Exhibit 2

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REP. LOUISE M. SLAUGHTER HOLDS A MEETING ON THE PATIENT PROTECTION AND AFFORDABLE CARE ACT

March 20, 2010 Saturday

EVENT DATE: March 20, 2010

TYPE: COMMITTEE HEARING

LOCATION: WASHINGTON, D.C.

COMMITTEE: HOUSE COMMITTEE ON RULES

SPEAKER: REP. LOUISE M. SLAUGHTER, CHAIRWOMAN

WITNESSES:
REP. LOUISE M. SLAUGHTER, D-N.Y., CHAIR REP. JIM MCGOVERN, D-MASS. REP. ALCEE L. HASTINGS, D-FLA. REP. DORIS MATSUI, D-CALIF. REP. DENNIS CARDOZA, D-CALIF. REP. MICHAEL ARCURI, D-N.Y. REP. ED PERLMUTTER, D-COLO. REP. CHELLIE PINGREE, D-MAINE REP. JARED POLIS, D-COLO. REP. HENRY A. WAXMAN, D-CALIF. REP. SANDER M. LEVIN, D-MICH. REP. GEORGE MILLER, D-CALIF. REP. XAVIER BECERRA, D-CALIF. REP. ROBERT E. ANDREWS, D-N.J. REP. FRANK PALLONE JR., D-N.J. REP. ROBERT A. BRADY, D-PA. REP. ANTHONY WEINER, D-N.Y. REP. GWEN MOORE, D-WIS.
REP. PAUL D. RYAN, R-WIS. REP. JOE L. BARTON, R-TEXAS REP. DAVE CAMP, R-MICH. REP. JOHN KLINE, R-MINN. REP. JEB HENSARLING, R-TEXAS REP. JOHN SHIMKUS, R-ILL. REP. LEE TERRY, R-NEB. REP. PHIL GINGREY, R-GA. REP. MARSHA BLACKBURN, R-TENN. REP. MICHAEL C. BURGESS, R-TEXAS REP. STEVE SCALISE, R-LA. REP. WALLY HERGER, R-CALIF. REP. TRENT FRANKS, R-ARIZ. REP. CHARLIE DENT, R-PA. REP. ERIK PAULSEN, R-MINN. REP. BILL CASSIDY, R-LA. REP. PHIL ROE, R-TENN. REP. STEVE BUYER, R-IND.
REP. DAVID DREIER, R-CALIF. RANKING MEMBER REP. PETE SESSIONS, R-TEXAS REP. LINCOLN DIAZ-BALART, R-FLA. REP. VIRGINIA FOXX, R-N.C.
REP. HENRY A. WAXMAN, D-CALIF. REP. SANDER M. LEVIN, D-MICH. REP. GEORGE MILLER, D-CALIF. REP. XAVIER BECERRA, D-CALIF. REP. ROBERT E. ANDREWS, D-N.J. REP. FRANK PALLONE JR., D-N.J.

We've addressed a lot of these things, and that is why it's a complicated system. So I think that it is something where we have looked at -- we want to make sure it's affordable for all middle-class Americans, because they're being challenged the most. We know the insurance companies have been given a free ride, so we want to hold them accountable, and we want to, you know, have accessibility for those who don't have it right now.

And those are the principles that we've built this upon. Now, I can't see us pulling this thing apart right now. We've gotten this far. I know there are challenges ahead here. But anything this big is going to have been taken this long.

And when we make policy and we try to get it to the floor, we know it's not the most simple way at all, but this is not a simple situation at all. This is almost the last thing we can do right now for all Americans. We'd like to do it.

Now, I'd like to see probably Mr. Pallone or Mr. Miller or Mr. Andrews, why it is so important to have the three legs, the comprehensive aspect of this bill.

PALLONE: Can I...

MATSUI: Yes.

PALLONE: You know, I'll try to be brief, because I know that time is running out. You talked about the system and how the system be changed and how you sat through so many of our -- our subcommittee hearings.

And I know that so much of the emphasis today is on the money. And I don't want to take away from the debt and the -- and the money and all that.

But I think that what we're talking about here -- and so much of our hearing in Energy and Commerce was devoted to this -- is the change in the way we do things.

And, you know, I'm not trying to be critical, Mr. Hensarling, but you said that -- talk about the people that are outside the system, you know, who are not covered. The fact of the matter is, they're in the system. They're going to the emergency room. You know, they are getting care, but they're getting the wrong kind of care at the wrong time.

Everyone's in the system. Everybody gets health care. Nobody can be denied care if they go to an emergency room or a clinic or whatever. But we're trying to change the way we do things, and there hasn't been that much attention to the fact that the whole way we deliver health care is going to be changed, not in the money or the insurance so much, but the fact that it will be preventative.

People will go to see a doctor on a regular basis. They'll get the primary care and that -- you know, different innovative ways of trying to look at care so that it's not just one doctor here, one doctor there, but the whole system, the concept of the medical home.

There are so many things like this that change the way we deliver health care that will not only save a lot of money, as I've said many times today, but also make for better quality care. And -- and that's why I think -- you know, when you say change the system, I think that's what President Obama was talking about, not so much the -- the dollars, but the fact that we need to do things differently, and this turns the system very much away from this.

And, you know, looking at when you get sick, when you go to the emergency, and back towards trying to prevent bad things from happening.

MATSUI: Well, that's why we have a lot of prevention in here, too.

PALLONE: And when people see that, they're going to love this, because it's such a change in the way we do things, in terms of the quality and the delivery of care.

MATSUI: I think we...

(CROSSTALK)

ANDREWS: If the gentlelady will yield, we've heard almost universally across the House that people say they want to avoid discrimination based on pre-existing conditions. It's hard to find a member who says he or she is not for that.

In order to accomplish that and not spike premiums for insured people, you have to have a larger pool of people that are covered eventually. You can transition into that, but eventually that's what you have to do.

So then people say, well, why do you have the exchanges? Well, because when you're bringing in the larger pool of people to make the pre-existing condition work, you want to have a competitive marketplace, unlike the existing marketplaces in this country, that gets the best deal for people.

And then people say, well, why do you have to have the subsidies? Well, to get people into this marketplace, if somebody's making $25,000, $35,000, $40,000 a year, you can have all the marketplace you want, but they can't buy in without the subsidies.

And people say, why do you have to have the spending restraints and the revenue? Well, you can't have the subsidies without the spending restraint and the revenue.

So I would say to you, gentlelady, that this easy answer, which is so glibly stated by people, "Let's just take care of the pre- existing condition problem," it doesn't fit together if you don't take the next step and the next step and the next step and make it work.

The people in the country deserve more than a half-baked solution that won't work. And that's what this bill does.

DREIER: Would the gentlewoman yield?

MATSUI: Certainly I'll yield.

DREIER: I thank my friend for yielding. And I appreciate this exchange, but I just wanted to share with our colleagues and see if there's any response to a story that has just come out from the Washington Post in the last few minutes.

It says House Democratic leaders say -- let's see here -- House Democratic leaders say that they will take a separate vote on the Senate health care bill, rejecting an earlier, much criticized strategy that would have permitted them to deem the measure passed without an explicit vote. And I just wondered if this is a decision that has been made by the House Democratic leadership. I know that Mr. Cardoza raised concern about it earlier.

MCGOVERN: Let me -- if the gentleman would yield to me, as you know, we're having this hearing, and we have not put a rule together, and that's the whole point of this. And at the end of the -- at the end of this hearing, we will meet and try to...

DREIER: It sounds like it has happened, basically...

(CROSSTALK)

DREIER: ... Washington Post...

(CROSSTALK)

MATSUI: Reclaiming my time here...

CARDOZA: Would the gentlelady yield?

DREIER: "Dems drop the deem and pass plan," is what it says.

CARDOZA: I believe that there has been significant discussion. I want to thank the House leadership for, in fact, indicating to a number of us that that is, in fact, what's going to happen.

And I think that we've had sanity prevail here, and I'm very pleased about that. It's not -- as I said before, it's not that it wasn't unconstitutional or illegal, but it was something that we should have just done in the light of day, straight up. And I want to praise the House leadership...

DREIER: This is something that never has been done before on an issue of this magnitude.

MATSUI: Well, reclaiming my time here, Mr. Miller, did you want to say something?

MILLER: Just to build on what Congressman Andrews said, we have been incrementally tinkering with this system for 50 years at a minimum. And so then when you want to make the kind of -- the kind of change that brings about the efficiencies in the system, the expansion of the system, and controls the utilization in terms of getting value as opposed to activity, if you don't, as Mr. Andrews said, put everybody in, it doesn't work.

You know, that's from the insurance companies. That's from the medical practitioners, the providers who say to you over and over again -- not necessarily agreeing with this bill, but this is what you're going to have to do. You're moving the right pieces around, whether you're talking to the providers or whether you're talking to the insurance industry. And, again, they will argue over bits and pieces of this.

What we have to date is a history where all of the adverse indicators are just tumbling downhill. Businesses large and small are shedding the coverage. Small businesses are shedding the coverage. One of the -- one of the premier insurance providers, employers in our state, is now putting a surcharge on spouses, a surcharge on children. They're offloading, and they've been offloading for a decade the cost to the enterprise onto the employees. That is going on all the time.

If you're in -- if you're in an organized union, what you see is more and more is going to -- is going to health care and less and less is going to discretionary income and people's pockets.

So the trends are all in the wrong direction, and they're accelerating. They're absolutely accelerating, in terms of dramatically increasing the uninsured. In our state today, the L.A. Times tells us it's 1 in 4. They tell us there's a $1,000 cost premium on every Californian.

So you've got to bring the people into the system. You've got to drive the efficiencies. You've got to drive the savings. You've got to drive the value of the engagements that take place.

And the fact of the matter is, with medical I.T., with these changes, you get a dramatic change in behavior. At Kaiser hospitals, one of the -- one of -- -- one of the most successful enterprises, now patients are able, without getting a doctor office visit, can ask their doctors questions and get immediate replies within a few minutes of what's bothering them.

They can check their blood pressure, their cholesterol all at home, and it can monitored back and forth. And studies can go on because of the data systems about what works for people under 45, over 45, with different prescriptions and how do generics match up, and all of that is taking place.

And there are employers in our state that say, if Kaiser wasn't available, they could not provide health