

From the beginning, we have been monitoring developments in the Health Care Reform debate, and what a debate it has been! Thankfully, Congress took its summer recess and the pace of Reform has slowed. Despite the President's "encouragement", lawmakers on both sides of the aisle seem to be saying, "Whoa; National Health Care Reform is a huge and expensive undertaking; what's the big hurry? Let's slow down and think this through." We couldn't agree more!

During this brief respite, we thought it might be helpful to share with you some of our thoughts on the major points of the pending reform. Our challenge is to comment on these issues *before they change*, which they seem to do every hour.

What we hear from Washington

The Federal Government is not interested in being in the health insurance business.

A Public (government) Plan would compete with private carriers and force them to improve and become more competitive.

The reform of the nation's health care system will lower the cost of medical care

Health Care Reform will be funded without adding to the budget deficit.

We have almost 40 million uninsured American citizens for whom we need to provide health insurance.

M&A's Perspective on what we hear from Washington

This is not true! The President and several members of Congress favor adding a "Public" (government) Plan that would be offered through the Health Insurance Exchange. In addition, a "Federal Health Board" will control certain medical treatment regimens, effectively taking control of your care out of your doctor's hands.

"Compete" is hardly an appropriate word to use in this context. Among other things, the Public Plan will not pay income tax which gives it a significant advantage over any private carrier. Even so, we can't imagine a government plan that could operate any more efficiently than those offered by private carriers – and there are improvements to be made there too.

Reform **may** lower the *per person* cost of medical care **if** "they" are successful in eliminating the billions of dollars of waste in the current system. This is an enormous "if". The **total** annual cost of medical care will soar as tens of millions of people are added to the rolls.

The question "How are we going to pay for it?" is one of the most important questions of this entire reform initiative. Before that question can be answered, Congress must define "it".

We agree that something needs to be done for the millions of Americans who are without medical insurance, however...let's keep the following facts in mind:

- Out of 292 million legal citizens in the country, 87% **are** insured and according to recent polls, the vast majority of insured Americans are satisfied with their coverage.
- Of the 40 million uninsured, about 7 million are *illegal aliens*. The question remains – "What is our obligation to them?"

News reports of "uprisings" at Town Meetings being conducted by politicians make it clear that many Americans are very unhappy with some of the provisions of Health Care Reform under consideration. To be sure, the high cost is one of their hot buttons. The so-called "public plan" is also a major source of concern as citizens see it as the beginning of socialized medicine, the loss of choice and the introduction of government in the doctor-patient relationship. We must continue to express our concern to our elected officials about these issues. Politicians do care what we think – they *will* listen to the voice of the people.