

C O U N C I L F O R



Thomas A. Schatz
President

September 3, 2009

U.S. House of Representatives
Washington, D.C. 20515

Dear Representative,

Following the uproar over healthcare reform during the August recess and preceding President Obama's address to Congress, this is an opportune time to consider how best to move forward on meaningful changes in the nation's healthcare system. Members of the Republican Study Committee have recently offered H.R. 3400, the Empowering Patients First Act, as a viable alternative to H.R. 3200, America's Affordable Health Choices Act of 2009. On behalf of the more than 1.2 million members and supporters of the Council for Citizens Against Government Waste (CCAGW), I urge you to support H.R. 3400.

H.R. 3400 would provide access to coverage for all Americans by extending an above-the-line income tax deduction on healthcare premiums, granting refundable tax credits for low-income individuals to purchase health insurance, ensuring coverage of pre-existing conditions, protecting employer-sponsored insurance, and establishing health plan and provider portals in every state to supply greater healthcare information and transparency.

The Empowering Patients First Act will truly live up to its name, giving patients the power to own and control their own healthcare coverage through employer-sponsored plans, new pooling mechanisms, flexible benefits, and access to insurance across state lines.

Medicaid and State Children's Health Insurance Program (SCHIP) beneficiaries will be given the option of a voucher to purchase private insurance. States will be required to cover 90 percent of those below 200 percent of the federal poverty level before they can expand eligibility levels under Medicaid and SCHIP.

The legislation will also improve the healthcare delivery structure through doctor-led quality measures, reimbursements to physicians to ensure continuity of care, and the promotion of healthier lifestyles with wellness and prevention programs.

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Unlike H.R. 3200, which the Congressional Budget Office has estimated would cost Americans \$1.3 trillion, H.R. 3400 would rein in out-of-control costs by reforming the medical liability system and offsetting health plan costs through decreased defensive medicine, savings from healthcare efficiencies, and rooting out waste, fraud, abuse in the system. Finally, the bill would reduce non-defense discretionary spending by one percent annually.

H.R. 3400 offers real solutions for the American healthcare system, prioritizing patient access, choice and quality of care without ballooning our national debt. I strongly urge you to support this legislation. All votes on H.R. 3200 and H.R. 3400 will be among those considered in CCAGW's 2009 *Congressional Ratings*.

Sincerely,

Thomas Schatz

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