
Governor Thompson's Remarks at
New Conference Announcing
Health Care Cost Containment Bill
Madison, February 24, 1992

GOOD AFTERNOON.

AVAILABLE, AFFORDABLE HEALTH CARE AND HEALTH INSURANCE CONTINUE TO WEIGH ON THE MINDS OF MANY WISCONSINITES AND AMERICANS.

IN OCTOBER, A SIMILAR GROUP GATHERED TO TO FORWARD A PROPOSAL MAKING HEALTH INSURANCE AVAILABLE AND AFFORDABLE FOR SMALL BUSINESSES AND THEIR EMPLOYEES.

THIS AFTERNOON, WE ARE FORWARDING ANOTHER PROPOSAL ... ONE THAT GOES HAND IN HAND WITH THE SMALL BUSINESS INSURANCE PROPOSAL ... ONE AIMED AT CONTROLLING SPIRALLING HEALTH CARE COSTS.

IN THE UNITED STATES, MEDICAL SCIENCE IS MORE ADVANCED THAN ANYWHERE IN THE WORLD ... OFTEN, IT IS ALSO MORE EXPENSIVE THAN ANYWHERE ELSE.

LET ME GIVE YOU AN EXAMPLE. A LITTLE MORE THAN TEN YEARS AGO, THE UNITED STATES SPENT \$249 BILLION ON HEALTH CARE COSTS; THAT AMOUNT WAS 9 PERCENT OF THE GROSS NATIONAL PRODUCT.

TODAY, AMERICANS SPEND \$815 BILLION ON HEALTH CARE -- MORE THAN ANY OTHER NATION. THIS AMOUNT IS 13 TO 14 PERCENT OF THE GNP.

THERE ARE SEVERAL STEPS WE CAN TAKE IN AN ATTEMPT TO HOLD DOWN RISING HEALTH CARE COSTS ... AND IN TURN, PASS THAT SAVINGS ON TO CONSUMERS.

OURS IS A SEVEN-POINT PLAN.

ONE: LIMIT THE CONSTRUCTION OF NEW HOSPITAL BEDS DURING THE NEXT FOUR YEARS. THE NUMBER OF HOSPITAL BEDS FLUXUATES FROM YEAR TO YEAR. THIS CAP WILL KEEP IT DOWN.

WHEN A HOSPITAL CLOSES, WE WILL NOT PERMIT THOSE BEDS TO BE ALLOCATED ELSEWHERE AND THE STATE'S HOSPITAL BED TOTAL WILL DROP. AT THE SAME TIME, IT WILL BE POSSIBLE TO RENOVATE AGED EXITING BEDS AND COMMUNITIES THAT WISH TO REPLACE THEIR HOSPITALS -- BED FOR BED -- WILL BE PERMITTED TO DO SO. FURTHER, BUILDING PROJECTS THAT ARE UNDERWAY WILL BE PERMITTED

TO PROCEED.

TWO: PLACE A FOUR-YEAR MORATORIUM ON CONVERTING EXISTING HOSPITAL BEDS TO PSYCHIATRIC OR DRUG AND ALCOHOL TREATMENT BEDS. WE SEE THE SAME FLUXATION WITH THESE BEDS. THIS CHANGE WILL PREVENT INCREASES.

THREE: ESTABLISH A PUBLIC REVIEW PROCESS FOR NEW AND EXPANDED HEALTH CARE TECHNOLOGY.

FOUR: CREATE A NEW LICENSING CATAGORY FOR RURAL MEDICAL CENTERS; ALLOWING THEM TO VOLUTARILY DIVERSITY THEIR SERVICES TO MEET THE NEEDS OF PATIENTS.

FIVE: PROHIBIT HOSPITALS FROM WAIVING INSURANCE DEDUCTABLES AND CO-PAYMENTS IN AN ATTEMPT TO "RECRUIT" PATIENTS.

SIX: CHANGING THE CURRENT ALCOHOL, DRUG AND MENTAL HEALTH INSURANCE MANDATE TO EMPHASIZE ALTERNATIVES TO INPATIENT TREATMENT.

SEVEN: EXPAND THE NUMBER OF HEALTH CARE PROVIDERS FOR WHICH THE OFFICE OF HEALTH CARE INFORMATION COLLECTS AND DISEMINATES DATA.

AS IN OCTOBER, I AM JOINED TODAY BY LEGISLATORS AND REPRESENTATIVES OF BUSINESS AND HEALTH ORGANIZATIONS.

(i've appreciated the leadership of many legislators -- especially representative rosenweig and ourada.)

THIS BILL IS SPONSORED BY SENATORS RUDE, ROSHELL, LORMAN AND BERNDT. ASSEMBLY SPONSORS ARE REPRESENTATIVES CLARENBACH, ROSENSWEIG, OURADA UNDERHEIM AND URBAN.

ORGANIZATIONS BACKING OUR PROPOSAL ARE: THE STATE MEDICAL SOCIETY, THE HOSPITAL ASSOCIATION, THE NATIONAL FEDERATION OF INDEPENDENT BUSINESSES AND WISCONSIN MANUFACTURERS AND COMMERCE.

THESE COST CONTAINMENT MEASURES ... ALONG WITH THE HEALTH COST CONTROL MEASURES IN MY BUDGET AND THE SMALL BUSINESS HEALTH INSURANCE BILL ... CONSTITUTE A SIGNIFICANT FIRST STEP IN MAKING HEALTH CARE ACCESSIBLE AND AFFORDABLE.

I HOPEFUL THAT THE LEGISLATURE WILL ENACT THESE CHANGES AND REACH AN ACCEPTABLE COMPROMISE ON THE SMALL BUSINESS HEALTH INSURANCE BILL BEFORE THE SESSION ENDS.

(introduce clarenbach)