

THE WHITE HOUSE

Office of the Press Secretary

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EMBARGOED FOR DELIVERY

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EMBARGOED: Remarks of President Barack Obama on Health Insurance Reform  
Wednesday, March 3, 2010  
Washington, DC

Please find below President Obama's remark as prepared for delivery in the East Room this afternoon. The remarks are embargoed for delivery:

Good afternoon. We began our push to reform health insurance last March with the doctors and nurses who know the system best, and so it is fitting to be joined by all of you as we bring this journey to a close.

Last Thursday, I spent seven hours at a summit where Democrats and Republicans engaged in a public and substantive discussion about health care. This meeting capped off a debate that began with a similar summit nearly one year ago. Since then, every idea has been put on the table. Every argument has been made. Everything there is to say about health care has been said and just about everyone has said it. So now is the time to make a decision about how to finally reform health care so that it works, not just for the insurance companies, but for America's families and businesses.

Where both sides say they agree is that the status quo is not working for the American people. Health insurance is becoming more expensive by the day. Families can't afford it. Businesses can't afford it. The federal government can't afford it. Smaller businesses and individuals who don't get coverage at work are squeezed especially hard. And insurance companies freely ration health care based on who's sick and who's healthy; who can pay and who can't.

Democrats and Republicans agree that this is a serious problem for America. And we agree that if we do nothing – if we throw up our hands and walk away – it's a problem that will only grow worse. More Americans will lose their family's health insurance if they switch jobs or lose their job. More small businesses will be forced to choose between health care and hiring. More insurance companies will deny people coverage who have preexisting conditions, or drop people's coverage when they get sick and need it most. And the rising cost of Medicare and Medicaid will sink our government deeper and deeper into debt. On all of this we agree.

So the question is, what do we do about it?

On one end of the spectrum, there are some who have suggested scrapping our system of private insurance and replacing it with government-run health care. Though many other countries have such a system, in America it would be neither practical nor realistic.

On the other end of the spectrum, there are those, including most Republicans in Congress, who believe the answer is to loosen regulations on the insurance industry – whether it's state consumer protections or minimum standards for the kind of insurance they can sell. I disagree with that approach. I'm concerned that this would only give the insurance industry even freer rein to raise premiums and deny care.

I don't believe we should give government bureaucrats or insurance company bureaucrats more control over health care in America. I believe it's time to give the American people more control over their own health insurance. I don't believe we can afford to leave life-and-death decisions about health care to the discretion of insurance company executives alone. I believe that doctors and nurses like the ones in this room should be free to decide what's best for their patients.

The proposal I've put forward gives Americans more control over their health care by holding insurance companies more accountable. It builds on the current system where most Americans get their health insurance from their employer. If you like your plan, you can keep your plan. If you like your doctor, you can keep your doctor. Because I can tell you that as the father of two young girls, I wouldn't want any plan that interferes with the relationship between a family and their doctor.

Essentially, my proposal would change three things about the current health care system:

First, it would end the worst practices of insurance companies. No longer would they be able to deny your coverage because of a pre-existing condition. No longer would they be able to drop your coverage because you got sick. No longer would they be able to force you to pay unlimited amounts of money out of your own pocket. No longer would they be able to arbitrarily and massively raise premiums like Anthem Blue Cross recently tried to do in California. Those practices would end.

Second, my proposal would give uninsured individuals and small business owners the same kind of choice of private health insurance that Members of Congress

get for themselves. Because if it's good enough for Members of Congress, it's good enough for the people who pay their salaries. The reason federal employees get a good deal on health insurance is that we all participate in an insurance marketplace where insurance companies give better rates and coverage because we give them more customers. This is an idea that many Republicans have embraced in the past. And my proposal says that if you still can't afford the insurance in this new marketplace, we will offer you tax credits to do so – tax credits that add up to the largest middle class tax cut for health care in history. After all, the wealthiest among us can already buy the best insurance there is, and the least well-off are able to get coverage through Medicaid. But it's the middle-class that gets squeezed, and that's who we have to help.

Now, it's true that all of this will cost money – about \$100 billion per year. But most of this comes from the nearly \$2 trillion a year that America already spends on health care. It's just that right now, a lot of that money is being wasted or spent badly. With this plan, we're going to make sure the dollars we spend go toward making insurance more affordable and more secure. We're also going to eliminate wasteful taxpayer subsidies that currently go to insurance and pharmaceutical companies, set a new fee on insurance companies that stand to gain as millions of Americans are able to buy insurance, and make sure the wealthiest Americans pay their fair share of Medicare.

The bottom line is, our proposal is paid for. And all new money generated in this plan would go back to small businesses and middle-class families who can't afford health insurance. It would lower prescription drug prices for seniors. And it would help train new doctors and nurses to provide care for American families.

Finally, my proposal would bring down the cost of health care for millions – families, businesses, and the federal government. We have now incorporated most of the serious ideas from across the political spectrum about how to contain the rising cost of health care – ideas that go after the waste and abuse in our system, especially in programs like Medicare. But we do this while protecting Medicare benefits, and extending the financial stability of the program by nearly a decade.

Our cost-cutting measures mirror most of the proposals in the current Senate bill, which reduces most people's premiums and brings down our deficit by up to \$1 trillion over the next two decades. And those aren't my numbers – they are the savings determined by the CBO, which is the Washington acronym for the nonpartisan, independent referee of Congress.

So this is our proposal. This is where we've ended up. It's an approach that has been debated and changed and I believe improved over the last year. It

incorporates the best ideas from Democrats and Republicans – including some of the ideas that Republicans offered during the health care summit, like funding state grants on medical malpractice reform and curbing waste, fraud, and abuse in the health care system. My proposal also gets rid of many of the provisions that had no place in health care reform – provisions that were more about winning individual votes in Congress than improving health care for all Americans.

Now, despite all that we agree on and all the Republican ideas we've incorporated, many Republicans in Congress just have a fundamental disagreement over whether we should have more or less oversight of insurance companies. And if they truly believe that less regulation would lead to higher quality, more affordable health insurance, then they should vote against the proposal I've put forward.

Some also believe that we should instead pursue a piecemeal approach to health insurance reform, where we just tinker around the edges of this challenge for the next few years. Even those who acknowledge the problem of the uninsured say that we can't afford to help them – which is why the Republican proposal only covers three million uninsured Americans while we cover over 31 million. But the problem with that approach is that unless everyone has access to affordable coverage, you can't prevent insurance companies from denying coverage based on pre-existing conditions; you can't limit the amount families are forced to pay out of their own pockets; and you don't do anything about the fact that taxpayers end up subsidizing the uninsured when they're forced to go to the Emergency Room for care. The fact is, health reform only works if you take care of all these problems at once.

Both during and after last week's summit, Republicans in Congress insisted that the only acceptable course on health care reform is to start over. But given these honest and substantial differences between the parties about the need to regulate the insurance industry and the need to help millions of middle-class families get insurance, I do not see how another year of negotiations would help. Moreover, the insurance companies aren't starting over. They are continuing to raise premiums and deny coverage as we speak. For us to start over now could simply lead to delay that could last for another decade or even more. The American people, and the U.S. economy, just can't wait that long.

So, no matter which approach you favor, I believe the United States Congress owes the American people a final vote on health care reform. We have debated this issue thoroughly, not just for a year, but for decades. Reform has already passed the House with a majority. It has already passed the Senate with a supermajority of sixty votes. And now it deserves the same kind of up-or-down vote that was cast on welfare reform, the Children's Health Insurance Program,

COBRA health coverage for the unemployed, and both Bush tax cuts – all of which had to pass Congress with nothing more than a simple majority.

I have therefore asked leaders in both of Houses of Congress to finish their work and schedule a vote in the next few weeks. From now until then, I will do everything in my power to make the case for reform. And I urge every American who wants this reform to make their voice heard as well – every family, every business owner, every patient, every doctor, every nurse.

This has been a long and wrenching debate. It has stoked great passions among the American people and their representatives. And that is because health care is a difficult issue. It is a complicated issue. As all of you know from experience, health care can literally be an issue of life or death. As a result, it easily lends itself to demagoguery and political gamesmanship; misrepresentation and misunderstanding.

But that's not an excuse for those of us who were sent here to lead to just walk away. We can't just give up because the politics are hard. I know there's a fascination, bordering on obsession, in the media and in this town about what passing health insurance reform would mean for the next election and the one after that. Well, I'll leave others to sift through the politics. Because that's not what this is about. That's not why we're here.

This is about what reform would mean for the mother with breast cancer whose insurance company will finally have to pay for her chemotherapy. This is about what reform would mean for the small business owner who will no longer have to choose between hiring more workers or offering coverage to the employees she has. This is about what reform would mean for the middle-class family who will be able to afford health insurance for the very first time in their lives.

And this is about what reform would mean for all those men and women I've met over the last few years who've been brave enough to share their stories. When we started our push for reform last year, I talked about a young mother in Wisconsin named Laura Klitzka [KLITZ kah]. She has two young children. She thought she had beaten her breast cancer but then later discovered it spread to her bones. She and her husband were working – and had insurance – but their medical bills still landed them in debt. And now she spends time worrying about that debt when all she wants to do is spend time with her children and focus on getting well.

This should not happen in the United States of America. And it doesn't have to. In the end, that's what this debate is about – it's about the kind of country we want to be. It's about the millions of lives that would be touched and in some cases saved by making private health insurance more secure and more

affordable.

At stake right now is not just our ability to solve this problem, but our ability to solve any problem. The American people want to know if it's still possible for Washington to look out for their interests and their future. They are waiting for us to act. They are waiting for us to lead. And as long as I hold this office, I intend to provide that leadership. I don't know how this plays politically, but I know it's right. And so I ask Congress to finish its work, and I look forward to signing this reform into law. Thank you.

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