

TIM JOHNSON
SOUTH DAKOTA

RAPID CITY OFFICE: (605) 341-3990
PO BOX 1098, RAPID CITY, SD 57709

ABERDEEN OFFICE: (605) 226-3440
PO BOX 1554, ABERDEEN, SD 57402

SIOUX FALLS OFFICE: (605) 332-8896
PO BOX 1424, SIOUX FALLS, SD 57101

United States Senate

WASHINGTON, DC 20510-4104

WASHINGTON OFFICE:
324 HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510-4104
(202) 224-5842

TDD: (202) 224-8279

TOLL FREE
1-800-537-0025

E-MAIL: tim@johnson.senate.gov
WEB SITE: <http://johnson.senate.gov>

October 1, 2003

The Honorable Tommy G. Thompson
Secretary
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Ave., SW
Washington, DC 20201

Dear Secretary Thompson,

As you are well aware, the Census Bureau released new numbers this week on the rising number of Americans who lack health insurance. That number rose by 5.7 percent in 2002 to a staggering 43.6 million nationwide, representing the largest single increase in ten years.

The lack of health care access has immeasurable costs to society. The National Academy of Sciences estimated in a report this past June that the uninsured problem costs the country between \$65 and \$130 billion every year. These economic and social costs are found in lost health and longevity of our citizens, financial risk and uncertainty within families, lost workforce productivity, and financial stresses for and instability of health care providers and institutions in communities with high uninsured rates.

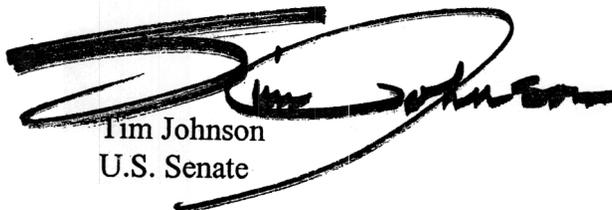
The direct community effects of this problem must also be considered. The Institute of Medicine (IOM) released a report in March which indicated that the effects of uninsurance on individuals and families in a community has real effects on community health care institutions, providers and a community's health care system overall. Health care practitioners and institutions are an integral part of any community, and are especially critical to the viability of a community in a rural area. As the IOM report indicates, because insurance facilitates access to health care by removing financial barriers, the burden of financing care of the uninsured affects the health services available more broadly in any community. This is most apparent in urban and rural areas where providers treat a large number of the uninsured and can result in overall cut backs in services, reduced staffing, relocations and closures.

Luckily, this problem is one we can fix. A study conducted by the Urban Institute and published in Health Affairs in June indicated that covering the uninsured would add up to \$69 billion in additional overall health care spending, which would be less than the annual inflation in health spending— 8.7 percent in 2001. That is only a portion of what we are spending in Iraq or President Bush's newly enacted tax cut benefitting the wealthiest Americans.

I urge you to make this issue a priority as you plan for the upcoming fiscal year and as you develop your fiscal year 2005 budget. The long term cost savings to the government and society will be remarkable if we simply provide all Americans with comprehensive health coverage now and in future years. I look forward to working with you to make sure that all Americans have access to quality healthcare.

With respect and appreciation,

Sincerely,

A large, bold, handwritten signature in black ink, appearing to read "Tim Johnson". The signature is written over the printed name and title.

Tim Johnson
U.S. Senate