



Senator Eliot Shapleigh

District 29

Texas Press Release



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"VOILA! PERRY ON HEALTH CARE"

"As the whole world now knows, Texas has more uninsured than any state in the US. One in six uninsured American children now live in Texas. Not a single Texas city—not Dallas or even Austin, reaches even the national average of citizens who are covered with health insurance. With a record like that maybe Rick Perry ought to take a closer look in the mirror."

Last week, Rick Perry told a right wing radio host that Texas Democratic congressman 'might oughta consider representing some other state.' One issue he railed about was "Obamacare", the President's historic initiative to cover every American with health care.

"As the whole world now knows, Texas has more uninsured than any state in the US. One in six uninsured American children now live in Texas. Not a single Texas city—not Dallas or even Austin, reaches even the national average of citizens who are covered with health insurance. With a record like that maybe Rick Perry ought to take a closer look in the mirror."

In 2003, Governor Rick Perry intentionally [kicked 300,000 Texas children out](#) of the Children's Health Insurance Program (CHIP) and another 500,000 out of Medicaid. Then, he went to the Bahamas with Grover Norquist to brag about it. Rather than cover eligible children through CHIP, Gov. Perry sent a total of [\\$958 million](#) back to the federal government.



Governor Rick Perry

CHIP is funded by a combination of state and federal dollars. Unlike Medicaid where the costs are more equally divided, the federal government pays for the majority of CHIP. In fact, for every total \$1 spent on CHIP, the federal government pays 72 cents while the state pays the remaining 28 cents.

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So, instead of using the [nearly \\$1 billion](#) that the federal government set aside for Texans to expand CHIP to cover as many Texas children as possible, Gov. Perry sent your taxpayer dollars back to the federal government so that other states like Illinois could cover all of their children.

The consequences of Perry's philosophy aren't limited to children. The ranks of uninsured workers include Texans like [Katonya Price](#), 26, who suffers from severe allergies but can't afford the health insurance premiums at the building supply company where she works. So, she constantly cleans and dusts her Houston home hoping to control the germs and allergens. There's also [David Grose](#), a welder with cancer who traveled by bus 300 miles to one of the nation's premier treatment centers, only to be turned away because he didn't have insurance. These workers simply earn too little to buy private health insurance, but too much to qualify for public health insurance. In fact, in Texas, public health insurance is virtually non-existent for working-age adults. Only extremely poor working parents who earn [less than \\$4,824 a year](#) can qualify for Medicaid.

By any measure, Texas is now "the ground zero of health care in America." In 2005, the Texas Comptroller studied coverage in every Texas city and reported that [not a single Texas city](#) met the national average in citizens covered with insurance—not Austin, not Dallas, not Houston. Moreover, Texas has [1.5 million uninsured children](#), more than any other state in percentage and total number. In Houston alone, Mayor Bill White estimates that 1.1 million Houston residents have no health insurance at all.

Today, even Texans with insurance can't afford the bill. Almost half of all bankruptcies filed in America today are the result of medical debt. What's surprising is that most of these bankruptcies are filed by those who had health insurance but were "underinsured." In fact, a recent study released by the Center for Studying Health System Change estimates that 89 percent of Americans who are having problems paying their medical bills million are insured—[about 43 million Americans](#).



[U.S. Senator John Cornyn](#)

Perry's philosophy is the policy foundation for statewide elected officials like U.S. Senator John Cornyn. Despite the fact that Texas has led the country for years as the state with largest uninsured population, [Senator Cornyn stated](#), "[w]e have created greater access to quality health care in Texas... [s]o, you have to understand what I mean when I say I want to make Washington, D.C., and the rest of our country more like Texas [because], frankly, we know the policies that actually work."

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In Texas, [3 to 5 percent](#) of Medicaid dollars are spent on overhead while the rest is used to deliver direct health care. Similarly, administrative expenses only account for [3 percent](#) of all Medicare dollars spent by the federal government. In striking contrast, [31.0 percent](#) of all health care expenditures in the United States in 2003 were attributable to administrative costs. Given the low administrative costs associated with public programs, including Medicare and Medicaid, the data shows that private insurers spend in the range of [25 to 29 percent on administrative costs](#), which include denial management. In other words, insurance companies hire more and more people to deny the claim that the hospital or doctor sends, who then send it to you. Is that a policy that "works"?

What's more, from 2000 to 2007, Texas families saw their [health insurance premiums soar 86.8 percent—nearly six times more than their median earnings increased](#). And this situation will only get worse, with rates projected to increase [another 7.3 percent](#) in 2009.

Why does every other industrialized democracy in the world have universal health care? To keep overhead low, provide quality access at considerably lower cost, and put dollars into direct care rather than the pockets of insurance companies.

In much of the U.S., Americans do not see this as an insurance issue—they see it as a human issue. Recent surveys indicate [82 percent of Americans](#) believe "access to quality health care is a right, not a privilege."

Moreover, a Pew Research Center poll from 2008 showed that [63 percent](#) want "a government guarantee of universal health insurance, even if it means raising taxes."

The U.S. spends far more money per capita on health care than any other developed country—about [15 percent](#) of our Gross Domestic Product in 2004. Despite these enormous expenditures, the U.S. ranks far worse in terms of infant mortality, cancer mortality, and heart disease mortality; Japan, Sweden, France, Germany, Italy, Denmark, Australia, Canada and the United Kingdom all fare much better. In fact, our infant mortality rate is about that of Croatia and Estonia.



Parkland Hospital, Dallas

What does this mean for Texans?

According to a 2008 Families USA study based on U.S. Census Bureau data, approximately [2,700 uninsured Texans of working age died](#) because they didn't seek medical care. In other words, seven Texans a day died last year due to lack of health care. Further, health care costs add as much as [\\$1500](#) to the price of an American-made vehicle over and above costs on cars built in other countries. And here in my home town, more than a third of the children have no health insurance at all—making El Paso the least insured major city in America.

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Failed leadership on Texas health care is increasingly shifting health care costs to local taxpayers at county hospitals and clinics at the highest possible emergency room rates. In Dallas, Parkland Hospital provided \$512 million in uncompensated care last year. In Houston, the Harris County Hospital District spent about \$436 million.

Why is Texas so far behind when it comes to providing basic health care to more citizens?

Because nowhere in America has basic hostility to responsible governance become so engrained and been so costly to working families. During the 81st Session of the Texas Legislature, Rick Perry stated that he [would veto a bill to expand CHIP.](#)



[John Goodman](#)

Recently John Goodman, President of the Dallas-based National Center for Policy Analysis and a top health care advisor to Republican Presidential Nominee John McCain and nearly every statewide Texas leader, [recently reiterated this sentiment and offered this "solution:"](#)

"The next president of the United States should sign an executive order requiring the Census Bureau to cease and desist from describing any American—even illegal aliens—as uninsured. Instead, the bureau should categorize people according to the likely source of payment should they need care. So, there you have it. Voila! Problem solved."

Voila! And the irony is that Rick Perry's Texas will be the biggest winner under Barack Obama's plan.

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