

Administration of Barack H. Obama, 2009

Remarks and a Discussion at the Closing Session of the White House Forum on Health Reform

March 5, 2009

The President. To Sir Edward Kennedy—that's the kind of greeting a knight deserves. [*Laughter*] It is thrilling to see you here, Teddy. We are so grateful for you taking the time to be here and the extraordinary work that your committee has already started to do, along with Mike Enzi, and I know Max Baucus and Chuck Grassley on the Senate side. Henry, I know that you guys are gearing to go on the House side.

So I just want to, first of all, thank all of you for participating. Today was the first discussion in this effort, but it was not the last. In the coming days and weeks, we'll be convening a series of meetings with senior administration officials here at the White House to further explore some of the key issues that were raised today and to bring more voices into the conversation.

But my understanding is, is that we had an extraordinarily productive set of sessions throughout the day. And I've gotten a readout from some of the breakout groups and breakout sessions. And I just want to summarize a few things that my staff thought were notable and that I thought were notable and are worth mentioning before I start taking some questions or some comments.

First of all, a clear consensus that the need for health care reform is here and now—Senators Hatch, Enzi, Congressman Jim Cooper, and many others agreed that we can do health care reform. Senator Hatch said that we needed leadership on both sides, and he believes that Democrats and Republicans need to put politics aside and work together to do it. Senator Whitehouse said this isn't a "Harry and Louise" moment; it's a "Thelma and Louise" moment. [*Laughter*] We're in the car headed towards the cliff, and we must act.

Now, I just want to be clear: If you actually saw the movie, they did drive over the cliff. [*Laughter*] So I just want to be clear, that's not our intention here. [*Laughter*]

Insurers agree. Scott Serota, with the BlueCross BlueShield Association, said to consider past opposition the past; it is not the present. The time is right for action now. The American Medical Association said that they are here to be partners and to help. Tom Donahue, with the Chamber of Commerce, said that in the previous debate we knew where everyone stood; people are in different places now, including business; and that there is a vigorous understanding with all parties that improvements are needed. And Congressman Joe Barton complimented the process we've begun and said that he can agree with the principles that we've laid out. My staff thought that was a very notable statement, they complimenting the process. Melody, I think, slipped that one in. [*Laughter*]

With respect to the cost of care, Richard Kirsch, with the Health Care for America Now, said that we can't have a false dichotomy between coverage and costs; that by covering more people we can also lower costs at the same time, presumably because those who are not insured at the moment are ending up using extraordinarily expensive emergency room care.

Senator Whitehouse—you got two quotes in here. [*Laughter*] Senator Whitehouse pointed out that we pay more than a trillion dollars more than other countries for the same or lower qualities of care.

Ken Powell, CEO of General Mills and a member of the Business Roundtable, stressed the need to preserve the role of employers, and that many employers are investing in excellent prevention programs that are reducing costs and improving productivity. And I can testify to that. I've met a lot of extraordinary companies that have really taken the bull by the horns and are doing extraordinary work. Many participants stressed the need to invest in prevention, to lower costs and improve care, to tackle obesity, manage chronic care, invest in comparative effectiveness.

Congressman Dingell talked about the need to simplify the system to reduce costs and medical errors. Senator Baucus mentioned the need to make investments up front, such as health IT and comparative effectiveness to get big savings, and that we have to align incentives towards quality. And Congressman Waxman suggested the same point that's been made earlier that we can't control costs unless everyone is covered.

With respect to the public plan, Congresswoman Jan Schakowsky and the AFL-CIO talked about the need to create a public option in order to reduce costs to consumers and save money within the system. There were others who raised the—some concerns about the impact of a public plan limiting choices.

As for paying for reform, Congressman Rob Andrews challenged the group to identify additional ways to pay for reform and suggested that everyone needs to put something on the table to get reform done. And Senator Wyden raised the issue of modifying the tax exclusion for higher income Americans.

Last set of points that we thought were notable, Senators Grassley and Hatch and Congressman Dingell all discussed the need to address medical malpractice and reduce defensive medicine as a cost-saving measure.

So that's just some of the points that were made. I know that many of you had other insights. They have all been recorded, and we are going to be generating a document coming out of this that summarizes much that was heard in these various breakout sessions.

But what I want to do is just take some time now to give all of you a chance to hear from me directly, and I'm going to call on some Members. I'm going to call from some of the groups that were participating as well. I'm not going to be able to get to everybody.

And since he got such a weak reception when he walked in, I think that—[laughter]—it's only fitting that we give Ted Kennedy the first question. So we've got a microphone here, Ted, go ahead—or comment; it doesn't have to be a question.

Senator Ted Kennedy. Thank you very much, Mr. President. And I join in welcoming and seeing all of you once again at this very special gathering. I join with all of those that feel that this is the time—now is the time for action. I think most of us who have been in this room before have seen other times when the House and the Senate have made efforts, but they haven't been the kind of serious effort that I think that we're seeing right now.

If you look over this gathering here today, you see the representatives of all the different groups that we have met with over the period of years. I mean, you have the insurance companies, you have the medical professions, all represented in one form or another. That has not been the case over the history of the past, going all the way back to Harry Truman's time.

But it is the case now. And it is, I think, a tribute to your leadership in bringing all these people together and really a leadership of so many that are gathered here today. Just in a very brief look around, you can see representatives of so many of the different interests. It'd be hard

to think of those interests being together and being as concerned and providing the leadership that they are as they are demonstrating that kind of a commitment as we have today.

What it does is basically challenges all of us to really do the best we can. And I know that you and all of your staff—I congratulate Max Baucus and my colleagues who have done such an extraordinary effort to date. Just say that I'm looking forward to being a foot soldier in this undertaking, and this time, we will not fail. Thank you very much.

The President. Let me—I want to make sure that we are getting a good cross-section of views on this issue, so why don't I call on our Republican Leader, Mitch McConnell, if you've got any thoughts or comments on the issue.

Entitlement Spending

Senator Mitch McConnell. First of all, Mr. President, thank you very much for having this session today. I think it's useful, and it is significant, as Ted indicated, to have everybody in the room.

I'm also among those, as you and I have discussed before, interested in seeing us address entitlement reform, and admittedly, Medicare and Medicaid would be a part of that, but also Social Security. And particularly concerned about having a mechanism in place that guarantees you get a result. And I wonder where you see yourself and the administration now, for example, in supporting something like the Conrad-Gregg proposal, which would set in place a mechanism that could actually guarantee that we get a result, if not on Medicare and Medicaid, at least on Social Security.

The President. Well, I appreciate the question, Mitch. As you know, we had a—I think they can hear me through—as you know, we had a fiscal responsibility summit similar to the gathering that we've had here, although I have to say the attendance here is even greater. And what I said in that forum was that I was absolutely committed to making sure that we got entitlement reform done.

The mechanism by which we do it, I think, is going to have to be determined by you, Harry Reid, Nancy Pelosi and John Boehner, and the Members of Congress. We've got to make certain that the various committees are comfortable with how we move forward.

But the important point that I want to emphasize today is that on Medicare and Medicaid, in particular—which everybody here understands is the 800-pound gorilla—I don't see us being able to get an effective reform package around those entitlements without fixing the underlying problem of health care inflation. If we've got 6, 7, 8 percent health care inflation, we could fix Medicare and Medicaid temporarily for a couple of years, but we would be back in the same fix 10 years from now. And so our most urgent task is to drive down costs both on the private side and on the public side, because Medicare and Medicaid costs have actually gone up fairly comparably to what's been happening in the private sector, what businesses and families and others have been doing. That's why I think it's so important for us to focus on costs as part of this overall reform package.

With respect to Social Security, I actually think it's easier than Medicare and Medicaid, and as a consequence, I'm going to be interested in working with you. And I know that others like Senator Durbin, Lindsey Graham have already begun discussions about what the best mechanisms would be. I remain committed to that task.

But if we don't tackle health care, then we're going to break the bank. I think that's true at the Federal level; I think it's true at the State level. It's certainly true for businesses, and it's certainly true for families. Okay.

Henry, do you want to just give a little feedback in terms of what you heard and any points you'd like to make?

Representative Henry Waxman. Thank you very much, Mr. President. Let me just say that Senator Kennedy will not be a foot soldier in this battle. He has been the inspiration to all of us, all Americans who held out the dream that every American ought to have affordable, quality health care. And I want to salute him for that.

Mr. President, by bringing people together—the different stakeholders, the people representing different interest groups, the Democrats and the Republicans, all of us together—I think you've given us an opportunity not to insist that we get all that we want, but to realize that we're part of a process; and that we if don't get everything we want, the answer—alternative is not to do nothing, as you pointed out earlier, but to make sure that we've got the best system we can develop. And that has to be a system that includes all Americans in health insurance that they'll be able to hold onto if they think they're satisfied with it or to be able to access if they don't have it at the present time.

So I think this is a very useful meeting. Our breakout session was very on point. And I think it leads all of us to recognize that we have to work together. We all need to recognize there are going to be tradeoffs, but if we don't get the tradeoff exactly the way we want it, we've got to recognize there's a broader public goal and purpose. And your leadership, I think, is going to make this bill possible to get into law.

The President. Good. Thank you. Thank you, Henry.

Is Jo Ann Emerson here? Where—there you are. Good to see you, Jo Ann.

Health Care Reform

Representative Jo Ann Emerson. Thank you very much for having me here today, and thank you very much for your passion on this issue. Coming from a very rural, poor district in southeast and south central Missouri, I have so many constituents who have no insurance, nor do they have—nor do those who have insurance necessarily have access—

The President. —to providers—

Rep. Emerson. —to providers, particularly primary providers. And so for us to be able to get together, all stakeholders—Members of the House, Senate, Republicans, Democrats, business, labor, you name it—I think that that's critical. And I hope that all of us from both parties will be willing to kind of take a fresh look and say, you know, if there are laws that we had on the books before, that they need to be opened up if we need to change the system. And I think all of us have to be willing to kind of give a little, if you will.

And I thank you so very much because for me this has been a passion for all 13 years I've been in Congress. Thank you.

The President. Good. Well, listen, I appreciate your point, Jo Ann, and I want to amplify it. I think it is so important that all of us make decisions throughout this process based on evidence and data and what works, as opposed to what our dug-in positions may have been in the past. Because if we can at least agree on a set of facts, we're still going to have tough choices, but we're more likely to make good decisions on behalf of families.

And so I want to be clear about my own position in this process. When during the campaign I put forward a plan for health care reform, I thought it was an excellent plan, but I don't presume that it was a perfect plan or that it was the best possible plan. It's conceivable that there were other ideas out there that we had not thought of.

If there is a way of getting this done where we're driving down costs and people are getting health insurance at an affordable rate and have choice of doctor, have flexibility in terms of their plans, and we could do that entirely through the market, I'd be happy to do it that way. If there was a way of doing it that involved more government regulation and involvement, I'm happy to do it that way as well.

I just want to figure out what works, and that requires us to actually look at the evidence and try to figure out, based on the experience that now has been accumulated for a lot of years, you know, how can we improve the system. And I'm absolutely confident that there's going to be low-hanging fruit. For example, the issue of health IT—I don't think there's any dispute between Newt Gingrich and Ted Kennedy that if we digitalize our health care system, we're going to save money over the long term, and we're going to reduce error and save lives.

There are going to be some other areas that's not such low-hanging fruit, and there's greater dispute about what might work, but we have to keep that open mind that you called for, Jo Ann. That's going to be critical.

Let me go to Max Baucus and then Chuck Grassley. I want to get a sense of the folks on the finance committee; they're going to have some influence on this process. [Laughter] Just a little bit. [Laughter] Max.

Senator Max Baucus. Thank you, Mr. President. First, we've got some real luminaries in this room—yourself. A few hours ago, you mentioned that President Roosevelt tried to accomplish health care reform. He's over there right there in the corner. [Laughter]

The President. There's Teddy—the other Teddy. [Laughter]

Sen. Baucus. That's right. And the third luminary is sitting right to my right, right here. And I think in the spirit of all three of you, this is a terrific opportunity.

Second, the American public wants it. That's a no-brainer. We're at a time in American history when the American people want health care reform, for all the reasons that you mentioned. And it is, as you mentioned, a moral and physical imperative. There's no doubt about that. And you've started this process I think in very much the right way, namely, getting us all together, a tone and a culture and a feeling of cooperation and a constructive way, evidence-based—what's the science, what works/doesn't work, practically and pragmatically.

And the real key here is for us to continue that frame of mind, to continue that attitude, to keep everybody at the table. This is all-encompassing. There are tradeoffs everywhere. This is not a short-term, tactical exercise. This is a strategic, longer term plan here that has to be a uniquely American solution. We're not Europe. We're not Canada. We're not Japan. We're not other countries. We're America, with public and private participation. And there's no doubt in my mind, just tapping into the good old American can-do and entrepreneurial spirit, that we are going to find a solution. And the key here really is to keep—for us to all stay at the table, keep an open mind, after we've seen how this works with that and so forth.

This is really not going to be easy; it has a fairly steep learning curve for an awful lot of people to get this done. But clearly the attitude is here, that is, the frame of mind is here, the

desire is here to do this in a very cooperative way. And I can't thank you enough for your providing leadership to help make all that happen.

The President. Thank you. Thank you, Chuck. Thank you, Max. Chuck.

Private Insurance Plans

Senator Chuck Grassley. Mr. President, thank you very much for this opportunity.

From our breakout session you'd probably get the idea that it's pretty easy to get done. We know it's very difficult to get done. But without that sort of feeling starting out, nothing would get done. And I think you served with us in the Senate long enough to know that Max Baucus and I have a pretty good record of working out bipartisan things. Neither one of us or neither one of our parties get everything that they want, but we've had a pretty good record. I think only two bills in 8 years that haven't been bipartisan.

And so we have a process in place that has hearings coming up; it has a process of getting roundtable discussions, getting stakeholders in, getting authorities in. And we expect to have—work on this in the committee in June. It maybe will sound a little ambitious, but if you aren't ambitious on a major problem like this that the country decides needs to be done, it will never get done.

So the only thing that I would throw out for your consideration—and please don't respond to this now, because I'm asking you just to think about it—there's a lot of us that feel that the public option, that the Government is an unfair competitor, and that we're going to get an awful lot of crowd out, and we have to keep what we have now strong and make it stronger.

The President. Okay. Well, let me just—I'm not going to respond definitively. The thinking on the public option has been that it gives consumers more choices and it helps give—keep the private sector honest, because there's some competition out there. That's been the thinking.

I recognize, though, the fear that if a public option is run through Washington, and there are incentives to try to tamp down costs and—or at least what shows up on the books—and you've got the ability in Washington, apparently, to print money, that private insurance plans might end up feeling overwhelmed. So I recognize that there's that concern. I think it's a serious one and a real one. And we'll make sure that it gets addressed, partly because I assume it will be very hard to come out of committee unless we're thinking about it a little bit. And so we want to make sure that that's something that we pay attention to.

A couple of other people I want to call on. I'm going to switch gears and get some groups in here, and then I'll come back to a couple of other legislators.

Karen Ignagni—there you are, good. Why don't you wait for a mike, Karen, so that we can hear you? Karen represents America's Health Insurance Plans.

Karen Ignagni. Thank you, Mr. President. Thank you for inviting us to participate in this forum. I think on behalf of our entire membership, they would want to be able to say to you this afternoon, and everyone here, that we understand we have to earn a seat at the table.

We've already offered a comprehensive series of proposals. We want to work with you; we want to work with the Members of Congress on a bipartisan basis here. You have our commitment. We hear the American people about what's not working. We've taken that very seriously. You have our commitment to play, to contribute, and to help pass health care reform this year.

The President. Good, thank you. Karen, that's good news. That's America's Health Insurance Plans.

And while I'm on it, why don't I call on Dan Danner, who's NFIB. Is Dan still here? There he is. Dan.

Cost of Health Care Reform

Dan Danner. Thank you, Mr. President.

The President. Give us the business perspective.

Mr. Danner. Well, I'm honored to be here representing small business. We do think that small business has a key role in this debate, and for them, cost is still the top issue. And we very much look forward to finding a solution together that works for America's job creators. So, appreciate being here, and thank you.

The President. Good. One thing I want to talk about just—this whole cost issue. I can't emphasize this enough: There is a moral imperative to health care. I get 40,000 letters, I guess, every day here in the White House. I don't read all 40,000—[*laughter*]*—*but my staff selects 10 every single day that I read and try to respond to, as many of them as possible. It's a way of staying in touch with the constituencies that I had a chance to meet during the course of the campaign.

I can tell you that on average, out of the 10 at least 3 every single day relate to somebody who's having a health care crisis. Either it's a small business that's frustrated because they can't even insure themselves, much less their employees; it's a mom who's trying to figure out how to insure their child because they make a little bit too much money so they don't qualify for SCHIP in their State—heartbreaking stories. So there is a moral component to this that we can't leave behind.

Having said that, if we don't address costs, I don't care how heartfelt our efforts are, we will not get this done. If people think that we can simply take everybody who's not insured and load them up in a system where costs are out of control, it's not going to happen. We will run out of money. The Federal Government will be bankrupt; State governments will be bankrupt.

So I hope everybody understands that. For those of you who are passionate about universal coverage and making sure that the moral dimension of health care is dealt with, don't think that we can get that done without—[*coughing*]. Excuse me. This is a health care forum, so I thought I'd, you know—[*laughter*]*—*model what happens when you don't get enough sleep. [*Laughter*]

Don't think that we can—that's right, I'm talking to you liberal bleeding hearts out there. [*Laughter*] Don't think that we can solve this problem without tackling costs. And that may make some in the progressive community uncomfortable, but it's got to be dealt with. And the flip side is what I would say to those who are obsessed with costs—and this goes to the issue of Medicare and Medicaid reform as well—I don't think it is a viable option as a means of controlling costs simply to throw seniors off the Medicare rolls, for example, or to prevent them from getting vital care that they need, which means, you know, we've got to balance heart and head as we move this process forward.

A couple other people I want to call on. How about Charlie Rangel? He has a tax committee that's important. [*Laughter*]

Representative Charlie Rangel. People have said that when I first came to Washington, George Washington had black hair. [Laughter] But I have to tell you, Mr. President, this is one of the most exciting experience and opportunities. There hasn't been a year that we haven't talked about this. And you have brought all of these different stakeholders to read from the same page, to show how important it is to our country. And I'm excited about it. Our speakers made it abundantly clear that there may be a lot of people to blame but it won't be your committee people; it won't be those of us who have jurisdictions. There's nothing that we would rather do than be able to say that we helped for you to fulfill not just a campaign obligation but a moral obligation. We all are indebted.

And so, Senator Kennedy, this is a fantastic day. There hasn't been a time we haven't hoped that we could do this. And so, we know that there's going to be a lot of problems. But we also know what you've created is a group of missionaries to make our political job easier so that when we have the problems they won't have to say, "What are they doing in Congress?" They can go to our union leaders, our business people, our advocate for children's, those that do want public programs. And at least we would know that we're moving in the direction, which our country wants us to do collectively. So, I'm proud to be on the team.

The President. Good, thank you. Is your counterpart on your committee here?

Rep. Rangel. Yes, he is. Dave and I—

The President. Come on, Dave.

Rep. Rangel. —have worked so closely together. If we can keep the disagreements down, we'll be a hell of a team.

The President. Well, what I meant, Charlie, was let's give him the mike. [Laughter]

Rep. Dave Camp. It's tough in the minority, let me tell you. [Laughter]

The President. Go ahead, David.

Rep. Camp. You do lose the microphone when you're not in the majority.

But thank you, Mr. President. Thank you so much for bringing us all together. I think much of what has been said I can agree with, and I think particularly the idea that we have an American solution. And certainly in America the idea that a patient and a physician make the health care decisions that affect them is certainly something we need to protect.

The President. Right.

Rep. Camp. And I just appreciate the opportunity to be here. I look forward to working with you. There's so many things that we talked about that we had in common in terms of health information technology, wellness. But we are going to have to figure out just how much of our economy is devoted to health care, and that's going to be a big issue we have to face.

The President. Right.

Rep. Camp. —and this cost-shifting that goes on between public and private health care dimensions. And those are challenging things, but I look forward to working with you and your team on this.

Doctors

The President. Good. Well, you raise a couple of important points. Number one, doctors—and I'm assuming that we've got somebody—and I'm going to call on them in a second—but

I've got a lot of very close friends who are doctors. And the enormous pressure and strain that the medical profession is now feeling from a whole variety of sources is something that we've got to attend to in this reform process. We're not producing enough primary care physicians, because the costs of medical education are so high that people feel they've got to specialize.

The issue of malpractice insurance is real, and if you're an ob-gyn, that is enormous pressure that you've having to deal with.

One of the things that we've done in this budget that we're presenting is to finally surface what had been the fiction that we weren't going to give doctors higher reimbursements—we always did it in the end, we just didn't budget for it—and caused enormous stress for them.

Now, the flip of it is if we're going to do more for doctors, part of what we've also got to say is, if there are States like Minnesota that are providing as good or better care than other States and yet are keeping their costs lower, and Medicare and Medicaid reimbursements are better controlled, shouldn't we be learning from what those States are doing and then making that more generally applicable?

And there may be some resistance on the part of providers to say, "Well, you know, our circumstances are different in this State or that State." But this is what I mean when I say that data and evidence have to drive the process. If we can find better practices, then doctors have to be willing to learn from the experience of others in terms of controlling costs. They've got to be part of the solution as well.

So since I'm talking about doctors, we've got Ted Epperly of the American Academy of Family Physicians. Is Ted around here somewhere? Here we go. Go ahead. You've got a mike right behind you.

Ted Epperly. Well, first, Mr. President, what an honor to be here and to be with all of you. Speaking on behalf of over 100,000 family doctors, we're ready to do our part. We very much believe that we need to expand coverage in this country to everyone, and we need to fix the workforce, sir, so that all those patients have a place to go. We'll roll up our shirt sleeves and do everything possible to make this work, because it is the right thing to do. And I applaud you and this body for doing this today, to do it this year, and we must do it. Thank you.

The President. Good. Okay, before we break up, because we've been using some time, and I'm starting to get Reggie Love signaling over there—whenever he stands, since he's 6'5", I see him—[laughter]—and I know that we're running out of time. Are there some people that I did not call on that have a critical question or point that they would like to make?

Yes, go ahead, please.

Nurses

Representative Lois Capps. Mr. President, thank you very much. I'm Lois Capps, and I will love to follow the doctor. I also want to say to Senator Kennedy: This is the time. As one of three nurses in the U.S. Congress, the proposals you are putting forward resonate. Nurses do provide quality care. They help reduce costs through increased preventive care, and they deliver cost-effective primary care, along with physicians, especially in underserved areas.

But we have a huge shortage of nurses today. And estimates are that the U.S. will be lacking over 500,000 nurses in the next 7 years. Our nursing schools are only able to admit a tiny fraction of applicants. The greatest bottleneck for educating more nurses comes from the lack of nursing school faculty.

You've done a great job by proposing an increase in nursing education in your 2010 budget and by including nurse education funding in the Recovery Act. I'd love to hear your thoughts. If not—if there's no time today, I'd love to pursue this—there are other nurses in the room—on how we can further advance nursing education and faculty training, because they are going to be essential to our overall efforts to contain costs while expanding and improving care. Thank you very much.

The President. Well, let me respond to this right away, because it's not that complicated. Nurses provide extraordinary care. I mean, they are the frontlines of the health care system, and they don't get paid very well. Their working conditions aren't as good as they should be. And when it comes to nurse faculty, they get paid even worse than active nurses. So what happens is, is that it is very difficult for a nurse practitioner to go into teaching, because they're losing money.

The notion that we would have to import nurses makes absolutely no sense. And for people who get fired up about the immigration debate, and yet don't notice that we could be training nurses right here in the United States—and there are a lot of people who would love to be in that helping profession, and yet we just aren't providing the resources to get them trained—that's something that we've got to fix. That should be a no-brainer. That should be a bipartisan no-brainer to make sure that we've got the best possible nursing staffs in the country.

Right next to you.

Cost of Health Care Reform

Representative Frank Pallone. Thank you, Mr. President. I know you stressed the cost efficiencies, and that is certainly important, and it was an important part of our breakout session. But I also want to commend you for also being honest in saying that there has to be a new source of funding as well, because in your reserve fund you mentioned a new source of funding dealing with deductions, whatever, for people over a certain income. And I do notice that there is a tendency to think that we can somehow expand health insurance and achieve coverage for everyone just with the existing money in the system, and I don't think that's true.

So I want to commend you for that. And I want everyone to keep in mind the fact that we have to come up with a new source of funding, and if either what you proposed or perhaps others, because, even as you said in your budget message that this only pays—this reserve fund—for about half the cost if we're going to cover everyone. And that's an important part of this as well.

The President. Well, let me—I want to make a important distinction, though, between short-term costs and long-term costs. I don't think that we can expand coverage on the front end without some money. By definition, we will not have changed the system sufficiently to drive down costs in order to pay for new people being part of the system.

Now, keep in mind, we're already paying for those folks. Every single person at home, the average family is paying \$900 per family in additional premiums because of the care that people are receiving in emergency rooms. So we're paying for it, but it's oftentimes hidden.

But capturing those savings will take some time. Health IT is going to save money, but it's not going to save money in year 1 or year 2; it'll save money in year 10, 11, 15, and 20. If we're doing a good job on prevention and are reducing rates of obesity—if we went back to the

obesity rates that existed back in 1980, we'd save the system a trillion dollars, but we're not going to do that overnight; it's going to take some time.

So what we constantly have to think about is short-term costs versus even higher long-term costs. And what I'm trying to do in this debate is make sure that we're focused not just on year 1 and year 2, but on year 10, year 20, year 30, and year 50, and making sure that our children are not bankrupted. Now, that creates a very difficult political task. Nothing is harder in politics than doing something now that costs money in order to gain benefits 20 years from now. It's the single hardest thing to do in politics, and that's part of the reason why health care reform has consistently broken down.

There should be enough money in the system. We spend more per capita than any nation on Earth. And to find that American solution that mixes public and private, but also says we shouldn't have such an inefficient system and we should make investments today to ensure that we're saving money down the road, that's going to be our challenge.

Okay, I've got time for maybe a couple more questions. The gentleman right here, and I'll catch folks back here as well.

Lawrence McAndrews. Mr. President, my name is Lawrence McAndrews. I represent the National Association of Children's Hospitals. First, I'd like to thank you for your leadership with CHIP; extending coverage to 4 million children is just fantastic.

The President. Thank you.

Mr. McAndrews. Second, as your leadership in CHIP has illustrated, perhaps children can lead the way. And I think we in the pediatric community—children represent 25 percent of the population, 10 percent of the health care costs—and we, I think, are a small enough community, cohesive enough—the doctors and the hospitals working together, we know each other—that perhaps we can offer an opportunity to be another leading edge in your plan for change. And we would work with you in the implementation of any quality measures, any new incentive structures.

And I think children's hospitals tend to be a disrupter in the cost of care, because they take care of 40 to 50 percent of the market and we can—and the most expensive kids. Working with you, we can make the biggest downpayment, the Willie Sutton principle, so to speak. Where the money is, we can help you manage that.

The President. Good.

Mr. McAndrews. Thank you very much.

The President. That's a great point, that's a great point. I'm going to make this—I'm—oh, suddenly everybody raises their hands. [*Laughter*] I'm going to take two more questions—this young lady right here and then this gentleman right here, just because they had their hands up a little bit earlier.

Go ahead.

Health Care for Minorities

Audience member. Thank you so very much, Mr. President. And it's quite an honor for you having all of us here today. You've created a network among us that we didn't even know exists. We are more alike than we are different. And I would ask that all of us help to make sure that

the elimination of racial and ethnic health disparities be a core component of whatever health care reform legislation may look like that you enact.

And I thank you again.

The President. Well, I think that's important, I think that's important. And that's an example of where there is some data out there that's pretty indisputable that even when you account for incomes and levels of insurance, that you're still seeing problems in the African American community and the Latino community, Native American communities, in terms of quality of care and outcomes.

And part of what we should be doing is to think about, based on this evidence and this data, are there ways that we can close those gaps. And to the extent that that is reflected in this reform, I think that will ultimately save everybody money. Okay?

Audience member. Thank you so much. Just one really quick one—if you will give us the marching orders before we leave. *[Laughter]*

Irwin Redlener. Mr. President, I'm Irwin Redlener, a pediatrician at Columbia University's Mailman School of Public Health and president of the Children's Health Fund. And I also just want to underscore how extraordinarily important this meeting was. It launches health care in a way that I don't think we've ever seen before in this country. And we all, I know, congratulate you deeply about that.

And I wanted to say just a couple of words about prevention, which has been mentioned a few times. Prevention needs to be bolstered by a strong American public health system as well. And we cannot forget about the public health infrastructure as we're building and strengthening our health care system in general. So the public health schools are often the places where the research is done that tell us and guide us what kinds of preventive interventions actually work. And what works is really going to be important.

I also wanted to underscore what Larry McAndrews said about the importance of investing in children. They are not only a compelling moral issue for us, but they are compelling fiscally as well. America is going to be depending on its children to be fully functional, to function in school, to succeed in ways that can only happen if their health is protected and guarded.

And the final point is that I don't think we've mentioned yet the role of individual citizens. Every single American has a role to play in making us healthier as a nation. And your inspiration and, hopefully, the inspiration of others here will make sure that individuals know that their choices of healthy lifestyle decisions and making sure they get the prevention that they need will bolster our ability to provide quality health care and reduce the cost of care that could have been avoided if we had thought about prevention in the first place. Thank you.

The President. Those are all great points.

Let me just close by saying this, because somebody asked for marching orders. Number one, all of the groups here need to stay involved. And I know you will. Number two, we will generate a report or a summary of the comments in the various breakout sessions that will be distributed to all the participants. Number three, I know that Nancy Pelosi, Harry Reid, Mitch McConnell, John Boehner, and the other leadership are interested in moving a process forward, and so unlike the fiscal responsibility summit where I think we have to have some discussion about mechanisms and how do we make it work so that it takes, I think here you've got a bunch of committees that are eager and ready and willing to get to work.

And so I just want to make sure that I don't get in the way of all of you moving aggressively and rapidly. I've got some very strong ideas, and the White House will be providing some guideposts and guidelines about what we think we can afford to do, how we think it's best to do it, but we don't have a monopoly on good ideas. And to the extent that this work is being done effectively in these various committees, then I assure you that we are going to do everything that we can to work with all of you, Democrat and Republican.

But the one thing that I've got to say here: There's been some talk about the notion that maybe we're taking on too much, right? That we're in the midst of an economic crisis and that the system is overloaded, and so we should put this off for another day. Well, let's just be clear. When times were good, we didn't get it done. When we had mild recessions, we didn't get it done. When we were in peacetime, we did not get it done. When we were at war, we did not get it done.

There is always a reason not to do it. And it strikes me that now is exactly the time for us to deal with this problem. The American people are looking for solutions. Business is looking for solutions. And government—State, Federal, and local—needs solutions to this problem.

So for all of you who've been elected to office or those of you who are heading up major associations, I would just say, what better time than now, and what better cause for us to take up? Imagine the pride when we go back to our constituencies next year and say, you know what, we finally got something done on health care. That's something that's worth fighting for, and I hope all of you fight for it. Okay.

NOTE: The President spoke at 4:08 p.m. in the East Room at the White House. In his remarks, he referred to Scott P. Serota, president and chief executive officer, BlueCross BlueShield Association; Thomas J. Donahue, president and chief executive officer, U.S. Chamber of Commerce; Melody C. Barnes, Director, Domestic Policy Council; Richard Kirsch, national campaign manager, Health Care for America Now; former Rep. Newt Gingrich of Georgia; Karen Ignagni, president and chief executive officer, America's Health Insurance Plans; Donald A. "Dan" Danner, president and chief executive officer, National Federation of Independent Business; Ted Epperly, president, American Academy of Family Physicians; Personal Aide to the President Reginald L. Love; and Lawrence A. McAndrews, president and chief executive officer, National Association of Children's Hospitals.

Categories: Addresses and Remarks : Health Reform, White House Forum on.

Locations: Washington, DC.

Names: Andrews, Robert E.; Barnes, Melody C.; Barton, Joe L.; Baucus, Max Sieben; Boehner, John A.; Camp, David L.; Capps, Lois; Cooper, James H.S.; Danner, Donald A. "Dan"; Dingell, John D., Jr.; Donahue, Thomas J.; Durbin, Richard J.; Emerson, Jo Ann; Enzi, Michael B.; Epperly, Ted; Gingrich, Newton L.; Graham, Lindsey O.; Grassley, Charles E.; Hatch, Orrin G.; Ignagni, Karen; Kennedy, Edward M.; Kirsch, Richard; Love, Reginald L.; McAndrews, Lawrence A.; McConnell, Addison M. "Mitch"; Pallone, Frank; Pelosi, Nancy; Powell, Kendall J.; Rangel, Charles B.; Redlener, Irwin; Reid, Harry; Schakowsky, Janice D.; Serota, Scott P.; Waxman, Henry A.; Whitehouse, Sheldon; Wyden, Ronald L.

Subjects: Budget, Federal : Entitlement spending reform; Budget, Federal : Fiscal Responsibility Summit; Budget, Federal : Fiscal year 2010 budget; Congress : Bipartisanship; Economy, national : Recession, effects; Education : Postsecondary education :: Medical school costs; Health and Human Services, Department of : State Children's Health Insurance

Program (SCHIP); Health and medical care : Cost control reforms; Health and medical care : Health Reform, White House Forum on; Health and medical care : Information technology; Health and medical care : Insurance coverage and access to providers; Health and medical care : Medicare and Medicaid; Health and medical care : Nurse remuneration and education; Health and medical care : Physicians :: Malpractice insurance; Health and medical care : Physicians :: Medicare and Medicaid reimbursement; Health and medical care : Preventive care and public health programs; Health and medical care : Primary care physicians, shortages; Social Security reform.

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