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January 17, 2008

Senator Jack Hatch
Representative Ro Foege
Co-Chairs
Commission on Affordable Health Care Plans

Dear Senator Hatch and Representative Foege:

Please know how honored I am to be part of the Commission on Affordable Health Care representing the Iowa Association of Business and Industry. Being part of the Commission over the past eight months has been a challenging and an extremely rewarding experience. I want to thank you both for your leadership in this endeavor.

As you know, when the Commission met on January 8, 2008, for the last time prior to the Legislature convening its 2008 session, the Commission voted to approve a Report full of recommendations and policy ideas. In my capacity as a representative of small employers in Iowa I was pleased to vote in favor of the Report as I believe it represents the majority of ideas and proposals that the diverse Commission members could reach consensus on. Those policy recommendations also present the best roadmap for achieving better health for our citizens and containing costs for insurance purchasers.

There were a multitude of other issues that the Commission and the various work groups discussed that were contentious and could not be agreed upon by the various interests represented on the Commission. It is my understanding from you that those policy items are not to be considered as part of the report, but rather are simply a part of the Commissions work record. Please advise me if I am not correct in my understanding.

While I was pleased to vote in favor of the report as presented on January 8th, I feel it is necessary to express specific concerns regarding a couple of items contained in the Report.

ASSOCIATION OF BUSINESS AND INDUSTRY

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- Creation of Health Care Exchange

We have concerns about this specific recommendation for several reasons, the first of which is that it creates another government entity manage health care insurance. Iowa already has an Iowa Insurance Division of the Department of Commerce and creating a new bureaucracy will be duplicative and costly to taxpayers.

Additionally, this concept appears to be similar to the “Connector” utilized in Massachusetts. The Massachusetts Connector collects 4% of premium off the top – that must be passed on to consumers as additional cost to the consumer.

- Creation of Office of Health Care Insurance Consumer Advocate

Instead a creation of another government agency work on behalf of consumers, we would suggest serious consideration be given to existing proposals that add a consumer-focused personnel to the Iowa Insurance Division of the Department of Commerce. Such a proposal would be more cost effective and protect taxpayers from funding another government bureaucracy.

It is my desire that this letter be made part of the Commission record. Thank you again for your leadership of the Commission. Please let me know if I can be of further help or assistance to you or the Commission.

Sincerely,



Amy DeBruin, PHR
Executive Vice President and
Human Resource Manager
Interpower Corporation