

REMARKS OF SENATOR HUBERT H. HUMPHREY
DEDICATION OF ST. PAUL-RAMSEY MEDICAL CENTER AND
GILLETTE CHILDREN'S HOSPITAL

Minneapolis, Minnesota

June 3, 1977

I was delighted to receive your invitation to celebrate together.

There is too little time spent in celebrating. We spend a lot more time deploring. And, especially when we get on the subject of health care, we deplore, condemn and view with alarm.

It's our job, of course, as legislators to resolve problems. If we didn't see problems, we have thousands of articulate constituents who unselfishly dedicate their time and effort to point them out. That ordinarily leaves far too little time for celebrating.

I'm pleased that we are celebrating tonight a very special event that benefits the community and, especially, the children of our community. I have followed with interest, respect and admiration the plans of St. Paul Ramsey Medical Center and Gillette Children's Hospital as these two great institutions, together with the Medical Education and Research Foundation, have drawn up and carried through to completion this outstanding joint project.

I need not remind you of the objectives which underlie this progressive partnership between two proud and independent institutions that long have served our community with distinction and dedication.

St Paul-Ramsey Medical Center is an outstanding hospital, medical center and major teaching institution -- the largest facility in the east metropolitan area. Staffed by the able faculty of the University of Minnesota, this great hospital fulfills an essential role in educating physicians and allied health professionals.

Gillette has its special fame as the guardian angel of the state's children who suffer from disabling neurological and musculo-skeletal conditions and diseases. Its orthopedic leadership is recognized nationally and, of course, it is indispensable as the main source of training for Minnesota's orthopedic surgeons.

The new 10 million dollar facility will be a tremendous extension of services provided by both Gillette and St. Paul-Ramsey. In a spirit of trust and cooperation, and without any lessening of their separate prestige and identities, two independent hospitals have arranged to make the most cost-effective use of complementary facilities.

In leasing existing beds rather than building new ones, Gillette can boast a savings of \$4.5 million in capital expenditure, which would have entailed a yearly interest cost of around \$360,000.

St. Paul-Ramsey can continue to expand the use of outpatient services, without paying the nonproductive costs of excess capacity. Leased beds represent savings for SPR's patients.

The innovative surgicenter located in the new facility will give this function added emphasis and achieve far greater economy in handling many minor surgical procedures.

The quality and availability of services are greatly improved under this carefully worked out formula. Sharing specialists and educational programs results in improved patient care.

I am delighted to see that this consolidation improves facilities available to children, regardless of the financial resources of their families. It is a fitting continuation for a hospital which led the nation in its work with crippled children and served as a model for the great social programs and ideals incorporated in Title V of the Social Security Act.

I am a convinced advocate of kiddie care. We still are quite a distance from our goal of making quality health care available to all Americans, whatever their income and place of residence. But my philosophy always has been that we must not let our desire for the ideal sap the determined effort required for each painstaking step along the way.

On an overall national basis, health care for children costs less than for any other population group, yet it has profound implications for the longterm general health, productivity and quality of life of our nation. It will greatly reduce the social and economic toll of neglected illness and disability.

As you may know, this Administration has proposed legislation, which I have co-sponsored, to expand the coverage and quality of the health screening program for poor children.

This is a sound, positive and realistically modest step toward a goal that Congress and the nation should adopt: the early identification and immediate treatment of children's health problems. The great institutions, like this one, must be available to all of our children.

A very important component of any program of preventive health care for children is the early identification treatment and correction of their handicaps and illnesses. This not only is our responsibility as parents and adults; it also is the very best investment that this nation can make.

Children restored to good health, or who are enabled to overcome handicaps, are better able to develop their full physical, mental and social potential, and to enjoy a healthy, productive and successful adulthood.

This is the philosophy that strengthens my proposals to improve and extend provisions of child and maternal health care programs under Title V of the Social Security Act. We do not have to wait until a national consensus and the required resources are available for national health insurance. Such improvement easily can be absorbed in any comprehensive program that we later devise. But children don't wait to grow up. They demand our attention and care right now.

But all our hopeful plans for better health care can be undercut if inflation distorts our national priorities and imposes a tragic tax on the fixed incomes of retirees and low wage earners.

As we all know, the inflation in health care costs has been especially acute. Hospital costs have risen at a rate eight times that of other items in the Consumer Price Index.

In the current fiscal year, the U.S. spent 160 billion dollars on health care -- almost nine percent of the Gross National Product. Indeed, spending on health care in the United States is proportionately higher than anywhere else in the world.

Nor is there a plateau in sight. Health care costs double every five years, and if current trends continue, these costs will represent a stunning 50 percent of our gross national product 30 years from now.

Without control, Medicare/Medicaid costs will jump 23 percent next year.

Medical care is only one component of a balanced health policy, but it now threatens to dominate resources and starve budgets available for research, rehabilitation and preventive care. Moreover, it generally is recognized that health expenditures will continue to rise, whether or not a national health insurance program becomes a reality.

The burden falls most heavily on the poor and the elderly who are crushed between a greater need for medical attention and less protection against its cost.

This Administration has a commitment to develop a universal health care program to make available to all Americans, regardless of their income, age or place of residence, the best possible health care at a cost they can afford, and that the nation can afford.

But we cannot realistically expect the Administration to embark on such a program until Congress and the country's health providers confront the dilemma of soaring costs which seriously limit the protection of Medicare and Medicaid while exaggerating its bite of the federal health investment.

Congress has grappled with this issue in each of the last sessions, and two major cost containment proposals, now are under consideration. As an interim measure, the Administration proposes a limit on hospital payments and capital investments.

A longer range approach, fashioned by Congress, would tailor payment rates more specifically to individual hospitals, and include incentives to lower operating costs, to increase physician participation in Medicare, to convert excess bed capacity, and to discourage capital expenditures.

The final version likely to be enacted probably will combine features of each approach. Congress does not like to impose controls. But it seems quite probable that long range goals and realities may in fact demand that we "bite the bullet" now.

Health concerns each one of us. We all are consumers. The statistics of our national dilemma that I have quoted are common knowledge. But too often they are used like a drunk uses a lamppost, more for support than for illumination.

Our challenge now is to work together toward our common goals. It is essential to recognize that any attempt to control costs must be devised and applied with the active collaboration of health providers, and of the private sector in general.

In this context, today's celebration assumes a special significance.

Recent legislation, still far from achieving its potential, has put greater emphasis on sound and careful management, and innovation in our health care delivery systems.

I am aware that Minnesota has moved to implement these mandates. In the five years since 1971 when the Certificate of Need program was begun, the annual rate of increase in licensed beds has been only .8 percent, as compared to a two percent jump in the five years prior to enactment.

While it is difficult to measure objectively the results of PSRO review, the average length of stay is shorter, and the length of convalescence time has been reduced.

Spurred by the energy crisis, the interest in conservation has taken on a wider application. Our human resources are too valuable to neglect. Our health resources are too scarce to tolerate wasteful and inefficient use.

Congress has moved to make funding contingent on the development of multi-institutional systems for sharing, consolidating or coordinating health services.

In general, there is greater insistence now on better organization of resources, personnel and facilities.

Modernized facilities, expanded outpatient services, and conversion or better employment of existing facilities all can contribute to more economical health service delivery.

The achievement we celebrate today exemplifies these principles.

I congratulate you for the vision and energy you have brought to this new concept in community service. I applaud the skill and professional dedication which have brought this vital task to a successful conclusion.

Thank you for inviting me to share this happy occasion with you. It is most relevant to the challenges that face our 95th Congress in the field of health care and delivery. I am confident that the facility we dedicate today will justify your hopes and hard work and serve as an example and a lesson to both state and national policy.

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