

July 15, 2009



The Hon. George Miller
Chair, House Education and
Labor Committee
2181 Rayburn House Office Building
Washington, DC 20515

The Hon. Howard McKeon
Ranking Member, House Education and
Labor Committee
2101 Rayburn House Office Building
Washington, DC 20515

Dear Chairman Miller and Ranking Member McKeon:

On behalf of the more than 2 million members of the Service Employees International Union (SEIU), I am writing in support of *America's Affordable Health Choices Act of 2009* (H.R. 3200). Crushing healthcare costs have made it impossible to strengthen our economy, with so many families and businesses struggling to make ends meet. Reforming healthcare means: keeping the healthcare you have if you like it; seeing the doctor of your choice; increasing the quality of care while decreasing costs and eliminating waste; helping small businesses stay competitive; and reforming the insurance market so Americans no longer live in fear of losing their coverage. Now is the time to guarantee everyone access to quality, affordable healthcare and this legislation takes the necessary steps to do that. SEIU strongly supports this legislation because it includes affordable quality care for all, shared responsibility, a public health insurance option, a robust benefit package, enhanced workforce development, and provisions to address healthcare inequities. We urge you to pass legislation that retains these important provisions.

We strongly support provisions that limit out-of-pocket expenses and provide affordability credits for working families below 400 percent of the federal poverty level (FPL). These provisions are essential in order to ensure that every man, woman and child in America is guaranteed access to quality, affordable coverage. According to a recent study by the *American Journal of Medicine*, more than 60 percent of bankruptcies filed in 2007 were largely attributable to medical expenses. This means that between 2001 and 2007, bankruptcies attributable to medical expenses rose by 50 percent. The House must retain sufficient subsidies for low- and moderate-income individuals and families up to 400 percent FPL and limit the amount of out-of-pocket expenses, including deductibles and co-payments. Healthcare reform will be meaningless if it doesn't retain these crucial provisions.

SEIU supports the revenue-generating provisions included in *America's Affordable Health Choices Act of 2009*, placed in order to help pay for healthcare reform. The surtax on the wealthiest of our society—which if passed, would be levied beginning in 2011—would help shift the financing of healthcare in a more progressive and fair direction. We also strongly endorse the reinvestment of a portion of existing healthcare spending to finance reform—this includes adjusting Medicare payments to incentivize greater productivity.

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We support a robust public plan because it will provide additional choice and competition in the health insurance market. Without a public plan option that can keep private insurance companies honest, they will continue to raise their prices at rates in excess of overall inflation and “cherry-pick” low-risk pools. Unless there is a national public plan that offers a qualified, reliable and affordable option alongside private plans, the premium credits will be fiscally unsustainable over time. SEIU recognizes the challenge in defining the public plan, and we support a public plan that ultimately competes on a level playing field with private insurance companies. However, to establish the public plan, it must have access to temporary federal financing and to the tools that Medicare has to create payment rates and require provider participation in order to establish a network.

We support shared responsibility. The erosion of employer-sponsored coverage contributes to the affordability and coverage crises we are trying to fix. Currently, responsible employers are penalized in the market by irresponsible ones who fail to provide affordable and meaningful coverage to workers and their families. As an advocate for low-wage workers, SEIU knows firsthand that there are millions of workers who lack the bargaining power and right to organize to demand that their employer offer qualifying coverage if there is no federal requirement to do so.

SEIU supports an American healthcare system that recognizes the importance of a stable workforce in the health sector to deliver quality patient care. Researchers project a shortage of more than a million nurses by 2020 so significant federal investment in the training and education of nurses and direct care workers is vital. We support the House bill for establishing a grant program that creates career ladders to nursing and increases the capacity of nurse faculty. A steady pipeline of nurses is needed both to address the national shortages that currently exist, and to ensure that once reform is enacted there are healthcare professionals to deliver quality care in all regions of the country. We also support increasing investment in direct care jobs as a source for eliminating chronic shortages of nurses and other healthcare professionals and paraprofessionals, while also promoting greater diversity in the healthcare workforce.

We look forward to working with you to pass comprehensive healthcare reform. Should you have any questions, contact Michelle Nawar, Deputy Director of Legislation, at 202-730-7232 or michelle.nawar@seiu.org.

Sincerely,



Anna Burger
International Secretary-Treasurer

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