

Michel, Robert

PHOTOCOPY
PRESERVATION

THE WHITE HOUSE

May 18, 1993

Honorable Robert H. Michel
House of Representatives
Washington, DC 20515

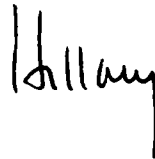
Dear Representative Michel:

Thank you for your letter in support of the invitation extended by Dr. Magbool B. Ali, President, Peoria Medical Society.

Unfortunately, my schedule does not permit me to accept every request that I would like to honor. If I am able to participate in this worthwhile event, I will contact Dr. Ali directly.

Again, thank you for writing.

Sincerely,

A handwritten signature in black ink, appearing to read "Hillary", with a long vertical line extending from the bottom of the name.

THE WHITE HOUSE

WASHINGTON

March 8, 1993

Dear Congressman Michel:

Thank you for your and Senate Republican Leader Dole's kind words of appreciation about the importance the President has placed on the need to work in a bipartisan fashion on health care reform. We want the Republican Leadership, Members, and staff to be actively and regularly consulted as the policy teams develop their recommendations.

As you may know, the policy development work groups are broken out into several different subject areas. The overall effort is being coordinated by the President's Senior Adviser for Policy Development, Ira Magaziner. As Chris Jennings has already relayed to you through your staff, I believe that the best way to structure and assure your involvement is to put in place a two-tiered approach that affords you and your Members both an overview of the working groups' progress and the ability to make ground-level contributions.

First, we should schedule weekly meetings between Ira Magaziner and Republican Members and/or staff. As I understand it, the House and the Senate have requested separate meetings, and we are trying to schedule the first of these meetings later this week.

Secondly, I am enclosing a list of all the working groups, and would like your colleagues and their staff to indicate the areas of greatest concern to them, and the areas where they could best provide ideas and expertise to our teams. As often as once a week, we will schedule the leaders of one of the working groups for a meeting with you and the Members (and/or staff) of your Health Task Force to discuss the work group's progress and to respond to any questions or concerns.

The Honorable Robert Michel
Page Two
March 8, 1993

I hope these suggestions for Republican Member and staff involvement meet with your approval. If you have any questions, please do not hesitate to call me. I look forward to seeing and working with you again.

Sincerely,

Hilary Rodham Clinton

The Honorable Robert H. Michel
Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

THE WHITE HOUSE

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Sincerely,

Hilary Boehm Clinton

The Honorable Robert H. Michel
Republican Leader
U.S. House of Representatives
Washington, D.C. 20515

REVISED:2/22

I. NEW SYSTEM ORGANIZATION

1. PRINCIPLES AND OPERATION OF PURCHASING COOPERATIVES
- 1A. HEALTH PLANS, PROVIDERS AND PATIENTS IN THE NEW SYSTEM
2. SPECIAL ISSUES IN PURCHASING COOPERATIVES TOWARD AND BEYOND
3. GOVERNANCE ISSUES
4. A GLOBAL BUDGET
5. INSURANCE REFORM

II. NEW SYSTEM COVERAGE

6. BENEFITS PACKAGE
7. COVERAGE FOR WORKING FAMILIES
8. COVERAGE FOR LOW-INCOME AND NON-WORKING FAMILIES

III. INFRASTRUCTURE - INTEGRATED HEALTH PLANS

9. QUALITY MEASUREMENT
10. INFORMATION SYSTEMS
11. MALPRACTICE AND TORT REFORM
12. HEALTH CARE WORKFORCE DEVELOPMENT

IV. INTEGRATION OF HEALTH PROGRAMS INTO NEW SYSTEM

13. MEDICARE
14. DoD
15. VETERANS
16. FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM
- 16A. OTHER GOVERNMENT HEALTH PROGRAMS

V. ETHICAL FOUNDATIONS OF NEW SYSTEM

- 17.

VI. TRANSITION TO THE NEW SYSTEM / SHORT-TERM COST CONTAINMENT

18. ACCELERATING NEW SYSTEM DEVELOPMENT

19. SHORT-TERM STEPS TOWARD ADMINISTRATIVE SIMPLIFICATION

20. INTERIM COST CONTAINMENT

VII. FINANCING

21.

VIII. HEALTH POLICY INITIATIVES FOR UNDERSERVED POPULATIONS

22.

IX. MENTAL HEALTH

23. BENEFIT PACKAGE: BASIC AND/OR SUPPLEMENTAL

24. SUBSTANCE ABUSE

25. CHILDREN SERVICES

26. PUBLIC SYSTEM IMPACT

X. LONG TERM CARE

27. BACKGROUND

28. PUBLIC

29. PRIVATE

30. COST AND REVENUE

XI. ECONOMIC IMPACT

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XII. QUANTITATIVE ANALYSIS

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XIII. LEGAL AUDIT

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XIV. NUMBERS AUDIT

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XV. DRAFTING GROUP

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REPRESENTATIVE MICHEL (R-IL)

**COMPREHENSIVE HEALTH REFORM ACT OF 1992
(H.R. 5919)**

Overview:

This is President Bush's health care reform plan. It includes tax credits, small group insurance reform, liability reform, expanded use of coordinated care in Medicare and Medicaid.

Major Elements:

o Tax Credits/Deductions

Transferrable health insurance credits or tax deductions would help Americans purchase health insurance. Individuals, two-person households and families with below-poverty incomes would qualify for credits or deductions of \$1,250, \$2,500 and \$3,750, which will phase down with increasing income.

o Market Reform

Small group reforms include guaranteed issue, eliminating pre-existing condition limits, guaranteed renewability and limits on premium increases. Health Insurance Networks (HINs) would let small firms group together to purchase coverage.

o Coordinated Care

Expand use of coordinated care programs in Medicare. Private-sector coordinated care programs will expand as State-level anti-managed care laws are eliminated.

o State Flexibility in Medicaid

States will be able to choose between combining their Medicaid population and credit certificate recipients into a single, unified program or maintaining two separate programs for these populations. If a State chooses to keep these programs separate, it will be required to ensure that every Medicaid recipient has guaranteed access to care through some version of coordinated care.

o Administrative Costs

Electronic billing, electronic cards, simplified utilization review and market reforms will reduce administrative costs.

o Malpractice Reform

Incentives for States to reform medical liability laws. Also award caps, alternative dispute resolution, and elimination joint and several liability.

o Consumer Information "Blue Books"

o Health Promotion and Disease Prevention

Financing:

Plan is self-financing through savings in Medicaid coordinated care, DSH payments, IME payments, and other public savings.

Groups Affected:

Small businesses and employees, working uninsured, insurers, States, malpractice plaintiffs.

Cost Containment:

Expanded use of coordinated care, malpractice reforms, administrative reforms, market reforms will restore economic incentives to health care sector.

Quality:

Electronic claims processing, including computerized medical records, will assist outcomes research and practice patterns evaluation.