Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. letter	Edited Letter from Breast Cancer Survivor to Mrs. Clinton [partial] (1 page)	n.d.	b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
Liz Bowyer
OA/Box Number: 5433

FOLDER TITLE:
[HRC Daily File] Wednesday, September 15 [1993]

2014-0483-S
sb352

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
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b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Wednesday, Sept. 15th

PROTECTING AGAINST FRAUD AND ABUSE

Fraud and abuse cost the health care system as much as $80 billion each year[1]. Common examples include overcharging for services, charging for medical care that was never delivered, providing financial incentives to doctors to refer patients and delivering unnecessary services.

Simplifying the health insurance system will eliminate opportunities for fraud based on exploiting today's overly complex system. Reforms such as the adoption of standard forms throughout the industry and a uniform coding system not only reduce administrative costs but also reduce opportunities for fraudulent billing. And for the first time, health care fraud will be designated as a crime, and swindlers will be seriously punished.

Health reform proposes a number of additional, aggressive steps to root out and combat fraud and abuse:

- The scope of federal anti-fraud efforts will extend beyond government programs to include fraud in the private sector.
- The Departments of Justice and Health and Human Services will organize an All-Payer Health Care fraud and Abuse Enforcement Program to coordinate federal, state and local law-enforcement activities.
- Federal authority to seize assets from fraudulent providers and to levy criminal penalties for health care fraud expand to include filing false claims against health plans and other fraudulent activity.
- The existing anti-kickback law will protect all health plans, prohibiting the payment or receipt of any item of value as an inducement to refer patients for any type of health care service.
- With specific exceptions to ensure adequate services, physicians or other health professionals will be prohibited from referring patients to laboratories or treatment centers in which the physician holds a financial interest.
- A new health care fraud statute, modeled after existing mail and bank fraud laws, will establish penalties for schemes that defraud health plans.
- A new federal criminal statute will prohibit making false statements deliberately to health plans, health alliances or state agencies.
- A new criminal statute will ban the payment of bribes, gratuities or other inducements to employees of health plans, health alliances or state government agencies. 09/14/93

[1] General Accounting Office

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(b)(6) 001

Dear Mrs. CLinton,

Please help!

Having breat cancer and a partial mastectomy was bad enough--but not horrible because I am proud of my reconstruction.

Having had to endure chemotherapy for six months was bad enough--but not horrible because I gained wisom, strenght and courage from the ordeal. Oh yes, and a great collection of hats!

Having to take tamoxifen for an undetermined length of time is bad enough because it not only accelarates menopause but also ensures that you will experience hot flashes--but not horrible because I have met and laughed with hundreds of women as I fanned myself in public.

But...losing my health insurance and being unable to find full coverage (at any price!) is HORRIBLE! I was insured by my ex-husband's company policy. When his company filed for bankruptcy, it enabled the insurance to immediately place me on a conversion policy--$25,000 will last me four years if I remain totally healthy, cancer free and only require testing and drugs.

In searching for coverage, I have been told "We will never cover you, " or "You must be cancer free for at least five years before we will consider your application," or "You must be treatment free for two years at which time you may apply to have the waiver concerning pre-exisitng conditions removed." After numerous questions, I came to discover that treatment free means no tamoxifen, no oncologist check-ups, no bone scans, and no other x-rays except mammograms. This is incomprehensible!

I presently own my own company and, after ten years. will be forced to give it up in order to slip into the system of a large company. The other possibility is remarraige to a person working for such a company. Are these options? I am a one and a half year cancer survivor who is doing everything medically, physically and mentally to remain cancer free, however, I need the peace of mind that I will be financially able to fight this disease should it ever recur.

[Note: This is an edited version of the attached letter. This woman will be participating in the "letters" event on Thursday.]

FOR RELEASE: September 15, 1993

DEPARTMENT OF JUSTICE AND FTC ANTITRUST ENFORCEMENT POLICY STATEMENTS IN THE HEALTH CARE AREA

The Department of Justice and the FTC today issued six statements of their antitrust enforcement policies regarding mergers and other joint activities among health care providers.

The six statements address: (1) hospital mergers; (2) hospital joint ventures involving high-technology or other expensive medical equipment; (3) physicians' provision of information to purchasers of health care services; (4) hospital participation in exchanges of price and cost information; (5) joint purchasing arrangements among health care providers; and (6) physician network joint ventures.

The statements are designed to provide information to the health care community in a time of tremendous change, and to resolve, as completely as possible, any antitrust uncertainty that might deter beneficial mergers or joint ventures that promise to reduce health care costs. Sound antitrust enforcement will not impede efficient transactions, but it will continue to protect consumers against truly anticompetitive activities that lead to higher prices.

Antitrust analysis is inherently fact-intensive. The six policy statements give health care providers guidance, in the form of "antitrust safety zones," which describe the circumstances under which the Agencies will not challenge conduct under the antitrust laws. The statements also summarize the analysis the Agencies will use to review conduct which falls outside the antitrust safety zones.

Providers who wish to have the Agencies' views on specific joint activities that they plan to undertake may obtain a timely response through the Department's expedited business review procedure or the FTC's advisory opinion procedure for the health care community. In the policy statements, the Agencies commit to respond to requests within 90 days after all necessary information is received regarding any matter addressed in the statements except hospital mergers outside the antitrust safety zone. The Agencies make this commitment to swift and certain expedited review in an effort to reduce antitrust uncertainty for the health care industry in a time of fundamental and far-reaching change. The Agencies also recognize that, in light of such change, additional antitrust guidance may be desirable in the areas covered by these policy statements, as well as in other evolving health care contexts. Consequently, the Agencies will issue additional policy statements as warranted.

HOSPITAL MERGERS

The Agencies have challenged only eight of well over 200 hospital mergers in the last five years. Many hospital mergers do not present antitrust concerns because the merging hospitals are not significant competitors of each other. In other cases, where a merger substantially reduced the number of competing hospitals in an area, the Agencies in the past have refrained from bringing an action because the merger produced significant cost savings that could not otherwise be realized.

The policy statement establishes an antitrust safety zone for mergers where one of the merging hospitals is small. Specifically, the Agencies commit not to challenge, absent extraordinary circumstances, a merger in which one of the merging hospitals has

less than 100 licensed beds and an average daily inpatient census of less than 40 patients. This antitrust safety zone will be especially helpful for small rural hospitals, who consider a merger necessary in order to continue providing services, but who fear the cost of an expensive investigation by federal antitrust authorities.

Hospitals which are unsure if they are within the safety zone may obtain timely advice from the Agencies through the expedited 90-day review procedure set forth in the policy statement.

HOSPITAL JOINT VENTURES INVOLVING HIGH-TECHNOLOGY OR OTHER EQUIPMENT

The Agencies have never challenged a joint venture among hospitals to purchase or operate high-technology or other expensive medical equipment. In most cases, these collaborative activities create procompetitive efficiencies that benefit consumers, which outweigh any potential anticompetitive harm. Although numerous hospitals presently participate in joint ventures, it has been suggested that fear of antitrust enforcement currently chills such ventures and forces hospitals to purchase expensive equipment individually, even though joint ventures clearly would be more efficient and less expensive.

The policy statement sets out an antitrust safety zone for joint ventures involving high-technology or other expensive equipment that must be shared in order to allow the hospitals to recover the cost of acquiring, operating and marketing the services provided by the equipment. As long as the joint venture is reasonably necessary to recover these costs and does not include a hospital or a group of hospitals that could have offered a

competing service to the planned joint venture, the Agencies will not challenge, absent extraordinary circumstances, the formation or operation of the venture. For example, joint ventures among rural hospitals to share MRIs or other expensive equipment and agreements among community hospitals to operate helicopter or other expensive services jointly normally will fall within the antitrust safety zone.

Joint ventures that fall outside the antitrust safety zone do not necessarily raise significant antitrust concerns. The policy statement, therefore, includes a brief description and examples of how these ventures will be analyzed. Hospitals considering joint ventures may obtain timely advice from the Agencies through the expedited 90-day review procedure set forth in the policy statement.

PHYSICIANS' PROVISION OF INFORMATION TO PURCHASERS OF HEALTH CARE SERVICES

This policy statement defines an antitrust safety zone that covers the collective provision of non-price information by physicians to purchasers of health care services. The collective provision of this type of information will have procompetitive benefits and allow physicians to work with health care purchasers to improve the quality of care that patients receive. The policy statements provide that the Agencies will not challenge, absent extraordinary circumstances, the collective provision of underlying medical data, including the development of suggested practice parameters.

The safety zone would not cover physicians who collectively threaten to or actually refuse to deal with a purchaser because they object to the purchaser's administrative, clinical or other terms governing the provision of services. In addition, it does not cover

the collective provision of fee-related information. The collective provision of price information is not, however, necessarily illegal. Physicians who wish collectively to provide such information may receive timely advice from the Agencies under the expedited 90-day review procedure.

HOSPITAL PARTICIPATION IN EXCHANGES OF PRICE AND COST INFORMATION

This policy statement defines an antitrust safety zone that covers hospital participation in written surveys of prices for hospital services or wages, salaries or benefits of hospital personnel. The safety zone applies where (1) the survey is managed by a third party, (2) the information collected for the survey is more than three months old, and (3) the price or cost data reported are based on data from at least five hospitals and aggregated so that the prices charged or compensation paid by particular hospitals cannot be identified.

The policy statement also includes a description of how the Agencies will evaluate information exchanges that fall outside the antitrust safety zone. Hospitals that are unsure of the legality of a proposed survey can obtain timely advice from the Agencies through the expedited 90-day review procedure set forth in the policy statement.

JOINT PURCHASING ARRANGEMENTS AMONG HEALTH CARE PROVIDERS

Most joint purchasing arrangements among hospitals or other health care providers do not raise antitrust concerns; indeed the Agencies have never challenged such a joint purchasing arrangement. Such collaborative activities typically allow the participants to

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Under the policy statement, the Agencies will not challenge, absent extraordinary circumstances, a joint purchasing arrangement if the group's purchases account for less than 35 percent of the total purchases of the relevant product or service, and the cost of the product or service being jointly purchased accounts for less than 20 percent of the total revenues from all products or services sold by each participant in the joint purchasing arrangement.

PHYSICIAN NETWORK JOINT VENTURES

This policy statement sets forth the Agencies' analysis of the formation of physician network joint ventures that are controlled by physicians and that jointly market the services of their member physicians. These joint arrangements have the potential to provide quality services at reduced costs, and can offer significant pro-competitive benefits for consumers. Physicians who participate in legitimate network joint ventures can collectively provide information to health care purchasers, and jointly negotiate with them.

The policy statement sets forth an antitrust safety zone that covers physician network joint ventures comprised of 20 percent or less of the physicians in each physician specialty in the relevant geographic market, when the members share substantial financial

risk. The statement includes examples of physician network joint ventures that would meet the requirement of sharing substantial financial risk.

The statement also includes a brief description and examples to illustrate how the Agencies will analyze a physician network joint venture that does not fall within the antitrust safety zone. Physicians forming network joint ventures can obtain timely antitrust advice from the Agencies under the expedited 90-day review procedure.

7076.doc

U.S. HOUSE OF REPRESENTATIVES
OFFICE OF THE LEGISLATIVE COUNSEL
WASHINGTON, DC 20515

FAX: 225-3437

Kim -
here is the type-written version. If you give me a disk - I'll save it for you.
- Sabrina

TELEFAX COVER SHEET

PLEASE DELIVER THE FOLLOWING PAGES:

TO: Melanne Verveer
LOCATION: White House
FROM: Greg Lawler
DATE: _____

IF YOU HAVE ANY PROBLEMS, PLEASE CALL (202) 225-6060.

NUMBER OF PAGES INCLUDING COVER SHEET: 4

> We applaud action taken today by DOJ + FTC in issuing these guidelines.

These antitrust guidelines are a good example of what health care reform is all about. We can lower costs, maintain high quality, and eliminate the perverse incentives in our current system.

These guidelines give hospitals and doctors what they have asked for — certainty that they can provide high quality health care by sharing services, save consumers money, and lower health care expenditures.

Let me give an example.

~~Today, two hospitals~~

(2)

I have heard repeatedly from hospitals that they would jointly purchase high-tech equipment, but they fear antitrust prosecution.

These guidelines give them the certainty they have been asking for. Instead of every hospital purchasing the latest piece of equipment, they could share equipment.

And look at what that accomplishes --

- Equipment does not stand idle;
- Consumers pay for only 1/2 the equipment;

(3)

- Hospitals save money;
- Pressure on physicians to order tests to pay for machinery is gone.
- High quality remains, and the latest technology is available to everyone.

There are other examples -- allowing physicians in a network to get together to control costs; allowing mergers when they are competitive and save consumers money.

Everybody benefits. Most importantly: consumers pay less for the same care they get today. We have a competitive health care

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6:00 MNTrip
Mtg

1. Purp

announce new guidelines being prom by FTC & Justice to make it easier for h.c. prov to engage mergers & jt ventures that pro-compet, helps cons. & red. h.c. costs. There has uncertainty per as to when such act would violate anti-t laws. This anncemt sets certain guidel & it start of commit by the DOJ & FTC to resp to all reqs w/in 90 days.

Greg Lawlor to work out HC pts
& Bo

Format 10 30 11

- arrive AG's ofc & greet
Participant AG, Asst AG for anti trust, Janet Steiger head of FTC (apptd by Bush & we kept her excellent track record) Sen. Metz [illegible] Brooks both chairs of resp anti-trust subc.
- Reno intros HRC
- role of DOJ in h.c. across guidelines & in area of combating fraud (to be ann later in greater details — will say hrc is on tight sched.
- HRC remarks — brief
- Bing
- Steiger
- Metz
- Brooks

HRC no ques — leave at any pt necessary

FQ at end the will escort her out

5:
6:00

F-up w/ FDA
after tobacco

Chris
Ref by chemistry
- bit. members

Staff Dir

Ed & Labor — Pat Risler 225-4527
" Phyllis Borzi
(subc / for Pat Williams
& much more detail person

- juries - feel good about specs bec of references to Labor (ERISA changes, employ mandates & the numerous functions handled out of Labor) makes them believe major role in H.C.R. in House
(ER & Commerce believes we've gone too far) Rec needs to emphasize it's a moving document - signs msg there will be changes, recs.

Reminds her
- They believe they don't get adequate respect emp. they're one of the 3 cmtes of juris raise their egos

- They will make the pitch they can move bill quickly - 2 members are trying to convince us to drop as much of it as poss under their juris

Overview - most liberal of 3 cmtes However their legis doesn't fly thru floor easier time in cmte but not on fl.

- They want to be treated

HRC

Sept. 28/29 hearing

ED + LABOR
Both Dems + Reps ?

- focus on Knowledgeable Ranking Chairs.
- this cmte imp bec of emp. based system + this has done the most in this area
- I'm not here to deal w/ jukes, I want to sell
- Presentation shld be basic - don't assume much
  focus on employer / sm + big bus
- encourage them to make ress their staff because docum is evolutionary
- Mention HCU schedule
  - ment. how more details to exam
  Q+A
- Req. Cmte chairs nt to hold hearings until next week.

Price / Rose / Lancaster 2

3 MOCs

Sen.

- According to Ford's House votes have not & have tentatively agreed they will accept no more than 50¢ excise tax.

- Good meeting sep. bec. dreg. if together becomes a bidding war

- Price & Rose may go for deal like if we throw in corporate ~~excise~~ assessment provision & lower it to 75¢ although this will be breaking PANCs. to 75¢ They may ask for phase in.

- ~~If~~ If you feel this is unacceptable bec it doesn't go far enough/revenue you can offer alter such as at some to a cigarette measure for a # of yrs. ~~If~~ The tobacco disincentive alone wd be left alone.

- Lancaster likely not to accept corp ass as acceptable substitute. even w/

- substituting corporate assessment wage offs are difficult & for # & therefore should ~~not~~ push strongly on the "I think" ought we have worked out a deal.

- Forget the deal if we can't get the 75¢ & corp assess.

chris

- Advises against discussing - acknowledge pressure & we need revenue but don't lecture / or make argument keep it purely in political terms.

MEMORANDUM

TO: BOB BOORSTIN
JEFF ELLER
PATTI SOLIS
MELANNE VERVEER
MAGGIE WILLIAMS

FROM: JULIA MOFFETT
DATE: SEPTEMBER 10, 1993
SUBJECT: FAMILIES USA REPORT

I think everyone is somewhat familiar with the history of this report stating the number of uninsured people in each state:

We had first suggested that Families USA present the report to Mrs. Clinton following the "Letters" event on the 15th. Families USA then said that Members of Congress were very eager to use the report as the basis for their district events on the 12th and 13th, which we were pleased to have happen.

While speaking with Ron Pollock yesterday, he conveyed the following. They are no longer looking to release the report on the 12th and 13th. The report is generating a lot of preliminary press interest. And, Families USA's preference is to, once again, attempt to time the release with an appearance by Mrs. Clinton.

I know that this was something both Maggie and Mrs. Clinton were interested in trying to make happen. I suggested that maybe we could follow the "Letters" event now scheduled for the 16th, but Ron says Families USA is unable to do it on that date. Their preference is Sunday, the 19th, although they know it is a down day. There are rumors that there might be a little bit of time on the 18th.

If the 18th looks possible, please let me know so that I might factor it in to our comprehensive schedule as it has the ability to make news for the Sunday papers. Also, I am talking to Ron Pollock often for the "Letters" event, so please let me know if I can be helpful in communicating some resolution to him. He leaves town for the weekend at 2:00 this afternoon, and was looking for any information he could get before then if at all possible.

Thanks very much!