

December 17, 2009

## Health care reform has Rochester-area businesses wary

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Wegmans Vice Chairman and General Counsel Paul Speranza summed up the legislative tumult in Congress over health care with a number.

"Four thousand," he said. "That's how many pages there are when you put the House and Senate bills together. Has anyone read these things? People deserve to understand the process. This is a classic case of less is more."

And more, he said, is what we have now. In abundance.

Speranza, who heads the health planning team of the Rochester Business Alliance's communitywide health initiative, echoed concerns voiced by others in the Rochester-area business community as health reform moves toward resolution in Washington. Senate Democrats are working for passage, but legislation there must be reconciled with a House bill already adopted.

There is no clear understanding among local business owners, small and large, about how the changes being debated in Congress will alter the local health care world.

Will group-plan premiums keep rising or start falling? Will a requirement that people get insurance actually work, or will the mandate be too soft or weakly subsidized to get young people into the market?

One theme did emerge from recent discussions about the direction of reform. Local businesses generally oppose government intervention — the so-called public option — in the private insurance marketplace but support allowing insurers to cross state lines.

Yet Excellus BlueCross BlueShield and MVP Health Care, the two largest local insurers, oppose both a government plan and a national insurance marketplace that presumably would bring more insurers into competition for local customers.

"My issue with that is: How will it work?" said MVP Chief Executive David Oliker. "On paper it sounds good, but implementation is problematic. Whose regulatory rules would apply?"

Both Oliker and Jim Redmond, spokesman for Excellus, agreed that the Congressional Budget Office's contention that the Senate bill would lower group-plan premiums by 3 percent or hold them steady obscures a key fact — that the percentage effect of health reform on premiums is separate from the impact of rising costs on premiums.

It's the latter, they said, that has driven local premiums up for 10 years or more, and yet the local insurers believe that rising costs aren't adequately addressed in the House or Senate bills.

Washington's debate about health care, with many of the proposed legislated changes not kicking in for three or four years, is occurring even as local companies and employees enroll in group health

plans for 2010. The financial pain is being felt now.

"We just went through our enrollment period," said Robert Rock, president of Certified Grinding & Machine LLC, which does precision grinding and polishing for industrial customers at its plant on St. Paul Street in Rochester.

"The premiums for one of my plans are going up 30 percent. I can't handle that."

Rock said he opposes a public insurance option because it could skew the rules and overwhelm private enterprise.

"I'm a free-market guy," Rock said. "The government shouldn't be mandating anything. One thing reform should do is change the tort laws. Because doctors are afraid of lawsuits, they order unnecessary tests. That drives up costs for everyone."

Ellen Smith of Mendon, who since 1987 has written and edited *Mine Safety and Health News* covering the mining industry, has followed the reform debate as a journalist.

But as a consumer, she's facing the pressing problem of loss of benefits because her husband is no longer working.

"The people are scared," she said. "That's true no matter what the lawmakers are saying."

Cost containments in the House and Senate bills, mostly in Medicare spending, might drive up premiums locally, as could proposed taxes on medical devices and private insurers. Those expenses would be passed along to consumers, said Wegmans' Speranza, and that would hurt household bottom lines.

"The goals of reform are right," he said. "Covering the uninsured. Ending the pre-existing condition exceptions. Stopping the annual or lifetime caps.

"But this is too much change too quickly. Let's do incremental change. Do some things, see how they work and then do others. But that's not what we're seeing out of Washington."