

**SENATE HEALTH CARE COMMITTEE TESTIMONY  
SB 631 HEALTH CARE FOR ALL**

**By  
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Chair, Senator Monnes Anderson, members of the Committee my name is Ken Myers and I live in Portland. I am a volunteer with Health Care for All Oregon and I am here today to testify in support of SB631. In more than 50 years as a health care administrator I have worked in community hospitals, military hospitals, university hospitals and large health care systems. When I started my career way back in the 1950's, I was young and idealistic, wanting to help people get the health care they needed. I soon learned how difficult that could be.

My first job was in a hospital business office and my first assignment was to visit a patient in pre-op to have him sign-away his house before he could go into the operating room. Since then I have encountered many other situations that made it clear, health care in this country was not a right but a commodity to be sold – often at a profit. Back in those days most health insurance was provided by not-for-profit Blue Cross/Blue Shield plans and their premiums were reasonable.

Now there are huge for-profit insurance companies that make billions of dollars for their shareholders while limiting their risk pool, minimizing coverage, denying claims and charging substantial premiums. Most community hospitals were non-profit and provided their share of charity care. Now there are many large for-profit hospital corporations that target paying customers and avoid offering unprofitable services.

Even the non-profit hospitals got into the free enterprise spirit of competing for patients by duplicating expensive services and avoiding those that attracted charity cases – ERs, maternity, etc. Under pressure from doctors hospitals grew bigger and more expensive. Highly specialized services were very costly but they provided large incomes for the hospitals and the doctors. The fee-for-service payment systems encouraged over-utilization because providers could increase their incomes by simply performing more services and seeing more patients.

Drugs were only a minor part of the health care system when I started but it has grown to become a gigantic profit making machine that stuffs shareholders pockets and twists the behavior of politicians. My first encounter with their tactics was when I entered the mailroom as I first started working at the Mayo Clinic. The room was full of mail bags stacked to the ceiling. These were all drug samples that could not be delivered to the physicians' offices because there was no more room on the floors above. When I asked the drug companies to stop sending these samples, they refused. even when I told them the alternative was incineration. While working for Kaiser Permanente we had to place tight controls on drug salesmen to keep them from offering gifts, trips, honorariums, etc. to the doctors if they used their products. All of these promotional efforts inflated the cost of drugs immensely.

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It has been obvious for some time that the cost of health care in this country has been rising more rapidly than in other countries. As you heard in previous testimony the US is spending more and getting less than all of the other developed countries of the world. Over the years there have been efforts to reform this country's health care system but most of them failed. Presidents Truman, Nixon and Clinton all tried to move this country towards a single payer, governmental system like those in the rest of the industrialized world. Their efforts were thwarted by misguided attitudes and powerful interest groups. There have been some successes with Medicare, Medicaid, and the Affordable Care Act but the "system" is still fundamentally flawed because health care expenses are excessive and millions have no coverage at all. Meanwhile the for-profit segment of the health care business continues to rake-in billions and billions of dollars.

The most recent reform effort is a bill in the US Senate to expand Medicare to cover everyone. In our twisted national political climate this bill is doomed to failure. Consequently many states are trying to find their own solutions. Oregon has already made significant innovative changes in the way health care is financed and delivered to the people of this state. The Oregon Health Plan is a single payer, government financed system that already covers over 25% of the states' population. My hope is to see every Oregonian covered by a state funded, single payer health care system. Previous testimony has described why the passage of SB631 is important to individuals, families and businesses. It also explained the beneficial financial impact on the economy of Oregon. SB631 would make all of this come true. This bill needs to be enacted.

Thank you for the opportunity to testify before this committee today. I would be happy to answer any questions.

