



STATE OF MINNESOTA

Office of Governor Tim Pawlenty

130 State Capitol ♦ 75 Rev. Dr. Martin Luther King Jr. Boulevard ♦ Saint Paul, MN 55155

March 18, 2010

Senator Amy Klobuchar

Congresswoman Betty McCollum

Senator Al Franken

Congressman Keith Ellison

Congressman Tim Walz

Congresswoman Michele Bachmann

Congressman John Kline

Congressman Collin Peterson

Congressman Erik Paulsen

Congressman James Oberstar

Dear Members of the Minnesota Congressional Delegation:

As the U.S. House of Representatives prepares to vote on health care reform, I write to express my significant concerns with the approach being taken by the Democratic congressional leadership and to urge you to vote against the current proposal.

We are in agreement that health care reform is desperately needed. Rapidly growing health care expenses are putting extraordinary pressures on individuals, families, businesses, state governments and the federal government.

Individuals, families, and businesses would benefit from common sense initiatives such as medical malpractice reform, prohibiting coverage denials based on pre-existing conditions, and guaranteeing portability. We should also strive to increase the use of electronic prescriptions, pay for performance measures, and price and quality transparency measures.

Additional common sense reforms include better chronic disease management initiatives, streamlining billing codes and practices, tax equity for health insurance purchases, increased incentives for health savings accounts, creating the ability to purchase health insurance across state lines, improved use of information technologies, cracking down on fraud and abuse in public insurance programs, and others.

Unfortunately, the proposal now before the U.S. House does not focus on these types of common sense reforms. It is largely focused on expanding access and would do little to improve overall health care quality and hold down explosive cost growth. It would not meaningfully help transition the health care system from a "pay for volume" structure to a "pay for quality outcomes" structure. The Senate bill would also worsen the nation's already unacceptable federal budget deficit.

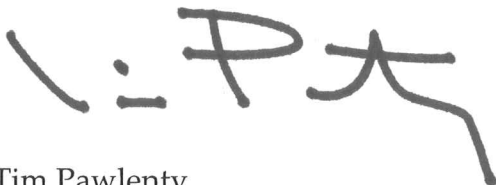
In addition, I remain concerned that the \$20 billion medical device tax in the bill will harm Minnesota's nation-leading medical device industry. The tax increase would take away funds from research and development and other important uses and harm job growth in a crucial industry.

I am hopeful that the U.S. House will defeat the current bloated, expensive, government-centric health care proposal and instead work in a truly bipartisan manner to enact much needed health care reforms that are market-driven, patient-centered, and quality-focused.

Minnesota has undertaken such reforms. We've had success paying for quality outcomes rather than volumes of procedures. We've provided a wealth of value information to consumers through numerous price and quality transparency initiatives. Our state employee health care plan has demonstrated positive results linking outcomes to value, resulting in premium increases year-over-year significantly less than the national average. Other reforms have also moved our state's health care system in a more modern direction.

I'm hopeful after the U.S. House defeats the current misguided approach we will be able to work together in a bipartisan way to address these important cost and quality issues and improve our nation's health care system.

Sincerely,

A handwritten signature in black ink, appearing to read "T. Pawlenty". The signature is stylized and somewhat cursive, with a long horizontal line extending to the right from the end of the name.

Tim Pawlenty
Governor