

BERWICK NOMINATION

Mr. WHITEHOUSE. Mr. President, I heard that some of my colleagues on the other side were here earlier engaged in a colloquy of condemnation of the appointment of Dr. Berwick to run CMS. I wanted to come back and respond because I think this body is making a mistake and is taking a very wrong path by attacking and criticizing this particular nominee.

To provide just a moment of context to his appointment, when I was here yesterday I had a graph that showed that in 1955, the year that I was born, we spent about \$12 billion on health care as a nation. Last year we spent \$2.5 trillion, 200 times as much. The graph showed not only the steep curve that took us from \$12 billion to \$2.5 trillion a year, but also the fact that curve was accelerating. It was getting steeper. In the last year the year-to-year increase was \$134 billion in health care expenditures.

That is the biggest year-to-year increase in the history of the Republic. If we kept at it, by 2016 a family of four in Rhode Island would be paying \$26,000 in premiums for a basic health care policy. Medicare Advantage plans jumped 14 percent last year nationally, on average. We are in both an unsustainable and an accelerating health care cost increase environment. Something absolutely has to be done about it. I suspect almost everybody in this Chamber would agree with that.

That is the backdrop—unsustainable, accelerating health care costs that now gobble up more than 17 percent of our gross domestic product. There is a huge discrepancy between us and every other nation in terms of the amount of our economy that we burn on health care. I believe the closest to us is now at 12 percent of GDP, and we are at 17 percent, and it climbs every year along with that accelerated, unsustainable rate of health care cost increase.

The question is, What are we going to do about it? This is a terrific burden on our economy. It is uncompetitive against other nations, it hugely depresses our manufacturing sector, and it clobbers families who have to pay for health care that is so expensive. It simply has to be addressed.

There are two ways we can do it. We could preserve the status quo and simply cut benefits that people receive. We could make Social Security health care benefits knocked down. We could make Medicare benefits knocked down—disability health care benefits for Social Security. We could make Medicaid benefits knocked down. We could spend less, I suppose, on TRICARE in the Veterans' Administration and provide fewer services, pay for less, or require more copays. That is one way to go about doing it, but it is not a very smart way and it is not a very humane way.

A lot of the costs in our health care system is waste; it is waste and inefficiency. If we look at the report of the President's Council of Economic Advis-

ers, they come at it in two ways, and both ways come to the same number, about \$700 billion a year—a year—in waste and excess costs.

The New England Healthcare Institute did a study—\$850 billion a year in waste and excess cost.

The Lewin Group and former Bush Treasury Secretary O'Neill have both arrived at a different number, but they agree the number is \$1 trillion a year in waste and excess cost.

So if we have a huge cost problem, and if we have waste and excess costs as high as \$1 trillion a year—to give us an idea of the scale, remember it was about \$2.5 trillion last year. It is supposed to be \$2.7 trillion this year. If the Lewin Group and Secretary O'Neill's number is right, that means one-third of the cost, more than one-third of the cost is waste in excess care, unnecessary cost. So going after that waste and excess cost should be a priority to deal with the cost burden that our health care system puts on the country.

How would we go about doing that? Well, we are actually fortunate in one respect. In all of the mess of our health care system we are fortunate in one respect; that is, there is a proven correlation in many areas between improving the quality of care and lowering the cost of care.

Probably the most famous example is dealing with hospital-acquired infections. A hospital-acquired infection costs maybe \$60,000 on average to treat, and it is avoidable. It is completely preventable. So if we crack down on hospital-acquired infections, if we fix the process failures that permit hospital-acquired infections to occur, we improve the quality of care, we save people's lives, we get them out of the hospital sooner and healthier, and we save money, all together. But because of the bizarre economics of our health care system, it is not in anybody's financial interest to do that who is also in a position to do that. So over and over, we have these failures where we could have huge win-win situations in which we improve the quality of care for the American people while reducing the cost of the health care system.

It happens with hospital-acquired infections. It happens with administrative overhead. Medicare runs about 3 to 5 percent of overhead. The private insurance market runs at about 20 to 27 percent overhead. It has more than doubled in the last 6 years, from 2000 to 2006. In 6 years it has more than doubled, just the administrative overhead, not health care itself, the administrative overhead of the private insurance industry. That is part of the waste and excess costs.

We can tackle those things. We can drive them down. We can improve, for instance, maternal mortality rates in this country. Believe it or not, America is 39th in maternal mortality. Maternal mortality is a cold, statistical way of describing a mother dying in childbirth, giving birth to her baby,

and we are 39th in the world; 38 countries do better at protecting moms while they are giving birth to their children than we do.

If we can improve that rate, we can save money because the same process failures that lead to those deaths lead to expensive complications, additional days in the hospital, sometimes lead to lifelong injuries to the baby as it is being delivered, which create huge cost. So, again, it is a win-win when we improve the quality of care to lower the cost of medicine.

Now, why do I say all of that? Why do I talk about the importance—first of all, the urgency of the cost problem and the importance of pursuing this win-win strategy to reduce the cost of care by improving the quality of care for Americans? I mention that because Don Berwick is probably the leading pioneer in this area.

The bible of the quality of improvement movement was a book called "To Err is Human," written, I believe, by the National Institutes of Health. Dr. Berwick was one of the lead authors of that report. It was followed by another report called "Crossing the Quality Chasm." Those two reports have been the foundation for the quality reform movement.

I am very familiar with the quality reform movement because I founded something in Rhode Island called the Rhode Island Quality Institute which has led in this area. The legislation we passed, the health care legislation, contains an immense number of reforms of the delivery system that are designed to capture this win-win, that are designed to improve the quality of care in ways that lower the cost of care.

One economist has called it the most significant action on medical spending ever proposed in the United States. A Noble Prize-winning economist has noted that official estimates don't give the plan much credit for the cost-saving efforts in the proposed reform, but realistically the reform is likely to do much better at controlling costs than any of the official projections suggest.

An MIT professor, who is a leading health economist, said: I cannot think of a thing to try that they did not try. They make the best effort anyone has ever made. Everything is in here. You could not have done better than they are doing.

So the bill created an array, a portfolio of tools for beginning to change our broken, dysfunctional health care delivery system and move it more in the direction of better patient care that costs less money.

The lead practitioner of that, the lead advocate of that, the person who has thought about this the most and done the most work on it is Dr. Don Berwick. So it makes perfect sense he would be the person brought over by President Obama to lead CMS and to apply these principles of improving the quality of care, to reduce the cost for America. He is an expert at it. I think

we wrote good legislation on the delivery system reform. I think it was actually very good legislation. But it does not matter how good the legislation is that we write if the executive branch does not get out there and implement it in a dynamic, thoughtful, iterative way. We learn something, we move on.

We have to be creative and continue the pressure on this. We have to take what we learn in different projects and bring them together and try something now and constantly be in a process of innovation and improvement in order to be effective. Nobody will do that better than Professor Berwick. That is why both President Bush, H.W. Bush, and President Bush, W. Bush, their CMS directors have applauded this nomination.

Gail Wilensky, the Administrator of CMS under President George H.W. Bush, said: Berwick has longstanding recognition for expertise and for not being a partisan individual.

George W. Bush's CMS director, Tom Scully, said: You are not going to do any better than Don Berwick.

So from the other side of the aisle, from the partisan side of executive management of this, the previous CMS directors know how qualified this man is. I know my Republican colleagues want to talk about rationing. They would love to paint rationing and socialized medicine and death panels all over the health care bill. Obviously they cannot resist the opportunity to do that using Dr. Berwick.

But, frankly, it is not fair, and I think it puts them on the wrong side of history. It puts them on the wrong side of reform. It raises the question, Whose side are they on? When we have somewhere between \$700 billion and \$1 trillion of waste every year and the person who George Bush's CMS director says we are not going to find any better to come in and fix that program than the nominee, and they are against the solution to that, whose side are they on?

Well, it is pretty clear they are on the side of the \$700 billion to \$1 trillion a year in waste. That is a choice they can make. But I do not think it is a wise choice. When we are dealing with doing things such as eliminating hospital-acquired infections in order to save money, and they are against the person who is the leading proponent of this and who is going to lead us in that direction, who are they for? Are they for the families who lose a loved one to a hospital-acquired infection? It does not seem that way. It seems like a vote in favor of the status quo. It seems like a vote in favor of the status quo and the continuing unbelievable number of deaths and casualties from hospital-acquired infections.

One of the findings of the "To Err is Human" report is that 100,000 Americans die every year, 100,000 Americans die every year because of avoidable medical errors. When we clean up the medical errors, when we clean up the process failures that lead to those medical errors, we save money. That is Don

Berwick's expertise. When they oppose him, whose side are they on? Are they on the side of 100,000 Americans who lose their lives every year because of avoidable medical errors? I do not think so. It sounds as if they are on the side of the 100,000 medical errors.

Let this guy have a chance. He has bipartisan support. He is an expert in this area. The area he is expert in is the best path to lead us to cost savings in health care because it is a win-win path. We do not have to take something away from somebody to create the savings; we can earn the savings by reforming the delivery system so it provides better health care.

He has founded the Institute for Healthcare Improvement. He has worked as a board member on the American Hospital Association on Quality Initiatives. He chaired the Advisory Council for the Agency for Health Research and Quality. He goes back to the Clinton era, where he was on President Clinton's Advisory Commission on Consumer Protection and Quality. He is the real deal.

So I urge my colleagues, as I did yesterday, to step back from the partisanship, to step back from the posturing. We have heard enough about rationing. There is not rationing in this; this is quality reform. We have heard enough about death panels and socialized medicine and all of that nonsense.

We have a serious problem in our health care system. We need to address it seriously. There is a path to address it that is a win-win for our country, for our people, for our society that reduces costs and provides Americans better care. To me, it is embarrassing that we should be 39th in maternal mortality. There are 38 countries that keep mothers alive through childbirth better than we do. That is the kind of thing we should be fixing. That is the kind of quality reform we need. That is the kind of quality reform Don Berwick gets behind.

This should be an area where we can all get behind this. Some of the work he has done has been in Republican States, in States with Republican Senators. I just know, off the top of my head, that Utah is a leading State in the quality reform area. The North Carolina Medicaid effort on Medical Home is one of the leading early studies on this issue. These people have Republican Senators who can report on how successful those have been. Yet they have made the choice not to look at Berwick for the person he is, for the expert he is, for the purpose he brings to this job, but just as an excuse to try to go back to the slogans and try to sloganeer their way through what is a real and significant problem for our country.

So unless you want to wish failure on America in this task, unless you want to wish failure on America in reducing the 100,000 deaths every year from avoidable medical errors, unless you want to wish failure on America in improving our status so we are the best in

the world on maternal mortality rather than 39th, unless you want to wish failure on America in the only win-win path to reducing the terrible burden of health care costs, the accelerating burden, unsustainable burden of health care costs on our country, unless you want to wish America failure in that, you ought to support Don Berwick because he knows how to follow this path, this win-win path, toward health care savings that come from improving quality. That is a path we should be on.

There is no one better suited to lead CMS down that path than Dr. Berwick. So I hope we can find a way in this body to be better than that. I think Dr. Berwick gives us the occasion to be better than that. At long last, I hope that soon we become better than that.

I yield the floor, and I suggest the absence of a quorum.

THE PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SANDERS. I ask unanimous consent that the order for the quorum call be rescinded.

THE PRESIDING OFFICER. Without objection, it is so ordered.

INHERITANCE TAX

Mr. SANDERS. Mr. President, let me begin by making a few points about which there is not a whole lot of disagreement.

First, the United States today is in the midst of the worst economic downturn since the 1930s. Over 16 percent of working age Americans are unemployed or underemployed, working 20 hours a week when they want to be working 40 hours. Long-term unemployment is the highest on record. In other words, when people are losing their jobs now, it is not a question of weeks to gain a new job but, in some cases, 6 or 8 months or perhaps not at all. In the midst of this economic crisis, millions of Americans have lost their homes, savings, and pensions.

Second point: The United States today has a \$13 trillion national debt and a record-breaking \$1.6 trillion deficit. Last year alone, the Federal Government spent over \$186 billion paying interest on that debt. We are leaving our children and grandchildren a huge financial obligation which not only will impact them personally but will affect the well-being of the entire country in the midst of a strong and competitive global economy.

Third point: The United States today has the most unequal distribution of wealth and income of any major country. Today, as this chart indicates, the top 1 percent earns more income than the bottom 50 percent. Let me repeat that. The top 1 percent earns more income than the bottom 50 percent. And the top 1 percent owns more wealth than the bottom 90 percent. The top, 1 percent; bottom, 90 percent. What we have is a nation in which in many ways we are moving toward an oligarchic