March 9, 2009

The Honorable Kent Conrad  The Honorable Judd Gregg
Chairman  Ranking Minority Member
Senate Committee on the Budget  Senate Committee on the Budget
624 Dirksen Senate Office Building  624 Dirksen Senate Office Building
Washington, D.C.  20510  Washington, D.C.  20510

The Honorable John M. Spratt, Jr.  The Honorable Paul Ryan
Chairman  Ranking Minority Member
House Committee on the Budget  House Committee on the Budget
207 Cannon House Office Building  207 Cannon House Office Building
Washington, D.C.  20515  Washington, D.C.  20515

Dear Senator Conrad, Senator Gregg, Representative Spratt and Representative Ryan:

We are writing to express our strong support for including in the budget resolution the resources needed to enact comprehensive health reform legislation. In our view, such legislation should include effective provisions to reduce costs by improving the quality and efficiency of health care and help ensure coverage for every American.

Legislation of this kind will reduce the rate of growth of both federal and private health care expenditures, and will thus improve the fiscal health of the nation. While the cost savings from improving the efficiency and quality of health care will be significant, many of the anticipated savings will be realized in the long term, and may thus not be evident in a ten year budget window. Moreover, CBO’s current scoring conventions do not recognize many of the savings to be achieved by a restructuring of the health care system.

We believe, therefore, that it would be reasonable to develop an approach for health care reform that reflects both the near-term exigencies and long-term savings of such extraordinary legislation. Requiring spending or revenue offsets for the entire cost of health reform within a ten year budget window, as required under a traditional pay-as-you-go rule, will significantly reduce the likelihood of enacting legislation to achieve essential reforms for long-term savings.

We therefore request that the committee develop a more flexible approach to pay-as-you-go for health care reform that reaffirms the importance of offsets but accommodates the need for significant short-term expenditures that will help set the health system on a path toward significant long-term savings and improvement in the long-run fiscal future of our country.
We commend you for your strong support of health reform, and look forward to working with you on this important national priority.

AARP
AdvaMed
Aetna
AFL-CIO
America’s Health Insurance Plans
American Benefits Council
American Cancer Society Cancer Action Network
American College of Physicians
American College of Surgeons
American Diabetes Association
American Hospital Association
American Medical Association
American Osteopathic Association
Blue Cross Blue Shield Association
Business Roundtable
Catholic Health Association of the United States
Consortium for Citizens with Disabilities – Health Task Force
Families USA
Federation of American Hospitals
Leadership Conference on Civil Rights
National Association of Children’s Hospitals
National Association of Community Health Centers
National Association of Public Hospitals and Health Systems
National Federation of Independent Business
National Medical Association
National Partnership for Women & Families
National Retail Federation
PhRMA
SEIU
U.S. Chamber of Commerce