

THE IMPACT OF REAGAN'S HEALTH POLICIES

by

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I originally agreed to participate today as President of the American Public Health Association. I note that the program lists me according to my title with the New Mexico Health and Environment Department, but I still wish to speak from the perspective of the APHA role.

Many of you may be aware of the American Public Health Association, but for those who are not I should briefly note that the 109-year-old APHA has some 52,000 national and affiliate members and is the largest association of health professionals in the World. Our interests run the gamut of public health concerns and our members are organized into some 25 different sections. The APHA has, and continues to exert, a significant influence on national health policies, legislation, and budgets.

I am taking one prerogative as a speaker, and that is to slightly alter the title of my speech, changing the title "Health Care" to "Health Services", so as to allow me to discuss certain issues that might not strictly be considered health care. Additionally, I do not intend to deal with some of the issues that all of you know more about than do I; namely, the current issues of Medicaid and Medicare changes and these impacts on the health care system in New Mexico

On the familiar scale of one to ten, the score of one is a generous measure of the Administration's interest in and support for personal and environmental health. At the end

of the APHA Mid-Year Leadership Conference in Washington this past June, I summarized the findings of our Conference as follows:

"During this Conference, we have learned that there is not a single crisis involving health policy, but a variety of major issues and crises involving not only scores of individual personal and environmental health programs, but an attempt to destroy the very structure and thrust of the personal and environmental health systems in this nation, with little understanding or care as to the effects of such actions.

"Our speakers have advised us that the Reagan Administration has no health plan resulting in a move to radically revise the role of the federal government pertaining to personal and environmental health.

"We have discussed public opinion polls indicating that the Reagan Administration received no mandate to destroy our health programs and status, or to reduce environmental protection measures.

"Further discussion has made it clear that the Block Grants are only a first step in the abdication of federal support for public health, and that Block Grant proposals would result in a 40 percent decrease in program capability during the first year alone.

"We have been warned that the Administration will attempt to gut the Clean Air Act, the Safe Drinking Water Act, the Occupational Safety and Health Act, the Hazardous Waste Program, and others, if it is successful in destroying key provisions of the Clean Air Act."

Block Grants have recently been the subject of considerable citizen interest. Block Grants are not a new concept. The first Block Grant for Health Programs became known as 314(D). The funding was developed back in the 1960s in response to the hue and cry of state health officials that they could handle the funds better and place priorities on health problems more effectively at the state level than could their counterpart bureaucrats on the Potomac. Grants under 314(D) "blocked" a number of previous categorical funds and allowed a considerable degree of flexibility in their utilization. In practice, most states changed their priorities little from what had previously been determined by the Feds for categorical funding. But an interesting result ensued. Soon, the state health departments became the only constituency for 314(D) funding with the predictable results that such funding was gradually decreased; that 314(D) has been the object of budget rescissions; and that 314(D) is now only a shadow of its former self.

The Reagan Administration proposed grouping some 29 categorical programs into these Block Grants, and suggested that A) the states can do it better, and B) the proposed 25 percent reduction really would not be all that serious because much of it would be re-gained by eliminating the federal bureaucracy administering the categorical funds.

Many of the existing categorical programs were developed because states either could not or would not do it themselves. This has been true of such important programs as Mental Health, Family Planning, Migrant Health, Community Health Centers, and others. Now we are to believe that states have suddenly seen the light and recognize these as priority issues for the state officials to administer in a more efficient manner.

A little simple arithmetic indicates that the actual cuts in services delivered to people will be significantly greater than the 25 percent the Administration admits to. The

25 percent reduction leaves 75 percent. However, the proposed funding is based on current levels of categorical funding and do not include any increases for inflation. Additionally; each state government must retain an appropriate sum to develop its own ability in order to responsibly handle the funds and be accountable for their proper and legal utilization. After subtracting these overhead costs and the program reduction caused by inflation, we will have something like 60 percent of the current program level.

And now let's get back to the matter of the hack of a constituency. If Mental Health or Drug Abuse or Alcoholism or Crippled Children's Services or Health Education or Migrant Health or Community Health Center constituencies were to find the need for increased federal funding and convince Congress of the need, there would not be the slightest assurance that any increase would be utilized in the interests of that particular constituency at the local level. Therefore, lacking a constituency, I foresee a gradual erosion of the proposed Block Grant funding just as we witnessed for 314(D).

We need the continuation of a balanced, coordinated effort between the federal government and state and local governments to best serve the interests of all of our citizens.

Since the original Block Grant proposals, the Administration is admitting what we earlier suspected; that is, Block Grants are an entering wedge in a scheme to first reduce and eventually abolish federal aid for health services. Responsibilities are being transferred to the states and communities without a concurrent transfer of fiscal resources, with the states handing out the bad news. This has been termed "shifting the shaft".

. Now, the Administration is proposing an additional 12 percent cut in funding, but we must wait and determine if the Congress is willing to go along with this. Such

indiscriminate budget cuts without appropriate hearings or public input is like a "feeding frenzy" engaged in by poultry or fish without regard to who is hurt, what items disappear, or who does without.

In New Mexico, we have opted to accept the Block Grants involving Prevention; MCH Services; and Mental Health, Drug Abuse, and Alcoholism, effective October 1, 1981. We do not intend to take the Block Grant involving Primary Care (Community Health Centers) inasmuch as it has a built-in fiscal disincentive requiring states to match the Block Grant by 25 percent the first year and 33 percent the second year.

Optimists have suggested that we can do more for less, but it will obviously be less for less and the prevention programs, offering the best cost-benefit ratio, are being hit the hardest.

We in the APHA attempted to testify regarding the re-authorization of Title X, Family Planning Provisions, but were unable to do so inasmuch as Senator Jeremiah Denton, the Subcommittee Chairperson, was not willing to have any groups testify who were favorable to Family Planning.

The APHA has also been actively involved in attempting to see that the federal Clean Air Act is re-authorized without gutting it as the Administration would like to see. The Administration's efforts were slowed down considerably, however, when a recent Lou Harris Poll indicated that 86 percent of the American public wishes to see the Clean Air Act remain as strong or stronger than it is currently, and 92 percent of the American public wishes to see the federal Clean Water Act remain as strong or stronger than it is now.

I should note that Environmental Health issues and my discussions of such issues is not a partisan "Republican versus Democrat" issue. We should remember that some of the Nation's key environmental health legislation was enacted during a Republican administration, the Environmental Protection Agency was created

during a Republican administration, and the Council on Environmental Quality was created during a Republican administration. Historically, conservatives were among the early conservationists and protectors of the environment. The current opposition to environmental health measures by the Reagan Administration is obviously not of a conservative nature, clearly not of a liberal nature, and can only be termed radical.

There is no doubt that environmental health measures contribute to inflation, but only moderately. A 1981 Study prepared for EPA by Data Resources, Inc., (DRI) of Cambridge, Massachusetts, estimates that spending by major industries and state and local governments to meet federal pollution control requirements will add nearly 0.6 percent per year to the Consumer Price Index between 1981 and 1987, but that nationwide unemployment rates will be 0.3 percent less in the 1970-87 period, as a result of an estimated 524,000 new jobs created by the same pollution control requirements.

During the campaign, Ronald Reagan was quoted as saying, "The battle for clean air has been substantially won," on the same day he had trouble landing in Los Angeles because of a serious smog problem. He received considerable press notice over his utterance that 80 percent of pollution comes from plants and trees. With this type of environmental health support coming from the White House, those valuing a breath of fresh air have their jobs cut out for them.

Air Pollution poses documented health problems, but we still do not know all the adverse health effects of various pollutants and combinations of pollutants. However, it would be ridiculous to wait another 30 years for further epidemiological evidence as was done for smoking. Additionally, air pollution creates economic perils for vast areas of our nation relying on agriculture, tourism, and recreation. Pollution costs the public in terms of absenteeism, health care, insurance rates, and Medicaid expenditures as well as in corroded materials, maintenance, laundry bills, property

damage, animal and plant life, and sterile lakes from acid rain. These costs may be hidden and difficult to calculate, but are nonetheless real.

The epidemiology of air pollution is in its infancy. Photochemical smog was first described some 30 years ago. Historically, we find that standards become more stringent as knowledge is enhanced.

Acid rain and the resultant damage to lakes, particularly in the northeastern United States and Eastern Canada, is not only serious and possibly irreversible, but is a matter of national shame.. The continuing problem is due to lack of political will rather than lack of technology. Canada has been unbelievably patient and long-suffering. Perhaps President Reagan feels about lakes as he does about trees , "when you've seen one tree you've seen them all."

It is of serious concern that some members of our species seem more willing to suffer the health, social, economic and environmental consequences of disease and pollution than to pay for a healthy environment for this and future generations.

More recently, the unqualified Administrator of the U. S. Environmental Protection Agency has admitted to problems of mismanagement and poor morale, while adopting a "white knuckles" approach to running this important agency responsible for clean air, clean water, solid wastes, hazardous wastes, sewer construction, and others. EPA is being described by Republican Senator Robert Stafford, Chairman of the Senate Environment and Public Works Committee, as "an agency in agony, with its senior officials under siege". Senator Stafford contends that the EPA Administrator's proposed 30 percent budget cuts "could amount to a de facto repeal of some environmental laws."

There is truly a wrecking crew at work.

The Republican Party Platform stressed the importance of disease prevention and health promotion. President Reagan has pronounced disease prevention and health promotion as a priority. Health and Human Services Secretary Richard Schweiker has repeatedly articulated his support for disease prevention and health promotion, and has stated that he'd 'like to be known as the person who put 'preventive health care and preventive medicine' at the top of the federal health agenda.' The net effect of these public statements has been significant funding reductions for such important prevention and promotion programs as the 314(D) incentive grant program, rodent control, water fluoridation, hypertension, air pollution control, immunizations, family planning, radiation effects research, venereal disease control, genetic research, OSHA enforcement, lead-based paint poison control, water pollution control, mine safety and health administration enforcement, hazardous waste control, environmental protection research, and health education-risk reduction, -- to name a few. Now, after his earlier statements supporting disease prevention and health promotion, Secretary Schweiker has been subdued into recommending that the federal contributions to disease prevention and health promotion be limited to research funds and seed money to initiate private efforts.

We in the APHA have managed to hold up the appointment of Dr. C. Everett Koop as Surgeon General for some 10 months now. It is probable that he will be confirmed in the near future, but he clearly has no public health experience nor qualifications. He has been labeled "uniquely unqualified" by professional public health workers. He is the first nominee for Surgeon General who did not have a background rich in public health as differing from clinical medicine.

The Detroit Free Press notes that he is a person of "strong views and weak qualifications, so far as public health issues are concerned. He thinks Planned Parenthood is to blame for teen-age sex."

The Louisville Times suggests that, "Koop's views should stop appointment as Surgeon General."

The Los Angeles Times editorialized that, "Koop, on the other hand, lacks the qualifications to fit the job."

The Washington Star Editorial is labeled, "The Wrong Job For Doctor Koop."

And another Los Angeles Times Editorial is simply captioned, "Koop: Bad Medicine."

The Miami Herald Suggests, "Doctor Koop to Surgery, Please."

**The New York Times Editorial concerning Doctor Koop is Captioned:
"Doctor unqualified."**

**Doctor Koop's home-town newspaper, The Philadelphia Inquirer, suggests that,
"Senate Should Reject Koop."**

And the St. Louis Post Dispatch says, "Bad Choice For Surgeon General."

Despite the out-pouring of righteous indignation concerning a person so unqualified for the position, he will probably be confirmed. However, we recall that when Wally Hickle was first nominated for Secretary of the Interior, he had a poor record and poor qualifications concerning conservation issues. He was the subject of so much criticism during the confirmation process that he became sensitized, learned, and became one of the better Secretaries of the Interior that we have ever had. We hope that Doctor Koop is also learning.

As you know, the Reagan Administration has been attempting to obliterate the health planning process in this Nation. While many of us would suggest that the health planning process needs improvements, and that a well-designed pro-competitive process might be superior, we feel that the health planning mechanism should be left in place until improved or replaced with something well-thought-out. This certainly has not been the case. Someone recently suggested that the Black Hole Theory was the time between the two years when Stockman wants to get rid of Health Planning and the 10 years when Allen Enthoven says that a pro-competitive model can be in place.

Your own Dick Barr has suggested there will be an inevitable and incredible over-building of health care facilities in the Sun Belt and the suburbs of the nation's growing cities in the absence of appropriate controls.

There may be further reductions if the Congress does not remember that there is a reason and a constitution providing for three separate branches of government. There will be a further tilt of emphasis from disease prevention and health promotion toward treatment and rehabilitation as time progresses.

It is ironic and interesting to note that President Reagan would not have survived the recent assassination attempt had it not been for a medical system at George Washington University in Washington, D. C., built to a large extent with federal funds: The emergency Medical Systems Program which helped organize George Washington's "Level I Trauma Center", would be ended, and similar programs in other states might be discontinued with limited federal block grant funds, under Reagan's cost-cutting program.

The New Mexico Legislature has displayed responsibility in funding necessary health and environmental services in New Mexico. Understandably, Legislators have not been eager or quick to replace federal funds with State money. Undoubtedly, the Legislature will seriously consider some federal fund replacement on a selected and priority basis. But in general, Legislators may not consider solving the budget problems created in Washington as their responsibility.