

**CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515**

(202) 225-2011

February 3, 2010

The Honorable Nancy Pelosi
Speaker of the House of Representatives
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Harry Reid
Office of the Majority Leader
United States Senate
S-221, U.S. Capitol
Washington, DC 20510

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Dear Speaker Pelosi and Majority Leader Reid,

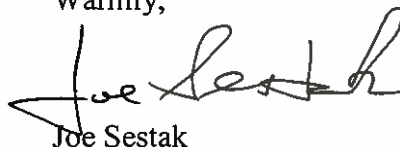
I write you today to urge you to include a public health insurance option and the repeal of the anti-trust exemption for health insurance providers in health care reform legislation.

I believe that a public option is central to reducing health care costs given that 94% of insurance markets are meet Department of Justice criteria for being non-competitive. In Southeast Pennsylvania, one company has more than 70% of all insurance plans. A public option will guarantee competition and, as it will not be subsidized by the government and will operate on a fair playing field, it will use market forces to bring down prices and raise the quality of care. The Congressional Budget Office estimates that the public option will save taxpayers anywhere from \$25 billion to \$110 billion and will save consumers billions more when other private insurers face strong competition. A public health insurance option is sound policy approach that would benefit this nature.

Additionally, health care reform legislation should include a repeal of the McCarran-Ferguson Act, which exempts the insurance industry from federal anti-trust laws. While sharing data on risk associated with different individuals is critical to allow new insurers to enter the market, this legitimate purpose does not justify such a wholesale exemption. We should repeal this exemption and provide protections for those collusive behaviors that do actually benefit consumers. The increased competition engendered by these two policies would ultimately benefit the American people in lower premiums and reduced cost of health care.

I believe that if Congressional Democrats renew a commitment to the American people by sitting down and talking with them, as I enjoyed doing during the numerous health care town halls I have had over the past years about the need for this reform and the real benefits it will bring, we will be able to gain broad popular support for this proposal. Unless we clearly make our case for the need for this reform, we will never be able to secure these crucial policy choices. I feel strongly enough in my support for increasing competition in the insurance market that I support the passage of the public option and the repeal of the anti-trust exemption, using whatever means is necessary, including reconciliation.

Warmly,



Joe Sestak