

March 9, 2009

The Honorable Kent Conrad
Chairman
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable Judd Gregg
Ranking Minority Member
Senate Committee on the Budget
624 Dirksen Senate Office Building
Washington, D.C. 20510

The Honorable John M. Spratt, Jr.
Chairman
House Committee on the Budget
207 Cannon House Office Building
Washington, D.C. 20515

The Honorable Paul Ryan
Ranking Minority Member
House Committee on the Budget
207 Cannon House Office Building
Washington, D.C. 20515

Dear Senator Conrad, Senator Gregg, Representative Spratt and Representative Ryan:

We are writing to express our strong support for including in the budget resolution the resources needed to enact comprehensive health reform legislation. In our view, such legislation should include effective provisions to reduce costs by improving the quality and efficiency of health care and help ensure coverage for every American.

Legislation of this kind will reduce the rate of growth of both federal and private health care expenditures, and will thus improve the fiscal health of the nation. While the cost savings from improving the efficiency and quality of health care will be significant, many of the anticipated savings will be realized in the long term, and may thus not be evident in a ten year budget window. Moreover, CBO's current scoring conventions do not recognize many of the savings to be achieved by a restructuring of the health care system.

We believe, therefore, that it would be reasonable to develop an approach for health care reform that reflects both the near-term exigencies and long-term savings of such extraordinary legislation. Requiring spending or revenue offsets for the entire cost of health reform within a ten year budget window, as required under a traditional pay-as-you-go rule, will significantly reduce the likelihood of enacting legislation to achieve essential reforms for long-term savings.

We therefore request that the committee develop a more flexible approach to pay-as-you-go for health care reform that reaffirms the importance of offsets but accommodates the need for significant short-term expenditures that will help set the health system on a path toward significant long-term savings and improvement in the long-run fiscal future of our country.

We commend you for your strong support of health reform, and look forward to working with you on this important national priority.

AARP

AdvaMed

Aetna

AFL-CIO

America's Health Insurance Plans

American Benefits Council

American Cancer Society Cancer Action Network

American College of Physicians

American College of Surgeons

American Diabetes Association

American Hospital Association

American Medical Association

American Osteopathic Association

Blue Cross Blue Shield Association

Business Roundtable

Catholic Health Association of the United States

Consortium for Citizens with Disabilities – Health Task Force

Families USA

Federation of American Hospitals

Leadership Conference on Civil Rights

National Association of Children's Hospitals

National Association of Community Health Centers

National Association of Public Hospitals and Health Systems

National Federation of Independent Business

National Medical Association

National Partnership for Women & Families

National Retail Federation

PhRMA

SEIU

U.S. Chamber of Commerce