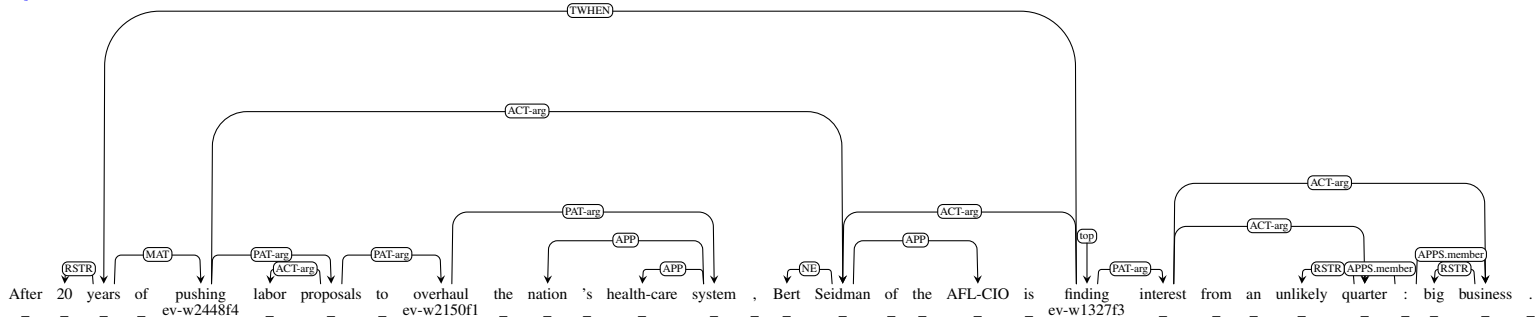
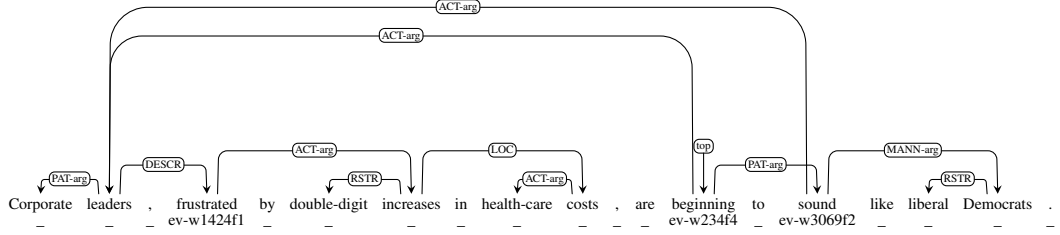


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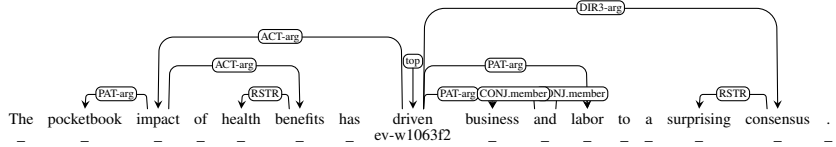
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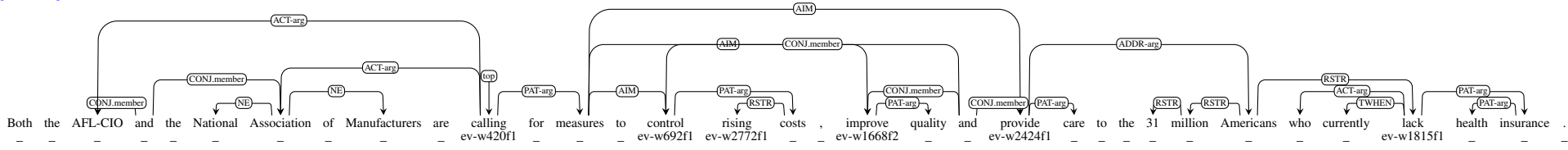
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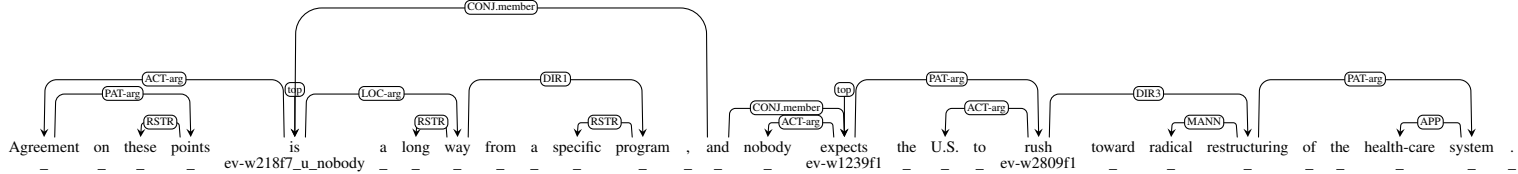
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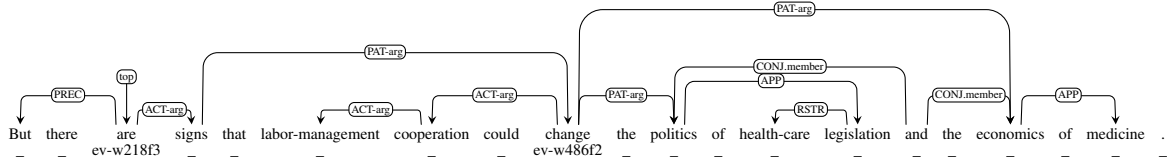
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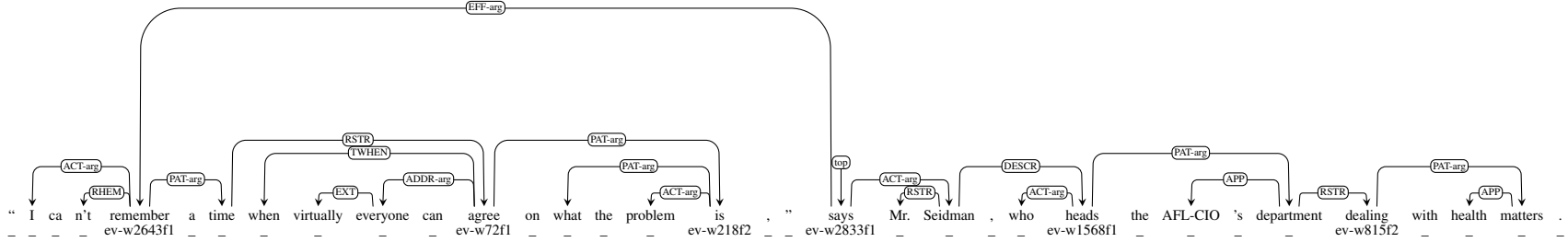
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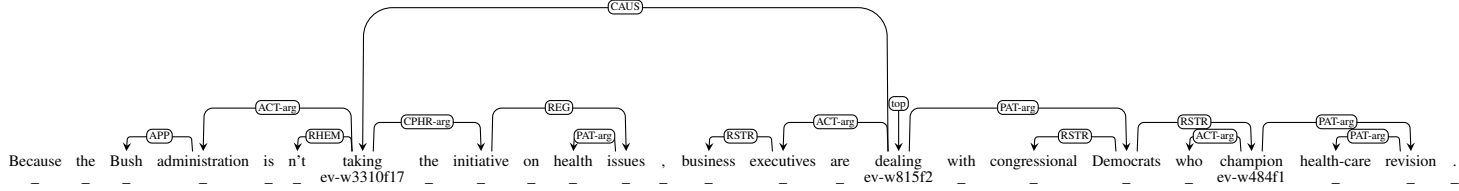
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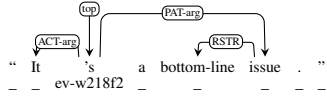
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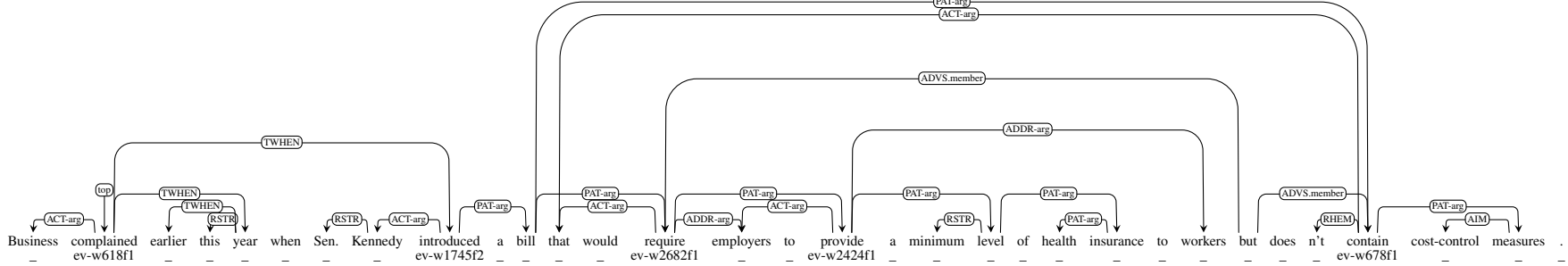
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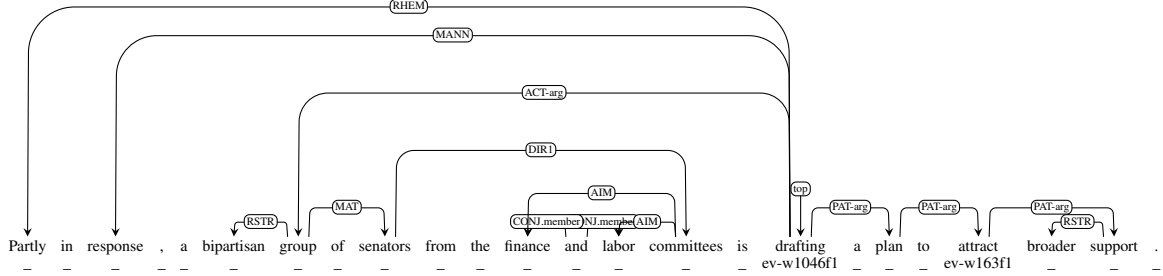
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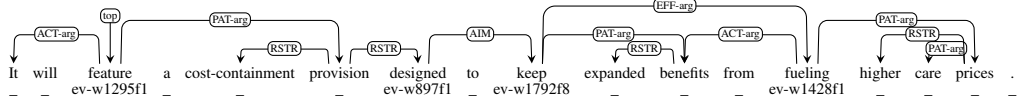
[20314012]



[20314013]



[20314014]



[20314015]

At 11.1 % of gross national product . U.S. health costs already are the highest in the world .

[20314016]

By contrast , Japan 's equal 6.7 % of GNP , a nation 's total output of goods and services .

[20314017]

Management and labor worry that the gap makes U.S. companies less competitive .

[20314019]

" The cost of health care is eroding standards of living and sipping industrial strength . " complains Walter Maher , a Chrysler health-and-benefits specialist .

[20314020]

Labor is upset because many companies are using higher employee insurance premiums , deductibles and co-payments to deflect surging medical costs to workers .

[20314021]

Health benefits are contentious issues in the strikes against Pittston Co. and Nynex Corp .

[20314022]

In their new contract this year , American Telephone & Telegraph Co. and the Communications Workers of America agreed to look for " prompt and lasting national solutions " to rising health-care costs .

[20314023]

Some analysts are cynical about the new corporate interest in health-care overhaul .

[20314024]

Carl Schramm , president of the Health Insurance Association of America , scoffs at " capitalists who want to socialize the entire financing system " for health .

[20314025]

" They hope they can buy some government cost discipline , " but this is a false hope , Mr. Schramm says .

[20314026]

He asserts that government has done an even worse job of controlling its health bill than business .

[20314027]

So far neither the Bush administration nor Congress prepared to lead the way toward revamping health care .

[20314028]

The administration lacks a comprehensive health-care policy .

[20314029]

Congress still is struggling to dismantle the unpopular Catastrophic Care Act of 1988 , which boosted benefits for the elderly and taxed them to pay for the new coverage .

[20314031]

A quadrennial commission appointed by Health and Human Services Secretary Louis Sullivan is taking a broad look at the economics of Medicare for the elderly , Medicaid for the poor and the health system in general .

[20314032]

It is expected to report next summer .

[20314033]

" No magic bullet will be discovered next year , an election year , " says Rep. Fortney Stark (D , Calif .)

[20314034]

But 1991 could be a window for action .

[20314035]

The pressure for change will rise with costs .

[20314036]

" I think employers are really going to be the ones to push for major change , " says Sharon Canner , a health expert at NAM .

[20314037]

Any major attempt to revamp the health-care system is likely to trigger opposition from politically powerful interest groups , particularly the American Medical Association , and perhaps from the public as well , if Congress takes steps that patients fear will limit the availability of care .

[20314039]

Advocates hope that such standards will improve treatment while limiting unnecessary tests and medical procedures .

[20314040]

HHS Secretary Sullivan estimates that as much as 25 % of the medical procedures performed each year may be inappropriate or unnecessary .

[20314041]

Limiting care wo n't be easy or popular .

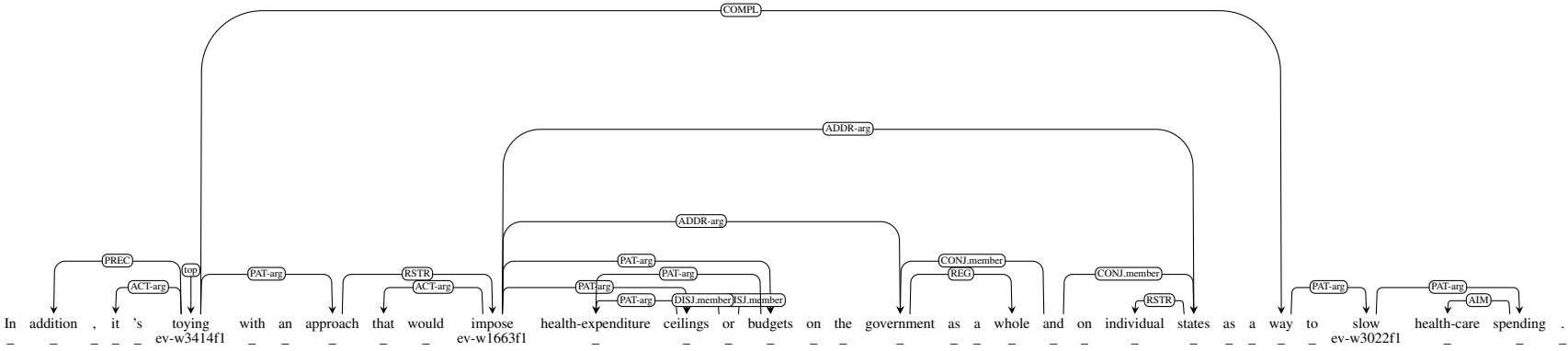
[20314042]

" To slow the rise in total spending , it will be necessary to reduce per-capita use of services , " the NAM warns in a policy statement .

[20314045]

The AFL-CIO also embraces treatment guidelines .

[20314046]



[20314047]

