

# News Alert

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## **NAM CONCERNED SENATE FINANCE COMMITTEE BILL WILL ADD COSTS TO HEALTH CARE SYSTEM**

### *Bill Does Too Little to Reduce Costs for Manufacturers*

WASHINGTON, D.C., Oct. 13, 2009 – The National Association of Manufacturers (NAM) Executive Vice President Jay Timmons today issued the following statement on the Senate Finance Committee's passage of its health care reform bill:

The NAM commends Chairman Baucus (D-MT) and the Senate Finance Committee for their continuing efforts to create a balanced plan for health care reform. While the NAM supports several provisions in the Senate Finance Committee's bill, we have significant concerns that the bill will add costs for manufacturers.

The soaring costs of health care have long ranked as a top concern for the NAM's member companies, of which 97 percent provide coverage to their employees. The NAM believes any health care reform should enable employers to continue offering flexible, generous health benefits without increasing the cost of doing business. We are committed to health care reform that will create efficiencies and make manufacturers more competitive in the long run.

The NAM appreciates the Committee's protection of the Employee Retirement Income Security Act (ERISA) framework, which gives manufacturers the ability to continue to offer quality benefits so employees can keep their existing plans. We also are pleased to see the Committee's provision on wellness and prevention, and we believe the cost curve for health care can be positively impacted by these measures.

The NAM also commends the Committee on the exclusion of the public option, which would severely weaken manufacturers' ability to sustain employees' health benefits plans and would have a negative impact on the overall economy.

However, the NAM remains deeply concerned that the Senate Finance Committee's bill overall will add costs to the health care system and, by extension, the manufacturing community, on top of the already spiraling costs manufacturers and their employees face today.

Specifically, we believe the excise tax imposed on insurance plans will have a negative economic impact on many manufacturers.

And, the Finance Committee's imposition of industry-specific fees singles out businesses solely to raise revenues – costs that ultimately will be passed onto consumers. The NAM is also concerned about the proposed tax on employer-provided prescription benefits, limits on Flexible Spending Accounts (FSAs) and new requirements on corporate information reporting.

Lastly, we are disappointed that the bill does not address the costly issue of “defensive medicine” through medical malpractice reform in any meaningful way.

The NAM is committed to continuing to work with Congress as they merge the various bills to achieve health care reform that drives down costs and improves access.

*The National Association of Manufacturers is the nation's largest industrial trade association, representing small and large manufacturers in every industrial sector and in all 50 states. Visit [www.nam.org](http://www.nam.org) for more information.*

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