



Los Angeles Area
Chamber of Commerce

FOR IMMEDIATE RELEASE
January 19, 2007

CONTACT: Marie Condron
213.925.9605

GOV. ARNOLD SCHWARZENEGGER VISITS L.A. AREA CHAMBER TO DISCUSS PROPOSED HEALTH CARE REFORMS

Chamber task force of small, medium, and large business owners will continue meeting with governor and state officials to help shape comprehensive plan

LOS ANGELES – Gov. Arnold Schwarzenegger met with 15 business leaders at the Los Angeles Area Chamber of Commerce headquarters today for the first in a series of dialogues about his comprehensive plan to reform the state’s health care system.

“We are the only major nation in the world that depends almost exclusively on employers to pay for health care,” said Chamber Board Chair David Fleming, Of Counsel, Latham & Watkins, LLP, at the meeting. “Health care costs are one of the major expenses our businesses face. And the bottom line is our system isn’t working.”

“Without a doubt, we appreciate the fact that the Governor is tackling this issue,” said Fleming. “The Chamber is creating a task force of L.A. area businesses large and small, who will continue meeting with the Governor, the Speaker, and other health care stakeholders to provide the business perspective on the plan as it evolves. It won’t be perfect—nothing is—but I believe it will be better than what we have now.”

Calling the current system “broken,” the Governor said that by moving away from an employer-based system to one that shares costs more equitably across the community, his plan aims to address the estimated \$14.65 billion in hidden taxes—essentially cost shifts to subsidize the uninsured—that businesses currently pay. A Lewin Group report estimates that employer coverage equaled \$86.2 billion, more than 42.7 percent of health care expenditures for California residents.

“The fact that the Governor is willing to have such an open dialogue with business is very encouraging,” said Chamber Board member Renee Fraser, President & CEO, Fraser Communications. “He has clearly done his homework, and the fact that he is seeking continued input from business is critical.”

Chamber leaders in attendance included:

- David Fleming, Of Counsel, Latham & Watkins LLP;
- Renee Fraser, President, Fraser Communications;

-- more --

- John Gatlin, Senior Vice President and General Counsel, Nestle USA, Inc.;
- Gene Hale, CEO and President, G&C Equipment Corporation;
- Karen L. Hathaway, President and Managing Partner, Los Angeles Athletic Club;
- Fran Inman, Senior Vice President, Corporate Development, Majestic Realty Co.;
- George Keiffer, Partner, Chair, Government and Regulatory Policy Division, Manatt, Phelps & Phillips, LLP;
- Marc Kersey, Vice President of Operations, Clark Construction Group, California;
- Barry C. Levin, Chairman and CEO, Snak King Corporation;
- Timothy McCallion, President, Pacific Region, Verizon Alan McCorkle, Senior Vice President, APM Terminals Pacific Ltd.;
- Edward Muñoz, Director, Government Relations, Raytheon Company;
- John H. Semcken, III, Vice President, Pacific Palms Conference Resort;
- Denita Willoughby, Vice President, Los Angeles, AT&T.

A webcast of the dialogue at the Chamber is available at <http://www.gov.ca.gov/> .

-- ### --

The Los Angeles Area Chamber of Commerce represents the interests 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.