

August 27, 2009

The Honorable Charles E. Schumer
United States Senate
313 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Schumer:

As directors of the Rochester Business Alliance, a regional Chamber of Commerce that represents over 2,100 employers with more than 162,000 employees, we request that you strongly consider the impact of any proposed national health care reform legislation on your constituents, specifically in the greater Rochester community.

We have reviewed proposals being considered by Congress and support the following:

- Reforming the health care delivery system to realize quality and productivity improvements with Medicare, offering incentives for re-engineering and restructuring;
- Implementing health information technology strategies to ease administrative burdens; enhance continuity of care; better manage delivery system performance; and provide more transparency regarding quality and resource consumption;
- Implementing strategies to address medical education and workforce issues, including expanded Medicare support for graduate medical education and increased residency training slots, to deal with local primary care shortages as well as the impact of doctor retirements;
- Implementing strategies and incentives to boost wellness and prevention encouraging more individual responsibility;
- Implementing strategies to enhance disease management and coordination of care;
- Providing financial assistance to lower income individuals to purchase basic health insurance coverage thereby enabling a requirement for universal coverage;
- Expanding health savings accounts and flexible spending accounts to allow more Americans to save tax free for major medical expenses;
- Eliminating restrictions on coverage for pre-existing conditions;
- Requiring insurance companies to use external review by government appointed expert consultants in cases of contested medical necessity;
- Community rating for individuals and small businesses;
- A national based exchange to assist individuals and businesses purchasing health insurance.

*Rochester Business Alliance is the regional chamber of commerce.
RBA provides information, advocacy, human resource services and networking to help employers grow.*

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In contrast, we oppose the following:

- The establishment of a government-run health plan or a government-started not for profit cooperative because of its potential to effect price controls and destroy our local health care delivery system;
- “Pay or play” mandates which will adversely affect employers- in particular small employers;
- Mandated coverage levels that provide excessive benefits rather than letting the market determine what is appropriate;
- Additional individual or business taxes as New York’s are already the highest in the nation and are serving as a major impediment to our population and economic growth. An increase in the deficit is likewise not acceptable because of its inflationary impact. Rather, expansion of coverage of the currently uninsured should be funded through the removal of health care delivery system waste and inefficiency.

Moreover, we continue to question why Congress has not addressed in meaningful, understandable and measurable ways:

- Medicare solvency, which is due to have its expenses exceed its income in 2017;
- Medicaid costs which are causing significant hardships on state budgets;
- Tort reform to hold down the explosive growth in medical liability insurance cost and defensive medicine;
- Approaches for “bending the private health insurance cost curve” to have annual increases equal the growth of income. A clearly articulated vision and roadmap are needed.

Better understanding the improvements and benefits associated with new drugs, technologies and procedures is an excellent first step in the creation of a long term national strategy.

Likewise, effective national reform must also take into consideration geographic variations in health care cost which are not explainable by population, cost of living or outcome of care differences. Why should care in Miami cost more than twice as much as care in Rochester? Rochester’s health care cost is among the lowest in the country. Perhaps a reduction in geographic variation could provide near term funding of the coverage expansion?

Rochester has long distinguished itself as a community able to develop innovative, cooperative approaches to health care financing and delivery. It has done so by bringing together the interests of employers, providers, insurers, and consumers. We have much to lose if health care reform is poorly designed and implemented. We excel compared to most other communities nationwide in our low uninsured rate, comprehensive benefits, low cost (driven by high inpatient capacity utilization) and high quality.

We are fortunate to have a broad array of outstanding medical care services available locally. Our physicians and hospitals are national centers of excellence.

Because the quality of health care in Rochester is so good, it is one of our economic engines. It accounts for 12.5% of our local economy or 53,000 jobs.

We have been able to create this very special health care delivery system because we collaborate. Local business leaders, locally controlled not for profit health systems and local not for profit health plans work together to support many important initiatives such as voluntary community health planning, medical workforce development, regional health information exchanges and community health improvement programs. Rochester Business Alliance has been actively engaged in local health care reform efforts the past four years to develop initiatives that support improved quality, access and efficiency. There is a robust history of innovation in Rochester.

A new public plan, though laudable in its intent, could be detrimental for this region because of its potential to significantly underfund physicians and hospitals, leading to a lower quality, less available health care system. A government plan would be an unfair competitor and, with artificially low rates, would lead to a significant shift of consumers from the private sector to the public sector. With fewer privately insured customers to cover the real cost of health care, employer premiums will skyrocket, employers and employees will drop coverage, the employer system will evaporate and the government plan will quickly become the only option for health coverage.

A government-run plan would negatively impact our regional economy and job environment. This would have a devastating effect on one of our prime local economic engines and must not be allowed to occur. We agree with many of the goals of a public plan, but believe that there are better ways to realize reform without creating a new government-run option.

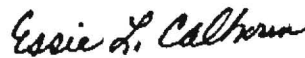
We believe that a tremendous opportunity exists to enact meaningful, national health care reform this year and stand ready to support you in enacting changes that reduce cost, increase quality and expand access while recognizing the special economic considerations of importance to Rochester.

Sincerely,

**The Executive Committee
Rochester Business Alliance**



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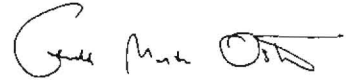
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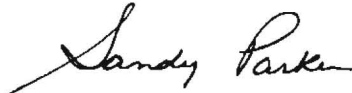
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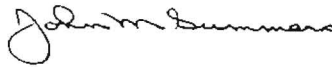
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