

Canada - United States
Inter-Parliamentary Group
Canadian Section



Groupe interparlementaire
Canada - États-Unis
Section canadienne

**Report of the Canadian Parliamentary Delegation
respecting its participation at the Council of State
Governments - Annual Conference**

Canada-United States Inter-Parliamentary Group

**Providence, Rhode Island, United States of America
December 3-6, 2010**

Report

DELEGATION MEMBERS AND STAFF

From December 3-6, 2010, the Honourable Wayne Easter, P.C., M.P., Vice-Chair of the Canadian Section of the Canada-United States Inter-Parliamentary Group (IPG), led a delegation from the Canadian Section to the annual meeting of the Council of State Governments (CSG) in Providence, Rhode Island. Other members of the delegation were the Honourable Fred Dickson, Senator, the Honourable Wilfred Moore, Q.C., Senator, Ms. Monique Guay, M.P. and Mr. Ed Holder, M.P. The IPG was accompanied by Mr. Chad Mariage, the Group's Executive Secretary, and Ms. June Dewetering, Senior Advisor to the IPG.

THE EVENT

The Council of State Governments serves all three branches of state government and provides regional fora – the western, midwestern, southern and eastern regional conferences – through which ideas and insights are exchanged with a view to shaping public policy. Each year, the CSG convenes an annual meeting, which is attended by selected governors and state legislators from throughout the United States. In addition to this annual meeting, the CSG's various regions hold an annual meeting.

DELEGATION OBJECTIVES FOR THE EVENT

The interaction with governors and state legislators enables members of the Canadian Section of the IPG to achieve the aim of finding points of convergence in respective policies, initiating dialogue on points of divergence, encouraging exchanges of information and promoting better understanding among legislators on shared issues of concern. Moreover, the meetings provide members with an opportunity to give input to, and gather information about, state-level issues that affect Canada. In light of the nature, scope and importance of the bilateral relationship, it is anticipated that the Canadian Section of the IPG will continue its participation at the CSG's annual national and regional meetings.

In particular, delegates found the 2011 annual meeting of the CSG to be an important occasion on which to speak with state legislators from throughout the United States as well as with Governors Douglas (Vermont) and Schweitzer (Montana). Delegates informed the governors and state legislators that Canada is the primary foreign export market for 35 U.S. states and that 8 million U.S. jobs depend on bilateral trade with Canada. As well, delegates met with Canada's representatives in Washington, Ambassador Gary Doer, and in Boston, Consul General Pat Binns. These sorts of meetings are invaluable in gaining insights about American views of Canada and about Canada's activities, through Canadian diplomats, in the United States.

ACTIVITIES DURING THE EVENT

During the 2010 annual meeting, the CSG held the following meetings:

- Point/Counterpoint: Diagnosing the Constitutionality of Federal Health Care Reform
- Public Policymakers' Guide to Reducing Health Care Costs
- Doctor, Doctor Give Me the News: A Physician's View of What Really Works to Improve Health and Lower Costs
- Narrowing Rural Health Disparities
- The 2010 Election: Issues and Answers
- Sharing Capitol Ideas Roundtables: Preview 2011 on Fiscal/Economy
- Preview 2011 – What's Ahead for State Government
- As Seen on TV: How to Produce an Effective Political Message
- Canada & the U.S. – Neighbors, Friends, Allies
- Wait, You Do What?! Exploring Similarities and Differences in Responsibilities of U.S. States and Canadian Provinces
- Education: Common Core State Standards – Adoption & Transition.

This report summarizes the discussions that occurred at the plenary and selected committee sessions.

POINT/COUNTERPOINT: DIAGNOSING THE CONSTITUTIONALITY OF FEDERAL HEALTH CARE REFORM

Gillian Metzger, Columbia Law School

- the legislation at issue is not “Obamacare,” but rather the Affordable Care Act
- the requirement to purchase minimum adequate insurance coverage is enforced by a penalty that is not punitive; the size of the penalty is approximately equal to the cost of purchasing minimally adequate insurance coverage
- a “tax” must be revenue-raising; in the case of the Affordable Care Act, failure to purchase minimum adequate insurance coverage results in the payment of a non-punitive – and, thus, not criminal – penalty, not a tax
- since health care has an economic impact, regulation of health care falls within the U.S. Congress' commerce power
- a failure to purchase minimum adequate insurance coverage involves inactivity, rather than activity
- if there is something improper in requiring people to act, then it is improper to require people to file a tax return

Ilya Shapiro, Cato Institute

- in 2010, there were more than 20 serious legal challenges by states, trade associations and individuals to “Obamacare;” the constitutional challenges go to the very heart of the relationship between the government and the individual
- legal challenges to “Obamacare” are likely to be heard in the U.S. Supreme Court in spring 2012
- according to some, if the federal government is permitted to force individuals to purchase insurance, then anything is capable of being regulated by the federal government; for example, it is wondered whether the federal government could also require individuals to eat a certain number of servings of fruits and vegetables each day
- if the U.S. Congress is the judge of its own powers, then there are no checks and balances
- the requirement to purchase car insurance is a state power and is related to the choices to purchase a car and to drive, unlike the mandatory requirement to purchase health insurance, which is a consequence of being alive
- “Obamacare” is unprecedented in that it is dictating to individuals that they must purchase a specific item; this situation is not the same as making people respect, for example, a fuel standard

PUBLIC POLICYMAKERS’ GUIDE TO REDUCING HEALTH CARE COSTS

Vernon Smith, Health Management Associates

- over the 1999-2010 period, health insurance premiums increased at a rate four times the rate of inflation and growth in earnings; with or without health care reform, premiums are expected to grow
- the result of rising health insurance premiums has been a steady erosion in employer-sponsored health insurance
- Medicaid enrolment has increased by about 6 million individuals since the beginning of the recent recession; since Medicaid is a means-tested program, enrolment rises during a recession and falls with an economic recovery
- Medicaid has become the largest health care program in the United States, and a significant share of state spending is directed to Medicaid
- because Medicaid costs are already low, lowering Medicaid cost growth is a challenge; the program is already well-administered, enrollees are relatively sicker, benefit restrictions often result in few savings, all of the “easy” cuts have already been made, some options are limited by federal law, spending is concentrated among those who are disabled and have high health care needs, and reductions have real impacts on beneficiaries and service providers

- costs for long-term care represent one-third of Medicaid spending; home care and community care are encouraged whenever possible, since they are less costly and are preferred by beneficiaries
- the states have become increasingly focused on getting more value for the Medicaid funds that they spend
- often, value gained is not commensurate with health care spending
- people need the right care at the right time
- much of the mortality in the United States is amenable to health care
- the United States has the best health care system in the world, but it is expensive
- spending on Medicare and Medicaid is the primary driver of future federal spending growth and federal deficits

Senator Richard Moore, Massachusetts Senate

- in respect of health care, it is important to limit costs and improve quality
- in Massachusetts, health care reform focused on increased coverage, higher quality and reduced costs
- emergency-room use is costly, and efforts should be made to reduce such use
- with health technology, it is possible to monitor remote community hospitals in a relatively inexpensive manner
- the priority should be patient-focused outcomes, and the public should be educated about how to be a good patient

Jason Helgeson, Wisconsin Department of Health Services

- in Wisconsin, efforts have been made to increase health care coverage; in the state, 98% of citizens, including every child, has access to affordable health care
- efforts are also being made to ensure that programs are simple, since complexity is more costly and makes it relatively more difficult to “navigate” the system
- health care challenges in Wisconsin include access, cost, quality and financial stability in relation to Medicaid
- states should not focus exclusively on short-term “fixes” in order to meet budgetary pressures; if the focus is on the short term, the long-term changes that are needed will not occur
- stakeholders should be consulted throughout the health care reform process; changes should not be “sprung on” stakeholders
- budgets present an opportunity to implement values and priorities

DOCTOR, DOCTOR GIVE ME THE NEWS: A PHYSICIAN'S VIEW OF WHAT REALLY WORKS TO IMPROVE HEALTH AND LOWER COSTS

David Newman, Mount Sinai School of Medicine

- good-quality data, in sufficient quantity, are needed in order to make correct decisions, including in respect of health care
- it is not possible to ascribe cause and effect with an observational study; it is possible to speak about correlation
- we do not know enough about science, and what we do know is poorly communicated to the public
- provable truth comes only from randomized control trials, but randomized control trials do not always give you provable truth

NARROWING RURAL HEALTH DISPARITIES

Keith Mueller, University of Iowa

- changes are occurring in private insurance coverage; as people move from uninsured to insured status, there will be increased pressure on the health delivery system to deliver service and to contain costs
- growth in patient-centred medical homes is likely to occur
- there is a significant focus on recruiting and retaining primary health care providers, especially in rural areas; in all areas, there is a need to make optimal use of all health care professionals
- there are a variety of important questions that must be considered regarding health care providers and their work environment: with whom do I work? How do I deal with being on call? How do I ensure that my skills are current?
- there is a need to shift from “provider-based thinking” to “patient-based thinking”: what does the patient need and how do we ensure that the patient gets the service he or she needs?
- in some situations, telehealth is all that is needed to meet the needs of the patient
- the focus should be connecting people in communities with the services that they need, rather than placing services in communities

Representative Steve Maier, Vermont House of Representatives

- greater focus is being placed on patient-centred medical homes and community health teams
- data are needed to induce better decisions and better behaviours
- health metrics must be meaningful
- Bill O’Leary, Microsoft Corporation

- health information technology is an important part of improved health outcomes and reduced costs
- health care providers should be compensated for performance, not for activity

THE 2010 ELECTION: ISSUES AND ANSWERS

David Gergen, CNN and Editor-at-Large, U.S. News and World Report

- there perhaps has never been a time when the challenges have seemed bigger and the capacity of politics to solve them has seemed smaller
- the “rise of the west” has been replaced by the “rise of the rest” or by the “rise and fall of the west”
- an important question is what the United States can do to maintain its economic strength
- in a financial crisis, nations spend in order to get out of a recession and move to a recovery; this spending leads to a financial crisis
- a budgetary deficit is easier to “slay” if the economic is growing
- the United States has generally been a prudent nation; however, the tax cuts and spending of the last decade have meant that the United States is “heading for deep trouble,” and the nation needs to get its debt and deficits under control
- a great global power can decline within a generation
- the number one borrower cannot be the number one power
- the social security challenges can be fixed; health care challenges are much more difficult to solve
- President Obama’s approach to health care reform did not deal with cost and it was not bipartisan; in the past, “successful” social reform legislation in the United States has had bipartisan support
- an important question is how to get the “American job machine,” which appears to be “busted,” operational again in light of the structural problem that appears to exist
- since 2000, there has been no net job creation in the United States
- in the 1970s and 1980s, start-up companies became manufacturers; now, while the United States still has start-up companies, manufacturing is done elsewhere
- the implications of demographic change must be addressed
- the increasing proportion of the U.S. population that is not white is presenting some challenges
- the quality of the American workforce needs to increase in order that “high-end” production can occur in the United States
- the United States seems to have 15- to 20-year cycles in the sense that the nation appears to have a liberal direction for 15-20 years, followed by a conservative direction for 15-20 years, followed by a liberal direction for 15-20

years, etc.; now, there is a conservative Republican majority in the U.S. Congress, and many states have a Republican trifecta

- the United States desperately needs responsible actions regarding the debt, fair taxation, etc. and solutions that will bring people together; each side – Republican and Democrat – needs to develop a respect for the other and they must restore the sense that the nation comes first
- America is great when the wolf is at the door; America is less great when there are termites in the basement

SHARING CAPITOL IDEAS ROUNDTABLES: PREVIEW 2011 ON FISCAL/ECONOMY

Peter Marino, Rhode Island General Assembly Senate Fiscal Advisor

- the U.S. economic recovery is beginning, but it is tenuous; there is a one-in-three chance of a double-dip recession, which is an improvement on the previous one-in-four chance, and most economic forecasters expect to return to pre-recession economic growth by the third quarter of 2013
- fiscal actions will determine the depth and speed of the economic recovery
- U.S. consumers, to a relatively greater extent than U.S. businesses, are beginning to spend again; while layoffs appear to be at an end, new hiring is relatively dormant
- U.S. household debt is declining, and the household savings rate in some income classes is relatively high
- the level of commercial debt will have an impact on the commercial real estate market
- there is economic uncertainty in a number of European countries, including Portugal, Spain, Italy and Greece
- federal stimulus spending is winding down, although it is expected that the U.S. Federal Reserve will continue its “aggressive” behaviour
- although state revenues have largely stabilized and some states have had modest revenue growth, many states have significant budgetary gaps
- federal actions in respect of taxation and program spending affect states
- decisions made today will affect the actions that can be taken tomorrow
- David Craik, Delaware Office of Management and Budget
- negative investment returns in 2008 and 2009 have affected pension plans, with implications for benefits
- some states have pension and health plans that are relatively less generous for recently hired employees

Representative Bob Damron, Kentucky Legislature

- financial services reform will affect states through the impacts of reform on regulatory entities, banks, insurance companies, etc.
- insurance regulation falls within the jurisdiction of the states; states differ in their needs, in the manner that they protect consumers, etc.
- some insurance companies want a federal charter, believing that dealing with one entity would be easier than dealing with states individually
- Laura Fortman, Maine Department of Labor
- the United States has been hit with an extremely hard economic recession
- in the United States, unemployment insurance is a federal-state partnership
- there is some anxiety about what will happen when unemployment insurance benefits “run out”
- everyone has a stake in coming up with a solution regarding unemployment insurance challenges

PREVIEW 2011 – WHAT’S AHEAD FOR STATE GOVERNMENT

Susan Urahn, Pew Center on the States

- the health and prosperity of the United States is grounded in the strength of the states
- going forward, important goals should include high-performing states, fiscal discipline, “smart” program review, effectiveness and efficiency
- 2011 will have a changed landscape, with many new governors, fewer states with “divided” government, etc.

Governor Luis Fortuno, Governor of Puerto Rico

- problems need to be faced head on; leaders must make needed changes quickly and should go as far as they need to go as early as possible
- people expect leadership even though they may not like the actions taken by leaders

Governor Brian Schweitzer, Governor of Montana

- 85% of what the state of Montana does is “educate, medicate and incarcerate”
- to create efficiencies, you need to “go where the money is”
- businesses and households have reduced their spending; they expect their governments to reduce their spending as well
- citizens expect more efficient delivery of the services provided by government

Jim Gehringer, Former Governor of Wyoming

- state governors should establish their priorities and then direct policy through the budget; priority-setting should be the priority

- how you spend – that is, your priorities – is more important than how much you spend
- data should support the decisions that are made
- citizens expect leadership; governors should not take “we have always done it this way” as an acceptable answer
- states must not become captive to federal funds

Governor Donald Carcieri, Governor of Rhode Island

- leaders, including governors, should be solution-oriented
- it should be remembered that, from one perspective, budgets are for the people

AS SEEN ON TV: HOW TO PRODUCE AN EFFECTIVE POLITICAL MESSAGE

Chad Gallagher, Legacy Consulting

- politicians should:
 - understand the issues that are important
 - understand what the message is
 - keep “on message”
 - keep communicating their message
 - understand who the audience is
 - understand what is going on with their audience
 - communicate to their audience in language that the audience understands
 - make the message genuine; that is, not fake
 - define themselves and their issues before their opposition does so
 - keep the “end goal” in mind
 - build a team

Wendy Schiller, Brown University

- politicians should seem sincere and positive
- politicians should combine an important principle with a necessary but negative message: “I know that service cuts are unpopular, but I know that they are the right thing to do for the people”
- if you are going to be negative, be brilliant
- in their ads, politicians should use as many pictures of as many different types of voters as they can in order to broaden their appeal
- politicians should never give their opponent free press unless it is bad press
- visual images should reinforce key themes, and should not be overly sombre
- politicians should use social media

Elizabeth Burke Bryant, Rhode Island KIDS COUNT

- getting elected is one thing; getting something done is another thing entirely

- people “hear” a message through their emotions, values, experiences, etc.

CANADA & THE U.S. – NEIGHBORS, FRIENDS, ALLIES

Honourable Gary Doer, Canada’s Ambassador to the United States

- Canada is a secure supplier of energy to the United States; erroneously, most Americans think that Saudi Arabia, rather than Canada, is the number one supplier of oil to the United States
- in Canada’s oil sands, greenhouse gas emissions and water utilization are falling
- coal-related greenhouse gas emissions in the United States are sixty times the level of oils-sand-related emissions in Alberta
- one of the biggest renewable energy challenges is approval for transmission lines
- demand for fossil fuels is rising in China, India, etc.
- all energy sources have a role to play in a secure energy future
- Canada and the United States are undertaking energy-related research and development as well as energy sustainability measures
- Canada and the United States currently work together in managing risk with a perimeter view; for example, consider the North American Aerospace Defense Command (NORAD)
- a risk to the United States is a risk to Canada

WAIT, YOU DO WHAT?! EXPLORING SIMILARITIES AND DIFFERENCES IN RESPONSIBILITIES OF U.S. STATES AND CANADIAN PROVINCES

Speaker Charlie Parker, Nova Scotia Legislature

- in Canada, the Queen is the Head of State, there is a Westminster style of government, and Speakers of the legislatures are non-partisan and play no role in assigning legislators to particular committees
- the Canadian provinces are unicameral
- in Canada, only the prime minister’s constituents are able to vote for him
- Canada has three major political parties: the Conservative Party, the Liberal Party and the New Democratic Party

Gary Mar, Government of Alberta

- most Americans do not know that Canada is their largest foreign supplier of energy
- Canadian oil is “conflict-free” oil
- world-class energy suppliers have responsibilities regarding environmental sustainability
- in Canada, most of the legislative agenda is generated by the prime minister and his/her Cabinet, as is the case in the provinces

- Canada's Constitution sets out federal and provincial/territorial jurisdiction and responsibilities; health, education and natural resources are within provincial/territorial jurisdiction
- Canada has world-class universities
- generation X is becoming generation XXL

David Biette, Woodrow Wilson Canada Institute

- Canada and the United States have the world's largest trading relationship, and share families, friendships, non-governmental organizations, trade unions, companies, etc.
- three-quarters of Americans live in a non-border state
- the bilateral relationship, which is asymmetrical, is very issues-driven, and is hard to manage
- different bilateral coalitions form for different issues, with the result that supporters change from issue to issue
- since the terrorist attacks of 11 September 2001, the United States tends to look at issues through a security lens
- Canada tends to think of sovereignty, and does not want to give it up to the United States

EDUCATION: COMMON CORE STATE STANDARDS – ADOPTION & TRANSITION

Lucille Davy, James B. Hunt, Jr. Institute for Education Leadership and Policy

- every child must be prepared for the demands of the global economy and the workforce of the 21st century
- children should have options for their future
- states attract jobs by being able to indicate that they have a skilled workforce
- parents are a critical partner in educating children
- Barbara Kapinus, National Education Association
- common core educational standards provide an incredible opportunity to change how "business is done" in education
- teachers were involved in the development of the common core educational standards, and most like the standards, believing that they will aid in moving students to a "common achievement"
- the common core educational standards have implications for the instruction that will be provided to students

Patricia Sullivan, American Federation of Teachers

- 65 teachers were involved in writing the common core educational standards; the content is aligned and well-sequenced
- the states have limited capacity

- the implementation strategy in respect of the common core educational standards must be tailored to each state; each will be starting from a different place because each currently has different standards
- from an operational perspective, there is a need to develop a common understanding and interpretation of what the common core educational standards mean

Representative Roger Eddy, Illinois General Assembly

- adopting common core educational standards is not a challenge; the challenge is implementing those standards in accordance with a common understanding
- teachers do not mind being accountable, provided they are involved; when they are involved, their reaction is less likely to be “here we go again!”
- assessments should guide teaching and learning
- resources should be allocated to support the things that are valued and that are priorities
- since societal problems affect students, efforts should be directed to the problems that are giving rise to achievement gaps
- constant consideration should be given to the answer to the following question: are we really preparing students for college and a career?

Benjamin Peck, National Parent Teacher Association

- parents need to understand the elements of the common core educational standards; simple documents that demystify the standards are needed
- equity for all children should be the goal
- all children are entitled to a high-quality education
- more education leads to more opportunities

Respectfully submitted,

Hon. Janis G. Johnson, Senator
Co-Chair
Canada-United States
Inter-Parliamentary Group

Gord Brown, M.P.
Co-Chair
Canada-United States
Inter-Parliamentary Group

Travel Costs

ASSOCIATION	Canada-United States Inter-Parliamentary Group
ACTIVITY	Council of State Governments - Annual Conference
DESTINATION	Providence, Rhode Island, United States of America
DATES	December 3-6, 2010
DELEGATION	
SENATE	Hon. Fred Dikson, Senator Hon. Wilfred Moore, Q.C., Senator
HOUSE OF COMMONS	Hon. Wayne Easter, P.C., M.P., Vice-Chair Ms. Monique Guay, M.P. Mr. Ed Holder, M.P.
STAFF	Mr. Chad Mariage, Executive Secretary Ms. June Dewetering, Senior Advisor
TRANSPORTATION	\$5,821.23
ACCOMMODATION	\$5,179.71
HOSPITALITY	\$41.71
PER DIEMS	\$2,194.06
OFFICIAL GIFTS	\$Ø
MISCELLANEOUS/REGISTRATION FEES	\$2,425.12
TOTAL	\$15,661.83