EMP. MANDATE

EMPLOYER MANDATE

PHOTOCOPY
PRESERVATION

EMPLOYER RESPONSIBILITY

How We Describe the Issue

We need to determine what to emphasize as the simple message. In brief, several approaches have been suggested --

- o emphasize working families and what hard work should mean for them - health benefits from their employer.

- o talk about the American solution - receiving health benefits through work is the American way -- not having the government take over the system, or dumping it on the individual, but using the system that has succeeded for decades -- employment.

- o build on the existing system; expand what we already have; employees and employers know it, and it works.

- o talk about the alternatives -- an individual mandate means employers dropping health insurance for their workers all across the country; a government run system means tax increases. Guaranteed insurance that can never be taken away means we have to pay for it our way, or one of these two other unacceptable ways.

- o emphasize shared responsibility -- employers and individuals must contribute to guarantee health coverage

- o talk about how businesses, large and small, can afford health coverage, if the system is designed correctly.

- o describe the current cost-shifting that burdens employers who provide health coverage today. Businesses pay 30% more than they should because many businesses can't afford to or refuse to cover their employees.

Obviously all of these are arguments that we use. Some are particularly important with a specific audience, but we still need the simple message that everyone uses every time we talk.

Suggested approach

- Working people in this country deserve guaranteed private health insurance. They deserve the security for themselves and their family that an illness in the family will not bankrupt them.

Working hard for a lifetime means something - that you will not be forgotten when you or a family member get sick. Across this country today, employers and individuals acknowledge the responsiblity to provide coverage.

And when someone runs up against the unfairness of the current system, a lifetime limit or pre-existing condition exclusion, there's a bake sale or a raffle or some way for fellow employees and neighbors to help people through tough times. Everyone pitching in to take care of people.

- Most people today get their health coverage through work. Over 90% of those with private health coverage get it through work.

  They get it through work because most employers recognize the responsibility they share to support hard-working employees.

- The connection between work and security is part of the American tradition. For health coverage, we could choose to have a government run system, as many of our foreign competitors have, but why not build on the successful American model of private partnership to provide security. Why not build on the responsibility of employers that is the foundation of our system today.

  We could turn our backs on people and simply order everyone to have health coverage. With subsidies for the poor and seniors, it is the middle class left holding the bag.

- This is not only an employer responsibility. Individuals have responsibilities too. They must pay their share; they must see that they get the preventive care for themselves and their children that will improve their health and our health care system; they must understand that health security is important to everyone. You shouldn't lose your health coverage because you get sick or lose your job, but you also have a responsibility to contribute to the system and not to abuse it.

- Most employers in this country already provide health security, guaranteed private insurance, or they want to. But the system is rigged against them. If you are a small company, health coverage can be unaffordable. You may be in a redlined industry; you may have had one employee or dependent child with a serious illness; you may have an older workforce.

The system is rigged -- against any employer who someone in the insurance industry decides has employees that might get sick.

That is what reform is about -- who controls the system -- the insurance industry or people. Just like the system is unfair to individuals -- those with preexisting conditions, or those who get seriously ill and exceed lifetime limits, it is unfair to employers.

- Employers are paying for health coverage today. On average, employers and individuals pay 30% more than they should because they are paying for the costs of people without insurance. Not poor people or seniors, who are covered by government programs, but the uninsured, working people working for companies that are unable or unwilling to provide coverage.

EMPLOYER RESPONSIBILITY -- OPERATIONAL

Events

The events we design to deliver this message must be done primarily in Washington, if we are to use the first several weeks of March. The following are some suggestions about events that have been made --

o Begin with a speech to a sympathetic audience (real people, not interest group, such as labor) to articulate the message.

o Bring affected people to Washington, in person, by satellite or by phone (especially from targetted areas).

o Use sympathetic businesses to show that big and small employers believe they should provide health coverage and can afford it.

Other Parts of Strategy

As we did with seniors week, everyone (Cabinet, Congress, interest groups, etc.) must focus on the responsiblity of employers.

In addition the following suggestions have been made --

o Enlist the economic team, led by Sec. Bentsen, to address the responsiblity of employers. Bentsen would do an early speech, with follow-up by the rest of the economic team.

o Focus particular attention on the cost-shifting argument to appeal to the elite. Use our experts, outside experts, to talk to press, do op-eds, etc, to push the issue.

o Determine if labor would pay for television emphasizing the negative -- the need for guaranteed coverage and the unfairness of an individual mandate.

Other Considerations

We should not lose sight of the need to reassure people that the President has them in mind. He is not a politician fighting a political battle in Washington, but a President who understands how health care affects people, and wants a better system for them.

We should also not lose sight of the need to continue the attack we began on the insurance industry control of the current system. If we are to have a symbol of what is wrong with the current system, of the insurance industry deciding what people get and don't get, we must maintain the attack we began.

...indy Grunwald

"Untruth in Packaging"?

The Post attacked me last week in an editorial ["Untruth in Packaging," Feb. 17] for "willfully twisting" Gov. Carroll Campbell's comments about whether or not there is a health care crisis, in an ad I produced for the Democratic National Committee. The ad included Gov. Campbell saying "there is not a crisis" in a series of video clips of other Republicans—Bob Dole, Jack Kemp, Dick Cheney—making similar comments.

I regret not including Gov. Campbell's full sentence, "There is not a crisis in the entire medical system of America," but I do not think that would have altered the essential fairness of including

Taking Exception

him, as many journalists did, with other "no crisis" Republicans and conservatives.

The essence of The Post's concern appears to be that the editing of Campbell's comments was "misleading" and that it was wrong to include him in the ad at all. The governor, in the interview I excerpted, in statements at a National Governors Association press conference, and to the Conservative Political Action Committee, first delineated those areas where he saw a crisis and then concluded that there was no crisis in the whole health care system.

Was it fair to categorize this as a "no crisis" position comparable to Bob Dole's, Jack Kemp's and Dick Cheney's? Reasonable people who listened to his comments did just that. Who do I think is reasonable? Reporters from National Public Radio, Reuters and The Washington Post. Yes, The Washington Post.

Each reporter considered Campbell's full remarks and edited them or characterized them as a "no health care crisis" position, drawing no distinction between Campbell's statements and those of other Republicans:

- NPR reported: "Campbell says there is no crisis in the nation's health care system. The South Carolina governor is joining the Senate Republican leader, Bob Dole, in that assessment."
- Reuters wrote: "Only two days ago, [Campbell] challenged the central assertion of Clinton's health reform plan—that there was a crisis in the nation's health care system which needed fixing. 'I do not believe there is a crisis in the entire system,' Campbell said Saturday. . . . "
- The Washington Post wrote, and I quote in full: "Joining a number of conservative critics of the Clinton administration's health care initiative, Campbell argued that 'the cure they conjured up' is being driven by the 'crisis they conjured up. . . . There is not a crisis in the entire system of health care. We still have the best system in the world.' "

If Gov. Campbell considered any of these news stories a distortion of his position, why didn't he call the reporters to protest? Why didn't he criticize Bob Dole or Jack Kemp or Dick Cheney for their position, as some Republicans did? And if distortion in the health care debate is so troubling to him, why did he use the same interview that I excerpted to smear the president's plan for guaranteed private insurance as a "grand socialist scheme"?

Why? Because the attempt by some Republicans to deny that America has a health care crisis is not merely a rhetorical disagreement in a complex debate but a conscious political strategy.

If you look at Bill Kristol's original memo imploring Republicans to deny that America has a health care crisis, you will see that he argued that "any Republican urge to negotiate" with the president should be "resisted" and "defeating the Clinton plan outright" must be the goal.

Kristol warns that the president's health care reform fight is "a serious *political* threat to the Republican party." Passage of Clinton's health care reform, Kristol wrote, would revive the Democratic Party's reputation "as the generous protector of middle class interests. And it will at the same time strike a punishing blow against Republican claims to defend the middle class by restraining government."

Those Republicans, no matter how they qualified their positions, who chose to say that there is no health care crisis, chose an intentional political strategy. The Post's reporter and others noted that strategy. Our ad for the Democratic Party did as well.

Perhaps Gov. Campbell's recent attempts to distance himself from the "no crisis" camp of the Republican Party will lead to the Republicans' full repudiation of a failed political strategy to deny the problem rather than work with Democrats to solve it.

The writer is a Democratic media consultant.

Roger C. Altman

Why Employer Mandates?

Amid business complaints and fresh controversy over the health care numbers, assorted commentators have declared the president's health care reform plan dead. This is ridiculous. The outlook is actually very good.

That's because the heart of our plan is guaranteed private health insurance. Eighty percent of Americans want this. The entire congressional leadership says it does too. But some self-styled reformers in Congress pay only lip service to this concept. The central question is whether Congress will back a mechanism to ensure it.

The president has proposed building upon the present system through an employer mandate. Businesses would be required to help pay for coverage, and employees would have to pay their share. Today, nine of 10 Americans with private coverage receive it this way.

There are only two other ways to do it.

One is a government program in which government would raise the money to pay all the bills. This is too much centralization, too much tax, and too much government.

The second is an individual mandate. All Americans would be required to buy coverage, but would be on their own in doing so, without the benefit of group rates.

What those pushing an individual mandate don't say is that many employers would no longer have an incentive to provide coverage. Why should they, when their employees would end up with it anyway? So, many employers could drop it, and that would undermine the bedrock of today's system.

It is also doubtful whether an individual mandate would bring a reduction in health care inflation, which is vital to true reform. Our employer-based proposal would have all companies buying in volume and benefiting from lower prices.

Some say an individual mandate would be easier to administer. But in fact it would involve refundable tax credits for much of America. This lions who are not now on the tax rolls. Who wants that?

Then there are the myths circulating about the impact of an employer mandate. They should be exposed for what they are—flat wrong, misleading, or red herrings.

One is that it would cost jobs. Numerous independent studies, including work by the nonpartisan Congressional Budget Office, conclude the job impact would be small.

Some claim the mandate would cost businesses money. For the majority of businesses that already provide coverage for their employees, that is wrong. The CBO has now affirmed that our plan would produce major savings in national health spending—as much as $150 billion annually by 2004. Since so much of that spending is underwritten by businesses, they will realize particularly large savings.

We're sufficiently confident of this to have proposed an outright cap on business spending for health care. Most larger businesses today spend 10 percent to 11 percent of payroll on it. We would cap that at 7.9 percent.

A third myth is that the mandate would crush small business. Here, there is an acute misunderstanding. Those who oppose an employer mandate don't want you to know that a majority of small businesses already offer coverage. That's right. Approximately half of Americans employed by businesses with fewer than 500 employees are already covered.

These are the very businesses victimized by the present system. They don't have the purchasing power of large firms, and must pay through the nose for coverage; on average, they pay 35 percent more. Our plan gives them the volume purchasing power of bigger businesses. Small business is one of the biggest winners under the Clinton plan.

What about those small businesses that don't cover their people now and would have to do so in the future? Won't they be crippled? In a word, no. The average wage among firms that don't provide coverage today is very low—$7,400 a year. Under our plan, the cost of covering that average worker would be 70 cents a day. It's that low because we would sharply discount the cost of insurance premiums to such small employers. This extra cost is surely not negligible, but its not crushing either.

Another canard is that the required benefits package is a "Cadillac plan"—too generous to employees. In reality, it's only slightly more generous than what most large employers now offer. Benefits will be slightly expanded for most workers, and they will have, for the first time, the security only guaranteed coverage can provide.

Finally, some say an employer mandate amounts to a giant payroll tax. No one in my memory has ever called a payment for private insurance between two private parties a tax. CBO has concluded it is not a tax but a miscellaneous receipt like a fine, a penalty or forfeiture. We don't agree even on this budget treatment, and these differences can be easily resolved by slight adjustments on our side.

The employer mandate is the best approach to build on the present system, ensure national and business savings, and avoid an administrative nightmare. That's why we chose it and why we hope Congress will support it.

The writer is deputy secretary of the Treasury.

To: Distribution List

From: Chris Jennings

Date: May 16, 1994

Re: Senator Mitchell's Employer Requirement Presentation

Attached is Senator Mitchell's employer requirement presentation. As in the case with all Mitchell materials, please hold close to this document and do not distribute it. As you will note, this is not dissimilar to Daschle's presentation to the caucus a few weeks ago. If you have any questions, please call me at 456-5560.

P.S. There may be slight modifications to this document. I will keep you posted.

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Long

INTRODUCTION

- Universal coverage must be a goal of any reform effort. Not only is universal coverage a humane objective, it is also necessary if we are to control spiralling health care costs and treat fairly those employers who now provide health care coverage.

- Some have suggested that we can achieve universal coverage without a mandate on employers or individuals.

- Today I'd like to discuss the issue of mandates in health care reform, and why I think a mandate makes sense as the way to achieve universal health care coverage.

- The non-partisan Congressional Budget Office concluded that universal coverage would not occur under a voluntary health care system. State experience confirms that voluntary systems would leave many Americans without health care insurance.

- A mandatory health care system, on the other hand, would lead to universal coverage in CBO's estimation. State experience corroborates this conclusion.

- And despite claims to the contrary, studies and state experience show that an employer mandate would not have a large net impact on jobs.

CURRENT VOLUNTARY SYSTEM IS NOT WORKING

- An increasing number of Americans are losing health insurance in today's voluntary market. In 1992, 39 million Americans were without insurance, up from 34 million in 1989. By 2004, CBO estimates that 44 million Americans will lack insurance. Among the nonelderly:
  - Most individuals with private insurance -- 63 percent -- receive coverage through an employer, while only 9 percent purchase private insurance through other means.
  - Most of the uninsured -- 84 percent -- are either workers or dependents of workers.
  - The number of Americans with employer coverage dropped by 3 million from 1989 to 1992.

WHY WE NEED UNIVERSAL COVERAGE

- Universal coverage is essential if all Americans are to receive adequate health care. Studies show that the uninsured do not receive timely or appropriate care. And when they finally do seek care, their problems tend to be worse and more expensive to treat.
  - For example, the uninsured are twice as likely as the privately insured to be hospitalized for diabetes, hypertension, and other conditions which could be treated in a doctor's office.
  - And 71 percent of the uninsured report that they postponed seeking care which they felt they needed because they could not afford it, compared to 21 percent of the privately insured.
- Universal coverage is also critical to controlling health care costs. In its analysis of Congressman Cooper's bill, CBO stated that one of the key features of any market-based mechanism to control health care costs is universal health insurance coverage that eliminates cost shifts from the uninsured to the insured.
  - A 1991 Lewin study estimates that one-third of employers' current premium costs result from various forms of cost shifting, the largest part due to working spouses whose employers contribute nothing today. HSA would eliminate most of this cost shifting and significantly lower per worker costs for those employers who offer insurance today.
- Furthermore, health policy experts warn that health insurance market reforms without a mandate could actually increase the number of uninsured as health insurance costs rise for low risk firms and individuals, causing them to drop out of the system, further raising premiums for those in the system, causing more low risk firms and individuals to drop coverage, and so on.

EVIDENCE ON VOLUNTARY SYSTEMS

- Some have suggested that we can achieve universal health care coverage by introducing insurance market reforms and subsidies into the current voluntary system. But both CBO analyses and state experience demonstrate that such voluntary systems will not result in universal coverage.

CBO Analysis of Managed Competition Model:

- In its recent analysis of the Cooper bill, CBO concludes that a voluntary system of health insurance coverage which includes insurance market reforms and large subsidies for lower income households will not solve the problem of the uninsured. Even ten years after enactment CBO predicts 26 million Americans (or 9 percent of the population) would remain uninsured under Cooper.

- And the Cooper plan's partial solution -- which reduces the number of uninsured by just 40 percent -- is achieved only at a very large federal cost. Assuming a benefit package comparable to HSA's, subsidy costs in the Cooper plan exceed savings by $300 billion from 1996 to 2004.

- While providing health insurance to 91 percent of all Americans moves closer to universal coverage, it still leaves out 26 million Americans, and continues the massive cost shifting that occurs in the current system.

State Experience:

- State experience bears out CBO's conclusion that a voluntary system will not achieve universal coverage.

- Several states have unsuccessfully tried to expand health care coverage by providing financial inducements to voluntarily purchase insurance.

    - For example, the Robert Wood Johnson Foundation ran demonstration projects in ten states designed to make health insurance more affordable and available to uninsured small businesses and individuals. Strategies included increased cost sharing, premium subsidies -- up to 50 percent in some cases -- for small firms and limiting pre-existing condition exclusions.

- But these projects had modest impact: Tampa had the best results, and even there only 17 percent of non-insuring firms under 25 enrolled in the project.

- Critics cite reasons for these dismal results: area businesses were uninformed, the projects were too limited, and they took place in an unreformed insurance market.

  - Yet Florida's universal coverage initiative suggests that even a well-publicized state-wide system which includes voluntary alliances and market reform will not lead to universal coverage.

  - In testimony before the Finance Committee earlier this year, Governor Chiles indicated that Florida's voluntary market-based system will fall far short of its universal coverage goal, insuring only about 50 percent of the currently uninsured, and still leave 10 to 12 percent of all Floridians uninsured after reform.

MANDATORY SYSTEMS ACHIEVE UNIVERSAL COVERAGE

- While a voluntary health insurance system would leave millions of Americans uninsured, a system which requires health insurance coverage would result in universal coverage.

- In its analysis of the President's health care bill, CBO concludes that the HSA's employer/individual health insurance mandate would result in universal coverage.

- Hawaii's experience with a mandatory health insurance system supports CBO's conclusion that a mandatory system would achieve far greater coverage than a voluntary system would.

    - In 1992, only 6 percent of Hawaii's population was uninsured, the lowest rate of any state in the nation, compared to 15 percent nationwide. Coverage is not universal in Hawaii because the state's mandate excludes some groups, such as part-time workers, the unemployed, and dependents of workers.

ECONOMIC IMPLICATIONS OF AN EMPLOYER MANDATE

- Despite claims by some that an employer mandate would destroy jobs, economists agree that an employer mandate with large subsidies for small business as included in the HSA will not have a large net impact on jobs. In fact, employers in general would be financially better off under the HSA's employer mandate, since HSA's lower health care costs and generous employer subsidies reduce businesses' costs. In 2004 alone, CBO estimates that businesses' health costs would drop by $90 billion.

- According to CBO, HSA's net effect on jobs would be minimal, and "would probably have only a small effect on low-wage employment." Researchers at the Employee Benefit Research Institute, Lewin-VHI, the Economic Policy Institute, the Rand Corporation, and the Council of Economic Advisors agree that the HSA's effect on employment would be minimal.

- While some economists suggest there may be fewer jobs in the retail and food service industries under HSA, they also suggest that any losses in those areas should be offset with gains elsewhere, including in manufacturing and health services.

- And although many economists agree that the greatest effect of an employer mandate could be on workers at or near the minimum wage, recent studies even call into question that effect.

    - A Princeton study found that when California raised its minimum wage by 27 percent in 1988, no job loss among low wage workers occurred, and overall employment in the retail trades was unaffected. Similarly, a Harvard-Princeton study found no negative employment effects in the Texas fast-food industry when the federal minimum wage rose by 27 percent between 1990 and 1991.

    - HSA, which would increase costs for the smallest minimum wage firms by no more than 15 cents an hour, should have a similarly small net impact on low wage firms. No firms receiving subsidies under HSA would pay more than 34 cents more an hour for minimum wage workers. In comparison, the last minimum wage increase was $0.90 an hour.

- Actual experience at the state level supports these conclusions. While Hawaii has had an employer mandate in place since 1975, its economy performs better than the national average on several fronts.

  - Since Hawaii instituted an employer mandate, its unemployment rate has dropped relative to the national average, and private non-farm employment has increased almost twice as fast as in the United States as a whole.

  - Hawaii's rate of business failure has been consistently lower than the national average. And Hawaii's small businesses have one of the lowest bankruptcy rates in the nation, and one of the highest rates of business startups.

INDIVIDUAL VS. EMPLOYER MANDATE

- Up until this point, I have limited my discussion of mandates to employer mandates. At this time I'd like to discuss how an employer mandate compares with an individual mandate.

- The HSA, of course, requires both employers and individuals to contribute to the cost of health insurance. Before subsidies, employers pay 80 percent of the average per worker premium, families pay no more than 20 percent of the average premium. Placing the bulk of the responsibility on employers makes sense for several reasons:

  - It builds upon the current system, in which over 90 percent of private insurance is purchased through the workplace with an employer contribution.

  - 84 percent of the uninsured are workers and their families, so it makes sense to cover them through an employer-based system.

- Moreover, poll after poll shows that the American people believe that employers should contribute to their workers' health care costs:

  - An April poll found that 66 percent of Americans favor an employer mandate. In contrast, by a 69 percent to 26 percent margin, voters say the President should veto legislation that covers everyone but requires employees to purchase insurance without help from their employers.

  - A February ABC/Washington Post poll found 73 percent of Americans favor federal law requiring all employers to provide health insurance.

  - A February CBS poll found that Americans favor an employer-based system over an individual requirement 53 percent to 27 percent.

- The alternative to an employer mandate is an individual mandate which absolves businesses of any responsibility to provide health care insurance to their workers. Yet an individual mandate raises several concerns:

- To make health care affordable to low and moderate income individuals, an individual mandate would require substantial federal subsidies. Depending on how generous they are, these subsidies could increase federal costs relative to HSA.

- An individual mandate may reinforce the recent trend of employers dropping coverage. Businesses currently providing coverage may drop it under an individual mandate -- particularly if federal subsidies provide a safety net for their workers. Polling data indicate that this is exactly the outcome the public fears in the absence of an employer mandate.

- Some economists believe that even if employers do drop coverage, workers would be no worse off because employers would increase their wages to reflect any cut in health benefits.

  -- However, even if employers did passback wages to their employees, there is no guarantee that it would occur instantaneously, nor that it would be evenly distributed among workers.

  -- I know I would have trouble convincing my constituents that they needn't worry about losing their health care benefits because some economists assure me that their bosses will make it up to them with salary increases.

CONCLUSION

- Despite huge and growing expenditures on health care, more and more Americans are without health insurance.

- If we are ever to control spiralling health care costs, we must assure that all Americans are in the health care system.

- The only way to assure health care coverage for all Americans is to mandate coverage. Let me remind you again, CBO estimates that the HSA would result in health care coverage for all Americans, compared to the 26 million left uninsured under a highly subsidized voluntary system with managed competition.

- State experiences confirm that voluntary systems would leave many more Americans without health care insurance than would a mandatory system.

- State experience and economic analysis also demonstrate that an employer mandate would not significantly decrease net jobs, and instead would enhance job opportunities for some.

- An HSA-like employer mandate builds on our current health care system and is favored by the American public. An individual mandate is much less popular with the public, and could be more expensive.

Short

INTRODUCTION

- Universal coverage must be a goal of any reform effort if we are to control rising health care costs and treat fairly insuring employers.

- This presentation addresses the issue of mandates in health care reform, and why they makes sense as the way to achieve universal health care coverage.

  - CBO has concluded that a voluntary health care system would not achieve universal coverage. State experience confirms that voluntary systems would leave many Americans uninsured.

  - In contrast, CBO estimates that a mandatory health care system would lead to universal coverage.

  - Despite claims to the contrary, studies and state experience show that an employer mandate would not have a significant net impact on jobs.

CURRENT VOLUNTARY SYSTEM IS NOT WORKING

- An increasing number of Americans are losing health insurance in today's voluntary market. In 1992, 39 million Americans were uninsured, up from 34 million in 1989. By 2004, CBO estimates that 44 million Americans will lack insurance. Among the nonelderly:
  - Most individuals with private insurance -- 63 percent -- receive coverage through an employer, while only 10 percent purchase private insurance through other means.
  - Most of the uninsured -- 84 percent -- are either workers or dependents of workers.
  - The number of Americans with employer coverage dropped by 3 million from 1989 to 1992.

WHY WE NEED UNIVERSAL COVERAGE

- Universal coverage is necessary if all Americans are to receive adequate health care. Studies show that the uninsured do not receive timely or appropriate care. And when they finally do seek care, their problems tend to be worse and more expensive to treat.

- Universal coverage is critical to controlling health costs. CBO's analysis of the Cooper bill states that a key feature of any market-based cost control mechanism is universal health insurance coverage that eliminates cost shifts from the uninsured to the insured.

    - According to Lewin, one-third of employers' current premium costs result from cost shifting, primarily due to working spouses whose employers contribute nothing today. HSA would eliminate most of this cost shifting and significantly lower per worker costs for those employers who offer insurance today.

- Without a mandate, market reforms could increase the number of uninsured, as health insurance costs rise for low risk firms and individuals, causing them to drop out of the system, further raising premiums for those in the system, causing more low risk firms and individuals to drop coverage, and so on.

EVIDENCE ON VOLUNTARY SYSTEMS

- Both CBO analyses and state experience demonstrate that voluntary systems will not achieve universal coverage.

CBO Analysis of Managed Competition Model:

- CBO's analysis of the Cooper bill concludes that a voluntary system which includes insurance market reforms and large subsidies for lower income households will not achieve universal coverage. By 2004, CBO predicts 26 million Americans would still be uninsured under Cooper.

- Even this partial solution is extremely expensive. Assuming an HSA-like benefit package, federal subsidy costs in Cooper exceed savings by $300 billion from 1996 to 2004. Cost shifting also continues.

State Experience:

- State experience confirms CBO's conclusion. Several states unsuccessfully tried to expand coverage through financial incentives to purchase insurance voluntarily.

    - The Robert Wood Johnson Foundation ran demo projects in 10 states designed to make insurance more affordable and available to uninsured small businesses and individuals. Strategies included increased cost sharing, premium subsidies of up to 50% for small firms, and limiting pre-existing condition exclusions.

    - But these projects had modest impact: Tampa had the best results, and even there only 17 percent of non-insuring firms under 25 enrolled in the project.

- Voluntary system proponents argue that the demos failed because businesses were uninformed, and the projects took place in an unreformed insurance market and were too limited.

    - But Florida's universal coverage initiative suggests that even a well-publicized state-wide system including voluntary alliances and market reform will not lead to universal coverage. Governor Chiles has testified that Florida's voluntary system will insure only about 50 percent of the currently uninsured, leaving 10 to 12 percent of all Floridians uninsured.

MANDATORY SYSTEMS ACHIEVE UNIVERSAL COVERAGE

- CBO's analysis of the HSA concludes that HSA's employer/individual health insurance mandate would result in universal coverage.

- Hawaii's experience with a mandatory health insurance system supports CBO's conclusion that a mandatory system would achieve far greater coverage than a voluntary system would.

    - In 1992, only 6 percent of Hawaii's population was uninsured, the lowest rate of any state, compared to 15 percent nationwide. Coverage is not universal in Hawaii because the state's mandate excludes some groups, such as part-time workers, the unemployed, and dependents of workers.

ECONOMIC IMPLICATIONS OF AN EMPLOYER MANDATE

- Economists agree that an employer mandate with large subsidies for small business as included in HSA will have a minimal net job impact. In fact, HSA's lower health costs and generous employer subsidies in general would leave firms better off financially. In 2004, CBO estimates that firms' health costs would drop by $90 billion under HSA's employer mandate.

- CBO concludes that HSA's net job impact would be minimal, and "would probably have only a small effect on low-wage employment." Researchers at the Employee Benefit Research Institute, Lewin-VHI, the Rand Corporation, and others concur.

- Even job loss among workers at or near minimum wage may be small:

  - A Princeton study found that California's 27 percent minimum wage increase in 1988 caused no job loss among low wage workers, and had no overall affect on retail trade jobs. Similarly, a Harvard-Princeton study found no negative job impact on Texas' fast-food industry when the federal minimum wage rose 27 percent between 1990 and 1991.

  - HSA, which would increase costs for the smallest minimum wage firms by no more than 15 cents an hour, should have a similarly small net impact on low wage firms. No firms receiving subsidies under HSA would pay more than 34 cents more an hour for minimum wage workers, a small increase when compared to the last minimum wage increase of $0.90 an hour.

- State experience supports these conclusions. While Hawaii has had an employer mandate since 1975, its economy performs better than the national average on several fronts.

  - Since enacting its mandate, Hawaii's unemployment rate has dropped relative to the national average, and private non-farm employment has increased almost twice as fast as in the nation as a whole.

  - Hawaii's rate of business failure has been consistently lower than the national average. And Hawaii's small businesses have one of the lowest bankruptcy rates in the nation, and one of the highest rates of business startups.

INDIVIDUAL VS. EMPLOYER MANDATE

- HSA requires employers and employees to split insurance costs on an 80/20 basis. Giving employers primary responsibility makes sense:
  - It builds on today's system, in which over 90 percent of private insurance is bought through work with an employer contribution.
  - 84 percent of the uninsured are workers and their families, so it makes sense to cover them through an employer-based system.
- The public think employers should contribute to their workers' health costs:
  - An April poll found 66 percent of Americans favor an employer mandate. By a 69 percent to 26 percent margin, voters say the President should veto a bill that covers everyone but requires workers to buy insurance without help from their employers.
  - A February ABC/Washington Post poll found 73 percent of Americans favor federal law requiring all employers to provide health insurance.
- The alternative to an employer mandate is an individual mandate. An individual mandate raises several concerns:
  - To make health care affordable, an individual mandate would require substantial subsidies which could increase federal costs relative to HSA.
  - Firms now providing coverage may drop it under an individual mandate -- particularly if federal subsidies provide a safety net for workers. Polls show that the public fears such an outcome.
  - Some economists believe that workers would be unaffected by losing employer health coverage because employers would increase worker wages to compensate for any cut in health benefits. However, even if employers did passback wages to employees, there is no guarantee that it would occur instantaneously, nor that it would be evenly distributed among workers.

CONCLUSION

- Universal coverage is necessary to control health care costs.
- The only way to assure universal coverage is to mandate it. CBO estimates that HSA would achieve universal coverage, while a highly subsidized voluntary system with managed competition would leave 26 million Americans uninsured.
- State experiences confirm that voluntary systems would leave many more Americans without health care insurance than would a mandatory system.
- State experience and economic analysis also demonstrate that an employer mandate would not significantly decrease jobs, and instead may enhance employment opportunities.
- An HSA-like employer mandate builds on our current health care system and is favored by the American public. An individual mandate is much less popular with the public, and could be more expensive.

file employer mandate

THE CASE FOR SHARED RESPONSIBILITY

IT IS THE ONLY VIABLE TICKET TO UNIVERSAL COVERAGE

There are only three ways to guarantee that all Americans have health coverage. First, we can increase taxes and let the Federal government pay for health care. Second, we could shift the entire burden onto families, through an individual mandate, leaving a middle class family to pay roughly 17% of its after-tax income on health care. According to one analysis, this type of family mandate would impose a marginal tax rate of 47% for families between 100% and 200% of poverty. Finally, we could build on the current system and require that all employers share with their employees the responsibility for paying premiums. The last option makes the most sense, since 84% of the uninsured live in families where the head of the household is employed, but does not receive coverage through the workplace.

IT BUILDS ON THE CURRENT SYSTEM

Currently, two-thirds of all non-elderly Americans receive their coverage through the workplace. It is a system that has worked well for decades, and one Americans know and support. Why not build on a system that works, rather than start a completely new one that shifts costs entirely onto families?

IT WILL REDUCE COST SHIFTING

The majority of employers who do provide health coverage for their workers are paying right now for those employers who do not. In 1991, employers who sponsored health insurance for their employees footed a bill totalling $10.8 billion for uncompensated care and also paid $26.4 billion to cover spouses (and other dependents) who are employed by non-insuring firms. We must put an end to this type of unfair cost shifting.

HAS POTENTIAL TO INCREASE EMPLOYMENT AND DECREASE BUSINESS COSTS

Coupling strong cost containment with a requirement that employers share responsibility for health coverage will <u>not</u> result in job loss. In fact, according to the non-partisan Employee Benefits Research Institute, implementation of the Health Security Act could result in a net gain of up to 660,000 jobs. Further, CBO estimated that businesses would save $90 billion in one year under the Clinton plan, with larger gains in subsequent years.

WE CANNOT AVOID A MANDATE

This debate isn't about whether or not we should have a mandate. We have a mandate right now -- the "status quo mandate" that those who pay for their health care pay for those who do not. This is the most inefficient and unacceptable mandate of all.

AMERICANS SUPPORT SHARED RESPONSIBILITY

According to a Washington Post survey, 73% of Americans support an employer requirement for full-time workers and 69% for part-time employees. A Wall Street Journal poll found that 65% of Americans support shared responsibility for small firms.

March 9, 1994

Dear Member/Senator:

Health security for all Americans, that guarantees that no one lacks or loses high-quality health care coverage, is an essential element of health care reform. We believe that this objective should be achieved for working families by requiring all employers to provide and help subsidize health care coverage for their employees. We believe that such an employer mandate should be enacted for several reasons.

An employer mandate builds on our current employer-based insurance system and would be the least disruptive way to achieve universal coverage. It would be fair in that all employers and employees would be responsible for contribution towards coverage. It would level the playing field among different employers, most of whom provide such coverage today. And it would eliminate large, unpredictable and inequitable cost shifts that employers bear today for the uninsured workers of other employers. We recognize that some employers (and employees) will need financial help to meet their obligations. We, of course, support providing necessary subsidies.

We believe that an employer mandate is a fair, effective and practical means for achieving universal coverage. We, therefore, urge its adoption.

Organizations Endorsing Employer-based Insurance

- *ACME Steel Company*
- *AIDS Action Council*
- *Amalgamated Clothing and Textile Workers Union*
- *Ambulatory Pediatric Association*
- *American Academy of Pediatrics*
- *American Association for Partial Hospitalization*
- *American Association of Pastoral Counselors*
- *American Association of Retired Persons*
- *American Association of University Professors*
- *American Association on Mental Retardation*
- *American College of Nurse-Midwives*
- *American College of Obstetricians and Gynecologists*
- *American College of Physicians*
- *American Counseling Association*
- *American Federation of Government Employees*
- *American Federation of Teachers*
- *American Federation of State, County, Municipal Employees*
- *American Federation of State, County, Municipal Employees Retiree Program*
- *American Geriatrics Society*
- *American Hospital Association*
- *American Lung Association*
- *American Medical Student Association*
- *American Medical Women's Association*
- *American Nurses Association*
- *American Postal Workers Union, AFL-CIO*
- *American Psychological Association*
- *American Thoracic Society*
- *Amputee Coalition of America*
- *Asociacion Nacional Pro Personas Mayores*
- *Association for Gerontology in Higher Education*
- *Association of Community Action Agencies*
- *Association of Community Organizations for Reform Now (ACORN)*
- *Association of Schools and Public Health*
- *Association of Letter Carriers, AFL-CIO*
- *Association of Maternal and Child Health Program*

- *Bakery, Confectionery & Tobacco Workers International Union*
- *Bazelon Center for Mental Health Law*
- *Catholic Health Association of the United States*
- *Center for Community Change*
- *Center for Science in the Public Interest*
- *Center for Women Policy Studies*
- *Center on Disability and Health*
- *Ceridian Association*
- *Children's Defense Fund*
- *Chrysler Corporation*
- *Coalition on Human Needs*
- *Consumers Union*
- *Eldercare America, Inc.*
- *Epilepsy Foundation of America*
- *Families USA*
- *Health Care for the Homeless Project, Inc.*
- *Independent Federation of Flight Attendants*
- *International Association of Psychosocial Rehabilitation Services*
- *International Association of Fire Fighters*
- *International Ladies' Garment Workers' Union*
- *International Union, UAW*
- *International Union of Bricklayers and Allied Craftsmen*
- *International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO (IUE)*
- *Jesuit Social Ministries, National Office*
- *League of Women Voters of the U.S.*
- *Legal Action Center*
- *National Asian Pacific Center on Aging*
- *National Association of Alcoholism and Drug Abuse Counselors*
- *National Association of Area Agencies on Aging*
- *National Association of Child Advocates*
- *National Association of Children's Hospitals and Related National Institutions*
- *National Association of Community Action Agencies*
- *National Association of Community Health Centers*
- *National Association of Homes and Services for Children*

- *National Association of Professional Geriatric Care Managers*
- *National Association of Public Hospitals*
- *National Association of Social Workers*
- *National Caucus and Center on Black Aged*
- *National Community Mental Healthcare Council*
- *National Consumers League*
- *National Council of Senior Citizens*
- *National Education Association*
- *National Federation of Societies for Clinical Social Work*
- *National Hispanic Council on Aging*
- *National Leadership Coalition for Health Care Reform*
- *National Mental Health Association*
- *National Multiple Sclerosis Society*
- *National Organization for Rare Disorders (NORD)*
- *National Urban Coalition*
- *National Parent Network on Disabilities*
- *National Women's Health Network*
- *National Women Law Center*
- *NETWORK: A National Catholic Social Justice Lobby*
- *New Ways to Work*
- *Older Women's League*
- *Project Vote Fund*
- *Rohm & Haas Company*
- *Rural Advancement Fund*
- *Save Our Security*
- *Service Employees International Union*
- *Society of Adolescent Medicine*
- *The American State of the Art Prosthetic*
- *The Arc*
- *The Children's Foundation*
- *The Federation of Families for Children's Mental Health*
- *The National Council on the Aging, Inc.*
- *United Auto Workers*
- *United Food and Commercial Workers Union*
- *United Auto Workers Retired and Older Workers Department*
- *United Mine Workers of America*
- *Washington Ethical Action Office/AEU*
- *Women's Legal Defense Fund*
- *World Association for Psychosocial Rehabilitation-U.S. Branch*
- *YWCA of the U.S.A.*

(Big Business letter)

Dear Congressman Slattery:

The undersigned businesses, with over XXX,XXX employees in Kansas, urge you to support the inclusion of an employer mandate in any health care reform legislation. We believe that an employment-based system, in which there is both employer and employee financial participation, is the most practical, fair and efficient method to finance health care reform that has universal coverage as one of its primary goals.

An employer mandate has many advantages:

- It builds on the current system. Today 90% of Americans with private insurance receive their coverage through work.

- It provides for shared responsibility in which employers and employees contribute to the cost of insurance.

- It extends coverage to over 80% of the uninsured that live in families with someone who works, and would guarantee that all working Americans are always covered.

- It ends the cost shifting today that makes employers and employees who have insurance pay for those who don't.

- It levels the playing field so that employers who provide insurance no longer have to compete against others that don't.

None of the other financing proposals, including an individual mandate and taxation of health care benefits, offers these advantages. Similarly, an employer mandate that places too great a burden on individuals may leave many employees without coverage. Indeed, many of the alternative financing mechanisms would perpetuate the problems with the current system and potentially impose new costs on employees and employers who already have health insurance.

There is no way to reform America's health care system without requiring some change on the part of virtually every sector of society. But we believe that an employment-based system is the most efficient and least disruptive mechanism possible for financing true health care reform. For that reason, we urge you to support inclusion of such a provision in the Energy and Commerce legislation.

Sincerely,

(Letter to target members to frame "the choice" on financing)

Dear Congressman

We write to express our support for one of the most essential elements of health care reform: an employer financing system where every employer contributes to the cost of health insurance. All of our organizations support the approach included in the President's plan: providing health care at work to all working Americans, whether full or part time.

In our collective view, there can be no real health care reform unless Congress adopts a financing mechanism that is workable and fair. Today 90% of Americans with private insurance today get it through their employers. Yet over 80% of those without insurance today are individuals who work or families where someone is employed. Thus, a financing mechanism that requires all employers to contribute to insurance costs, with discounts to help small businesses, builds on the current workplace-based system and would continue the American health care tradition of shared responsibility.

We are troubled by your reluctance to embrace the employer financing mechanism and believe that you have not been forthright with your constituents about the costs and impacts of the alternative financing mechanisms. It is easy to express reservations about the employer mandate as you have done. But it is simply not responsible to do so unless you level with constituents about who will pay the burden of health insurance costs under alternative financing mechanisms. Moreover, as a Member of Congress you have the opportunity to be covered under precisely the kind of employer-based health system the President has proposed. Given that your constituents pay so that you can get health coverage at work, it is inconceivable to us that you would deny working Americans in your district the same opportunity.

Without an employer mandate, Congress will have to rely on financing that taxes health benefits, as Congressman Cooper has proposed. Or Congress may shift responsibility from employers to individuals and families through some form of an individual mandate. In either case, the bottom line will be higher health insurance costs for millions of hard working Americans who are already paying too much for health care.

We believe the choice is clear: continue the present system where employers contribute and responsibility is shared, or make individuals and families pay more. Thus, if you cannot support an employer contribution along the lines of what the President has proposed, then we challenge you to respond with a fair and workable alternative and spell out precisely who will pay.

As the Energy and Commerce Committee prepares to mark up health care reform legislation, we believe that the time for has come for specific answers to the financing question. Unless you can spell out specifically who will pay for reform, you can't expect the American people to believe that your serious about reform.

We look forward to your response.

United States Senate
Democratic Policy Committee
Washington, DC 20510-7050
(202) 224-5551

For Release: Wednesday, June 8, 1994
Media Contacts: Debra Silimeo, (202) 224-3232
Mary Ann Hill (202) 224-2939

MORE THAN 1,300 GROUPS AND BUSINESSES ENDORSE EMPLOYER-BASED HEALTH CARE REFORM

More than 1,300 organizations and businesses across the country formally endorsed an employer-based approach to health care reform, Senate Majority Leader George J. Mitchell announced today. Groups and businesses, representing over 93 million Americans, signed a letter to Congress calling for comprehensive health care reform and supporting guaranteed coverage through the workplace as the best approach.

The letter, sent to Senator Mitchell by the Health Care Reform Project, says "We believe that an employer mandate is a fair, effective and practical means for achieving universal coverage. We therefore urge its adoption."

"What this letter shows is that the political clout of the forces supporting comprehensive reform is formidable. These forces, representing over 93 million Americans -- 155 times the membership of the NFIB -- are standing up to let their voices be heard in this debate," said Senator Mitchell.

Thousands of American businesses are among those endorsing an employer mandate. Over 340,000 small businesses and 100 of America's largest corporations including Heinz, Westinghouse, GM, Ford, Georgia Pacific and others, have endorsed an employer-based system of shared responsibility as the best way to achieve comprehensive health care reform. In addition, well over 300 small businesses have independently signed on to the letter.

The more than 150 national groups and 630 state groups, who have signed the letter, represent nearly every senior citizen in America, millions of American workers, farmers, health care providers, and consumers advocates.

The letter shows continuing and growing support for real reform, providing health care security for all Americans, through shared responsibility, this year.

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HEALTH CARE REFORM PROJECT

THE VOICE OF AMERICANS FOR CHANGE, NOW.

For Immediate Release
June 8, 1994

Contact: Mark Johnson
202-289-5900

1,300 GROUPS SIGN OPEN LETTER TO CONGRESS URGING EMPLOYER-BASED HEALTH FINANCING

WASHINGTON – The Health Care Reform Project today released a letter signed by more than 1,300 organizations representing nearly 100 million Americans who want Congress to pass a health care reform bill that includes "shared responsibility" between employers and employees as the basis of financing universal coverage.

The groups signing the letter, which is being delivered today to every Member of the U.S. Senate and House of Representatives, include businesses, labor unions, health care providers, educators, seniors organizations and childrens' advocates (see attached list). Their combined membership of nearly 100 million Americans is 150 times larger than the total membership of the National Federation of Independent Business, a vocal opponent of health reform that represents a minority of small businesses.

"An employer mandate builds on our current employer-based insurance system and would be the least disruptive way to achieve universal coverage," the letter says. "It would be fair in that all employers and employees would be responsible for contributing towards coverage. It would level the playing field among different employers, most of whom provide such coverage today. And it would eliminate large, unpredictable and inequitable cost shifts that employers bear today for the uninsured workers of other employers."

The letter also urges Congress to include small business discounts or subsidies in order to help small employers meet their obligations.

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STATEMENT OF SENATE MAJORITY LEADER GEORGE J. MITCHELL

More than 1,300 organizations and businesses across the country formally endorsed an employer-based approach to health care reform today. The endorsements, sent to Congress in a letter from the Health Care Reform Project, say *"We believe that an employer mandate is a fair, effective and practical means for achieving universal coverage. We therefore urge its adoption."*

What this letter shows us is that the political clout of the forces supporting comprehensive health care reform is formidable. These forces, representing over 93 million Americans -- 155 times the membership of the NFIB -- are standing up to let their voices be heard in the debate.

These are the voices of people who go to work each day; who pay the bills; and who suffer the indignities of the current system. This is a letter of support for the goal of universal health care coverage and, more importantly, a way to achieve that goal.

More than 340,000 small businesses and 100 of America's largest corporations including Heinz, Westinghouse, GM, Ford, Georgia Pacific and others, have endorsed an employer-based system of shared responsibility as the best way to achieve comprehensive health care reform. In addition, more than 300 small businesses have independently signed this letter.

These businesses know that until everyone contributes that they will continue to pay billions of dollars in higher premiums to cover their competitors that don't provide insurance. And they know that until everyone is covered we will never get costs under control.

Millions of American workers, farmers, providers, consumers and virtually every senior citizen in America are represented on this list. From the National Farmers Union to the Air Line Pilots; from Albany Bowling Supplies to NYNEX; from the AARP to Happy Joe's Senior Volunteers; from Archer Daniels Midland Corporation to the White Dog Cafe these groups and businesses span the width and breadth of the American populace.

They support building on today's system of shared responsibility between and employer and employee because it makes sense. More than eighty-five percent of uninsured Americans are in working families. Eight out of ten privately insured Americans get their health care coverage where they work. A majority of businesses already offer health care coverage to their workers. Clearly, an employer-based system is the basis upon which we must build.

Passing comprehensive reform legislation that guarantees every American health care coverage that can never be taken away is a difficult task. But the millions of Americans represented in this letter are counting on the Congress to act this year. We will.

STATEMENT OF SENATOR THOMAS A. DASCHLE
CO-CHAIRMAN, SENATE DEMOCRATIC POLICY COMMITTEE

Mr. President, I am pleased to announce that today the Health Care Reform Project released a letter, signed by over 1,300 groups and organizations from states throughout the country, urging Congress to support employer-based health care reform. These groups represent combined memberships of over 93 million people -- 155 times the membership of the National Federation of Business (NFIB). They want comprehensive health care reform and believe that guaranteeing coverage through the workplace makes the most sense.

Too often, we hear only from the opponents of reform. We hear of their political strength, their mass organization, and their membership numbers. Their rallying cry is that an employer mandate is politically unfeasible. This letter shows that they are dead wrong.

These groups and businesses have stepped to the plate. They are letting their political strength, their voices and their votes be heard. Their message is clear. They want health care for every American and they are willing to make the important choices needed to get there.

Building on the system of shared responsibility between and employer and employee is an organized and sensible way to provide coverage to uninsured Americans. More than eighty-five percent of uninsured Americans are in working families. Eight out of ten privately insured Americans get their health care coverage where they work. A majority of businesses already offer health care coverage to their workers and will save under reform. And, a vast majority of Americans support guaranteeing health coverage through the workplace.

The fact is there are only a few ways to accomplish the goal of guaranteeing every American health insurance. Our basic choices are a government-run system financed by a broad-based tax; a "family" or "individual" mandate where each family is legally and financially liable for the entire cost of their insurance; or a system rooted in today's where employer and employee share responsibility for the cost of coverage.

Some people say that there is another choice. They say that the system isn't broken so we needn't fix it. But for most Americans, the status quo is the worst mandate we could possibly impose. Under the status quo mandate, businesses who provide coverage for their employees would continue to be required to pay the freight for those who don't. Businesses and workers who pay for health care coverage would continue to absorb billions of dollars in uncompensated care. And people who get up and go to work each day would continue to fear losing their health care coverage.

The groups signing this letter and the millions of Americans they represent are telling us that the status quo is unacceptable.

From the National Farmers Union to the National Council of Senior Citizens; from the Children's Defense Fund to the St. James Youth Center in Louisiana; from Albany Bowling Supplies in Georgia to the Southern California Edison Company, these groups represent a broad spectrum of Americans.

These are real people and real businesses and they have important stories.

Kurt Thompson, a constituent of mine from Britton, South Dakota and a member of the South Dakota Farmers Union, is a family farmer, raising wheat, corn, soy beans, hogs and cows. He pays $300 a month for only catastrophic coverage. His deductible is $2,500 a year and he has asked his insurance company to cut his benefits to reduce his costs. As a self-employed farmer, he is only eligible to deduct 25% of his health care costs unlike most businesses who are allowed 100%. Mr. Thompson estimates that he has to sell at least three hogs a month just to pay his insurance premium. He desperately wants health care reform to help him afford health care for his family and thinks building on today's employer-based system makes the most sense.

Albany Bowling Supplies is a small family business in Georgia which employs nine people. The owner Bud Simpson has provided all of his workers with health care coverage for years. For all these years, he has had to pay the costs for his competitors who don't provide. Albany Bowling Supplies believes that asking all businesses to contribute to their workers health care coverage, is the most fair way to get to universal coverage.

Jerry Wilse, President of the Greater Arizona United Auto Workers Retiree Council as well as the Arizona State Council of Senior Citizens, told me that until we have comprehensive reform none of his members can feel secure. He believes that an employer-based system is the most sensible way to get there.

Mr. President these groups and businesses are diverse and have a wide range of interests. Yet they have come together to support a sensible approach to health care reform. They want action from Congress and they have made their choice known. We should listen.

Open Letter to Congress
Supporting Employer Responsibility for Employees' Health Care

Dear Member/Senator:

Health security for all Americans, that guarantees that no one lacks or loses high-quality health care coverage, is an essential element of health care reform. We believe that this objective should be achieved for working families by requiring all employers to provide and help subsidize health care coverage for their employees. We believe that such an employer mandate should be enacted for several reasons.

An employer mandate builds on our current employer-based insurance system and would be the least disruptive way to achieve universal coverage. It would be fair in that all employers and employees would be responsible for contributing towards coverage. It would level the playing field among different employers, most of whom provide such coverage today. And it would eliminate large, unpredictable and inequitable cost shifts that employers bear today for the uninsured workers of other employers. We recognize that some employers (and employees) will need financial help to meet their obligations. We, of course, support providing necessary subsidies.

We believe that an employer mandate is a fair, effective and practical means for achieving universal coverage. We, therefore, urge its adoption.

Sincerely yours,

National Organizations and Businesses

- ACME Steel Company
- AIDS Action Council
- Amalgamated Clothing and Textile Workers Union
- Ambulatory Pediatric Association
- American Academy of Ambulatory Care Nursing
- American Academy of Family Physicians
- American Academy of Pediatrics
- American Association for Partial Hospitalization
- American Association of Pastoral Counselors
- American Association of Retired Persons
- American Association of University Professors
- American Association of University Women
- American Association on Mental Retardation
- American College of Nurse-Midwives

- American College of Obstetricians and Gynecologists
- American College of Physicians
- American Corn Growers Association
- American Counseling Association
- American Federation of Government Employees
- American Federation of State, County and Municipal Employees
- American Federation of State, County and Municipal Employees Retiree Program
- American Federation of Teachers, AFL-CIO
- American Foundation for the Blind
- American Geriatrics Society
- American Hospital Association
- American Institute of Architects
- American Lung Association
- American Medical Student Association
- American Medical Women's Association
- American Nurses Association
- American Postal Workers Union, AFL-CIO
- American Psychological Association
- American Society of Post Anesthesia Nurses
- American Speech - Language - Hearing Association
- The American State of the Art Prosthetic
- American Thoracic Society
- Amputee Coalition of America
- The ARC
- Architects/Designers/Planners for Social Responsibility
- Asociacion Nacional Pro Personas Mayores
- Association for Gerontology in Higher Education
- Association of Black Nursing Faculty, Inc.
- Association of Community Organizations for Reform Now (ACORN)
- Association of Nurses in AIDS Care
- Association of Rehabilitation Nurses
- Association of Schools and Public Health
- Association of Maternal and Child Health Programs
- Association of Women's Health, Obstetric, and Neonatal Nurses
- Bakery, Confectionery & Tobacco Workers International Union
- Bazelon Center for Mental Health Law
- Bethlehem Steel
- Campaign for Women's Health*
- Catholic Health Association of the United States
- Center for Community Change
- Center for Science in the Public Interest

- Center for Women Policy Studies
- Center on Disability and Health
- Ceridian Corporation
- Children's Defense Fund
- The Children's Foundation
- Children's Health Fund
- Chrysler Corporation
- Coalition on Human Needs
- Communications Workers of America
- Community Transportation Association of America
- Consumer Federation of America
- Consumers Union
- Council for Exceptional Children
- Eldercare America, Inc.
- Emergency Nurses Association
- Epilepsy Foundation of America
- Families USA
- The Federation of Families for Children's Mental Health
- For the Children of America
- The Gerontological Society of America
- Health Care for the Homeless Project, Inc.
- HealthRIGHT
- Health Security Action Council
- Independent Federation of Flight Attendants
- International Association of Psychosocial Rehabilitation Services
- International Association of Fire Fighters
- International Brotherhood of Electrical Workers
- International Chemical Workers Union
- International Ladies' Garment Workers' Union
- International Union of Automobile, Aerospace and Agricultural Implement Workers of America
- International Union of Automobile, Aerospace and Agricultural Implement Workers of America, Retired and Older Workers Department
- International Union of Bricklayers and Allied Craftsmen
- International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO (IUE)
- Jesuit Social Ministries, National Office
- Laborers International Union
- League of Women Voters of the U.S.
- Legal Action Center
- National Asian Pacific Center on Aging

- National Association for Equal Opportunity in Higher Education
- National Association of Alcoholism and Drug Abuse Counselors
- National Association of Area Agencies on Aging
- National Association of Chain Drug Stores
- National Association of Child Advocates
- National Association of Children's Hospitals and Related National Institutions
- National Association of Community Action Agencies
- National Association of Community Health Centers
- National Association of Homes and Services for Children
- National Association of Letter Carriers, AFL-CIO
- National Association of Professional Geriatric Care Managers
- National Association of Public Hospitals
- National Association of Retail Druggists
- National Association of Social Workers
- National Association of Title VI Grantees
- National Caucus and Center on Black Aged
- National Community Mental Healthcare Council
- National Consumers League
- National Council of Churches
- National Council of Nonprofit Associations
- National Council of Senior Citizens
- The National Council on the Aging, Inc.
- National Council on Family Relations
- National Education Association
- National Eldercare Institute on Transportation
- National Farmers Union
- National Federation of Societies for Clinical Social Work
- National Hispanic Council on Aging
- National Leadership Coalition for Health Care Reform**
- National Mental Health Association
- National Minority AIDS Council
- National Multiple Sclerosis Society
- National Nursing Staff Development Organization
- National Organization for Rare Disorders (NORD)
- National Urban Coalition
- National Parent Network on Disabilities
- National Women's Health Network
- National Women Law Center
- NETWORK: A National Catholic Social Justice Lobby
- New Ways to Work
- Older Women's League

- Owner-Operator Independent Drivers Association
- Project Vote Fund
- Protestant Health Alliance
- Rohm & Haas Company
- Rural Advancement Fund
- Save Our Security
- Service Employees International Union
- Society of Adolescent Medicine
- Southern California Edison Company
- United Brotherhood of Carpenters and Joiners of America
- United Cerebral Palsy Association
- United Food and Commercial Workers Union, AFL-CIO
- United Mine Workers of America
- United Steelworkers of America, AFL-CIO
- Universal Health Care Action Network (UHCAN!)
- Washington Ethical Action Office/AEU
- Women's Legal Defense Fund
- World Association for Psychosocial Rehabilitation-U.S. Branch
- YWCA of the U.S.A.

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*The Campaign for Women's Health represents 97 national women's organizations.

**The National Leadership Coalition for Health Care Reform is made up of over 100 organizational members — corporations, industrial companies, unions, consumer groups and health care providers (see attached list).

State and Local Organizations and Businesses

ALABAMA

- AARP Alabama VOTE
- Alabama Health Institute (Birmingham)
- Central Alabama Intergovernmental Minority Health Consortium (Birmingham)
- Health Education Linkage Programs, Inc. (Birmingham)
- Jackson County Department of Human Resources (Scottsboro)
- Madison County Democratic Women's Division (Huntsville)
- National Leadership Coalition for Health Care Reform — Alabama Coalition

- Project H.E.L.P. USA (Birmingham)
- Voice of Revelation Ministry (Ider)

ARIZONA
- AARP Arizona VOTE
- American College of Physicians, Arizona Chapter
- Arizona Council of Senior Citizens
- Santa Cruz Valley United Auto Workers Retiree Council (Tucson)
- Sun Valley United Auto Workers Retired Workers of Phoenix (Phoenix)

ARKANSAS
- Arkansans for Health Care Reform
- Arkansas District, Southwest Region, Amalgamated Clothing and Textile Workers Union
- Arkansas Education Association (Little Rock)
- Arkansas Seniors Organized for Progress (Little Rock)
- Central Arkansas UAW Retiree Council
- International Ladies Garment Workers Union Local 525 (West Helena)
- International Union of Electricians Local 1106 (Sanyo) (Forest City)
- International Union of Electricians Local 747 (GE) (Jonesboro)
- League of Women Voters of Pulaski County (Little Rock)
- Mainstream Living (Little Rock)
- Northeast Arkansas UAW Retiree Council
- Northwest Arkansas UAW Retiree Council
- Social Action Office, Catholic Diocese of Little Rock
- United Auto Workers Local 415 (Malvern)
- United Auto Workers Local 716 (Ft. Smith)
- United Auto Workers Local 1000 (Searcy)
- United Auto Workers Local 1091 (Hope)
- United Auto Workers Local 1107 (Ft. Smith)
- United Auto Workers Local 1482 (Melbourne)
- United Auto Workers Local 1550 (Marianna)
- United Auto Workers Local 1762 (Conway)

CALIFORNIA
- AARP California VOTE
- Access Center

- Affiliation of Marin Senior Organizations (San Rafael)
- Alzheimer's Family Clinics
- American College of Physicians, California Chapter
- Asian Pacific Coalition on Aging (Los Angeles)
- California Association of Persons with Handicaps (Long Beach)
- California Legislative Council for Older Americans (San Francisco)
- California Study Club (Los Angeles)
- Capitol of California Council of United Auto Workers/Retirees (Sacramento)
- City of Hope Duo Club (Studio City)
- Coleman Advocates for Children & Youth (San Francisco)
- Congress of California Seniors/LA County (Los Angeles)
- Electrical Craftsmen Golden Gate #62 (San Jose)
- Emma/Lazarus Jewish Women's Club (Los Angeles)
- Federation of California Dentists (Los Angeles)
- Federation of Retired Union Members (FORUM) Club (San Jose)
- Gray Panthers of Long Beach (Long Beach)
- Gray Panthers of San Fernando Valley (Studio City)
- HELP Anorexia & Bulimia, Inc. (Culver City)
- Health Access of California (San Francisco)
- I.B.E.W #332 Retirement Club (San Jose)
- Latino Issues Forum (San Francisco)
- League of Women Voters, San Diego County (San Diego)
- Mexican American Political Association (Fresno)
- Mothers, Inc. (Burbank)
- Multiple Sclerosis Society
- National Association of Filipino Dentists (Los Angeles)
- National Center for the Early Childhood Work Force (Oakland)
- National Council of Senior Citizens, Western Regional Office (Los Angeles)
- National Leadership Coalition for Health Care Reform — California Coalition
- Older Women's League, San Diego Chapter (San Diego)
- People for a National Health Program (Leisure World) (Laguna Hills)
- San Diego American Association of Retired Persons
- Seal Beach Leisure World Democratic Club (Seal Beach)
- Seal Beach Leisure World National Council of Senior Citizens (Seal Beach)
- Seinan Senior Citizens Club (Los Angeles)
- Senior Coalition Political Action Committee (Los Angeles)
- Sunset Hall (Los Angeles)
- Tri-State United Auto Workers Retired Workers Council (Needles)
- Tuesday Seniors (N. Hollywood)
- United Cerebral Palsy
- Utilities Commission Action Network

- Valley Federation of Senior Clubs (N. Hollywood)

COLORADO
- AARP Colorado VOTE
- United Seniors of Colorado (Denver)

CONNECTICUT
- AARP Connecticut VOTE
- Connecticut Hospice Incorporated (Branford)
- HOMED Company of New England (Newington)
- National Leadership Coalition for Health Care Reform — Connecticut Coalition
- Yale Diagnostic Laboratory (New Haven)

DELAWARE
- United Auto Workers Local 1183 (Newark)
- United Auto Workers Local 1183 Retiree Chapter (Newark)
- United Auto Workers Local 1212 (Newark)
- United Auto Workers Local 1212 Retiree Chapter (Newark)
- United Auto Workers Local 2234 (New Castle)
- United Auto Workers Local 404 (Middletown)
- United Auto Workers Local 404 Retiree Chapter (Newark)
- United Auto Workers Local 435 (Wilmington)
- United Auto Workers Local 435 Retiree Chapter (Wilmington)

DISTRICT OF COLUMBIA
- American Federation of State, County & Municipal Employees (Washington)
- D.C. State Council of Senior Citizens (Washington)
- District of Columbia Democratic Women's Club (Washington)
- Leo, Inc. (Washington)
- National Council of Senior Citizens, Gold Card Club #2801 (Washington)
- National Minority AIDS Council (Washington)
- Resident Council, 2801 14th Street (Washington)
- Sewing Class, 2801 - 14th Street (Washington)
- Washington Metro Area Chapter Top Ladies of Distinction (TLOD) (Washington)

FLORIDA
- AARP Florida VOTE

- Broward Coalition (Sunrise)
- Fancy Ferns (Estero)
- Gold Key Civic Assn./Sunrise Political Club, Inc. (Sunrise)
- Nassau County Council on Aging, Inc. (Fernandina Beach)
- National Association of Retired Federal Employees, Chapter #58 (Holly Hill)
- National Council Senior Citizens Sunrise Club, Inc., Chapter #3705 (Coconut Creek)
- National Council of Senior Citizens, Club 07084 (Sarasota)
- National Leadership Coalition for Health Care Reform — Florida Coalition

GEORGIA

- Albany Bowling Supplies, Inc. (Albany)
- Albany Security Consultants (Albany)
- CWA Local 3204 Women's Committee (Atlanta)
- Georgia Consortium for African American Aging, Inc. (GCAAA) (Atlanta)
- Macon Alumnae Chapter of Delta Sigma Theta (Macon)
- National Leadership Coalition for Health Care Reform — Georgia Coalition
- New York State Retired Teachers, Georgia Unit (Bogart)
- Tiny "T"'s Day Care (Albany)

HAWAII

- Honolulu Gerontology Program (Honolulu)
- Ramsey Enterprises (Kailva)

IDAHO

- American College of Physicians, Idaho Chapter
- Moscow/LATAN Public Transit (Moscow)

ILLINOIS

- American Association of Retired Persons, Chapter 2827 (Belleville)
- Firestone (Glenwood)
- McHenry County Retired Teachers' Association (Ringwood)
- Mental Health Association of Illinois Valley, Inc. (Peoria)
- National Association of Retired & Veteran Railway Employees, Chapter 118 (Belleville)
- National Leadership Coalition for Health Care Reform — Illinois Coalition
- Northwest Austin Council (Chicago)

- South Oak Dodge (Chicago Heights)
- Van Drunen Ford (Homewood)

INDIANA

- American College of Physicians, Indiana Chapter
- American Federation of State, County & Municipal Employees 1500 (New Castle)
- American Federation of State. County & Municipal Employees 3609 (Anderson)
- American Federation of Teachers 3153 (Muncie)
- American Federation of Teachers 757 (Albany)
- American Federation of Teachers 519
- Area 6 Council for Aging (Muncie)
- Ball State University School of Continuing Education (Muncie)
- Citizens Action Council (Indianapolis)
- Central Indiana Council on Aging (Indianapolis)
- Council of Volunteers and Organization of Hoosiers (Indianapolis)
- Carpenters 912 (Centerville)
- Central Indiana AFL-CIO (Indianapolis)
- Downey Avenue Christian Church (Indianapolis)
- East Central Indiana AFL-CIO (Muncie)
- Flanner House (Indianapolis)
- Hoosier Alliance for Consumer Reform (Indianapolis)
- Healthnet (Indianapolis)
- Indiana State Nurses Association (Rushville)
- Indiana University Medical Center, Psychology Department (Indianapolis)
- Indiana State Council of Senior Citizens (Indianapolis)
- Insights to Spina Bifida National Magazine (New Castle)
- International Union of Electricians (Muncie)
- Laborers 1112 (Muncie)
- League of Women Voters (Muncie)
- March of Dimes (Indianapolis)
- Mental Health Association (Indianapolis)
- Midwest Alliance in Nursing (Indianapolis)
- National Leadership Coalition for Health Care Reform — Indiana Coalition
- National Organization for Women (Indianapolis)
- Oil, Chemical & Atomic Workers Local 7706 (Indianapolis)
- Peace Center (Indianapolis)
- Planned Parenthood (Indianapolis)
- SOAR Golden Age Club (Indianapolis)
- United North West Area (Indianapolis)
- United Auto Workers Area 7 Retired Workers Council (Anderson)

- United Auto Workers Local 287 (Muncie)
- United Auto Workers Local 489 Retirees (Muncie)
- United Auto Workers Local 663 Retired Workers Chapter (Anderson)
- United Auto Workers Local 933 (Indianapolis)
- United Auto Workers Retirees Local 662 (Alexandria)
- United Food & Commercial Workers 123-I (Anderson)
- United Steelworkers of America 30-12213 (Yorktown)
- United Steelworkers of America District 30-2 (Muncie)

IOWA

- Bill's Coffee Shop (Iowa City)
- Heritage Area Agency on Aging (Cedar Rapids)
- Iowa Council of Senior Citizens
- Mr. Ed's Coffee Shop (Iowa City)

KANSAS

- AARP Kansas VOTE
- Carpenter's Local #168 (Kansas City)
- Carpenter's Local Retirees - Local #2 (Kansas City)
- Carpenters Local #168 (Kansas City)
- Carpenters Retirees Local #2 (Kansas City)
- Coalition for Independence
- Dickinson County Task Force on Aging (Abilene)
- Golden Fellowship (Kansas City)
- Harvey County American Association of Retired Persons, Chapter 2833 (North Newton)
- Independence, Inc.
- Kansans for Improvement of Nursing Homes (Kansas City)
- Kansas Campaign for Women's Health
- Kansas Education Association
- Kansas Farmers Union
- Kansas Psychological Association
- Kansas State AFL-CIO
- Kansas State Nurses Association
- League of Women Voters — Kansas
- Multiple Schlerosis Society — Mid-America Chapter
- National Association of Social Workers — Kansas Chapter
- National Leadership Coalition for Health Care Reform — Kansas Coalition
- Older Women's League of Johnson County

- Perinatal Association of Kansas (Topeka)
- Retired Teachers Association (Kansas City)
- Topeka AIDS Project (Topeka)
- United Auto Workers Local 31
- YWCA of Topeka

KENTUCKY
- Frankfort Area Central Labor Council (Frankfort)
- Health Security Network of Kentucky (Lexington)

LOUISIANA
- AARP Louisiana VOTE
- Allstate Security (Prairieville)
- Citizen Action (Baton Rouge)
- Friends Helping Friends at the Crossroads (Alexandria)
- Handicap Children Services (Baton Rouge)
- Lousiana Health Care (Baton Rouge)
- National Leadership Coalition for Health Care Reform — Louisiana Coalition
- Prompter (Metairii)
- St. James Survival Coalition (Vacheria)
- St. James Youth Center (St. James)

MAINE
- Adolescent Pregnancy Coalition
- Advocates for Medicare Patients
- AIDS Coalition to Unleash Power (ACT-UP/Maine)
- Alliance for the Mentally Ill
- Alpha One/Independent Living Center
- Alzheimer's Project
- Amalgamated Clothing/Textile Workers Union, Local 371
- Amalgamated Clothing/Textile Workers Union, Local 462
- Amalgamated Clothing/Textile Workers Union, Local 486
- Amalgamated Clothing/Textile Workers Union, Local 667
- Amalgamated Clothing and Textile Workers Union, New England Regional Joint Board (ACTWU/AFL-CIO)
- American Association of Retired Persons (AARP) — Maine Chapter
- AARP Maine VOTE

- American Federation of Teachers — Maine
- Aroostook Agency on Aging (AAA)
- Coalition for Maine's Children
- Community Concepts
- Developmental Disabilities Council (DDC)
- Displaced Homemakers of Maine
- Downeast AIDS Network (DAN)
- Downeast Health Center
- East End Children's Workshop
- Eastern Agency on Aging
- E.C.S. and Associates
- Family Planning Association
- Greater Portland Labor Council
- Health A.I.M.
- Homemakers Organized for More Employment (H.O.M.E.)
- International Association of Machinists, Local 1821
- Kenduskeag Oil Company (Northern Maine)
- Kennebec Valley Community Action Program
- League of Women Voters — Maine
- Mabel Wadsworth Womens Health Center
- Maine AIDS Alliance
- Maine Association of Acupuncture and Oriental Medicine
- Maine Association of Child Abuse and Neglect Councils
- Maine Association of Interdependent Neighborhoods
- Maine Civil Liberties Union
- Maine Chapter — Citizens for Health
- Maine Chapter — National Lawyers Guild
- Maine Community Action Association
- Maine Council of Community Mental Health Services
- Maine Council of Churches
- Maine Council of Senior Citizens
- Maine Foster Parents Association
- Maine League for Nursing
- Maine Lesbian/Gay Political Alliance
- Maine People's Alliance
- Maine People's Resource Center
- Maine Public Health Association
- Maine State AFL-CIO
- Maine State Employees Association — Service Employees International Union, Capitol Western Chapter
- Maine State Nurses Association

- Maine Women's Lobby
- The Mind's Eye Printing Company (Mid-Coast Maine)
- National Association of Social Workers — Maine Chapter
- National Council of Jewish Women — Maine Chapter
- National Organization of Women — Maine Chapter
- People's Regional Opportunity Center
- Physicians for a National Health Program — Miriam Bergman Chapter
- Pine Tree Legal Attorneys Union
- Portland Coalition of the Psychiatrically Labeled (PCPL)
- Senior Spectrum
- Service Employees International Union Local 1989
- Southern Maine Agency on Aging
- Temporary Shelter of Presque Isle, Inc.
- The AIDS Project (TAP)
- Tyson & Kielty Realty (Central Maine)
- United Church of Christ
- United Methodist Church
- United Seniors in Action
- University of Maine Professional Staff Association
- We Who Care
- Western Area Agency on Aging
- Womens International League for Peace and Freedom — Maine

MARYLAND

- American College of Physicians, Maryland Chapter
- Cresaptown Senior Citizen Club (Cumberland)
- National Association of Retired Federal Employees, BCC Chapter 258 (Bethesda)
- National Capital Area Trade Union Retirees Club (Silver Spring)
- National Leadership Coalition for Health Care Reform — Maryland Coalition
- Senior Citizens Council of Allegany County (Cumberland)
- Senior Citizens Social Retirement Club of Allegany County (Cumberland)
- United Auto Workers Local 1338 (Havre De Grace)
- United Auto Workers Local 2202 (Elkton)

MASSACHUSETTS

- AARP Massachusetts VOTE
- American Association of Retired Persons, Chapter 3821 (Randolph)

- American College of Physicians, Massachusetts Chapter
- Burlington Council on Aging (Burlington)
- C/S Legal Aid (Cambridge)
- ERA Metro South Properties (Randolph)
- East Longmeadow Senior Citizens Center (East Longmeadow)
- Health Care for All (Boston)
- Knights of Pythias, Canton Chapter #6 (Sharon)
- Lexington Council on Aging (Lexington)
- Massachussetts Association of Older Americans (Boston)
- Massachussetts Senior Action (Arlington)
- National Leadership Coalition for Health Care Reform — Massachusetts Coalition
- Parent Advisory Council (Quincy)
- South Regional Senior Citizens (Randolph)

MICHIGAN

- American College of Physicians, Michigan Chapter
- American Speedy Printing Center (Saginaw)
- Flint Area United Auto Workers Retiree Council (Flint)
- Michigan Senior Advocates Council (Lansing)
- Michigan Senior Coalition (Lansing)
- Michigan Senior Power Day, Inc. (Lansing)
- Michigan Senior Power Day, Inc. (Lansing)
- Michigan State Council of Senior Citizens (Bloomfield Hills)
- Motor City Consumers Co-op, Inc. (Clinton Township)
- National Leadership Coalition for Health Care Reform — Michigan Coalition
- Region VII Area Agency on Aging (Bay City)
- Senior Senate of Western Wayne County (Dearborn)
- Share the Care Adult Day Care Center (Dearborn)
- United Auto Workers Local 600 Retiree Chapter (Dearborn)
- United Auto Workers Local 724 (Lansing)
- United Auto Workers Region 1A Healthcare Committee (Taylor)
- United Auto Workers Region 1A Retired Workers (Taylor)

MINNESOTA

- AARP Minnesota VOTE
- International Union of Electricians Local 1140 (Minneapolis)
- International Union of Electricians Local 1042 (St. Paul)
- International Union of Electricians Local 1144 (Minneapolis)

- International Union of Electricians Local 1060 (Duluth)

MISSISSIPPI
- American College of Physicians, Mississippi Chapter
- Jackson Gray Panthers, Inc. (Jackson)
- Mississippi P.W.A. Project, Inc. (Jackson)

MISSOURI
- American Association of Retired Persons, Chapter 3482 (Odessa)
- American College of Physicians, Missouri Chapter
- American Legion Post #354 (Brinktown)
- American Legion Post #354 (Brinktown)
- Coalition of Union Retirees, AFL-CIO (Kansas City)
- Gamma Epsilon Omega, Alpha Kappa Alpha Incorporated (Jefferson City)
- Meat Cutters Retirees (Saint Louis)
- Mid-Eastern Widowed Persons Support Group (St. Louis)
- Missouri Campaign for Women's Health (Kansas City)
- National Leadership Coalition for Health Care Reform — Missouri Coalition
- National Multiple Sclerosis - Michigan Chapter (Southfield)
- National Multiple Sclerosis Society - Michigan Chapter (Southfield)
- Odessa Senior Center (Odessa)
- Senior Citizen Health Fair Committee (Waynesville)
- Tela-Friend of Pulaski County (Crocker)

MONTANA
- AARP Montana VOTE
- Montana Council of Senior Citizens
- National Federation of Federal Employees (Billings)

NEBRASKA
- Amalgamated Gear Workers Local 1199
- AARP Nebraska VOTE
- Furniture Workers Local 1519 (Omaha)
- Nebraska Farmers Union

NEVADA
- AARP Nevada VOTE

NEW HAMPSHIRE
- AARP New Hampshire VOTE
- American Academy of Ambulatory Care Nursing (Pitman)
- American Association of Retired Persons Chapter 4704 (Phillipsburg)
- American College of Physicians, New Hampshire Chapter
- Community Council of Senior Citizens (Portsmouth)
- Golden Jet Set (Hewitt)
- Highland Park Area Chapter #04962 (Highland Park)
- Highland Seniors (West Milford)
- Monadnock Adult Care Center (Peterborough)
- National Leadership Coalition for Health Care Reform — New Hampshire Coalition
- New Hampshire Hand Therapy Center, Inc. (Bedford)
- New Hampshire Health Care Coalition (Canterbury)
- Over 50's Club - St. Philip & St. James Roman Catholic Church (Phillipsburg)
- Senior Focus (Peterborough)
- United Passaic County Seniors (Wayne)
- United Senior Alliance (East Windsor)
- Warren County Council of Senior Citizens, Inc. (Belvidere)
- West Milford American Association of Retired Persons (West Milford)

NEW JERSEY
- AARP New Jersey VOTE
- Caring Alternatives for the Aged (Atlantic City)
- Coalition of Union Retiree Organizations (New Brunswick)
- County of Passaic Senior Advisory Council (Wayne)
- Golden Age Circle (West Milford)
- Gray Panthers of Bergen County (Leonia)
- James Armstrong Trucking Co. (Newark)
- James C. White Manor Tenants Association (Newark)
- Mother-Daughter Limousine Service (Newark)
- National Leadership Coalition for Health Care Reform — New Jersey Coalition
- Saint Matthew Pentecostal Church (Penns Grove)

NEW YORK

- AARP New York VOTE
- ACCORD (Syracuse)
- American Association of Retired Persons Chapter, 3297 (Katonah)
- American Association of Retired Persons, Lynbrook Chapter #3565 (Lynbrook)
- American College of Physicians, New York Chapter
- American Military Retirees, Inc. (Plattsburgh)
- Bellevue Coalition to Save Our Health Care (New York)
- Bellevue Hospital Community Board (New York)
- BMS Health/Fitness Advocate (Harriman)
- Children's Health Fund (New York)
- Coalition of Senior Organizations of Central New York (E. Syracuse)
- Edward Spruck (Yorktown Heights)
- Father McKeon Senior Club (Valley Stream)
- I.L.G.W.U. Retirees (New York)
- Jewish Labor Committee (New York)
- Leonard Sandel Senior Centre (Rockville Centre)
- Midwood Senior Center (Brooklyn)
- Nassau Coalition for a National Health Plan (Great Neck)
- Nassau Senior Forum (Hempstead)
- Nassau Senior Forum (Rockville Centre)
- National Association of Retired Federal Employees, Chapter #200 (Syracuse)
- National Leadership Coalition for Health Care Reform — New York Coalition
- New York City/Long Island Labor-Religion Coalition (New York)
- New York Hotel & Motel Trades Council (New York)
- New York Hotel & Motel Trades Council Pensioners Society (New York)
- New York State Council of Senior Citizens (New York)
- New York State Nurses Association (Guilderland)
- New York State Retired Teachers Association (Albany)
- New York State United Teachers Election District 21 Retiree Council (Oakdale)
- New York State United Teachers Retirees of Central New York (Camellus)
- New York Statewide Senior Action Council (Albany)
- Northeastern Council of Senior Citizens
- Onondaga County (New York State) Retired Teachers Association (Dewitt)
- Retired Educators Chapter of the Syosset Teachers Association (Syosset)
- Retired Irvington Faculty Association (Tarrytown)
- Retiree Club of Local Union #3, I.B.E.W. (Valhalla)
- Retiree's Chapter, Plainview Congress of Teachers (Plainview)
- Retirees of Brentwood Schools (Oakdale)
- Seniors For Adequate Social Security (SASS) (New York)
- Shirley Senior Citizen Club (Shirley)

- Sisters of Mercy Justice Coordinating Team (Dobbs Ferry)
- Sub-Committee on Aging (CLC) (New York)
- Suffolk County Senior Citizen Council (Shirley)
- Suffolk Senior Council, Executive Committee (Shirley)
- United States Army Ranger Association, Inc. (New York)
- Westchester Community Opportunity Program, Inc. (Elmsford)
- Westchester Council of Senior Citizens
- Wives & Widows of Retirees of Local #3 I.B.E.W. (Valley Stream)

NORTH CAROLINA

- Charlotte Organizing Project (Charlotte)
- Christian Life Council of the Baptist State Convention (Cary)
- Green Level Seniors Club (Burlington)
- Green Line Media, Inc. (Asheville)
- Head In The Sand, Inc. (Raleigh)
- Mecklenburg Council of Senior Citizens (Charlotte)
- Morgantown Elites (Burlington)
- National Leadership Coalition for Health Care Reform — North Carolina Coalition
- North Carolina Consumers Council (Chapel Hill)
- North Carolina Equity (Raleigh)
- North Carolina Senior Citizens' Federation, Inc. (Henderson)
- Peace & Justice Committee, The Community Church of Chapel Hill (Chapel Hill)
- State Employees Association of North Carolina (Raleigh)

NORTH DAKOTA

- AARP North Dakota VOTE
- Powers Lake Senior Center (Powers Lake)
- Powers Lake Senior Citizens Club (Powers Lake)
- Progressive Coalition (Bismarck)

OHIO

- AFSCME, Local 0797 - Legal Aid Society (Columbus)
- CWA Retired Members Club (Cleveland) (Cleveland)
- Cuyahoga County Black Women's Forum, Inc. (Cleveland)
- Ford Salary Retirees, Southwest Ohio (Cincinnati)
- Former Recipients of Medicaid for the Disabled (FRMD) (Defiance)
- Heritage Day Health Centers (Columbus)
- Hunger Network in Ohio (Columbus)

- MASK Amateurs to Stimulate Kreativity (MASK) (Defiance)
- National Leadership Coalition for Health Care Reform — Ohio Coalition
- Northeast Ohio Coalition for National Health Care (Cleveland)
- Ohio African American Independent Candidates' League (Cleveland)
- Pro Seniors, Incorporated (Cincinnati)
- Region 2-B United Auto Workers Retiree Council (Toledo)
- Senior Advocate Group, Sycamore Senior Center (Blue Ash)
- United Auto Workers Local #12 Retiree Chapter (Toledo)
- United Auto Workers Local 674 (Fairfield)
- United Auto Workers Retirees Council Local 674 (Fairfield)

OKLAHOMA

- 4-D Truck Wash Out (Sayre)
- AARP Oklahoma VOTE
- Democratic Party-PCT 154 Oklahoma County (Oklahoma City)
- East Oklahoma County P.O.P.I. (Spencer)
- Fowler Sales (Sweetwater)
- Fred Factory Tenants Association (Spencer)
- Heinsohn Dairies (Sayre)
- Hispanic Action in Education, Inc. (Tulsa)
- Meridian Parakeet Sales (Sweetwater)
- Oklahoma County Democratic Party Volunteers (Oklahoma City)
- Oklahoma Health Care Project (Oklahoma City)
- Volunteers Democratic Party, Pct. 24 Oklahoma County (Del City)

OREGON

- National Leadership Coalition for Health Care Reform — Oregon Coalition
- Oregon Federation of Teachers, Education & Health Professionals (Portland)
- Oregon Health Action Campaign (Salem)
- Oregon Public Employees Union, SEIU Local 503 (Salem)
- Oregon Retired Educators Unit 34 (Tigard)

PENNSYLVANIA

- American Association of Retired Persons, Gem City Chapter 3434 (Erie)
- American Association of Retired Persons, Media Area Chapter #1000 (Erwyn)
- Childrens Aid Society of Montgomery County (Norristown)
- Crawford County Citizen Advocacy Council, Inc. (Meadville)
- Crawford County Gray Panthers (Meadville)

- Happy Joe's (Danville)
- Lehigh Valley Northeast United Auto Workers - CAP Council (Allentown)
- National Leadership Coalition for Health Care Reform — Pennsylvania Coalition
- Older Women's League - Buck's County (Langhorne)
- Pennsylvania State Council of Senior Citizens (Harrisburg)
- Philadelphia Tribune (Philadelphia)
- Senior Citizen Group, Saint Mary's Church (Erie)
- Sholom Alelchem Club (Bala Cynwyd)
- United Auto Workers Local 1193 (General Dynamics) (Allentown)
- United Auto Workers Local 1238 (Champion Spark Plugs Retirees) (Allentown)
- United Auto Workers Local 1242 (McKinney Manufacturing) (Allentown)
- United Auto Workers Local 1561 (Amalgamated) (Allentown)
- United Auto Workers Local 644 (ITT) (Allentown)
- United Auto Workers Local 677 (Mack Trucks) (Allentown)
- United Auto Workers, Local 677 (Amerigold Unit) (Allentown)
- United Rubber Workers Retirees, Local 61 (Erie)
- Wood River Village (Bensalem)

RHODE ISLAND

- AARP Rhode Island VOTE
- Amalgamated Clothing and Textile Workers Union Local 1941T (Westerly)
- DAWN for Children
- District 1199 New England Health Care Employees Union (Providence)
- Greater Woonsocket Labor Council (Woonsocket)
- International Brotherhood of Electrical Workers Local 99 Retiree Club
- International Brotherhood of Teamsters Local 64
- International Union of Electricians Local 283 (Warwick)
- Local 28 Plumbers Retiree Association
- National Association of Retired and Veteran Railway Employees, Unit #3 (Providence)
- National Education Association of Rhode Island
- New England Coalition of Teamsters Retiree Chapters and Teamster Local 251 Retirees
- Rhode Island Alliance of Social Workers, Service Employees International Union Local 580
- Rhode Island Academy of Family Physicians
- Rhode Island Coalition of Labor Union Women
- Rhode Island Council of Senior Citizens
- Rhode Island Federation of Retired Teachers Local 8037
- Rhode Island State Council of Senior Citizens (Providence)

- Service Employees International Union Local 134
- Steamfitters Local 476 Retirees Group
- United Food and Commercial Workers Local 328 Retirees Club
- Westerly Hospital Federation of Nurses and Health Professionals, Local 5075 (Westerly)

SOUTH DAKOTA

- Aberdeen Area Tribal Chairmen's Health Board
- Alzheimer's Association Siouxland
- AARP South Dakota VOTE
- American Federation of State, County and Municipal Employees Council 59 (Sioux Falls)
- American Federation of State, County and Municipal Employees (Huron)
- Local 304A (Sioux Falls)
- South Dakota Association of Community Based Services
- South Dakota Association of Nurse Anesthetists
- South Dakota Education Association
- South Dakota Farmers Union (Huron)
- South Dakota Hospital Association

TENNESSEE

- AARP Tennessee VOTE
- American College of Physicians, Tennessee Chapter
- Emmanuel Temple Church of God in Christ (Memphis)
- Indiana HIV Network (Indianapolis)
- League of Women Voters/Chattanooga-Hamilton County (Chattanooga)
- National Council of Senior Citizens - Tennessee (Bristol)
- North Nashville Organization for Community Improvement (Nashville)
- Solutions to Issues of Concern to Knoxvillians (SICK) (Knoxville)
- Tennessee National Council of Senior Citizens (Bristol)
- Tennessee State Council of Senior Citizens (Knoxville)
- Theta Eta Omega Chapter Alpha Kappa Alpha Sorority (Milan)

TEXAS

- AARP Texas VOTE
- ACCESS, Advice & Confidential Consultations by An Expert on Social Security (San Antonio)
- ACORN Houston (Houston)
- Allied Educational Workers (Austin)

- Austin Federation of Teachers (Austin)
- DATACOMP (Webster)
- International Association of Machinists & Aerospace Workers Local Lodge 1786 (Houston)
- International Association of Machinists, Union Lodge 1808 (Wells)
- McAdoo and Associates (San Antonio)
- NASA/Clear Creek Democrats (Webster)
- National Leadership Coalition for Health Care Reform — Texas Coalition
- Texas Federation of Teachers (Austin)
- United Paperworkers International Union, Local 1401 (Lufkin)
- United Paperworkers International Union, Local 411 (Lufkin)

UTAH
- American College of Physicians, Utah Chapter

VERMONT
- AARP Vermont VOTE
- Coalition of Vermont Elders (Burlington)
- International Union of Electricians Local 248 (GE)

VIRGINIA
- Buck Creek Nursery (Faber)
- International Union of Electricians Local 160 (Christiansburg)
- International Union of Electricians Local 161 (GE) (Salem)
- International Union of Electricians Local 162 (ITT) (Roanoke)
- International Union of Electricians Local 166 (Westinghouse) (Abingdon)
- Multiple Sclerosis Society, Lou Rich Chapter (Charlottesville)
- National Leadership Coalition for Health Care Reform — Virginia Coalition
- North Side Civic Association (Richmond)
- Richmond Community Senior Center (Richmond)
- Virginia Nurses Association, District 1 (Abingdon)
- Virginia State AFL-CIO (Richmond)
- Virginia State Council of Senior Citizens (Arlington)

WASHINGTON
- American College of Physicians, Washington Chapter
- COAST (Colfax)

- Council on Aging & Human Services (Colfax)
- Doug Sisson & Company (Seattle)
- J II Cleaning & Consulting (Pullman)
- National Leadership Coalition for Health Care Reform — Washington Coalition
- Senior Center of West Seattle (Seattle)
- Senior Services of Washington (Yakima)
- Washington State Council of Senior Citizens

WEST VIRGINIA

- League of Women Voters — West Virginia Chapter
- United Mine Workers, West Virginia Chapter
- West Virginia Behavioral Health Care Association
- West Virginia Developmental Disabilities Planning Council (Charleston)
- West Virginia Education Association
- West Virginia Hospital Association
- West Virginia State AFL-CIO

WISCONSIN

- AARP Wisconsin VOTE
- Allied Council of Senior Citizens of Wisconsin, Inc. (Milwaukee)
- American College of College Physicians, Wisconsin Chapter
- American Speedy Printing Center (Saginaw)
- Coalition of Wisconsin Aging Groups (Madison)
- Construction Laborers Local 539 (Green Bay)
- Greater Green Bay Labor Council (Green Bay)
- Green Bay Building & Construction Trade Council (Green Bay)
- Green Bay Labor Temple Association (Green Bay)
- International Brotherhood of Electrical Workers, Local 538 (Green Bay)
- International Ladies Garment Workers, Midwest District Council No. 3
- League of Women Voters of Wisconsin
- Mental Health Association of Milwaukee County
- Milwaukee County Labor Council, AFL-CIO
- Northeast Wisconsin Area Local AM, Postal Workers (Green Bay)
- Northeast Wisconsin Senior Action Council (Green Bay)
- Parkview Senior Center (Green Bay)
- Racine Senior Action Council, Inc. (Racine)
- Teamsters Local 75 (Green Bay)
- Teamsters Local 75 Retirees (Green Bay)
- United Auto Workers Region 4

- United Steelworkers of America, District 32
- Wisconsin Federation of Nurses and Health Professionals

PUERTO RICO

- American College of Physicians, Puerto Rico Chapter

MEMBERS OF THE NATIONAL LEADERSHIP COALITION FOR HEALTH CARE REFORM

Acme Steel Company
Amalgamated Clothing & Textile Workers Union, AFL-CIO
American Academy of Family Physicians
American Academy of Pediatrics
American Association of Retired Persons
American Automobile Manufacturers' Association
American College of Physicians
American Federation of Teachers, AFL-CIO
American Iron & Steel Institute
American Nurses Association, Inc.
American Physical Therapy Association
American Psychological Association
American Subacute Care Association
Association of Academic Health Centers
Association of Minority Health Professional Schools
B. C. Enterprises
Bank South Corporation
Bannon Research
Bethlehem Steel Corporation
Blue Diamond Growers
Brown & Cole Stores
Burlington Coat Factory
Ceridian Corporation
Christian Children's Fund
Chrysler Corporation
Cold Finished Steel Bar Institute
CoreStates Financial Corp.
Del Monte Foods
Drummond Company Inc.
Families USA Foundation
Filter Materials
First Interstate Bancorp
Ford Motor Company
General Motors Corporation
Georgia-Pacific Corporation
Giant Food Inc.
The Great Atlantic & Pacific Tea Company, Inc.
Gross Electric Inc.
The Heights Group
H. J. Heinz Co.
Inland Steel Company
INSIGHT Treatment Services, Inc.
International Brotherhood of Electrical Workers
International Multifoods

International Union of Bricklayers and Allied Craftsmen
James River Corporation
Johnstown Corporation
Keebler Company
Keller Glass Company
Lincoln Telephone & Telegraph Co.
Lockhead Corporation
LTV Steel Company
Lukens Inc.
Maternity Center Association
Maytag Corporation
National Association of Childbearing Centers
National Association of State Boards of Education
National Education Association
National Steel Association
Navistar International Transportation Corporation, Inc.
Norwest Corporation
Olympia West Plaza, Inc.
PAR Associates
Pella Corporation
Preferred Benefits
R. R. Donnelley & Sons Co.
Ralphs Grocery Company
Regis Corporation
Rohm & Haas Company
Safeway Inc.
Sara Lee Corporation
Scott Paper Co.
Service Employees International Union, AFL-CIO
Sokolov Strategic Alliance
Southern California Edison Company
Strategic Marketing Information, Inc.
Texas Heart Institute
Time Warner Inc.
United Air Lines, Inc.
United Food and Commercial Workers International Union, AFL-CIO
United Paperworkers International Union, AFL-CIO
United States Catholic Conference
United Steelworkers of America, AFL-CIO
U. S. Bancorp
The Vons Companies, Inc.
Westinghouse Electric Corporation
Wheat, First Securities, Inc.
Wheeling-Pittsburgh Steel Corp.
The Whitman Group
Wisconsin Public Service Corporation
Xerox Corporation

SMALL
BUSINESS
COALITION ■ FOR HEALTH CARE REFORM ■

413 NORTH LEE STREET
ALEXANDRIA, VA 22314
(703) 836-7900

SMALL BUSINESS COALITION FOR HEALTH CARE REFORM:

List of Individual Business Members
Supporting Universal Coverage Through The Workplace

Alabama	
Montgomery	Blount, Parrish and Rotton, Inc. - C. Derek Parrish
Montgomery	Montgomery Cablevision, Inc. - William Blount
Arizona	
Pearson Valley	Antelope Printers
Phoenix	Carter's Mens Clothing - Michael Carter
Arkansas	
Fort Smith	Sigma Broadcasting - Robin Hernreich
California	
Arcata	Internews - Annette Mankino
Berkeley	McCamant & Durrett - Kathryn McCamant and Charles Durrett
Berkeley	Peaceable Kingdom Press - Olivia Hurd
Carlsbad	Juice Company - Chris Hamilton
Del Mar	Linda Moreland & Associates - Linda Moreland
Fresno	AA Interpresting - Bea Rubio
Fresno	AA Marthedal Company - Neil Marthedal
Fresno	Cal State Muffler and Brake - Frank Cortez
Fresno	Lew and Pantanude Inc. - William Pantanude
Fresno	Louis Frame, Wheel and Brake - John Michael Wenzel
Fresno	Mid-State Medical Claims Processing - Ernesto Vera
Fresno	Pharm-Kee - David Wilcox
Fresno	S&D Sales - Stewart Weil
Fresno	Stammer, McKnight, Barnum & Bailey - Donald Pogoloff
Fresno	WECO Supply Company - John Sorenson
Fresno	Why USA HTC Realty - Sharon Envernizzi
Gardenia	G&C Equipment Corporation - Gene Hale
Hollywood	Solar Records - Virgil Roberts
Los Angeles	Malcolm Tucker & Associates - MC Tucker
Los Angeles	Marilyn Barrett, Attorney at Law - Marilyn Barrett
Los Angeles	NAMCO - Dave Shapiro

Los Angeles	Pro Printing - Maragret Rondeau
Los Angeles	Sheriff Associates - Garth Sheriff
Los Angeles	Union Friendly Systems, Inc. - Richard Van Elgort
Los Angeles	Uribe Printing - Carlos Uribe
Milpitas	Systems Industries - Lisa Paul
Oakland	Stein and Smith - David Stein
Oakland	Bizarre Bazaar Inc. - Liz Ibarra
Oakland	Brock's Flower Shop - Terry Klintz
Oakland	Cactus Taqueria - Gustavo Houghton
Oakland	Cafe of the Bay - Nader Davarri
Oakland	Cody's Bookstore - Andy Ross
Oakland	Fashion Center - Connie Chang
Oakland	Glenview Florist - Douglas K. Brown
Oakland	Henderson & Levy - Hank Levy
Oakland	Holiday Motel - Kisnor Patel
Oakland	Holman Capital Management - Lori Holman
Oakland	KDIA Radio - Elihou Harris
Oakland	Market Hall Produce - Tony Wilson
Oakland	Oaks Motel - Jay Patel
Oakland	Pasta Shop - Sarah Wilson
Oakland	Rockridge Kids - Nishan Shepard
Oakland	The Art Club - Janette Mackinlay
Oakland	The Food Mill - Kirk Watkins
Oakland	Travel Consultant - Barbara Houston
Oakland	Ultimate Grounds - Richard Campbell
Oakland	Wilson Associates - Peter Wilson
Pacifica	Graffik Natwicks - Clark L. Natwick
San Diego	Cafe Eclipse - Donald Jack
San Diego	Escondido Fire Equipment Company - Stephen Siproth
San Diego	Genevieve M. Bolin - Genvieve Bolin
San Diego	Global Resources Group - Donn Bleau
San Diego	Interior Surroundings - Minh Lam
San Diego	J&D Enterprises - David Lewington
San Diego	Jeri Strunz - Jeri Strunz
San Diego	La Guma Trends - Dean Wise
San Diego	Leo Harmel Co. - Lisa McCarthy
San Diego	Lorena Productions - Bernard Thomas
San Diego	Mainstream Magazine - Cindy Jones
San Diego	Mission Valley Cabinet - Judith A. Young
San Diego	Nails by Kristy - Jana Kristine Brose
San Diego	Pip Printing - Jay F. Levine
San Diego	Postal Place - Robert Walters
San Diego	Rainbow Flowers - Marie Thomas
San Diego	The George Glenner Alzheimer's Family Centers - Joy Glenner
San Diego	San Diego Realtor - Patrick Alexander
San Diego	Setili Investments Inc. - Michael Setili

San Diego	The Flower Shack - Alan Chenault
San Diego	Ulce Hair, Nail and Skin Salon - Debra Dauber
San Diego	Uptown Image - Yvonne Ringnell
San Diego	Uptown Pharmacy - Steve Malzin
San Francisco	Bolerium Books - Michael Pincus
San Francisco	Castagnola's Restaurant - Andrew Lolli
San Francisco	Corporation for Enterprise Development - Robert Friedman
San Francisco	Fox Plaza Deli - Emil Yarnin
San Francisco	Royal Cleaner - Amy Ho
San Francisco	Superfresh Foods - Sean Kelly
San Francisco	Waldick Stationary - Cliff Waldick
San Ramon	Integrated Business Solutions, Inc. - Audrey Rice Oliver
Santa Ana	Open Communications - Shelly Ervin
Santa Monica	Jask Fundraising Services - Jill Bauman
Solana Beach	Word Journey Travel Store - Angie Brenner
Ukiah	Real Goods Trading Corp. - Helen Sizemore
<u>District of Columbia</u>	
Washington	Burrito Brothers - Eric Sklar
Washington	Associate Consultants, Inc. - Lawrence Landry
Washington	Morrison Associates - Anne Morrison
Washington	Patricia Bario Associates - Patricia Bario
Washington	Restructuring Associates - Thomas Schneider
Washington	Scrupples, Inc. - Berna Gunn-Williams
<u>Florida</u>	
Miami	Rex Art Co. - Aaron Morris
Orlando	Richard Sibley Associates, Inc. - Richard Sibley
<u>Georgia</u>	
Atlanta	Information Systems Planning & Analysis, Inc. - Lantz Balthazar
Smyrna	Toncee, Inc. - Tony Davidow
<u>Illinois</u>	
Bedford Park	Raani Corp. - Rasheed Chaundry
Chicago	American Waste and Wiper Company - Irving Levin
Chicago	Brown & Statza - Daniel Brown
Chicago	Carney & Brothers - Demetrious Carney
Chicago	Carrabean American Baking Company - Dorrin McCalla
Chicago	Case\Paluch & Associates - Dennis & Katy Paluch
Chicago	Chicago Furniture - Philip Pikofsky
Chicago	Demon Dogs Restaurant - Peter Shivarelli
Chicago	East/West Company - Paul Park
Chicago	Elston Metal - Louis Slotnick
Chicago	Falcon Midwest - Kamaran Kahn
Chicago	Gordon & Pikarski - John Pikarski

Chicago	Leona's Pizzeria - Toia Family
Chicago	Maxi's Store for Men - Herbert Raffeld
Chicago	Monarch Graphics - Mona Castillo
Chicago	Pennan Asset Management - Lawrence Pennan
Chicago	William O'Donaghue, Esq. - William O'Donaghue
Chicago	Women's Business Development Center - Hedy Ratner
Evanston	Paul Baker Graphics - Paul Baker
Lake Forrest	Educational Communications - Paul Krouse
Indiana	
Indianapolis	Marvin Richardson - Marvin Richardson
Kansas	
Atchinson	Blish-Mize Co. - John Mize
Goff	Farmer - Edward Reznicek
Home	Farmer - David Vogelsberg
Home	Farmer - RD Busch
Lawrence	Farmer - Alan Martin
Lawrence	Independence, Inc - Ann Brandon
Lawrence	Michael Treanor Architects - Michael Treanor
Lawrence	Rueschhoff Security - Dave Rueschhoff
Lindsberg	Farmer - Paul Krumm
Mission	Quality Business Solutions - Keith Rainey
Newton	GM Collins Bus Service - Mike Stuckey
Salina	Farmer - Grey Stephens
Topeka	Capital Building Services - Alan Majeroni
Topeka	Kel-Kraft Inc. - Ken Kelly
Topeka	The Toy Store Downtown - Margaret Guffy
Topeka	The Vintage - Patty Berger
Wichita	Law Kingdom, Inc. - David Hoffman
Wichita	Richardson Pharmacy - Kent Richardson
Louisiana	
Baton Rouge	City Pawn Shop - Murray Horowitz
New Orleans	Rhodes Enterprises - Sandra Duncan
Maryland	
Bethesda	Burness Communications - Andrew Burness
Chevy Chase	Gaylord's Originals - Benjamin King
Cheverly	Kelly Press Inc - Michael Kelly
Randallstown	Marrelle Consultants - Regina Carson
Silver Spring	Askew & Associates - Shirley Askew
Silver Spring	Preferred Settlement Co. - Anna Lew
Massachusetts	
Boston	Auerbach Associates Inc. - Judy Auerbach

Boston	Beacon Energy Company - Fred Siegel
Boston	Conservation Services Group - Steve Cowell
Boston	Environmental Futures, Inc. - Steven Rothstein
Boston	Freel Placement, Inc. - Earl Tate
Boston	Isaacson, Miller - Arnie Miller
Boston	Martilla & Kiley, Inc. - Tom Kiley
Boston	Union International Systems - Mike Roberts
Brookline	Computer Publishing Group - S. Henry Sacks
Brookline	Hall Manufacturing Company, Inc. - Betty Hall
Cambridge	Harrison & Goldberg - Irwin Harrison
Cambridge	Merlin Metalworks Inc. - Gwyndaf Jones
Cambridge	Mirror Image - Richard Roth
Chilmark	South Mountain Co. - John Abrams
Lynn	LaBreque Window and Floor Covering - Frank Barrett
Manchester	Harbor Software - Ronald Hams
Sommerville	Massachusetts Envelope Company - Steve Grossman
Stockbridge	City and Country Convalescent Home - Joyce Novak
<u>Michigan</u>	
Clinton	Total Wiring Systems - Andy Long
Detroit	Bagley Acquisition - Anthony Pieroni
Detroit	Cambridge North Nursing Center - Barbara Iseppi
Detroit	Canterbury Health Care, Inc. - David Dieter
Detroit	Elmwood Geriatric Center - Gloria Shand
Detroit	Great Lakes Plastics - Betsy Kelly
Detroit	New Detroit Nursing Center - Thelma Scott
Detroit	Pembrook Nursing Center - Martha Little
Manistee	Manistee County Medical Care Facility - David Vaughn
Three Rivers	Three Rivers Area Hospital - Brenda Smalley
Wayne	Wayne Living Centers - Lesley Skog
<u>Minnesota</u>	
Minneapolis	Four Wind - Cynthia Rubinor
St. Paul	Sufficient Systems, Inc. - Sydney Satovich
<u>Mississippi</u>	
Glendora	Due West - Mark Sturdivant
<u>Missouri</u>	
Kansas City	DiCarlo Construction Company - Mark DiCarlo
Kansas City	Hardcastle Communication - Kirk Hardcastle
Kansas City	Metropolitan Energy Center - Peter Dreyfus
Kansas City	New Times Publisher - Steve Glorioso
Kansas City	North Oak Pharmacy - Sharlea Leatherwood
Kansas City	Soreal Design - Larry Sells
Kansas City	The Mayer Corp. - Rob Mayer

St. Louis	Gateway Pump and Mixer, Inc. - David Fillo
St. Louis	Peace Institute Printing - Gregory Stephens
Nebraska	
Blair	Barr Health Mart - Curt Barr
Omaha	Ames Florist & Landscaping - Otha Council
Omaha	Jackie Barfield Attorney at Law - Jackie Barfied
Omaha	Thomas S. Hall, Attorney at Law - Thomas Hall
Omaha	Susan Koening-Krammer, Attorney at Law - Susan Koening-Krammer
Omaha	Missouri River Title Company - John Fahey
Omaha	New York Bagel Shop - John Napp
Omaha	Northwest Erection Services - Dan Hill
Omaha	Prochaska & Associates - Donald Prochaska
Omaha	William Sweitzer, Attorney at Law - William Sweitzer
Omaha	Trans-Global Transportation - Marilyn Knox
Omaha	Zenon Pharmacy - Terry Zenon
Nevada	
Las Vegas	Quinn-Cohen & Associates - Thomas Quinn
New Jersey	
Bayonne	Quantum Construction Corp. - Bruce Piggot
Cranford	Garden State Industrial Electronics - June S. Fischer
Newark	Classic Travel Consultants - Marjorie Olsen
Newark	Hellring, Linderman, Goldstein & Siegal - Robert Raymar
Patterson	IP Container Corporation - William Leeds
Princeton	Sistemas Corp. - Deborah Aguiar-Velez
South Orange	Older Adult Resources and Services - Leah Weiss
New Mexico	
El Prado	Cid's Food Market - Betty Dosnier
New York	
Albany	Communications Services - Libby Post
Brroklyn	Cocoline Chocolate Company - Robert Friedman
Flushing	Queens Lumber, Inc. - Jimmy Meng
New York	AW Hochberg, Inc. - Allen Hochberg
New York	Abraham Losclow, PC - Abraham Losclow
New York	American Aviation International Co. - Elaine Stone
New York	Anschuetz, Christidia, & Lauster - Chuck Lauster
New York	Architecture & Furniture - John Petrarca
New York	Bahar Associates - Judy Ennes
New York	Gary Gordon Architectural Lighting - Gary Gordon
New York	Giesecke/Rhodes Architects - Craig Rhodes
New York	Heisel Associates Architects - Ralph Heisel

New York	John Wang Associates - John Wang
New York	Kistler Investment Company - William Kistler
New York	Kreisler Borg Florman Construction - John Cricco
New York	L&L Construction Inc. - David Lee
New York	Leers, Weinzapfel Associations - Andrea Leers
New York	Micro Decision Systems, Inc. - Ronald Ebner
New York	Promotion Marketing of America, Inc. - Brian Brown
New York	Softset Design, Inc. - Ashley Louis
New York	TJR Construction Co., Inc.
New York	The Edelman Partnership - Judith Edelman
New York	The Mediterranean Shop - Carla Giannini
New York	Tom Huth, Architect - Tom Huth
New York	Whitney Cox Photography - Whitney Cox
New York	Wilcox & Associates - Bob Wilcox
New York	Yorke Construction Company - Robert Goldberg
Rochester	CBW Consultants - Connie Wilder
Rochester	Parris-Kirwan Associates, Inc. - Lawrence J. Kirwan
North Carolina	
Charlotte	Erwin Capital, Inc - Mark Erwin
Ohio	
Cincinnati	Precision Motorcars - Dan Fitzsimmons
Columbus	Katzingers - Dianne Warren
Cuyahoga Falls	America's First Choice - Richard Hughes
Franklin	Hi-Mark Corporation - Stephen Hightower
Toledo	Gross Electric - Richard Gross
Oregon	
Portland	Rejuvenation, Inc. - Jim Kelly
Pennsylvania	
Philadelphia	Rosenthal & Associates - Harold Rosenthal
Philadelphia	White Dog Cafe - Judith Wicks
Pittsburgh	JTO Properties - J. Taylor DeWeese
Pittsburgh	Oxford Development Company - David M. Matter
Scottdale	Marwas Steel Company - Marvin Waspe
Scranton	McCarthy Flowers - Brian McCarthy
Sommerset	D Hearn Food & Grain - Delmont Hearn
West Chester	Bewley Irish Imports - Jo Bewley
Rhode Island	
Cranston	Financial Innovations - Mark Weiner
South Dakota	
Yankton	Pied Piper Flower Shop - Kathleen Piper

Tennessee

Murfeesboro	Fabric Magic - Pam Laclaire
Nashville	Everton Oglesby Askew Architects - Robert Oglesby
Nashville	IC Thomasson Associates, Inc. - Joseph J. Wimberly
Nashville	JP Brown Drugstores - John Brown
Nashville	Moon Moon Drug Company - John Brown
Nashville	Realtor - Nancy Niehouse

Texas

Houston	Marks & Salley, Inc. - E. Carol Stalley
Houston	Quadrant Consultants - Michael Chou

Utah

Centreville	Civilux Inc. - Frank Goodbold

Virginia

Abington	Sterling Casket Hardware Company - Thomas E. Bailey
Abington	The Office Place - Jim Barnes
Alexandria	Ben & Jerry's of Alexandria - Richard Snow
Annandale	K&R Industries - F. Keane Eagen
Arlington	Audrey Mullen Fundraising Consultants - Audrey Mullen
Arlington	The Potomac Consulting Group - Chris Moss
Big Stone Gap	Mountain Empire Older Citizens, Inc. - Marilyn Pace Maxwell
Big Stone Gap	Robinette Steel & Scrap Metal Company - James W. Robinson
Blacksburg	Architectural Alternatives - Bob Rogers
Blacksburg	MEDIAS - Camden McLaughlin
Cedar Bluff	Appalachian Agency for Senior Citizens - Diana Wallace
Charlottesville	Charlottesville Free Clinic - Betty Newell
Charlottesville	Independence Resource Center - Tom Vandever
Charlottesville	Jefferson Area Agency Board on Aging - Gordon Walker
Charlottesville	Johnson Craven & Gibson, Inc. - Anne Collins
Charlottesville	Monticello Area Community Action Agency - James Murray
Charlottesville	Papercraft Printing and Design, Inc. - Virginia Daugherty
Charlottesville	The Nook and Terry's Restaurant - Theresa D. Shotwell
Charlottesville	Timberlake's Drug Store - John Plantz
Charlottesville	Worksourse Enterprises - Ron Enders
Christiansburg	Christiansburg Printing - Michael Abraham
Christiansburg	The Copy Center - Ernie Bentley
Christiansburg	HICO, Inc - Steven Cochran
Clovesville	Glendower Vineyards - Chris Hill
Ewing	Western Lee County Health Clinic - Tony Lawson
Faber	Buck Creek Nursery - Bob West
Faber	Woods Mill Woodworks - Carter Smith
Fairfax	Black Issues in Higher Education - Bill Cox
Fairfax	Soapbox Trading Corp. - Susan Spriggs

Free Union	Shelter Associates, Ltd. - Bruce Gordon
Honaker	New Garden Pharmacy - Robert Taylor
Kennebridge	Pharmacy Associates of Kennebridge, Inc. - R. Michael Berryman
Lovingston	Mountain Cove Vineyards - Al Weed
Lynchburg	Tom Jones Drugs - Tom Jones
Marion	Graham Investments - Henderson Graham
Newport News	Beyond Exhibits, Inc. - Teddie Jo Ryan
Norton	Pepsi-Cola Bottling Company of Norton - George Hunnicutt, Jr.
Oakwood	Oakwood Clinic Pharmacy - William Tiffany
Salem	Blue Ridge Beverage Company - Robert Archer
Saltville	Rite-Aid Pharmacy - John Haynes
Springfield	Moving Comfort Inc. - Ellen Wessel
St. Charles	Stone Mountain Health Services - Tony Lawson

Vermont

Rutland	Sloan Marketing - John Sloan
Shelburne	Vermont Teddy Bear Company - Roger Amadon
Williston	Caner's Choice - Jerry Proulx
Williston	Dumb Guys Party Supplies - Charles Thomas
Winooski	Fiori Bridal - Nicole Roberts

Washington

Seattle	Greenbriar Development - Dan O'Neal
Seattle	Perennial Tea Room - Sue Zuege and Julee Rosanoff
Seattle	Tolan O'Neal Transportation & Logistics - Daniel O'Neal
Vancouver	McCarthy Medical Marketing, Inc. - Margaret McCarthy

Wyoming

Jackson Hole	Unilink - Roger Amadon

NACDS MEMBER CHAINS
IN SPECIFIC STATES

Hawaii
Thrifty Drugs of Hawaii - Sidney Kosasa, President

Maine
Downeast Pharmacy Inc. - Michael J. Fiori, President
LaVerdiere's Super Drug Stores - Stephen LaVerdiere, President

Minnesota
Snyder Drug Stores, Inc - Donald Beeler, President

Nebraska
Keystone Pharmacies - Manny Goldberg, President

Nevada
none

Vermont
City Drug Stores - Melvin Israel, President

MEMBERS OF THE NATIONAL LEADERSHIP COALITION FOR HEALTH CARE REFORM

Acme Steel Company
Amalgamated Clothing & Textile Workers Union, AFL-CIO
American Academy of Family Physicians
American Academy of Pediatrics
American Association of Retired Persons
American Automobile Manufacturers' Association
American College of Physicians
American Federation of Teachers, AFL-CIO
American Iron & Steel Institute
American Nurses Association, Inc.
American Physical Therapy Association
American Psychological Association
American Subacute Care Association
Association of Academic Health Centers
Association of Minority Health Professional Schools
B. C. Enterprises
Bank South Corporation
Bannon Research
Bethlehem Steel Corporation
Blue Diamond Growers
Brown & Cole Stores
Burlington Coat Factory
Ceridian Corporation
Christian Children's Fund
Chrysler Corporation
Cold Finished Steel Bar Institute
CoreStates Financial Corp.
Del Monte Foods
Drummond Company Inc.
Families USA Foundation
Filter Materials
First Interstate Bancorp
Ford Motor Company
General Motors Corporation
Georgia-Pacific Corporation
Giant Food Inc.
The Great Atlantic & Pacific Tea Company, Inc.
Gross Electric Inc.
The Heights Group
H. J. Heinz Co.
Inland Steel Company
INSIGHT Treatment Services, Inc.
International Brotherhood of Electrical Workers
International Multifoods

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James River Corporation
Johnstown Corporation
Keebler Company
Keller Glass Company
Lincoln Telephone & Telegraph Co.
Lockhead Corporation
LTV Steel Company
Lukens Inc.
Maternity Center Association
Maytag Corporation
National Association of Childbearing Centers
National Association of State Boards of Education
National Education Association
National Steel Association
Navistar International Transportation Corporation, Inc.
Norwest Corporation
Olympia West Plaza, Inc.
PAR Associates
Pella Corporation
Preferred Benefits
R. R. Donnelley & Sons Co.
Ralphs Grocery Company
Regis Corporation
Rohm & Haas Company
Safeway Inc.
Sara Lee Corporation
Scott Paper Co.
Service Employees International Union, AFL-CIO
Sokolov Strategic Alliance
Southern California Edison Company
Strategic Marketing Information, Inc.
Texas Heart Institute
Time Warner Inc.
United Air Lines, Inc.
United Food and Commercial Workers International Union, AFL-CIO
United Paperworkers International Union, AFL-CIO
United States Catholic Conference
United Steelworkers of America, AFL-CIO
U. S. Bancorp
The Vons Companies, Inc.
Westinghouse Electric Corporation
Wheat, First Securities, Inc.
Wheeling-Pittsburgh Steel Corp.
The Whitman Group
Wisconsin Public Service Corporation
Xerox Corporation

MEMBERS OF THE CAMPAIGN FOR WOMEN'S HEALTH (97)
May 31, 1994

The Alan Guttmacher Institute
Amalgamated Clothing and Textile Workers Union
American Association of University Women (AAUW)
American Civil Liberties Union (ACLU)*
American Coalition for Abuse Awareness
American Dietetic Association
American Fertility Society
American Fed. of State, County and Municipal Employees
American Jewish Congress
American Medical Women's Association (AMWA)
American Nurses Association (ANA)
American Psychological Association
Arizona Business Women for Health
Association of Junior Leagues International
Association of Reproductive Health Professionals
AWHONN: Association of Women's Health, Obstetric & Neonatal Nurses (formerly NAACOG)
Bass & Howes
Black Women's Agenda
B'nai B'rith Women
Boston Women's Health Book Collective
California Women Lawyers
Catholics for a Free Choice
Center for Policy Alternatives
Center for Population Options
Center for Women Policy Studies
Clearinghouse on Women's Issues
Coalition of Labor Union Women (CLUW)
Colorado Women's Agenda
Communications Workers of America (CWA)
Delta Research & Educational Foundation
Endometriosis Association
Families USA
Family Violence Prevention Fund
Farmworker Justice Fund
Federally Employed Women
Federation of Nurses and Health Professionals
General Federation of Women's Clubs
Human Rights Campaign Fund
Institute for Research on Women's Health
Institute for Women's Policy Research
Interstitial Cystitis Association, Maryland
Jacobs Institute of Women's Health
Kentucky Commission on Women
The Mautner Project for Lesbians with Cancer
Members of Sigma Gamma Rho Sorority, Inc.
Mennonite Central Committee
Na'Amat USA
National Abortion Federation
National Abortion Rights Action League (NARAL)
National Action Forum for Midlife & Older Women
National Association of Commissions for Women
National Association of Community Health Centers
Natl. Assoc. of Nurse Practitioners in Reproductive Health
National Black Women's Health Project
National Breast Cancer Coalition
National Center for Lesbian Rights
National Coalition of Abortion Providers
National Council of Jewish Women
National Council of Negro Women
National Displaced Homemakers Network
Nat'l. Family Planning and Reproductive Health Assoc.
National Federation of Business & Professional Women
National Foundation for Women Business Owners
National Gay & Lesbian Task Force
National Organization for Women (NOW)
NOW Legal Defense and Education Fund
National Osteoporosis Foundation
National Women's Conference Committee
National Women's Health Network (NWHN)
National Women's Health Resource Center
National Women's Law Center
National Women's Party
National Women's Political Caucus
Older Women's League (OWL)
Organization of Pan-Asian Women
Pennsylvania Coalition Against Domestic Violence
Planned Parenthood Federation of America
Public Citizen Health Research Group
Public Voice for Food & Health Policy
Religious Coalition for Abortion Rights (RCAR)
San Francisco Women Lawyers Alliance
Service Employees International Union (SEIU)
Soc. for the Advancement of Women's Health Research
Union of American Hebrew Congregations
United Food and Commercial Workers Internat'l. Union
Wider Opportunities for Women (WOW)
Women for Racial and Economic Equality
Women in Communications, Inc.
Women's Action Alliance
Women's Bar Association of D.C.
Women's Health Project
Women's Int'l. League for Peace and Freedom
Women's International Public Health Network
Women's Legal Defense Fund (WLDF)
Women's Research and Education Institute (WREI)
YWCA of the USA
Young Women's Project

* The ACLU endorses and participates exclusively in the civil liberties related activities of the Campaign

May 24, 1994

The Honorable George Mitchell
United States Senate
Washington, DC 20510-1902

Dear Senator Mitchell:

The undersigned urge you to include in any health care reform legislation which the Committee on Finance passes a provision which assures health care coverage for all Americans.

We believe that universal coverage is critical to the efficient and optimal performance of the health care system and the broader economy.

We also believe that among the methods of achieving universal coverage, an employment-based system, in which there is both employer and employee financial participation, offers the most practical and realistic approach. An employment-based system is preferred by most Americans and advances a public-private approach to the human and economic needs for universal health care coverage.

Universal coverage is critical to successful health care reform:

- As a matter of equity, humanity and economy, every American should be covered for appropriate health care. The costs in terms of lost productivity and wasted human resources are untenable.

- The current problems in our health delivery and financing systems cannot be effectively remedied when one in six Americans lack health care coverage at any one time.

- There can be no effective means to control the growth of health care costs - either through market or regulatory mechanisms -- when significant portions of the population remain outside the health care system. Needed insurance reforms will work only when everyone has health care coverage.

A prudently designed employment based system offers the most effective means of achieving universal health care coverage by:

- addressing an important element of the current cost shifting crisis in which the costs of caring for the uninsured are borne by the insured;

- extending coverage to the majority of the uninsured -- 84 percent of the 39 million uninsured live in families headed by workers;

- providing the simplicity of using the current mechanism by which Americans receive coverage -- a mechanism preferred by most Americans.

We believe that an employment based system of universal coverage, with employer and employee financial participation, is an essential component of health care reform. We urge you to support inclusion of such a provision in health care reform legislation.

Air Line Pilots Association
Alpha Building Corporation
Alpha Steel
American Association of Retired Persons
American Automobile Manufacturers Association
American College of Physicians
American Hospital Association
AMR Corporation
Archer Daniels Midland Company
Association of Private Pension and Welfare Plans
Audiovox Corporation
Bethlehem Steel
Brown & Cole Stores
Catholic Health Association
Champion International Corporation
Chrysler Corporation
CNA Insurance Companies
Florida Power Corporation
Food 4 Less, Inc.
Ford Motor Company
Fortis, Inc.
General Motors Corporation
The Great Atlantic & Pacific Tea Company
Guess?, Inc.
Hechinger Co.
J.F. Contracting Corporation
Mana Products, Inc.
Marangos Construction Corporation
Metropolitan Chicago Healthcare Council
Monarch Marketing Group, Inc.
National Association of Children's Hospitals and Related Institutions
Network Security Incorporated
NYNEX
Phoenix Home Life Mutual Insurance Company
Polycrete, Inc.
The Principal Financial Group

Protestant Health Alliance
Safeway, Inc.
Southern California Edison Company
Steel Manufacturers Association
Transport Workers Union
Westinghouse Electric Corporation
White Dog Cafe
Zenith Electronics Corporation

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS

LANE KIRKLAND
PRESIDENT

815 SIXTEENTH STREET, N.W.
WASHINGTON, D.C. 20006

THOMAS R. DONAHUE
SECRETARY-TREASURER

LEGISLATIVE ALERT!

(202) 637-5075

March 9, 1994

Dear Senator:

Universal coverage that guarantees that no one lacks or loses high-quality health care coverage is the cornerstone of comprehensive health care reform. The AFL-CIO believes the best way to achieve this objective is by requiring all employers to provide and help subsidize health care coverage for their employees.

An employer mandate builds on our current employer-based insurance system and would be the least disruptive way to achieve universal coverage. It would level the playing field among different employers, most of whom provide such coverage today. And it would eliminate large, unpredictable and inequitable cost shifts that employers bear today for the uninsured workers of other employers. We recognize that some employers (and employees) will need financial help to meet their obligations. We, of course, support providing necessary subsidies.

The AFL-CIO believes that an employer mandate is a fair, effective and practical means for achieving universal coverage. We believe it is essential to any acceptable health care package.

Sincerely,

Robert M. McGlotten

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MANDATE RELIEF FOR STATE AND LOCAL GOVERNMENTS

by Jim St. George

State and local governments across the country have been struggling for several years with budget deficits. Although the recent recession was partially responsible for the fiscal problems state and local governments have faced, fiscal difficulties will last in many areas even as the recovery continues. A range of potential causes for these structural deficits have been identified, including loss of federal funds, escalating costs of Medicaid and other health care costs, and outdated state tax systems that do not reflect the economy of the 1990s and are unable to generate needed revenue efficiently and effectively.[1]

Another potential cause of the fiscal distress state and local governments have faced, and the focus of much recent attention, is the growth of *unfunded federal mandates* — requirements on state and local governments imposed by the federal government without accompanying funds. State and local officials point out that the practice of requiring state and local governments to meet federally-established goals has increased substantially in the last two decades. In response, a number of these officials are supporting legislative proposals that would release state and local governments from any legal obligation to obey mandates for which the federal government does not provide full funding and, in the Senate version, require the Congressional Budget Office to estimate the cost to individual state and local governments of any bill that would impose a mandate on them. Such a solution raises serious concerns.

The requirement for cost estimates identifying the impact of mandate legislation on each state government and local government would prove impossible to accomplish in practice. Moreover, the major proposals, Senator Dirk Kempthorne's

[1] See in particular *Financing State Government in the 1990s*, National Governor's Association, et al., 1994. The study suggests that one cause of state fiscal problems is the fact that states have not updated their revenue systems to reflect the changing American economy. For example, consumers buy a far larger share of services relative to goods than they did 30 years ago. Yet state sales taxes typically apply to only a limited number of services. One result — along with a potential tax advantage for providers of services over those who produce goods — is that most states' sales taxes generate less revenue for each dollar of total consumption than they previously did. Another example of economic change cited in the report that has not been matched by appropriate fiscal reforms is the increasing prevalence of businesses operating across state and national borders.

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"Community Regulatory Relief Act" (S-993) and Representative Gary Condit's "Federal Mandate Relief Act of 1993" (H.R. 140), would likely lead to increased gridlock, seriously limiting the federal government's ability to respond to certain needs. They also would open the door to costly litigation and greater judicial intervention in policymaking. And they could create perverse incentives for states and localities to avoid addressing problems in areas that might become the subject of fully-funded federal mandate legislation sometime in the future. Jurisdictions that have done the least to address various problems would be more generously funded than those that have acted in advance of federal requirements. State and local governments would likely become less willing to act as "laboratories for democracy;" instead they likely would delay initiatives until Congress required and paid for them, and when Congress did so, states and localities would have incentives to exaggerate the cost of compliance.

Types of Federal Mandates

Before describing the practical problems of the Kempthorne and Condit proposals, it may be useful to identify some of the more recent federal actions that are considered unfunded mandates. All told, the National Conference of State Legislatures has identified nearly 200 mandates in federal law. Many of the most important pieces of legislation in recent years have at least some impact on state and local governments and would have been covered by a Kempthorne- or Condit-type ban on unfunded mandates.

A number of unfunded mandates apply to state and local governments as employers; thus the Family and Medical Leave Act applies to state and local governments as well as private employers.[2] Several recent unfunded mandates stem from legislation designed to reduce crime and enhance public safety. Examples include the Brady bill, which requires that states provide an on-line, computerized criminal records data base to facilitate a national criminal background check system over the next five years, and the National Child Protection Act, which requires states to report child abuse information to the same background check system. Improving access to government services and guaranteeing civil rights may also be considered unfunded mandates. Thus the "Motor Voter" bill and the Americans with Disabilities Act, each of which places various requirements on state and local governments, are identified as unfunded mandates. Finally, a major category of often-controversial

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[2] The National Conference of State Legislature's *Mandate Catalogue* also identifies unfunded mandates that have been in effect for many years. Other federal legislation identified as unfunded mandates that is associated with states' role as employers includes compliance with child labor, minimum wage, and anti-discrimination laws.

mandates relate to environmental concerns, such as the Clean Air Act that requires state and local officials to establish pollution control strategies.

Cost Estimates for Mandates

Central to any requirement for full funding of federal mandates is the need for timely, accurate projections of the costs to state and local governments. The Kempthorne proposal requires CBO to prepare "an economic analysis" of the effects of complying with a proposed mandate "by each State government and by each local government."[3] While CBO currently estimates the *aggregate* cost to state and local governments for a large number of proposals each year, the requirement for a cost estimate for *individual* state and local governments would be a massive expansion of responsibilities for CBO.[4]

Estimating the costs of various proposals on a state-by-state basis requires detailed information on the specific issue at hand for each state, data that often are simply unavailable. Moreover, because of the lack of appropriate data bases with state-level information and the wide range of issues that affect state and local governments, it is not possible to establish a single estimating methodology applicable to most or all bills. Instead, CBO staff would have to address each bill or subject area separately to identify and locate relevant data. This can be a timely and costly endeavor, the results of which are sometimes of marginal value.

A related difficulty in estimating the state-by-state cost of fully funding mandates is that the best — and often the only — source of information on the specific characteristics of a state or region may be state officials themselves. If officials know that the cost will be fully funded by the federal government, they clearly will have an interest in inflating the potential cost. Using such self-interested sources could affect the accuracy of estimates.

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[3] The major practical difference between the Condit and Kempthorne proposals is the absence of any mention of cost estimates from the Condit bill. In order to fully fund mandates, however, Congress would clearly require more accurate cost estimates than currently produced by CBO.

[4] The requirement for "economic analysis" could be interpreted as requiring estimates not just on the direct cost of a mandate, but also on the economic impact of policies insofar as they are likely to have an impact on state and local revenue. Such analysis would include potential job gains or losses, changes in property use and value, and changes in consumption levels or patterns. The economic impact of policy is extraordinarily difficult to ascertain even on a national level; CBO attempts such estimates on only a few major bills each year. No amount of new resources would enable CBO — or any other agency — to estimate such impacts accurately.

The difficulty of doing state-by-state analysis, however, is only the tip of the iceberg. Analyzing the potential cost to each of the more than 80,000 local governments in the United States would be a task of unimaginable proportions; CBO director Reischauer has called it "impossible in any practical sense."[5] Although such cost estimates, if feasible to produce, would entail an enormous increase in workload for CBO, the Kempthorne proposal includes no increase in funding for the agency. One might say that the bill itself is an unfunded mandate, albeit on CBO rather than on state and local governments. In practice, the requirement would frequently bring the legislative process to a halt.

The Cost — and Inefficiency — of Full Funding

Even if the availability of data and appropriate models were not insurmountable hurdles, requiring full funding for all federal mandates could ultimately increase the total cost to society of accomplishing national goals. The Kempthorne and Condit proposals establish an open-ended commitment for federal funds: a law would be binding on states and localities only if "all funds necessary" are provided. For instance, establishing a computerized national background check envisioned in the Brady bill and supported by many gun control advocates and opponents alike requires the full cooperation of every law enforcement agency in the country. If Congress is serious about having such a system operational in five years, it cannot allow local sheriffs just to opt out, claiming their funding did not fully cover their costs. If the ban on unfunded mandates had been in effect when the Brady bill were enacted, Congress would have to ensure that it fully supported the *reported* cost of compliance. Failure to support the cost reported by local officials could leave the effort to establish the background check system in limbo as courts attempted to determine whether individual local governments were obligated to participate or whether more federal funds would be required. This would be akin to establishing a new entitlement for state and local governments, with all the well-known difficulties in limiting the cost of such open-ended commitments.

The total cost of full funding of federal mandates could also be driven up by the perverse incentives state and local governments would face under an unfunded mandate ban. The Kempthorne bill, for instance, defines the cost of a mandate as the amount in excess of what "the State or local government would incur in carrying out that activity in the absence of the regulation." What a governmental body *would* do in the absence of federal action is, in fact, impossible to know. Instead, the practical effect of such a requirement is to reimburse state and local governments for the full

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[5] Testimony of Robert D. Reischauer, Director, Congressional Budget Office, before the U.S. Senate Committee on Governmental Affairs, April 28, 1994.

cost of compliance less any costs they were bearing before the mandate was imposed. Since the greatest subsidies for any mandate would go to governments that have previously done the least in the area in question, there would be an incentive for state and local governments to delay action on issues they otherwise would plan to address if there were a reasonable chance of federal action in the future. More timely action would reduce their ultimate federal reimbursement, presumably in perpetuity.

Suppose, for instance, that Congress passes a health reform bill requiring employers, including state and local governments, to provide health care to their employees. If a Kempthorne- or Condit-style ban on unfunded mandates passes first, such a reform bill would be considered a mandate requiring federal funding if it is to be binding. States that already meet the minimum standards established in such a bill would get no funding, while other states would be rewarded for not providing health care benefits to their employees in the past. It would not take long for state and local government officials to recognize that there are financial advantages to letting problems fester — creating a national issue that requires a federally funded mandate — and penalties for solving problems too promptly.

Another issue stems from the fact that while state and local officials believe federal policies are often too controlling in the way they prescribe how particular goals are to be met, such restrictions tend to be more severe when the federal government provides most or all of the funding. To ensure that federal money is not squandered and to protect against the cynicism associated with financial abuses, federal policymakers often place particularly tight restrictions on how federal grants are monitored and spent. Sometimes this reduces state flexibility in experimenting to find the most cost-effective way of meeting various goals.

For example, CBO surveyed a number of local governments to estimate the cost of requiring that all handicapped people have access to polling places. The estimates ranged from $845 per county in Georgia, where voters with mobility impairments would have their polling place changed to an accessible building, to $10,000 for the city of Minneapolis, where city officials indicated they would install a ramp at every polling place. Arriving at a cost estimate to enable full funding in a broad range of similar situations would require deciding exactly how local governments should comply. The practical result in some future cases could be increased federal prescriptiveness, with the mandates specifying the particular solutions to be employed. In some cases this could result in greater cost than if state and local officials acted independently to achieve the intent of the legislation.

Finally, the federal costs of various pieces of mandate legislation could grow beyond the amount necessary to accomplish the identified goal as state and local governments "game" the system to maximize their federal payments. If the federal government must reimburse all direct costs of compliance, state legislators might, for

instance, allocate the time they and their staffs spend researching and debating implementing legislation to the cost of the mandate. Establishing and maintaining the necessary "cost centers" to allocate the time that was to be reimbursed could be considered a cost of the mandate as well!

One example of how state officials have manipulated federal reimbursements in recent years is through use of special taxes on health care providers to increase federal Medicaid reimbursements. A number of states have been highly creative in their use of these provider taxes, sufficiently creative that the practice employed by a number of states was widely considered to be a scam. Ultimately, Congress and the executive branch had to act to restrict the use of provider taxes. Episodes such as this, where states acted aggressively to increase the amount of federal dollars coming to them, should give pause to anyone who doubts that state or local officials would manipulate funding opportunities inappropriately.

Gridlock and Litigation

Given the tight fiscal constraints under which the federal government is operating, one impact of an unfunded mandate ban would be to hamstring federal activity across a broad array of policy areas. The time needed to identify specific fiscal impacts in over 80,000 jurisdictions, along with uncertainty over the accuracy of those estimates, would be a powerful weapon for those whose primary agenda is to obstruct legislation.

Advocates of the ban point out that the proposals would not affect current legislation, applying only to future proposals. One of the difficulties in recognizing the full implications of a ban on *future* unfunded mandates, however, is that the items affected would be those for which, by definition, no consensus currently exists. If a consensus had already developed and been recognized, the mandate would likely already be in place. This suggests that the intent of the legislation may have more to do with inhibiting further federal action than with actually addressing current fiscal constraints faced by state and local governments.

Furthermore, it is not entirely true that current mandates would not be affected by the Kempthorne and Condit proposals. Existing legislation would be affected when it was reauthorized or amended. Such action would constitute new legislation; it would cause the existing mandate to fall under the obligation for full funding. In that way the ban on unfunded mandates could begin to roll back legislation that requires reauthorization and inhibit amending legislation that includes mandates already in place. This could even go to the extent of obstructing passage of a bill that *reduces* the cost of compliance for state or local governments. Imagine, for instance, a mandate that state and local leaders believe places unnecessary and

inefficient burdens on them. An amendment could address some of their concerns, but it would trigger a requirement for full funding for any mandate that remained. The likely course of action would be to leave the existing, more burdensome requirements in place.

Troubling implications also arise over the implementation of mandates. A new mandate would be binding on state and local governments only if full funding is provided. It may not be immediately apparent, however, whether full funding is in fact available; the federal government may think it is funding the mandate, but state or local governments could end up with greater-than-anticipated costs. If an audit, for example, found that the cost of compliance with a mandate in the previous year exceeded the federal funds received for that purpose, would that mean that the law was not in force, even though officials as well as businesses and individuals acted as though it had been? One can imagine a whole new field of litigation opening up to determine what the direct costs of a mandate actually were, in order to determine whether state or local laws were indeed in force. Moreover, individuals and businesses might be inclined to delay or avoid compliance with mandates altogether until it was determined that funding was in fact adequate and the law was binding. Such inaction would, of course, increase the cost of enforcement for states and localities. Higher enforcement costs, however, could increase the likelihood that federal funding — premised on an assumption of voluntary compliance — would prove inadequate.

Benefits to State and Local Governments from Federal Tax Expenditures

Proponents of a ban on unfunded federal mandates argue that any justification for unfunded mandates evaporated with the demise of general revenue sharing. They portray the federal government as imposing burdens without providing any financial support to state and local government. Such an analysis, however, fails to acknowledge the substantial subsidy for state and local income and property taxes implicit in allowing such taxes to be deducted in determining federal income tax liability. In fiscal year 1994, federal tax expenditures associated with the deduction of state and local taxes, together with the exclusion of interest income from various forms of state and local debt, amounted to $66 billion. By comparison, the U.S. Conference of Mayors has estimated the cost of 10 of the largest and most prominent unfunded mandates in over 300 cities at $6.5 billion.[6] Given that the population in

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[6] U.S. Conference of Mayors, *Impact of Unfunded Federal Mandates on U.S. Cities*, October 26, 1993. The 10 unfunded mandates in the survey covered the Clean Water Act, the Clean Air Act, the Resource Conservation and Recovery Act, the Safe Drinking Water Act, the Asbestos Hazard Emergency Response Act of 1988, the Residential Lead-Based Paint Hazard Reduction Act of 1992, the

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these cities account for half the total population of all cities with at least 30,000 residents, as well as the possibility that the self-assessment of burden was overstated, it is certainly possible that the total cost of all unfunded mandates is less than the benefit of the tax expenditures.[7]

While the savings from these tax expenditures is received directly by taxpayers rather than state and local governments, the tax expenditure reduces the cost of state and local income and property taxes to taxpayers who itemize on their federal returns. The federal government effectively pays up to 40 percent of the state and local income and property taxes for high-income taxpayers. This is thought to increase the willingness of taxpayers to support politically taxes for state and local services. Periodic suggestions that the federal tax expenditures for state and local taxes should be reduced or limited are met with protests from state and local government officials, evidence of their awareness of the subsidy the tax expenditures provide for state and local taxes.

Alternatives to Consider

Nothing in this analysis should be construed as diminishing the difficulties state and local governments encounter in meeting the obligations they face, whether they are obligations established by state and local officials themselves or mandates established by the federal government.[8] While part of this difficulty is the result of structural flaws in state revenue systems over which state officials have control, the national government should take seriously its role in ensuring the efficient and effective operation of the federal system.

One small step Congress could take in that direction would be to pass legislation submitted by Senator David Pryor that would allow states to require mail-order companies to withhold the state sales tax on items sold to that state's residents. Such legislation would allow states to raise an additional $3 billion to $3.5 billion

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[8] (...continued)
Underground Storage Tank Act, the Endangered Species Act, the Americans with Disabilities Act, and the Fair Labor Standards Act.

[7] Other estimates also suggest that the cost of federal mandates is less than the value of these tax expenditures. An analysis by the Advisory Commission on Intergovernmental Relations of unfunded mandates passed between 1983 and 1990 conservatively estimates the cost to state and local governments in fiscal year 1990 as between $2.2 billion and $3.6 billion. See ACIR, *Federal Regulation of State and Local Governments: The Mixed Record of the 1980s*, July 1993, pp. 63-67.

[8] It should be noted that local governments struggle under the burden of unfunded *state* mandates as well.