

Executive Alert Extra

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WHAT'S HAPPENING AT THE NCPA

MAY/JUNE 2001

NCPA & AMA Host Health Reform Briefing

“There are about 44 million Americans who lack health insurance in any year. The time has come to work together on a refundable tax-credit to purchase health insurance.” That was the bipartisan message from Rep. Nancy Johnson (R-Conn.), the chairwoman of the House Ways & Means Health Subcommittee, and her fellow subcommittee member Rep. Jim McDermott (D-Wash.) as they addressed a Capitol Hill briefing on the competing visions for creating a health care tax credit hosted by the NCPA and the American Medical Association (AMA).



Rep. Jim McDermott (D-Wash.)

The briefing was moderated by E. Ratcliffe Anderson, Jr. MD, Executive Vice President and CEO of the AMA. Reps. Johnson and McDermott detailed their differing approaches to tax credits, which have each garnered bipartisan support. The briefing also featured presentations by NCPA President John C. Goodman, who provided answers for many of the prevailing questions about how a refundable tax credit approach might work to reduce the uninsured; and AMA economist Gregory Wozniak, who discussed his organization's simulation model, which allows the AMA's Center for Health Policy Research to estimate the varying costs and increases in health coverage for the competing tax credit reform proposals.



(Left to Right) John C. Goodman, NCPA President; E. Ratcliffe Anderson, Jr. MD, Executive Vice President and CEO of the AMA; and Jesse Hixson and Greg Wozniak, co-directors of the AMA's Center for Health Policy Research.



NCPA

Rep. Nancy Johnson (R-Conn.), Chairwoman of the House Ways & Means Subcommittee on Health.

Asmus Speaks Across the Country

NCPA senior economist Barry Asmus continues to keep a busy schedule traveling the country, speaking to business and community groups. Rarely does a week go by without Dr. Asmus giving a presentation to some convention, conference or meeting, somewhere. In fact, he speaks to about six different groups a month, averaging between 70 and 80 speeches a year. Recent presentations include such industry leaders as credit card giant American Express, Texas-based computer manufacturer Compaq, farm equipment leader John Deere, and insurance mainstay State Farm.

Named by USA Today as one of the five most requested speakers in America, his comments on business, the economy, the future, globalization and public policy are full of enthusiasm and humor.

Bartlett Tells House; Tax Cut is Affordable, Necessary

President George W. Bush's proposed 10-year \$1.6 trillion tax cut will not cost as much as is predicted because the published estimates do not take into account that the rate cut will stimulate the economy.

That was the primary message of leading supply-sider and NCPA Senior Fellow Bruce Bartlett in testimony before the House Budget Committee in March. Bartlett also opposed creating an automatic trigger within the budget that would make future tax cuts dependent on meeting a certain level of budget surplus. "Rate cuts are never really permanent," he said. "Congress can easily choose to raise taxes on its own at any time, and does so regularly."



NCPA Senior Fellow Bruce Bartlett testifies at a recent hearing of the U.S. House Budget Committee.

NCPA Hosts Medicare Reform Briefing

Even though the prescription drug issue is at "fever pitch" in Congress, it is "unlikely" that legislation will pass this year because of a lack of consensus on how a Medicare drug benefit would be funded and structured, said Gail Wilensky, Chair of the Medicare Payment Advisory Commission and former Director of the Health Care Financing Administration. The briefing was cosponsored by the National Association for Business Economics' Health Economics Roundtable.

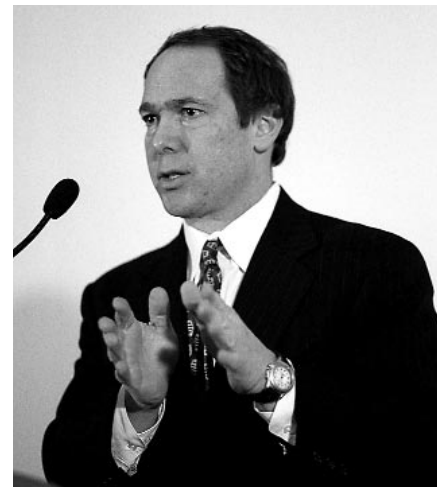
Also at the briefing, NCPA Senior Fellow Robert Goldberg stressed that the effort to create a universal drug benefit on top of the existing Medicare program will lead to price controls, rationing and delayed access to breakthrough medicines at the expense of poor and chronically ill seniors.

NCPA President John Goodman noted that according to a study conducted for the NCPA by Milliman & Robert-



Gail Wilensky, Chair of the Medicare Payment Advisory Commission (above) and NCPA Senior Fellow Robert Goldberg (right) discuss Medicare and prescription drugs at a recent briefing.

son, Inc., one of the nation's leading actuarial consulting firms on health benefits, if the elderly were allowed to combine Medicare funds with the money they currently spend on private insurance and pay premiums into a comprehensive private plan instead, they could have access to full prescription drug coverage without the government spending an additional dime.



Outreach



President Giscard D'Estaing Speaks at Summers Lecture

1. NCPA President John C. Goodman asks former French President Valéry Giscard D'Estaing a question during the recent Summers Lecture.
2. NCPA Senior Vice President Jeanette Goodman visits with NCPA Board Member Bud Smith following the Summers Lecture.
3. NCPA Board Member Dan Cook talks with President Giscard D'Estaing.
4. Hugh Akin, Executive Director of the Hatton W. Summers Foundation, talks with Summers scholars Clarissa Hodges (center) and Stephanie Smith of the SMU Dedman School of Law.
5. President Giscard D'Estaing speaks with Sherrill and JoAnn Pettus.



NCPA/PRI Hosts Conference on Urban Sprawl

6. Pacific Research Institute President Sally Pipes gives welcoming remarks, at a recent conference on urban sprawl co-hosted by the NCPA and PRI in Dallas.
7. NCPA Senior Policy Analyst H. Sterling Burnett talks about the environmental impacts of suburban growth.
8. The Heritage Foundation's Ron Utt (left) and PRI's Steven Hayward (right) talk between sessions.



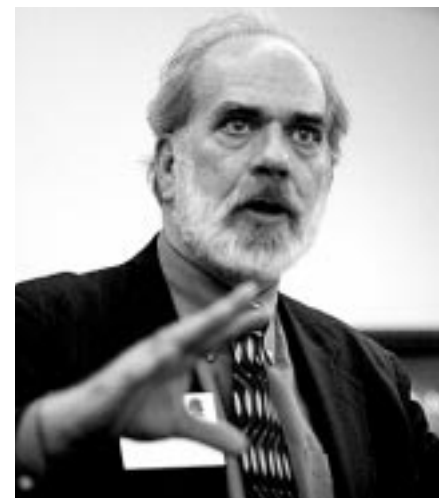


NCPA President John Goodman (left) and Advocare President and Founder Charlie Ragus visit with Retired General Norman Schwarzkopf in Dallas.

Burnett Tells Texas Committee Gun Show Loophole Doesn't Exist

Mandating background checks at gun shows will not reduce crime significantly. Rather than closing a loophole in current law, mandatory background checks will be a step toward banning private firearm sales between individuals.

That was the primary message of gun law expert H. Sterling Burnett, NCPA senior policy analyst, in March testimony before the Texas House Criminal Jurisprudence Committee. Burnett was asked to testify before the committee, which was debating a bill on gun shows, based on a brief analysis Burnett had authored for the NCPA on that subject.



NCPA Senior Fellow Greg Scandlen discusses the movement toward a defined contribution plan for health benefits at the annual meeting in Washington, D.C., of the Federalist Society.

Goodman Takes School Choice Message to Howard University

Our country already has a de facto system of school choice, and it works reasonably well so long as you're not poor. That was the message NCPA President John C. Goodman conveyed at a symposium at Howard University Law School. The catch is that in order to select a school for their children, parents have to be able and willing to purchase a home in its vicinity. Since houses near better schools cost more money, there is a hidden tuition in the form of higher housing prices that rations attendance.

Goodman noted that since middle and upper income families already exercise choice, the school choice debate essentially is about allowing the children of poor families to escape lousy schools, whether to a private school or to another public school. Evidence from around the country shows that where the poor are given choice, it benefits children, teachers and parents.

The Howard University Law School, which is the nation's most prominent predominantly African-American law school, is planning a special issue of its Law Journal this fall, featuring essays by Goodman and others.

NCPA 2001 Event Schedule

The NCPA is pleased to announce the following events for 2001. Details for each event will be forthcoming. Please contact the Events Department at 972-386-6272 to reserve your place at one of these exciting events.

May 21
James A. Baker III
Former U.S. Secretary of State
Summers Lecture Series

June 6
Stephen Moore
Policy Forum
Federal Reserve Bank of Dallas

August (t/b/c)
Stephen Ambrose
Summers Lecture Series

October (date t/b/c)
Bob Kerrey
Summers Lecture Series

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