



COSTLY, OVERLAPPING & INCONSISTENT REGULATION IS REDUCED BY NATIONALLY UNIFORM STANDARDS

Giving states flexibility to design and implement their own separate health care systems will significantly increase the aggregate amount of regulation imposed on purchasers, providers and taxpayers because:

- There is no reason to expect that different states' approaches to reform will be consistent or fully compatible with one another.
- Businesses operating in multiple states, or with employees residing in different states, must comply with each state's regulations.
- Insurers operating in multiple states must comply with each state's regulations.
- Physicians and hospitals operating in multiple states, or with patients who reside in multiple states, must comply with each state's regulations.
- Compliance with a patchwork quilt of inconsistent and incompatible state-by-state regulation will be significantly more difficult and costly than compliance with a nationally uniform set of comparable federal standards, since businesses, insurers and providers will have to maintain expensive and redundant compliance procedures.

In contrast, relying on nationally uniform health care standards ensures that purchasers, providers and taxpayers will be treated the same no matter where they reside or do business.

In addition to fairness, and a reduction in aggregate compliance costs and burdens, uniform treatment has distinct economic advantages to consumers over state-by-state regulation, including:

- The elimination of barriers to the free movement of health care goods and services in interstate commerce; and
- The creation of a consistent and compatible environment that fosters innovation and experimentation in health care delivery and products.