struggle for good health. If we intend to create and sustain a healthy America, this must be our year for bold vision and timely action."

Gov. Gardner announced the creation of an NGA Task Force on Health Care, which will develop strategies for reforming the nation's health care system. Its members include Gov. Gardner, who will chair the task force; Missouri Gov. John Ashcroft, NGA vice chairman, who will serve as an ex officio member; and Arkansas Gov. Bill Clinton and Delaware Gov. Mi-

chael N. Castle, who will serve as task force vice chairs.

Maine Gov. John R. McKernan Jr. will serve as the coordinator between the task force and the Committee on Human Resources.

Others on the task force are Louisiana Gov. Buddy Roemer; Massachusetts Gov. Michael Dukakis; Michigan Gov. James J. Blanchard; New Mexico Gov. Garrey E. Carruthers; Ohio Gov. Richard F. Celeste; Rhode Island Gov. Edward D. DiPrete; and South Carolina Gov. Carroll A. Campbell Jr.

The task force will build upon principles developed during the past year by the NGA Health Subcommittee, co-chaired by Gov. Gardner and Gov. McKernan. The subcommittee cited the need for restructuring health care in the United States to achieve greater access, cost control, and quality, and noted that the health care problem is too great to be solved by states alone.

Therefore, said Gov. Gardner, the task force will work with all interested parties to develop solutions that build on the strengths of the current system, while improving access and financing. "It is abundantly clear that no state can successfully act alone," he said. "It is also clear that by working together, we can solve these immense problems."

NGA's first major conference on health care is scheduled for Sept. 23-24 in Washington, D.C. ■

2/10/90

NGA Releases Report on Health Care Reform

NGA's Health Subcommittee, in a report released during NGA's annual meeting, said that the goal of health care reform "should be to provide universal access to quality health care at affordable cost."

The subcommittee report, the result of a year's effort and study by the group, lays out a series of principles to guide the governors' efforts to develop a proposal for the restructuring of the nation's health care system.

Washington Gov. Booth Gardner and Maine Gov. John R. McKernan Jr., co-chairs of the subcommittee, said the report outlines challenges facing governors as they begin to work on a proposal for health care reform.

see p.10

Gov. Gardner, chairman of NGA, noted that governors have a historic responsibility for protecting the health and welfare of their citizens. "As governors, it is our duty to contribute our best ideas for restructuring the nation's health care system so that all citizens have access to affordable, quality services," he said.

Gov. McKernan said the United States "spends more money on health care than any other country, yet the numbers of people with little or no access to care continue to grow, and our health outcomes are poorer than those in other industrialized nations. For instance, the United States has a higher rate of infant mortality than any other western industrialized country."

The report includes a chapter on the emerging public debate over health care reform, by Robert J. Blendon and Karen Donelson, both of the Harvard School of Public Health. The chapter characterizes the American public as strongly disenchanted with the direction of current health policies.

Blendon, chairman of the Harvard public health school's health policy and management department, contends that public dissatisfaction with the U.S. health care system arises from the interaction between sharply rising health care costs and inadequate financial protection provided by the U.S. health care insurance system.

Another chapter, by Stuart Altman of Brandeis University, describes the climate that makes significant restructuring of the health care system a possibility. Altman, dean of the Heller School at Brandeis, says that without significant and timely reform a major breakup of our voluntary employer-based health insurance system could occur. ■