



TUESDAY | January 16, 2007

THE BUSINESS PERSPECTIVE:



# Fix the System to Cure the Patient



## Coming up at the Chamber

[View all upcoming events on our Web calendar.](#)

**WED | Jan. 17**  
International Trade & Investment Committee Meeting  
Featuring Kaylynn L. Kim, president of Kaylynn L. Kim & Associates  
[more info](#)

**WED | Jan. 17**  
Business After Hours Mixer  
Taste of the Chamber  
[more info](#)

**THU | Jan. 18**  
Education & Workforce Development Committee Meeting  
[more info](#)

**FRI | Jan. 19**  
Land Use, Construction & Housing Committee Meeting  
[more info](#)

**TUE | Jan. 23**  
Referral Network  
[more info](#)

**WED | Jan. 24**  
Transportation & Goods Movement Committee Meeting  
[more info](#)

**WED | Jan. 24**  
Energy, Water & Environment Committee Meeting  
[more info](#)

**THU | Jan. 25**  
118th Annual Inaugural Dinner  
[more info](#)

The Los Angeles Area Chamber of Commerce is the voice of business in L.A. County. Founded in 1888, the Chamber promotes a prosperous economy and quality of life in the Los Angeles region. For more information, visit [www.lachamber.org](http://www.lachamber.org)

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2007 is shaping up to be the year of health care reform. For a while now, signs have pointed to a growing concern about the increasing number of uninsured, especially children. Other signs include the rising cost of health care for businesses and entrepreneurs who have to compete in the global marketplace, and the growing share of government budgets that are earmarked for health insurance well into the future.

We now have a scenario in which business, labor, social service agencies, government and health care providers all agree that this challenge must be addressed. But these interest groups view the problem from a different perspective, which has made political and economic solutions elusive in the past.

Enter Gov. Arnold Schwarzenegger, who is determined that 2007 will usher in a new set of reforms to provide coverage for the uninsured; retain individual responsibility for health and wellness; and take advantage of our system of health care providers already in place—all without creating an undue burden for businesses, who must compete in a global economy for talent and sales.

The governor has proposed a combination of ways to do this, all of which deserve thoughtful debate. Sen. President Pro Tem Don Perata and Assembly Speaker Fabian Núñez have proposals of their own. All three proposals have similarities, including increasing the number of nurses, improving access to community health care and overhauling county health systems.

But there are differences between the three proposals. The governor rejects the notion of a system in which the state would be the single payer, rightly so. Establishing a central state health system will expand the bureaucracy, eliminate competition and result in rationing of care.

The governor and Perata agree that there should be a mandate on all individuals to have coverage. This is not different from requiring auto insurance if you drive, property insurance if you own a home, or other forms of insurance. With health care, not carrying insurance exposes both the uninsured and taxpayers as a whole to these costs, because people are seldom turned away from the care they need – no matter what they can afford to pay.

The central questions in this issue are: Who pays, and how can we reduce the total cost of health care in California? The governor's proposal spreads the cost between businesses, individuals, insurance companies, health care providers and taxpayers as a whole. But just as important as spreading the costs is the governor's emphasis on reducing costs, through incentives that encourage a healthier lifestyle and the use of better technology in administrative areas to create efficiencies and reduce the risk of error.

If it were an easy problem, it would have been solved long ago. We are encouraged by how many people are participating in this debate. The broader business community that is not directly associated with the health care field, but who will eventually pay many of the bills, must seize the opportunity and the responsibility to have a loud voice.

Together, we can make 2007 the year when California developed a plan to provide quality health care when needed, make it more efficient, and at a reasonable cost shared by government, businesses and individuals.

And that's *The Business Perspective*.

Gary L. Toebben  
President & CEO  
Los Angeles Area Chamber of Commerce

by Gary Toebben, President & CEO, Los Angeles Area Chamber of Commerce

## L.A. Business THIS WEEK

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