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United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

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Thursday, November 6, 2008

President-Elect Barack Obama
Washington, DC 20270

Dear Mr. President-Elect,

My sincerest congratulations on your victory in this week's election. As we celebrate the coming of historic and much-needed change in our national leadership, I know that you and I agree: work must begin immediately on fulfilling the promises that we have made, as leaders, to the American people. For this reason, I write to inform you that as Chairman of the Senate Finance Committee, next week I will present to you and to the country my plan to move forward on health care reform in the early days of the 111th Congress and of your administration.

As you know, the Senate Finance Committee has jurisdiction over Medicare, Medicaid, the Children's Health Insurance Program, and other health entitlement programs. I intend to work with you and with my colleagues on the Finance Committee, as well as with the Chairmen and Ranking Members of the Health, Education, Labor, and Pensions Committee and relevant Committees in the House, to finalize a comprehensive health reform plan that can pass the Congress and be put on your desk in a timely fashion for signature into law. The analysis and outlook that I will unveil next week will detail specific policy areas and proposals on which I believe the Congress must move forward to achieve successful health care reform – from options for strengthening the employer-based system and reforming the delivery of health care for efficiency and quality to existing ideas on comparative effectiveness research and health information technology. These proposals will be built on the key principles that I have identified as essential to successful reform:

- **Universal Coverage:** Our challenge is to find a mix of public and private solutions that will allow every single American to receive affordable, quality health care.
- **Sharing the Burden:** As neither the employer-based system nor the individual market can fulfill the demand for affordable, portable, quality coverage, we must seek to ensure affordable coverage through pooling arrangements. I will outline various types of pooling arrangements that may help individuals and businesses afford quality coverage.
- **Controlling costs:** As America cannot sustain its current rate of growth in health care spending, I will detail options in the tax code, in savings, and in other areas where efficiencies may be found to reduce the growth of health care costs. Our economy and our nation's global competitiveness depend on success in this area.

- **Prevention:** Remaking our health care system with prevention at its foundation can avoid both needless suffering and the high costs of treating an illness that has been allowed to progress. I will outline a new focus on preventive care.
- **Shared Responsibility:** Individuals, employers, and the government must all play a part in the creating and funding of a new health care system. I intend to enumerate specific roles and opportunities for all to share the burden.

Many of my reform objectives as Finance Committee Chairman will dovetail with your own health plan; in the places where our opinions and policy plans diverge, I am eager to work with you to achieve consensus. My staff is already in contact with your transition team and has made plans for a thorough briefing on our work product next week. I look forward to meeting with you personally in the coming weeks to discuss this further.

As your candidacy and election have been historic, so I hope that your first term and the 111th Congress will be historic for their success in the achievement of comprehensive health care reform that finally makes health care accessible and affordable for every American.

Sincerely yours,

A handwritten signature in blue ink that reads "Max Baucus". The signature is fluid and cursive, with the first name "Max" and last name "Baucus" clearly legible.

Max Baucus (D-Mont.)
Chairman
Senate Finance Committee