



## **PRESS STATEMENT**

Contact: Amelia West  
(202) 638-7151

Spokesman: Ralph G. Neas,  
President and C.E.O.

### **Senate Needs to Provide an Insurance Policy for Health Reform**

A strong step in the right direction, the NCHC Action Fund commends the amendment package introduced today by Senators John D. (Jay) Rockefeller IV (D-WV), Joe Lieberman (I-Conn), and Sheldon Whitehouse (D-RI) to strengthen the Independent Medicare Advisory Board (IMAB) provisions of the Patient Protection and Affordable Care Act.

Reform of our dysfunctional and inequitable health care system must reduce healthcare inflation to a sustainable rate for employers, employees and governments. To control skyrocketing and wasteful national health care expenditures and improve quality and safety, reform legislation must include an objective entity such as IMAB armed with the power to address system-wide cost-containment and protect the interest of vulnerable populations.

Health care industry leaders, including representatives from PhARMA, America's Health Insurance Plans, the American Medical Association and American Hospital Association, met last Spring with President Obama and pledged to him and the American people that they would decrease the annual rate of cost increases by 1.5 percentage points to save \$2 trillion or more over the next decade.

The amendment, SA 3240 -- if adopted -- would set a 1.5 % annual savings target beginning 2015, eliminate the carve-out for hospitals and other providers, and better empower the Board reduce the growth cost of health care. But, it does not go far enough to ensure that the rate of health care inflation affecting both the public and private sectors is slowed.

"The commitment that industry leaders made to the President and the American public last Spring should be more than a photo op, press statement and promise, NCHC Action Fund CEO and President Neas said. "Only enactment of a true system-wide "failsafe" amendment will provide the American people with an insurance policy that health care reform will lower premiums and make quality care and coverage affordable for all."

The NCHC Action Fund believes that adoption of additional changes to make the Board responsible for system-wide and sector specific cost oversight, requiring baseline 2009 sector specific data and mandating corrective actions be taken if cost and quality targets are not met would go far towards providing sustainable, affordable quality health care for future generations of Americans.

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*The NCHC Action Fund is a 501(c)(4) not for profit organization devoted to public education, and advocacy to secure stable affordable health care for America. The National Coalition on Health Care, the oldest and most diverse alliance of groups committed to securing and sustaining health care system reform, is a 501(c)(3) organization. Both are located at 1120 G Street, NW, Suite 810, Washington, DC 20005. Phone: (202) 638-7151.*