



THE LANCASTER
CHAMBER
OF COMMERCE & INDUSTRY

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Lancaster County
Business Group on Health
Affiliate of The Lancaster Chamber

To: The White House
U.S. Representative Joe Pitts
U.S. Senator Arlen Specter
U.S. Senator Bob Casey, Jr.

The Lancaster Chamber of Commerce & Industry represents nearly 2,700 businesses and approximately half of the County's workforce. Together with our affiliate, the Lancaster County Business Group on Health (LCBGH), we have serious concerns about the health care reform proposals under consideration in the House and Senate.

The Chamber and LCBGH both represent a majority of small businesses in our respective memberships. We consistently hear that small businesses rank health insurance costs as a top priority issue, and we agree comprehensive reform is needed. Businesses continue to have trouble absorbing increasing health insurance costs and, likewise, employees have difficulty paying high premiums. As you continue your work, we urge you to carefully consider the impact any legislation will have on the business community.

Specifically, our thoughts are as follows:

- **Government-run Plan:** The Chamber and LCBGH have concerns about how a government-run plan would function. We believe any public plan must operate on a level playing field with the private sector. The business sector currently covers approximately 170 million working Americans. Because of the government's low reimbursement rate to doctors and hospitals – which the private sector absorbs – a broadened public program has the potential of shifting even more costs to the private sector. We believe this is unfair. Furthermore, the Lewin Group estimates a public plan could move an estimated 130 million individuals from private to public insurance and lead to a single-payer system. This is hardly fair competition and a level paying field.
- **Employer Mandates:** We believe implementing a “pay or play” mandate sends the wrong signal to employers. We should encourage businesses to provide coverage to their employees through incentives, not punishing employers who cannot afford to provide health insurance. Enacting such a mandate could cost upwards of 225,000 workers their jobs.
- **Minimum Coverage:** The Chamber and LCBGH have concerns surrounding the provision that would require all individuals to have a minimum level of coverage,

either through an employer or public plan. Proposing a minimum coverage package could add additional burdens to employers and workers.

The Chamber and LCBGH share the goals of Congress and the Administration to reduce costs, improve quality and expand access to health care. As the debate continues, we encourage you to strengthen the legislation by exploring options that will:

- Retain employer-sponsored health insurance.
- Reform the delivery system, including access to care, payment and reimbursement reform and mitigate rationing of care.
- Invest in health information technology, wellness programs, prevention, disease management and coordination of care.
- Enact broad medical malpractice liability reform legislation.
- Enact tax incentives to encourage more Americans to buy health insurance and save for medical expenses.
- Allow unused Flexible Spending Account dollars to roll over.

The Chamber and LCBGH have been a consistent advocate for health care reform and we are committed to working with policy makers to find solutions to these and other challenges. Our hope is that by working together we can reduce the growth of health insurance costs and at the same time increase the efficiency of the health care delivery system.

Should you have any questions, please call The Chamber at 717-397-3531 or LCBGH at 717-239-6954.

Sincerely,

Thomas T. Baldrige, C.C.E.
President
The Lancaster Chamber of Commerce & Industry

T. F. Buko
Executive Director
Lancaster County Business Group on Health