

Adamczyk, Matt

From: Vukmir, Leah
Sent: Monday, July 06, 2009 5:07 PM

Subject: FW: Sign-On to ALEC's Health Reform Letter

Attachments: image001.gif; ALEC Letter on Federal Health Reform.pdf; Resolution on Preserving States' Rights Regarding Federal Health Insurance Exchanges and a Public Plan.pdf

From: Ellen Chambers [mailto:echambers@alec.org]
Sent: Mon 7/6/2009 4:30 PM
To: Dave Myslinski
Subject: Sign-On to ALEC's Health Reform Letter

Join ALEC's Initiative Against Federal Health Reform Efforts That Trample States' Rights

Dear ALEC Legislator:

As you may be aware, on June 24, ALEC National Chairman, Virginia House Speaker Bill Howell, and ALEC HHS Task Force Chairman, Iowa Representative Linda Upmeyer, sent this letter to Congressional leadership detailing ALEC's concerns with the Medicare-modeled "public plan" and national health insurance exchange.

The letter highlights ALEC's [Resolution on Preserving States' Rights Regarding Federal Health Insurance Exchanges and a Public Plan](#), passed at the 2009 Spring Task Force Summit, which deems the public plan anti-competitive and invokes the Tenth Amendment to the U.S. Constitution in calling the national health insurance exchange a "federal takeover" of the states' role in regulating health insurance.

We invite you to join ALEC's efforts by [learning more about federal health reform](#)—and most importantly, by **adding your name to this letter**. We'll add all of the signatories and then resend the letter to Congressional leadership in the coming weeks.

If you are an ALEC legislator and would like to sign on to this [letter](#), contact Dave Myslinski at (202) 742-8531 or dmyslinski@alec.org. For more information about ALEC's federal health reform initiative, contact me at the phone number or e-mail listed below.

Cordially,

Christie Herrera
Director, [Health and Human Services Task Force](#)
[American Legislative Exchange Council](#)
1101 Vermont Avenue, N.W., 11th Floor
Washington, D.C. 20005
christie@alec.org
Direct: 202-742-8505
Fax: 202-466-3801

June 24, 2009

The Honorable Robert C. Byrd
President Pro Tempore
United States Senate
311 Hart Senate Building
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
235 Cannon House Office Building
Washington, DC 20515

Dear Senator Byrd and Speaker Pelosi:

We are writing to express our concern with recent federal health reform efforts—particularly, the Medicare-modeled “public plan” and a national health insurance exchange—which we believe would trample states’ rights and lead Americans down the road to single-payer health care.

The American Legislative Exchange Council (ALEC) represents more than 1,800 state legislative members. ALEC is the nation’s largest nonpartisan, individual membership association of state legislators. Approximately one-third of all state legislators belong to ALEC, in addition to 78 ALEC “alumni” in Congress and more than 300 private-sector companies, national trade associations, and non-profit organizations.

ALEC’s lawmakers recently approved the Resolution on Preserving States’ Rights Regarding Federal Health Insurance Exchanges and a Public Plan, which deems the public plan anti-competitive and invokes the Tenth Amendment to the U.S. Constitution in calling the national health insurance exchange a “federal takeover” of the states’ role in regulating health insurance.

As a representative to such a broad coalition of state interests, ALEC questions the wisdom and practicality of the public plan and the national health insurance exchange. Our concerns include:

* *The public plan will not be competitive.* It’s an unlevel playing field when the public plan can shift costs to our states’ private insurers because of low doctor and hospital reimbursement rates, and then raid the federal treasury for unlimited subsidies. Government will only compete when it can change the rules to win. To have government serve simultaneously as a regulator and a competitor defies common sense.

* *The national health insurance exchange represents a federal takeover of the states’ role in regulating health insurance.* States are the primary regulators of the health insurance market today. They provide aggressive oversight of all aspects of the market and ensure a local, responsive presence for consumers. A national health insurance exchange would undermine states’ oversight role in health insurance and shift decision-making from states to Washington.

* *The national health insurance exchange would lead to a “Robin Hood in reverse” funding scheme in which states with lower health care costs subsidize states with higher costs.* Health care costs vary considerably among states. If the national health insurance exchange leads to creating a regional or national pool, low-cost states would subsidize high-cost states. While this may be a good deal for a high-cost state, low-cost states would end up paying more for health insurance premiums.

* *The public plan and national health insurance exchange will lead to single-payer health care.* Political pressure to keep public plan premiums low and benefits high will result in the “crowding out” of private sector insurance alternatives. The Lewin Group estimates that as many as 119 million Americans will drop private coverage and enroll in the government plan. This represents a 60 percent reduction in the number of Americans with private health insurance—not to mention a significant drop in much-needed state premium tax revenue.

We all share the goal that patients deserve to choose their own quality, affordable, private health coverage. But health reform shouldn’t just be the job of the federal government. These goals are being advanced—and achieved—by state legislators nationwide. ALEC is a national leader in promoting many patient-centered health reforms at the state level, including:

* The Freedom of Choice in Health Care Act, introduced by seven states this session, which preserves patient rights to make health coverage decisions in the state constitution.

* The Health Care Choice Act for States, introduced by 10 states this session, which allows patients to purchase

quality, affordable health coverage across state lines.

* The Affordable Health Insurance Act, enacted in Georgia last session, which provides state tax breaks to individuals, businesses, and insurers who buy and sell high-deductible health plans.

* The Mandated Benefits Review Act, enacted in 29 states, which provides an institutional check on costly health insurance mandates that keep people uninsured.

We wanted to thank you for taking the time to read this letter. Again, ALEC is troubled by the public plan and national health insurance exchange, which we believe will trample states' rights and lead Americans down the road to single-payer health care. Our health policy staff welcomes the chance to work with you on developing patient-centered, free-market reforms—and we look forward to sharing with you the stories of ALEC's state legislators who are advancing and achieving these goals every day.



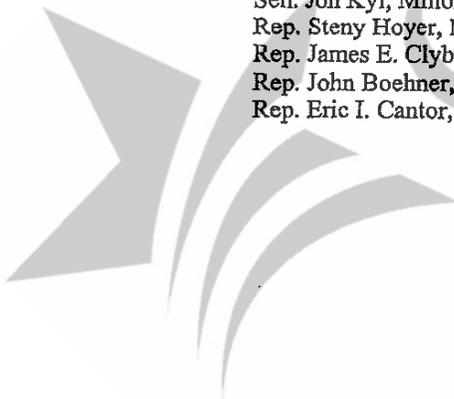
Cordially,

William J. Howell
Speaker of the House, Virginia
National Chairman, ALEC

Linda Upmeyer
Minority Whip, Iowa House
Chair, ALEC HHS Task Force

Alan B. Smith
Executive Director
ALEC

cc: Sen. Harry Reid, Majority Leader
Sen. Mitch McConnell, Minority Leader
Sen. Jon Kyl, Minority Whip
Rep. Steny Hoyer, Majority Leader
Rep. James E. Clyburn, Majority Whip
Rep. John Boehner, Minority Leader
Rep. Eric I. Cantor, Minority Whip



COMMON CAUSE
Holding Power Accountable