



MASSACHUSETTS BUSINESS ROUNDTABLE

**Division of Health Care Finance and Policy - Public Hearing**

**Re: 114.5 CMR 16.00 – Determination of Employer Fair Share Contribution**

**September 5, 2008 – One Ashburton Place, Boston**

On behalf of the Massachusetts Business Roundtable, we would like to be recorded in opposition to the amendments proposed to the employer “fair share” contribution in 114.5 CMR 16.00. While we continue to be supportive of health care reform, MBR’s members are concerned about increased cost structures – which drive up health care and other costs of doing business in Massachusetts and negatively impact job creation and local investment.

Since the passage of health care reform, there are 439,000 newly insured residents in Massachusetts. Of this total, 36% - or 159,000 – have received employer-sponsored insurance at a cost of \$800M to \$1B to employers. At the same time, Massachusetts employers continue to provide health coverage to their employees at levels above the national average.

MBR is proud to have been part of both the development, and now implementation, of our landmark health care reform law. It is serving as a model for the rest of the country. However, as the model continues its current push toward becoming more of an employer-mandate based system – a trend further exacerbated by the amendments proposed today – business support could erode locally, and the model could become an unrealistic one nationally. We do not wish to see either of those happen.

What MBR does want to see is an increased focus on cost containment measures before additional emphasis is placed on increasing revenues. Remember, the fair share contribution was never intended to be a targeted source of revenue to fund health care reform. It was meant to offset costs for the free care pool in an equitable manner among all employers, including employers that did not offer health care insurance plans to their employees. We are deeply concerned that such a dramatic change of course from the original intent of the fair share contribution is even being considered.

MBR urges that the proposed amendments not be adopted, so as to maintain both the intent and spirit of the compromise for employers’ funding of free care that gave birth to the reform effort.

Respectfully submitted,

Alan G. Macdonald  
Executive Director, MBR