

Inaugural address

of

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As it appears in the

Journal

of the

JOINT ASSEMBLY

BIENNIAL SESSION

2001

Thursday, January 4, 2001

Inaugural Address

“Mr. President, Mr. Speaker, members of the General Assembly, members of the Vermont Supreme Court and fellow Vermonters:

“Governor Robert Stafford -- in a Christmas speech made 40 years ago -- extolled our future:

‘We are justified in having great faith in Vermont. She will surely continue to grow economically and spiritually. She will continue to provide us with a place in which democracy can flourish, in which we can live with comfort and dignity, and in which our children can enjoy an abundant life.’

“Governor Stafford, it gives me great pride to stand before you today and say: Your faith in our Vermont is justified. Forty years later, Vermont continues to provide us with a place in which democracy flourishes, in which we live in relative comfort and dignity, in which our children enjoy a more abundant life.

“It is not the same state you governed 42 years ago. The population has nearly doubled; the General Fund budget has increased ten-fold. Interstates run border to border, turning the drive from New York, Boston and Montreal into an easy day trip. Our economy is dependent upon events far beyond our borders.

“In 1986, when I went to my first meeting of the Vermont Trappers’ Association in Tunbridge, we talked about anti-trapping bills and loss of habitat. This past summer, at the Trappers’ meeting in Barton, the discussion was about the price of pelts in Russia. Whether we approve or not, Vermont is integrated into a global economy.

“What we treasure most – our values and our self respect -- have been tested, but remain unchanged. Governor Stafford, we are the same Vermonters you spoke of 40 years ago when you said our challenges require great strength, inspired wisdom, fortitude, forbearance, and self discipline. We are the same Vermonters you spoke of this fall when you reminded us that ‘everyone in the country is better off living under a society based upon love of each other.’ These remain the guiding principles that continue to shape Vermont’s destiny.

“For a long and wonderful career as Vermont Attorney General, Lieutenant Governor, Governor, United States Representative, United States Senator, and now Senior Statesman, I ask Robert Stafford and his wife Helen to stand and be recognized.

“We walked into the Statehouse today after a difficult – at times contentious – election. We entered that election after a difficult – at times contentious – legislative session.

“But we need not walk into this Statehouse today a divided Legislature.

“We are teachers, farmers, social workers and business owners. We are employers and employees. We are old and young. We are liberal, conservative and everything in between. We are neighbors; and we are friends.

“I am a doctor who believes that *every* Vermonter deserves affordable health care. I am a father with two children in the public schools who is dedicated to a better public education for all Vermonters. I am a hiker determined to preserve our most beautiful landscapes and to improve our lakes, streams and rivers.

“At this moment we are not divided. We are Vermonters.

“At this moment we are united in one mission: To ensure that when we leave this Statehouse in April, this state remains a place where democracy flourishes, where we can live with comfort and dignity, and where our children can enjoy an abundant life.

“I have observed in this building – in one capacity or another since 1983 – that the most effective and most wonderful pieces of legislation happen when people disregard their party affiliation and work together so that great things may be accomplished. That is very hard work, and we will not always agree. But even our disagreements are part of this democratic process. Everyone will be heard; not everyone will get their way.

“I urge us all never to take our differences personally, and never to lose sight of the goal that each one of us share.

“Former Governor Phil Hoff said in 1965:

‘Ours is a time not of triumph but of dedication.
We meet here not as exponents of party but as stewards of hope.
We share a sacred trust, the future of our great state.
Let us draw that future in bold strokes with confidence in our mission.’

“Today *we* are the stewards of our future. Let’s work together in the best tradition of Vermont to chart a thoughtful, moderate course -- respectful of all, but as Abraham Lincoln urged, ‘with malice towards none.’

“Over the past 25 years, we have crafted extraordinary legislation which has brought us to the forefront in areas such as equality of opportunity in education, stringent environmental protection, nationally recognized health care programs for children, working Vermonters and seniors, as well as human rights. We cannot retreat from these principles.

“Next week I will give my annual budget address. Because policy and budget are so closely tied, you will hear my thoughts on where much of the state’s policy regarding education, economic development and environmental protection should go. We will spend a lot of our energy in this session on reforming these achievements, such as Act 250 and Act 60, and preparing to move them into the 21st Century.

“But just as Bob Dylan said, ‘Those who are not busy being born are busy dying.’ It is not enough for us to spend this legislative session rehabilitating and retooling past legislative achievements. We must have an achievement to call our own.

“I propose that our achievement – the achievement of this biennium – is to design and implement a better system of health care in Vermont.

“Health care presents us with three problems. The first is that costs are going up at two or three times the rate of inflation. This makes it difficult for Vermonters to buy health insurance, particularly those who either own or work for small businesses. The second is availability. Even those 210,000 Vermonters with publicly financed insurance – 120,000 on Medicaid and 90,000 on Medicare – have an access problem. This comes in part because the state underpays providers for their services and because in some areas of the state there are simply not enough providers.

“Finally, we have one of the lowest number of uninsured citizens in the country. But if you are one of those 6 percent working hard to support your family, working for an employer who cannot afford health insurance, the fact that you are one of only 6 percent does not pay the doctor’s bill.

“This biennium our goals for health care are finding ways to control costs, helping small businesses afford private coverage for their workers, and making government-guaranteed insurance for children, seniors and working Vermonters sustainable. This also means assuring access to health care for every Vermont citizen.

“We will never control costs without universal access. Vermont deserves a health care system where small business men and women are not bankrupted by trying to treat their employees responsibly, and Vermont deserves a system where *all* Vermonters have access to health insurance and to health care.

“First and most importantly, this is what Vermonters are asking for -- like the 141 employees at the firm Tivoly in Derby Line, who wrote me recently saying:

‘The rising cost of our health care has gotten to the point we are forced to make a decision whether to pay these exorbitant premiums or gamble our families will remain healthy. People are scared and rightly so. The working class people should never be put in this position of choosing between food and medicine. ... We at Tivoly are looking at an uncertain future at the moment. What must we sacrifice: food, fuel for heating our homes, gambling with no health insurance, or just maybe losing everything we’ve worked all our lives for.’

“This the cost of doing nothing: Uncertainty, insecurity and sacrifice.

“Secondly, this is a balanced Legislature, a blend of the political spectrum that working together can craft a balanced and thoughtful plan for ending the uncertainty, insecurity and sacrifice voiced by those Tivoly employees.

“This need not be a partisan issue. On every legislator’s desk I’ve distributed an article from the October issue of the Atlantic Monthly which talks of an extraordinary meeting between Rep. Jim McCrery, a conservative Republican from Shreveport, Louisiana, and Rep. Jim McDermott, a liberal Democrat from Seattle, Washington. After listening to these two political opposites voice a commitment to health care reform, author Matthew Miller wrote:

‘The story of the coming ‘grand bargain’ on health care is one of Democrats accepting the existence of a private insurance industry and Republicans accepting the need to help make sure that everyone can buy a decent policy. It is a story of liberals agreeing that innovation shouldn’t be regulated out of U.S. health care and conservatives agreeing that justice has to be regulated into it. It is possible,’ Miller continued, ‘because an old-time single-payer liberal and a conservative Republican sat down with me and proved that the thing can be done.’

“We are fortunate in Vermont. We have a strong health care system. The quality of our care is ranked second in the nation. Although our insurance premiums have gone up, they still remain among the lowest in New England.

“Nonetheless, in Vermont and in America as a whole, we have continued to postpone making the kind of changes we need to make. We need to address cost shift. We need to address cost control. We need to address access for all Vermonters.

“This is a particularly important time to tackle these issues. We are beginning a period of decrease in our economic vitality, when the growing challenge will be to consolidate our current gains in health care and help strengthen access for businesses and individuals to viable and affordable health insurance.

“As I look back over the decade I have served you as governor, some of the best social legislation has been signed into law because the frugality of the early 1990s required us to focus on prevention and forward-thinking policy. Success by Six, the expansion of Dr. Dynasaur, and welfare reform were all careful products of a Legislature which knew that it could not solve problems by creating big-spending programs. The results of these efforts are extraordinary: a nearly 50 percent decrease in child abuse, a 43 percent decrease in teen pregnancy, and a 47 percent decrease in the number of Vermonters receiving welfare benefits.

“All of these were done when we knew we could not spend a lot more to meet our objectives. This is a Legislature which will not have great recurring surpluses to spend on new programs. But this is another opportunity to make social progress in a fiscally responsible and sustainable way.

“Let me talk for a moment about what will *not* work. Vermont has a system of community rating where all age groups are charged the same for their coverage, despite the fact that older people use more health care than younger people. Some insurance companies left the state because they wanted to avoid insuring older people so they could make plenty of money by only covering low-risk Vermonters. Eliminating community rating will not make health insurance more affordable or more accessible. It will simply add on another cost shift, causing those employees over 50 and their employers to pay even more money so that costs can be reduced for those under 35. I don’t believe Vermonters want this solution.

“Our challenge is to find solutions that *will* work. Thanks to the hard work of our Congressional delegation, and because we are one of the states which is closest to achieving universal access to health insurance, Vermont has received a \$1.3 million grant which will help us chart a course toward universal health insurance in our state. That report will be due next October, but we cannot wait until next fall to deal with this issue. Small businesses and Vermont ratepayers cannot afford another 20 percent increase; 6 percent of Vermonters cannot afford to live with the uncertainty of no health coverage.

“I have deliberately avoided laying out the specifics of how I believe our three goals of cost control, reducing the cost shift and universal access should be achieved. I want this to be *our* plan, not *my* plan.

“I can promise you my support, my hard work and my leadership in achieving these goals. But I cannot do this without your support, your hard work and your leadership.

“Today I will ask the chairs and vice chairs of the House and Senate Health and Welfare Committees to join two of my appointees on the Governor’s Special Commission on Health Care, which will be chaired by former Human Services Secretary Cornelius Hogan. This bipartisan group will analyze data and travel the state talking to employers and others concerned with rising health care costs to find ways we can achieve the dual goals of controlling costs and guaranteeing universal access.

“We have this unique opportunity today precisely because the recent elections have empowered both Republicans and Democrats to sit at the table. Everybody has a voice in this process. No one party can dictate the outcome.

“In addition, on February 12 I will co-convene a small business meeting with the Vermont Chamber of Commerce and employers from across the state to discuss health care costs. I invite the Speaker and the Committee on Committees to send representatives to that meeting, or to attend themselves.

“In the budget address you will see an additional \$8 million set aside from our recurrent surplus simply to cover the state’s health care obligations. This has nothing to do with how many health insurance companies are in Vermont. For example, our own state employees’ rates went up an average of 33 percent last year and are expected to rise an average of 20 percent this year. We are self-insured. The insurance market plays no role in setting our rates. We are simply state employees – and like most Vermonters – are using more health care.

“We have increased reimbursement for doctors in recent years because of the enormous inflation in health care costs, but we cannot afford to continue that unless physicians and hospitals agree to lower the growth rate in their budgets. Addressing the cost shift could slow insurance premium growth, but without fiscal restraint on the part of providers and drug companies we will simply be adding new revenues to a system which already consumes nearly 15 percent of our gross national product. In Vermont, that means increases of three or four times the rate of inflation.

“I am willing to make a good faith effort to address the cost shift. But in return, we must have a guarantee of lower budget growth and better efficiency in our medical system.

“The reduction of the cost shift, however, is simply a first step. The real goals must be better cost controls so that small business can continue to offer health insurance as a benefit, and universal insurance for all Vermonters.

“As Rep. McCrery and Rep. McDermott discovered when they sat down together in Washington, only by casting aside ideologically driven visions can we accomplish what our people deserve. This is not a conservative or a liberal issue. This is a Vermont issue.

“In 1974, Governor Tom Salmon told the Legislature:

‘Let us never forget that Vermont is more than the Governorship and the General Assembly. It is the sum total of the toil and the hopes and aspirations of every human being who resides within our borders. It is the farmer who gets up long before sunrise to tend to his herd; the housewife in the kitchen canning the fruits of the harvest; the lineman who climbs poles covered with ice to fix wires during the storm; the truck driver who drives while we sleep so that we may have food on our table; the teacher and the clergyman who tend to the young and comfort the afflicted.

‘All of these and a thousand more are the sum total of what Vermont is, and with God helping, what Vermont will always be.’

“Let us sit down, Republican and Democrat, independent and Progressive, conservative and liberal, and think of those people we were sent here to serve.

“We are the stewards. This is *our* future to paint in bold strokes ... and with confidence.

“Thank you.”