An Open Letter to the President of the United States

The need for health care reform remains acute, despite the political difficulties of the current debate. The business community has been long committed to advancing legislation that reduces the cost of health care and coverage for both public and private players, businesses of all sizes and individuals from every walk of life. We hope that this week’s bipartisan summit meeting will enable a fresh approach that can conquer the partisan divide and regain the confidence of the American public.

Central to the discussion among summit attendees must be how reform ideas affect the ability of our nation’s economy to recover and businesses to create jobs. Even in ideal economic times imposing costly regulations and taxes on business is a bad idea. A competitive global environment and an already burdensome tax and regulatory structure offer enough challenges for businesses of all sizes to invest and create jobs. We should be looking for ways to streamline and modernize these structures, rather than layering additional costs on job creators. Moreover, the dismal state of our nation’s fiscal house requires that proposals be weighed against the threat that large-scale spending poses to long-term economic stability and competitiveness.

Such circumstances call for practical approaches to health care reform – ones that do not burden taxpayers or businesses with new costs or future liabilities that could impair economic recovery, and long-term economic growth.

Americans want solutions that are equitable and do not favor one group or constituency over another. They desire more competition and choice in coverage options, and again, these solutions must lower costs. With that in mind, we suggest specific consensus strategies to reduce the cost of care and thus increase coverage now and make possible future reform progress as well. These strategies (the precise details will be critical) include:

**Insurance Market Reform** – the individual and small group markets are in need of national reforms to help address the cost and availability of coverage. Care must be taken to avoid precipitous rate increases and to ensure timely enrollment.

**Wellness/Preventative Incentives** – the most effective spending for health care is primary and preventative care. Financial incentives can help encourage these healthier behaviors.

**Pay-for-Performance** – piecemeal (fee-for-service) reimbursement increases costs and reduces accountability in health care. Changing how we reimburse providers, increasing care coordination and encouraging team-based medicine will both lower costs and improve the quality of care.

**Health IT** – advancing the adoption of health information technology infrastructure, secure electronic medical records and the electronic integration of our health care system is vital to reducing waste and dangerous fragmentation of care.

**Tax Parity** – health insurance premium costs should receive comparable tax treatment whether purchased by a self-employed individual, a small business or large employer, regardless of industry or union status.
Exchanges/Multi-State Purchasing – pooling purchasing power and creating administrative efficiencies has enjoyed bipartisan and small business support for many years. Allowing for greater competition across state boundaries (whether based on national plans or state licensed plans) can generate additional cost savings.

Medical Malpractice Reform – civil liability has proven to be an inefficient means of reducing medical errors and has encouraged providers to order unnecessary extra procedures (i.e. defensive medicine) to guard against potential liability. Although views vary greatly on this issue, alternatives such as special health care liability courts can help create greater stability and predictability.

While many of these strategies are present in whole, in part or in name in the legislation previously passed by the House and Senate, our groups continue to oppose those measures due to the inclusion of vast employer mandates, free rider penalties, high dollar excise taxes and other new taxes on businesses and individuals. The precise legislative details will be crucial in determining our support for specific provisions or subsequent legislation. We urge you to increase the transparency of subsequent deliberations. Backroom deals and special interest carve outs will not increase public confidence in these efforts.

We strongly urge you to avoid the punitive approach taken by the House and Senate-passed bills and instead focus on a fresh approach that places top priority on immediately reducing the cost of care and coverage for all.

We hope that the summit creates a foundation for the development of an authentic bipartisan approach which reflects the strategies discussed above. Health care reform which gets it right is vital to job creation and long term economic growth.

Sincerely,

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Brian Worth, Vice President for Government & Public Affairs
Independent Electrical Contractors
Jon Eisen, Senior Vice President-Government Relations
International Foodservice Distributors Association

David French, Vice President-Government Relations
International Franchise Association

Jay Timmons, Executive Vice President
National Association of Manufacturers

Jade West, Senior Vice President-Government Relations
National Association of Wholesaler-Distributors

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National Retail Federation

Karen Kerrigan, President & CEO
Small Business & Entrepreneurship Council

R. Bruce Josten, Executive Vice President-Government Affairs
U.S. Chamber of Commerce
StartOver!

And Get Health Care Reform Right!

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AGC of California, Inc.
AGC of Colorado
AGC of East Tennessee
AGC of Kansas
AGC of Kentucky
AGC of Massachusetts
AGC of Metropolitan Washington, DC
AGC of Minnesota
AGC of South Dakota, Building Chapters
AGC of South Dakota, Inc.
AGC of St. Louis
AGC of Tennessee
AGC of Utah
AGC of Virginia
AGC of Washington
Air Conditioning Contractors of America
Alaska Chapter of ABC
Aluminum Extruders Council
American Apparel & Footwear Association
American Architectural Manufacturers Association
American Bakers Association
American Hardware Manufacturers Association
American Machine Tool Distributors Association
American Rental Association
American Supply Association
AMT-Association for Manufacturing Technology
Arizona Chapter Associated General Contractors
Arizona Independent Electrical Contractors
Arkansas AGC
Arkansas Chapter of ABC
Arkansas Independent Electrical Contractors
Arkansas State Chamber of Commerce/Associated Industries of Arkansas
Asphalt Pavement Association of Indiana
Associated Builders & Contractors
Associated Builders & Contractors of Michigan
Associated Contractors of New Mexico
Associated Equipment Distributors
Associated General Contractors
Associated General Contractors of Mississippi
Associated General Contractors of Missouri
Associated General Contractors of New York State
Association for Hose & Accessories Distribution (The)

Association of the Wall & Ceiling Industry
Association of Washington Business
Atlanta Chapter of the Independent Electrical Contractors
Automotive Aftermarket Association of the Carolinas and Tennessee, Inc.
Automotive Aftermarket Association Southeast
Automotive Aftermarket Industry Association
Automotive Parts & Services Association
Automotive Parts Remanufacturers Association
Baltimore Metro Chapter of ABC
Brick Industry Association
Builders Association of Illinois
Building Industry Association of Washington Carolinas AGC
Carolina Chapter of ABC
Centex Chapter of the Independent Electrical Contractors
Central Alabama Chapter of the Independent Electrical Contractors
Central California Chapter of ABC
Central Florida Chapter of ABC
Central Illinois Builders of AGC
Central Indiana Chapter Independent Electrical Contractors
Central Michigan Chapter of ABC
Central Missouri Independent Electrical Contractors
Central Ohio AEC/IEC
Central Ohio Chapter of ABC
Central Pennsylvania Chapter of the Independent Electrical Contractors
Central Texas Chapter of ABC
Central Washington Independent Electrical Contractors
Centre County Independent Electrical Contractors
Chamber of Commerce of the U.S.
Chesapeake Chapter of ABC
Chesapeake Independent Electrical Contractors
Cleaning Equipment Trade Association
Construction Industry Round Table
Constructors Association of Western Pennsylvania
Cumberland Valley Chapter of ABC
Dakotas Independent Electrical Contractors
Dallas Independent Electrical Contractors
Delaware Chapter of ABC
Delmarva Chapter Land Improvement Contractors of America
Door & Hardware Institute
East Tennessee Independent Electrical Contractors
East Texas Independent Electrical Contractors
Eastern Washington Chapter of the Independent Electrical Contractors
El Paso Chapter of the Independent Electrical Contractors
Electronic Security Association
Empire State Chapter of ABC
Employers for Quality Health Care
Envelope Manufacturers Association
Equipment Distribution & Marketing Association
Florida East Coast Chapter of ABC
Florida Gulf Coast Chapter of ABC
Florida West Coast Independent Electrical Contractors
Fort Worth/Tarrant County Independent Electrical Contractors
Futures Industry Association
Gases and Welding Distributor Association
Georgia Branch AGC
Georgia Chapter of ABC
Georgia Chapter of the Independent Electrical Contractors
Global Market Development Center
Golden Gate Chapter of ABC
Greater Cincinnati Independent Electrical Contractors
Greater Montana Independent Electrical Contractors
Greater St. Louis Independent Electrical Contractors
Hampton Roads Chapter of the Independent Electrical Contractors
Hawaii Chapter of ABC
Heating, Airconditioning & Refrigeration Distributors International
Heavy Constructors Association of Greater Kansas City Area
Idaho AGC
Idaho Independent Electrical Contractors
Illinois Chapter of ABC
Independent Bakers Association
Independent Electrical Contractors Inc.
Independent Electrical Contractors of Illinois
Independent Electrical Contractors of the Bluegrass
Indiana Chapter of ABC
Industrial Supply Association
Inland Pacific Chapter of ABC
International Cemetery, Cremation and Funeral Association
International Foodservice Distributors Association
International Franchise Association
International Housewares Association
International Sanitary Supply Association
International Sign Association
Iowa Chapter of ABC
Kansas City Independent Electrical Contractors
Kentuckiana Chapter of ABC
Kentucky & Southern Indiana Independent Electrical Contractors
Keystone Chapter of ABC
Louisiana Association of Business and Industry
Lubbock Chapter of the Independent Electrical Contractors
Lumber Association of California & Nevada
Maine Chapter of ABC
Marine Retailers Association of America
Master Builders of Iowa
Master Electrical Contractors of Dayton
Material Handling Equipment Distributors Association
Metals Service Center Institute
Metro Washington Chapter of ABC
Mid-Oregon Independent Electrical Contractors
Mid-South Independent Electrical Contractors
Midwest Independent Electrical Contractors
Mississippi Chapter of ABC
Montana Independent Electrical Contractors
Nashville Independent Electrical Contractors
National Association of Chemical Distributors
National Association of Electrical Distributors
National Association of Health Underwriters
National Association of Manufacturers
National Association of Sign Supply Distributors
National Association of Sporting Goods Wholesalers
National Association of Wholesaler-Distributors
National Club Association
National Electrical Manufacturers Representatives Association
National Lumber and Building Material Dealers Association
National Marine Distributors Association, Inc.
National Newspaper Association
National Poultry & Food Distributors Association
National Ready Mixed Concrete Association
National Retail Federation
National Roofing Contractors Association
National RV Dealers Association
National School Supply & Equipment Association
National Stone, Sand & Gravel Association
National Utility Contractors Association
Nebraska Chapter of ABC
Nevada Manufacturers Association
New England Independent Electrical Contractors
New Jersey Chapter of ABC
New Jersey Independent Electrical Contractors
Non-Ferrous Founders’ Society
North Alabama Chapter of ABC
North American Association of Utility Distributors
North American Equipment Dealers Association
North American Horticultural Supply Association
North Carolina Association of Electrical Contractors
North-Amercian Association of Uniform Manufacturers & Distributors
Northern New Mexico Independent Electrical Contractors
Northern Ohio Chapter of ABC
Northern Ohio Electrical Contractors Association
Northwest Pennsylvania Independent Electrical Contractors
Northwest Washington Independent Electrical Contractors
NPES-The Association for Suppliers of Printing, Publishing & Converting Technologies
Ohio Council of Retail Merchants
Ohio Valley Automotive Aftermarket Association
Ohio Valley Chapter of ABC
OKC-IEC
Oklahoma Chapter of ABC
Oklahoma State Chamber
Oregon Independent Electrical Contractors

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Outdoor Power Equipment and Engine Service Association
Pacific Coast Chapter of ABC
Pet Industry Distributors Association
Petroleum Equipment Institute
Plumbing-Heating-Cooling Contractors National Association
Power Transmission Distributors Association
Precision Machined Products Association
Printing Industries of America
Puget Sound Independent Electrical Contractors
Rhode Island Chapter of ABC
Rio Grande Valley Independent Electrical Contractors, Inc.
Rocky Mountain Chapter of ABC
Rocky Mountain Chapter of the Independent Electrical Contractors
San Antonio Chapter of the Independent Electrical Contractors
San Diego Chapter of ABC
Selected Independent Funeral Homes
Sierra Nevada Chapter of ABC
Small Business & Entrepreneurship Council
Society of American Florists
South Florida Independent Electrical Contractors
South Texas Chapter of ABC
Southeast Missouri Independent Electrical Contractors
Southeast Pennsylvania Chapter of ABC
Southeast Texas Chapter of ABC
Southern Arizona Independent Electrical Contractors
Southern California Chapter of ABC
Southern California Independent Electrical Contractors
Southern Colorado Chapter of the Independent Electrical Contractors
Southern Indiana-Evansville Independent Electrical Contractors
Southern New Mexico Independent Electrical Contractors
Southwestern Association of Equipment Dealers
SPI: The Plastics Industry Trade Association
Texas Association of Business
Texas Gulf Coast Independent Electrical Contractors
Texas Panhandle Independent Electrical Contractors
Texas State Independent Electrical Contractors
TEXO Chapter of ABC
TEXO Chapter of AGC
Texoma Independent Electrical Contractors
Tri State Independent Electrical Contractors
United States Cutting Tool Institute
Utah Chapter of ABC
Utah Independent Electrical Contractors
Virginia Chapter of ABC
WECA IEC
West Texas Independent Electrical Contractors
Western Colorado Chapter of ABC
Western Colorado Independent Electrical Contractors
Western Pennsylvania Chapter of ABC
Western Reserve Independent Electrical Contractors
Western Washington Chapter of ABC
Wichita Chapter of the Independent Electrical Contractors
Wisconsin Manufacturers and Commerce
Wood Machinery Manufacturers of America
Woodworking Machinery Industry Association
Wyoming Chapter of ABC