



BIPARTISAN POLICY CENTER

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Contact: Eileen McMenamin, *Director of Communications*

(202) 379-1633

emcmenamin@bipartisanpolicy.org

Former Senate Majority Leaders Baker, Daschle and Dole Release Bipartisan Framework for Comprehensive Health Reform

*Budget-neutral plan ensures cost savings, quality improvement and
affordable coverage for all Americans*

Washington, D.C. – Former U.S. Senate Majority Leaders Howard Baker, Tom Daschle and Bob Dole, members of the Bipartisan Policy Center's (BPC) Advisory Board, today released a bipartisan, budget-neutral framework for comprehensive health reform to ensure that every American has affordable, quality health coverage. The Leaders' Project on the State of American Health Care report, entitled "*Crossing Our Lines: Working Together to Reform the U.S. Health System*," offers realistic, bipartisan and politically-viable policy recommendations to address the delivery, cost, coverage and financing challenges facing the nation's health care system.

The report calls for refocusing the nation's health care system on a commitment to quality and value - rather than quantity and volume - to improve medical outcomes and constrain unsustainable cost growth. In so doing, the Leaders underscore the need to rededicate the country to prevention and wellness as a better prescription to address the flaws of our health care system. To achieve the commitment of coverage for all Americans, the report embraces the need for strong insurance reforms that require guaranteed issue; the elimination of medical underwriting for pre-existing conditions and rating limitations; new state and regional coverage options through exchanges; reforms that constrain cost growth; and financial assistance through Medicaid and tax credits.

In developing their recommendations, the Leaders addressed many politically sensitive issues, recognizing that effective agreements often require tough choices. Specifically, their budget-neutral plan calls for: a personal responsibility requirement for all Americans to purchase affordable health insurance; refundable tax credits that limit premium contributions to a percentage of income; tax credits for small businesses that offer coverage; limited fees for

employers not offering or paying for health benefits; a tax exclusion linked to the value of benefits received by Members of Congress; and the establishment of an Independent Health Care Council to promote coordination among federal health care programs.

Consistent with the federal/state health reform model, the Leaders' plan provides for initial financial and technical support to states that choose to establish competing state plan options. These plans would have to compete on a level playing field. The Leaders also provide for a process that allows the President to submit a plan to Congress for a vote under expedited procedures if, after five years, the HHS Secretary has certified that the existing options do not provide for affordable coverage.

Arguing that flexibility from all sides is required to break the long stalemate over improving the health care system, the Leaders each embraced positions that have long been controversial within their own parties.

"Health reform can be achieved," said Senator Baker. "But in order for that to happen we must work beyond our points of disagreement and focus on reaching bipartisan solutions to create the health care system that the American people deserve."

Addressing the compromises the Leaders made in developing this report, Senator Daschle said, "A number of proposals would have looked different if they had been crafted by only Democrats or only Republicans. But in the spirit of our bipartisan effort, my colleagues and I agreed to this compromise in the hopes that we can begin to bridge any rifts in the debate and move forward with achieving our common goal of reforming the health care system."

Senator Dole stressed the need for preventive care and personal responsibility. "We need to improve health care delivery, while providing individuals with the knowledge, tools and choices they need to be accountable for their health," he said. "These and other reforms are needed to fix the nation's 'sick care' system."

The Leaders' Project on the State of American Health Care was launched in April 2008 with the goal of developing a comprehensive, but achievable set of policies to ensure that all Americans have quality, affordable health insurance coverage, while constraining cost growth, promoting innovative delivery of care, and focusing treatments more on the patient, and not just the illness.

The proposal reflects a series of forums that took place throughout 2008, each hosted by one of the Leaders. The events addressed four key topics, or "pillars," of health care reform: promoting high-quality, high-value care; making health insurance available, meaningful and affordable; emphasizing and supporting personal responsibility and healthy choices; and developing a workable, sustainable approach to health care financing. The project was co-directed by health care experts Chris Jennings and Mark McClellan.

To support the development of their recommendations, the Leaders sought advice and input from a broad range of health care providers, businesses, labor representatives, state and local policymakers, health plans, academics and consumer advocates through their public policy forums and targeted outreach activities. Ultimately, the Leaders' report seeks to establish a constructive center in the often polarized debate about health reform, and to advance a coherent strategy for modernizing the health care system and create a consistent source of health coverage for every American. For more information or to download a full copy of the report, "*Crossing Our Lines: Working Together to Reform the U.S. Health System*," please visit: www.bpcleadersproject.org

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About the Bipartisan Policy Center:

In 2007, former U.S. Senate Majority Leaders Howard Baker, Tom Daschle, Bob Dole, and George Mitchell formed the Bipartisan Policy Center (BPC) to develop and promote solutions that can attract the public support and political momentum to achieve real progress. The BPC acts as an incubator for policy efforts that engage top political figures, advocates, academics, and business leaders in the art of principled compromise. For more information please visit our website: <http://www.bipartisanpolicy.org/>.