

**National Healthcare Debate
Lancaster Chamber/LCBGH Member Comments**

In my opinion, the majority of people are happy with their healthcare plan. They are covered by their employer for the majority of the premium cost and they participate with some of their own dollars. Forty-seven million people are quoted as not have healthcare. Three-quarters of that number can be excluded for one legitimate reason or another leaving about 12 M that want coverage and can't get it or afford it. That is a small number out of 300 M.

So, fix that for those 12 M. Eliminate pre-existing condition clauses which helps 100% of the people and improves portability similar to the 401k changes that make those funds more portable. Implement medical malpractice tort reform. Eliminate fraud (I just wanted to support the president). Have hospitals open low-cost clinics to keep common cold sufferers out of the expensive emergency rooms. Investigate more bulk purchasing of drugs (for instance, The Heart Group prescribes millions of doses of Lipitor and other heart drugs but all patients go get them filled at a private pharmacy, the Heart Group could bulk purchase and save patients millions of dollars).

In general, tweak the things that are the largest problems and don't destroy the whole system. If you ever needed any procedure done in the US, you will be very satisfied with our current system.

Any proposal must have a public option! I have been President at RTI Technologies, Inc. for four years, and during this time we have seen annual increases in our health care premiums for our employees of over 25% per year! This increase does not include the impact of benefit reductions that we have been forced to take to mitigate our premium increases.

We are a small employer (currently <40 employees). Part of our issue has been a disproportionate occurrence of "catastrophic" illnesses within our covered population (employees and spouses). This makes it virtually impossible to "shop" our coverage among other insurance carriers. We implemented a wellness program three years ago, and have offered premium discounts from the beginning for non-smokers and health assessments with good success. We still have had no choice but to pass along a significantly higher percentage of the costs to our employees.

Unfortunately, health insurance premiums have become a definite drain on our competitiveness in the market and in our ability to invest in future products and growth. At current rates of increase, we will be forced to further reduce benefits in the years ahead or simply eliminate coverage entirely. The current model is not sustainable.

On behalf of Modo Design Group Inc, I want to voice support for healthcare reform efforts in the Congress. We are supportive of mandated health insurance coverage provided by employers. We strongly support the opportunity to pool smaller employers for the benefit of broader health insurance rating, with the anticipated outcome of reducing the rates paid by small businesses. We favor the creation of a broader public option for health insurance as well as any limiting or elimination of pre-existing conditions clauses.

We are supportive of healthcare reform efforts proposed by the Administration since we recognize that the success of our business is impacted by these three factors:

1. Healthcare Insurance Costs Impact Hiring & Competitiveness

Candidates requiring family level healthcare insurance turn down positions based solely on the annual premium cost for family coverage.

2. Healthcare Insurance Rating Penalizes Small Employers

Based on current healthcare insurance rating systems, a single rated employee increases the premium cost for all employees, regardless of having a healthy employee base. The small rating pool drives up costs much quicker within a small business than within larger businesses.

3. Sustained Annual Health Insurance Increases Will Drive Small Businesses Out of Business

With increasing costs annually and an employee base rightfully unwilling to accept low coverage standards with increased premiums, small businesses will lose good employees (particularly as they require higher levels of coverage for families) while also not being able to attract new employees.

Here are some points that I believe are important regarding health care reform:

1. Keep the government out. Don't give us a government run system. Continue to let the private sector wrestle with it and improve it.
2. Keep the freedom of choice. Don't make it mandatory like car insurance.
3. Keep things like HRAs and HSAs to encourage consumer responsibility and awareness.
4. Incentivize wellness related behaviors.

Thanks for your efforts!

I read of the Chamber's stance on the Healthcare debate in the latest newsletter. I am writing to express my support for the reform effort. The current system is unsustainable, especially for small businesses that do not have the purchasing power of larger corporations.

My company is such a small business. We insure only 12 employees. We are charged a rate treating these 12 as a "risk pool" instead of the entire group insured by our provider. Our rates were raised 83% this year. We could not afford such an increase, so we actually went without coverage for a short time. We have now found a new plan that the company can afford, but which offers less coverage, higher deductibles, and a 100% increase in the amount of employee contribution.

This is the situation that small businesses all across the country are facing. Next years' increase will probably cost someone their job. A public plan would allow us to create a true pool of risk based on successful insurance business models. You point out in the newsletter that such an option would eventually lead to the end of private insurance and a single-payer system. So be it. The reason the private insurers would be unable to compete is that they would be unable to provide the same care at the same price; they must make a profit. We as a nation can pull together to provide ourselves with *basic* medical care. This is what government is for. We face a collective problem (skyrocketing medical costs) and we pull together to come up with a collective solution.

As an advocate for Lancaster County business, I hope that you and the Chamber can look at how this plan affects *all businesses*, not just the larger ones with already big voices. Small businesses in this country already face huge challenges. We need reform. It is a matter of our survival. Thank you for hearing my opinion on the matter.

- 1) Our company's health care insurance costs have risen over 50% in the last year. This was due in part to one of our employee's family member having a rare kidney disease. We subsequently had the family member placed on Medical Assistance and we all are paying for that. Businesses with less than 500 employees should be "Community Rated" and NOT "Group Rated". If one of our employees has a major illness, our company will not be able to afford the premiums the following year and either close our doors or no longer offer insurance. It is not fair for one employee to pay for another's illnesses.
 - 2) Hospitals that are supposed to be "non-profit" obtain incomes in the hundreds of millions of dollars annually. These hospitals just use this money to continue to build unnecessary buildings to "improve" their services when in fact these services are not needed in the community. Hospitals no longer have to prove to the State the need for the new service; they just build and build. Probably the best line I have heard regarding hospitals and their building additions and new buildings is: "Is your hospital a 1 or 2 crane hospital"? Meaning how many cranes are on site adding new wings or buildings. All they are doing is increasing all of our costs.
 - 3) All procedures at all hospitals and doctors offices should be the same for insured and non-insured and these costs should be listed on the hospitals/doctors website for all to see. We should not have to negotiate the costs of a procedure with a doctor or hospital.
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The solution to the entire healthcare mess is SO MUCH SIMPLER than legislators make it out to be. The best thing we can do is keep the government out of tax collection on our behalf. Small business owners are tired of being the government tax collectors. Unlike the legislators, we have to read, obey, and double check everything we submit as tax collectors. This generates as much paperwork per business, per year, as the Healthcare Legislation Reform nobody can read! How about this:

Simply give a yearly tax credit of \$3,500 for everyone who can prove healthcare insurance at the end of the year. That keeps the government from spending our tax collections on everything but for what it was intended. It keeps paperwork for small businesses at a minimum. Keeps the money in our hands, where it belongs, and it keeps the government from penalizing businesses when we make an honest mistake on their forms as well as the hell that follows getting it straightened out.

Then remove the inequities out of the insurance industry with legislation. (pre-existing etc). What could be easier? We keep control of our healthcare and provide incentives for individuals to get healthcare.

I am completely opposed to nationalized healthcare. It eliminates competition between doctors/physicians and insurance companies for that matter, and directly opposes our capitalistic society as we know it.

Competition is what promotes and drives improvement to go beyond the status quo. The last thing I want right now is the government through President Obama regulating our healthcare among other things. Allow business to take its course and allow the American people to start thinking for themselves once again and stop looking to the government to provide all their needs. This is getting ridiculous.

It is certainly true that businesses will have to bear costs associated with health care reform. But the worse reality to face would be a continued breaking apart of the nation's health care. What would the effect of that be on American worker productivity? I believe there is a greater cost in not taking this course of action than a national health care system.

Though there are improvements that must be made to curb healthcare costs, finding just another way to pay for those costs is not the answer. We only need to look to our Canadian friends to understand that socialized health care has a huge price for little benefit.

Until the federal government can show that they can provide quality, efficient health care through the VA system, discussing expanding their role should not even take place.
