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**BAUCUS HOLDS ROUNDTABLE DISCUSSION  
ON FINANCING HEALTH CARE REFORM**

*Finance Committee discussion considers options to offset an investment  
in health care reform*

**Washington, DC** – Senate Finance Committee Chairman Max Baucus (D-Mont.) today held a roundtable discussion on financing a comprehensive health care reform plan. Baucus invited health care policy experts, tax policy experts, and economists to join Finance Committee members to discuss the revenue and savings options that the Committee will consider as it works to craft a health reform bill. Baucus said at the meeting that Congress should first look within the health care system for savings. He has proposed numerous ideas to improve the value Americans receive when they purchase health care, increase efficiency in the way health care is delivered to patients, and invest in prevention and wellness initiatives that can save money in the long run. Baucus said spending current health care dollars more wisely will go a long way toward financing health care reform.

**“The costs of health care are high — for families, businesses, and the Federal government alike. To make the system more affordable and provide coverage to all, we need to look at where we spend money on health care today,”** said Baucus. **“The first place that we should look for savings is within health care itself. We should reform the health care delivery system to bring higher quality and greater efficiency to all Americans.”**

Senators and experts discussed a wide variety of ideas for looking within the system to find savings to pay for health care. They discussed changing the incentives in the system Medicare uses to reimburse doctors from today’s system, which pays more for more care, to a reformed system that pays more for the most effective care. Senators also explored ideas for reducing geographic variation in the cost of health care across the country. Experts offered support for efforts to increase research on what treatments work best for which patients and to expand use of health information technology. Members also discussed ways to increase competition in the insurance market to keep costs down and ways to reduce the volume of costly uncompensated care.

Senators and experts also discussed current tax treatment of health care. Many experts agreed that the current tax treatment of health care benefits unfairly disadvantages low-income Americans and encourages Americans to use more health care dollars than are necessary. To address those criticisms, experts and Members discussed capping the exclusion on the basis of an individual’s income or the value of an individual’s benefit. Experts also discussed modifying the tax treatment of other current health tax benefits like HSAs and FSAs.

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Baucus said the Committee would continue to discuss financing health reform at Members meeting on May 20. Baucus has made comprehensive health care reform his top priority in the Finance Committee this year. He held over a dozen hearings on the topic before releasing his "Call to Action" blueprint on reform last year. This is the third roundtable in the panel's series. The first covered lowering costs and improving patient care in the health care delivery system and the second focused on expanding health care coverage for all Americans. Baucus has said he intends to mark-up health care reform legislation in the Finance Committee in June.

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