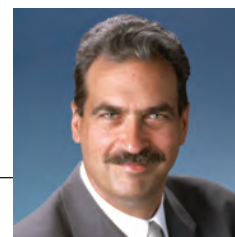




Reforming Health Care

A Conversation With Kelly Services CEO Carl Camden



By Edward A. Lenz

Among the hot-button issues likely to be on the agenda for the next U.S. president and Congress is a renewed effort to overhaul the nation's health care system. ASA member companies Kelly Services and Manpower are members of a coalition called Better Health Care Together, formed to advocate for health care reform. In this article, Carl Camden, Kelly Services president and chief executive officer, shares his views on the subject.

You've emerged as one of the leading staffing industry advocates for health care reform. Why is that a top national priority in your view?

At \$2.2 trillion dollars, health care spending is now 16% of gross domestic product and moving rapidly to 20%. Nearly 50 million Americans do not have health care coverage. The current system is neither economically sustainable, nor morally defensible. Moreover, U.S. health care outcomes lag the performance of other countries.

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For our industry in particular, dependence on employer-provided health care is leaving millions of nontraditional workers without quality, affordable health insurance coverage and keeping untold numbers of individuals locked into unsatisfactory jobs solely for health insurance purposes. Today, that system shortchanges the more than 22 million American workers who are by choice "free agents"—free-lancers, temporary and contract workers, independent consultants, and entrepreneurs.

Nontraditional workers, whose numbers will continue to increase in the future, suffer the tangible, real-world disadvantages imposed by our current approach. The tax system treats them unfairly by forcing them to purchase health insurance with after-tax dollars. And then the insurance system compounds the problem by relegating them to the expensive individual market.

You've stated publicly that expanding health insurance coverage would

Coalitions for Health Care Reform

In addition to Better Health Care Together, a number of coalitions have been formed in recent years to push health care back onto the national agenda in Congress and in the White House. Among them are the following:

- The Partnership to Fight Chronic Diseases, which has spent the past year meeting with presidential candidates' advisers to offer policy ideas for overhauling the health care system. The bipartisan partnership has broad industry backing.
- The Bipartisan Policy Center, founded by four former Senate leaders (two Republicans and two Democrats) to develop solutions to health care and other issues.
- The Partnership for Quality Care, an association of health care providers and labor unions.
- The Health Care Coalition for the Uninsured, which includes the U.S. Chamber of Commerce, AARP, hospitals, insurers, and drug makers.
- The Coalition to Advance Health Care Reform, an association of 50 business leaders who are advocating for market-based changes.
- Divided We Fail, formed by AARP, the Service Employees International Union, the Business Roundtable, and the National Federation of Independent Business. The group has also tapped Hollywood to recruit marquee names to urge federal action.

The work of these organizations is supplemented by other, specialized groups, ranging from the Campaign for Children's Health Care, to the American Cancer Society and the American Heart Association, to hospital and physician organizations.

Networking among those groups is often done at meetings of the National Coalition on Health Care, the grandfather of the groups that emerged during the 1993 battle to reform health care.

Source: Politico

lead to a significant increase in temporary and contract employment. Why do you believe that will happen?

Our proprietary research tells us very clearly that if we develop a new system—one that decouples health insurance from the employment relationship and allows employees to take their coverage with them—many more people will consider employment with a staffing firm and for longer periods of time. The lack of portability and easy, equitable access to health care coverage is a major deterrent to working as a temporary employee. If we remove that barrier, it will increase the available talent pool for all of us.

Kelly Services is a founding member of the Better Health Care Together coalition. Who are the other members, and how do you think the coalition can help solve the problem of the uninsured?

Better Health Care Together is an unusual partnership of business, labor, and civic organizations that came together around a set of four common-sense principles for achieving a new American health care system by 2012:

- Every person in America must have quality, affordable health insurance coverage.
- Individuals have a responsibility to maintain and protect their health.
- America must dramatically improve the value it receives for every health care dollar.
- Businesses, governments, and individuals all should contribute to managing and financing a new American health care system.

In addition to Kelly services, members of the coalition include AT&T, the Howard H. Baker Jr. Center for Public Policy at the University of Tennessee, the Center for American Progress, the Committee for Economic Development, the Communications Workers of America, Intel, the Service

Employees International Union, Wal-Mart, General Mills, and Manpower.

Kelly Services is pleased to support this effort and to participate with other organizations committed to making health care reform a reality. We look forward to helping shape the debate and fixing a health care system that is hopelessly broken.

How did Kelly Services first become involved with Better Health Care Together?

Andy Stern, president of SEIU, wrote a letter to the CEOs of the Fortune 500 expressing his willingness to work with business leaders on health care reform, a potentially risky move for a labor leader. When I learned that Andy was also working with Wal-Mart CEO Lee Scott, I knew they were both absolutely serious about health care. In fact, the overwhelming need for health care reform may be one of the few things they do agree on. I returned Andy's letter, we found time to have a meal together, and we have been working together ever since.

What role do you personally play in the work of the coalition?

I shared in the early organizational work. I participated in our first trip as a group to Capitol Hill, as well as other events in Washington, DC, and New York City. Recently, I have been on the program for a regional forum in Oregon. Generally, I view my role in the coalition to be the voice of our temporary employees, and for nontraditional workers in general.

Have you taken an active role in other public policy issues?

Kelly Services has a long history of active involvement in public policy issues that goes back to the 1960s and '70s when temporary staffing was under concerted attack at both the state and federal levels. More recently, I am proud of Kelly's stance and leadership in stop-

ping an unemployment tax dodge called SUTA dumping. We were out in front in bringing the issue to Congress and, with ASA's support, we closed that loophole. I am confident that but for our actions, the loophole and its abuse would still exist today. Our current health care reform activity continues that tradition.

The coalition's four principles are very general. Are there plans to translate those broad principles into specific legislative proposals and, if so, does the coalition favor a particular approach over others?

The primary focus of the coalition for the near term will remain on the urgency of health care reform. We will do all we can to keep health care at the top of the Washington agenda. We will also push for a bipartisan, solutions-oriented approach to the issue.

Apart from severing the link between health insurance coverage and employment and ensuring portability, are there any other specific provisions that you think should be included in any health care reform proposal to accommodate the needs of staffing firms and their employees?

I think insurance access and portability are the keys. But any successful package must also address cost controls, efficient use of technology, and outdated reimbursement models and delivery systems. ASA could serve as a clearinghouse for other ideas that would be of particular value to our temporary employees.

The presidential candidates have significantly divergent views on health care reform. Sen. McCain has outlined a plan that would shift the focus away from employer-based plans by using tax incentives to allow individuals not connected with an employer to buy their own insurance, whereas Sen. Obama's plan would mandate that most employers provide coverage.

Given your preference for separating health care from the employer, do you favor one candidate's plan over the other?

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Health Care Reform for the Flexible Work Force

ASA supports health care reform that expands access to health insurance coverage for all Americans and preserves the benefits of temporary and contract work. All elements of society—government, health care providers, insurers, businesses, and individuals—must participate in the reform effort, and any solution should not be anchored to the traditional, employment-based, health insurance model.

ASA has developed an issue paper explaining the role of staffing firms in the economy and how health care reform proposals can avoid undermining the benefits of temporary and contract work.

To download the paper, visit americanstaffing.net. Click on Legal & Government Affairs, then Issue Papers.

McCain's approach is one way of reaching that objective. There can be other ways to address the disparity as well. This will be a long and complex debate with many interests in play. We will observe it closely, and engage on particular topics as the debate evolves.

Has Better Health Care Together any plans to reach out to either candidate?

Indeed we do. There will be active outreach to both candidates between now and the election. We will emphasize our willingness to work with the new administration and with the new Congress on this very difficult issue. We will stress the need for a bipartisan approach and the need for a civil, respectful dialogue during the debate.

As you know, in the past two years, the American Staffing Association has been very active in opposing various state health care bills that would simply have perpetuated the current employer-based system. As the debate shifts to the national level, what do you see as ASA's role in helping to promote sensible health care reform proposals in Congress?

The health care debate gives ASA and our industry a rare opportunity to be genuine advocates on behalf of our temporary employees. Should we fail to take it now, it may not soon come again. Only we can do that. Our clients will not. If a new system is good for our temporary employees, then it is good for us. We must push for reforms that meet their unique needs and the needs of a modern, flexible, 21st century work force. ■

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