Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	Health Care Letters Index [partial] (1 page)	n.d.	b(6)
002. list	Summaries of Letters [partial] (6 pages)	n.d.	b(6)
003. letter	Health Care Letters (46 pages)	1993	b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
Liz Bowyer
OA/Box Number: 3979

FOLDER TITLE:
Congressional Testimony Briefing Book for HRC [binder] [2]

2014-0483-S
sb440

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]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
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]

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

12

Divider Title: _____

L. MEDICARE

1. Shift Between Medicare and Alliances
2. Why a Separate Premium for Medicare Enrollees?
3. End Stage Renal Disease Program
4. Will Providers Have to Absorb Medicare Savings?
5. Will Medicare Savings Close Rural Hospitals?
6. Medicare Savings or Cuts?
7. Medicare vs. Alliance Coverage
8. Changes to Medicare Out of Pocket Limits
9. Are Early Retirees Better Off than Medicare Recipients?
10. Are you Dismantling Medicare?
11. Medicare High Rate of Spending Growth
12. Are You Capping Medicare?
13. Medicare For All
14. Medicare Administrative Savings

SHIFT BETWEEN MEDICARE AND ALLIANCES

QUESTION:

Are beneficiaries allowed to switch back and forth between the alliance and Medicare, and if so, couldn't they be dumped back into Medicare as they get older and sicker and the plans increase their premium rate. (Ways and Means staff)

ANSWER:

You raise a concern that we share. Measures are needed to assure beneficiary choice, while still protecting Medicare against adverse selection. One option under consideration is limiting the number of times a beneficiary can elect into and out of the Medicare program. We welcome your views and suggestions on this important issue.

WHY A SEPARATE PREMIUM FOR MEDICARE ENROLLEES?

QUESTION:

If your goal is to have an integrated system, why a separate premium for Medicare enrollees? (Ways & Means staff)

ANSWER:

- Plans negotiate rates with alliances for participants over age 65 choosing to remain in the alliance; these rates are separate from those covering young participants.
- Because the Medicare benefit package is different that the guaranteed benefit package, a separate rate is required.
- Any plan providing coverage through an alliance must bid to cover the older population to continue operating as an alliance plan.

END STAGE RENAL DISEASE PROGRAM

QUESTION:

What happens to the end-stage renal disease program under Medicare? (Ways and Means staff)

ANSWER:

- There are no changes in the end-stage renal disease program under Medicare.

WILL PROVIDERS HAVE TO ABSORB MEDICARE SAVINGS?

QUESTION:

Since you are generating Medicare and Medicaid savings that cannot be shifted, doesn't this mean that providers will have to absorb these savings? (Sen. Levin)

ANSWER:

- Under the Plan, savings will be derived from slowing the rate of growth of the Medicare program, not cutting Medicare payments.

- Costs will not be shifted to the private sector because the Health Security Plan will replace Medicare savings with additional payments for the uninsured and underinsured populations.

- We do expect providers to change and become more efficient.

- However, it is unfair to characterize this reform as a loss to providers.

  1) In guaranteeing a comprehensive benefit package to all, we are adding money to the system.

  2) We are removing enormous paperwork/administration costs from the system.

  3) We are providing incentives and financial assistance for providers to organize into more effective networks and live within the budget.

WILL MEDICARE SAVINGS CLOSE RURAL HOSPITALS?

QUESTION:

Will the $124 billion Medicare savings cause rural hospitals to close?

ANSWER:

- Under the Plan, savings will be derived from slowing the rate of growth of the Medicare program, not cutting Medicare payments.

- In addition, many rural hospitals will be designated as "essential community providers". During a five-year transition phase, health plans in underserved areas are required to contract with and reimburse established community-based providers that are designated as essential community providers.

- Additionally, the reform proposal would provide new grants and loans to underserved areas to support capacity expansion and to provide access to health care for low-income, underserved, hard-to-reach, and otherwise vulnerable populations.

BACKGROUND:

- At the end of the five years, health plans either demonstrate their capacity to provide access for all participants or continue contracting arrangements with essential providers. Providers become integrated into health plans or join together to create new, community-based health plans.

MEDICARE SAVINGS OR CUTS?

QUESTION:

What you are calling $124 billion in savings, my constituents will call cuts, how do you respond to them? (Rep. Kennedy and Richardson)

ANSWER:

- Remember, we are talking about $124 billion on a base of $1.4 trillion.
- We are not cutting Medicare benefits; we want to reduce the growth in Medicare.
- Medicare beneficiaries will see their benefits enhanced under our plan with the addition of prescription drug benefits.
- In addition, Medicare benefits will be enhanced with a new long-term care/home and community-based service program for the severely disabled-including the elderly.

MEDICARE VS ALLIANCE COVERAGE

QUESTION:

Will Medicare coverage be as good as the coverage offered by the alliances?

ANSWER:

- No, benefits differ primarily because Medicare cost sharing is higher. However, we are adding substantial new coverage for prescription drugs.
- Medicare beneficiaries who choose to remain in an alliance plan when they reach 65 will continue to get the nationally guaranteed comprehensive benefit package available to younger individuals. However, they will pay a premium for these added benefits equal to the difference between the plans premium and Medicare's contribution.
- Fee-for-service Medicare benefits will not be as comprehensive as fee-for-service benefits in alliance plans.
- In addition, Medicare benefits will be enhanced with a new long-term care/home and community-based service program for the severely disabled-including the elderly.

BACKGROUND:

- The current Medicare program has no protection against catastrophic illness expenses unless the beneficiary is enrolled in an HMO.

CHANGES TO MEDICARE OUT-OF-POCKET LIMITS?

QUESTION:

Will there be changes to the Medicare out-of pocket limits and what are the projections?

ANSWER:

- Currently there are no out-of-pocket limits in Medicare, and this would not change under the reform plan.
- Under the new prescription drug benefit, the annual out-of-pocket limit will be $1,000.00.

ARE EARLY RETIREES BETTER OFF THAN MEDICARE RECIPIENTS?

QUESTION:

Aren't early retirees better off under your plan than Medicare beneficiaries? (Rep. Shepard)

ANSWER:

- Unclear - The situations are not exactly comparable. It would depend on the availability and price of Medigap policies.
- Early retirees will still be required to cover 20% of their premiums and will be covered through the alliance.
- Medicare beneficiaries will have the choice to continue in the Medicare system enhanced with prescription drug coverage and long-term care/home and community based services or move into the alliance system and pay a premium for the non-Medicare benefits.

ARE YOU DISMANTLING MEDICARE?

QUESTION:

I presume the Administration is knowingly dismantling Medicare by providing no incentive for beneficiaries to stay with the program. If it is dismantled, what happens to the payroll tax? (Rep. Stark)

ANSWER:

- We are not dismantling Medicare. The program is maintained as a separate system with additional choices offered to beneficiaries.

- Medicare beneficiaries will see their benefits enhanced under our plan with the addition of prescription drug benefits and long-term care/home and community-based service program for the severely disabled.

- At age 65, an individual may choose to enter the Medicare program or remain in his/her current health alliance plan. If a person remains in a health alliance plan, Medicare pays its share of the premium using Part A and Part B funds. The Medicare Trust Funds are held harmless.

- Individuals may choose to remain in an alliance, those who do will have to pay a premium. It is unclear how this will affect their behaviors.

MEDICARE HIGH RATE OF SPENDING GROWTH

QUESTION:

Why is the Medicare budget rate of spending growth higher than that for the private sector?

ANSWER:

- Medicare budet rate of spending growth is higher because the elderly population is growing at a faster rate than the under 65 population. In addition, expenses grow faster among this older and sicker population.

ARE YOU CAPPING MEDICARE?

QUESTION:

Are you proposing a hard cap on Medicare?

ANSWER:

- We are committed to slowing the growth in Medicare. The $124 billion savings figure is the one that would result from applying a hard budget to Medicare. We have then identified specific policy changes that would produce this level of slower Medicare spending growth.

- An alternative approach would be to apply an enforceable cap on Medicare.

- Both of these approaches are under consideration.

MEDICARE FOR ALL

QUESTION:

Why not a Medicare for all program?

ANSWER:

- As with all other options to provide Americans with universal health insurance coverage, we seriously examined the Medicare for all option. There is no question that the program has served, and will continue to serve, the public well.

- However, while most elderly Americans are very comfortable with the Medicare program, most businesses and health care providers are not. Moreover, a government run, national health care program for all Americans does not appear to have the support of the majority of Americans or the Congress. Lastly, implementing a Medicare-like program for all Americans would require a huge influx of new Federal taxes. It is clear that such new revenue increases would not have either the support of the public or their representatives in the Congress.

MEDICARE ADMINISTRATIVE SAVINGS

QUESTION:

You have talked about all the administrative costs that the Medicare program imposes on providers and the system as a whole. But Medicare has the lowest administrative costs of all insurers -- public or private. Why do you keep saying this and what is your evidence?

ANSWER:

- I believe that when I talk about this issue that many Medicare for all or single-payer advocates interpret my remarks about paperwork burdens placed on the private sector by Medicare as an indictment that does not apply to private sector insurers as well. This is simply not the case. We need to simplify and streamline BOTH the public and private sector.

- Having said this, it is clear that the reporting and paperwork burdens placed on providers by the Medicare program is not insignificant. In my travels around the nation, provider after provider has stressed that the regulatory and administrative burdens that the Medicare program has placed on them adds extraordinary costs to their operations. Cite the Lakeland Regional Medical Center in Florida as an example. (SEE ATTACHED).

- Having said this, the Medicare program itself does indeed have low Federal administrative costs. Its electronic claims processing and move towards uniform claims forms have made significant contributions toward reducing administrative costs. Moreover, the Department of Health and Human Services is planning on doing much more in this area. With the help of the Congress, I am sure we will do better in reducing administrative costs for both Medicare and private sector insurers.

MEDICARE STREAMLINING
IMPACTS ON A HOSPITAL

The following analysis demonstrates the impact several suggestions to streamline Medicare would have on a well-run, highly-automated hospital in Florida, the Lakeland Regional Medical Center. It does not take into account any of the longer-term initiatives to institute a single claims form or standardized rules.

Lakeland, an acute-care hospital licensed for 897 beds, has been cited as a leader in Total Quality Management and a pioneer in Patient Focused Care and has been showcased in Modern Healthcare, by the Health care Forum, and by Tom Peters in his "In Search for Excellence" program. Lakeland processes 98% of its Medicare claims electronically. Lakeland processes roughly $300 million in charges annually, $150 million of which are Medicare.

		FTE Savings	Cash Flow Savings	Operational Savings
1)	**PRO Denial of Payments** **The PRO retroactively reviews medical records to determine whether delivered care was necessary. The PRO denies payment for those services it determines are unnecessary. The hospital may contest the denial to the PRO. If the PRO upholds the denial, the hospital has to appeal to an Administrative Law Judge. LRMC contracts with Medical Review Consultants, a firm in Kansas to handle its appeals. It spends over $250,000 just for appeals. 95% of all appealed denials for this hospital were reversed.** **According to Medical Review Consultants, which represents 1100 hospitals nationwide, their average reversal rate is approximately 80%. In Florida, the rate is 95% for the 96 hospitals they represent.** **RECOMMENDATION: ELIMINATE CHART-BASED REVIEW**	**1.0**	-	**$250,000**
2)	**HCFA holds claims for 14 days for claims transmitted electronically** 98% of Lakeland's Medicare claims are transmitted electronically. Reducing the accounts receivable by 5 days would result in an increase in cash flow of $2.5 million, generating additional investment income of $125,000. **RECOMMENDATION: REDUCE THE 14-DAY HCFA HOLD PERIOD TO 9 DAYS**	-	**$2,500,000**	**$125,000**

3)	**Prebilling physician attestation** For the period ending 5/22/93, LRMC had $7.3 million tied up in the billing department, primarily because they were awaiting for physician signatures on bills. LRMC estimates that Medicare claims are held up an average of ten days in the billing department awaiting attestation. Medicare bills made up 92% of the aged bills. (See attachment #1) LRMC utilizes two FTEs who maintain an automated system of tracking incomplete attestations and seeing that they are signed and dated. The paper chase costs the hospital approximately $100,000 annually in Personnel and Supply expense. **RECOMMENDATION: ELIMINATE PREBILLING PHYSICIAN ATTESTATION; ELIMINATE ANNUAL PHYSICIAN ACKNOWLEDGEMENT - REQUIRE SINGLE ATTESTATION AT TIME OF ADMITTING PRIVILEGES**	**2.0**	**$2,500,000**	**$225,000**
4)	**Patient forms - "An Important Message from Medicare" - complex** Many elderly patients do not understand the purpose or the content of the form. Further, when patients bypass the Admitting Office because they are too ill, they must be traced down and have the form explained to them. The forms are expensive and should be made more concise and easier to understand. (See attachment #3) **RECOMMENDATION: SIMPLIFY FORMS**	**0.6**	**-**	**$10,000**

5)	**Retroactive system changes cost money** LRMC uses 2 FTEs to resolve rejected claims due to retroactive system changes. There are over 5,000 rejection cosdes published by the intermediary. An additional expenditure of $40,000 a year is incurred for a billing program designed to edit claims for code rejections prior to electronic billing. (See attachment #4) **RECOMMENDATION: LIMIT CHANGES TO ONCE EVERY SIX MONTHS; GIVE PROVIDERS A MINIMUM NOTIFICATION WINDOW (E.G. 120 DAYS)**	**2.0**	-	**$80,000**
6)	**Photocopying of medical records for the PRO** In the past three years, LRMC has photocopied over 9,000 medical records and shipped them to the PRO offices. These amounted to 684,000 sheets of paper at an estimated cost of $240,000. Initially, the PRO did not pay for these copies, then faced with a lawsuit, agreed to pay $0.0298 per page. Later, after intense negotiations with the Florida Hospital Association, the PRO increased the payment to $0.0498 per page. Recently, the PRO increased the payment to $0.07; however, even this does not cover the expenses of staff time, equipment rental, supplies and postage. We calculate the true cost to be $0.35 per page. Since the inception of PRO, they have received $22,431, leaving a loss of roughly $217,000. 95% of LRMC's denied payments were successfully appealed. **RECOMMENDATION: ELIMINATE CHART-BASED REVIEW**	**1.0**	-	**$72,000**

7)	**Multiple provider inspections** During the past 18 months, LRMC has had 24 federal, state and other review agencies surveys and audits. Each of these inspections was different enough to cause considerable confusion, duplication of effort and frustration in trying to interpret individual agency standards. **RECOMMENDATION: THE NATIONAL BOARD SHOULD DEVELOP A SINGLE SET OF STANDARDS FOR INSPECTIONS; INSPECTIONS SHOULD BE COORDINATED AT THE STATE LEVEL.**	**2.0**	-	**$80,000**
8)	**The cost report process is complex and time consuming** Hospitals conduct quarterly time studies of individual departments, which require detailed logs, followed by a settlement and an appeals process. They compute cost of inputs for both their inpatient and outpatient services, even though the inpatient services are reimbursed on a prospective basis. If outpatient services were paid on a prospective basis, LRMC suggests that the need for detailed cost reports would be eliminated. Annual savings in Personnel, Consulting and Computer time is estimated to be $100,000. This does not take into consideration the cost HCFA would save by reducing the need for intermediary audits. **RECOMMENDATION: REVIEW AND SIMPLIFY THE COST REPORTING PROCESS**	**1.0**	-	**$100,000**
TOTAL		**9.6**	**$5,000,000**	**$942,000**

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

13

Divider Title: _____

M. MEDICAID

1. Welfare Recipients under the Plan
2. Treatment of Medicaid Eligibles under the Plan
3. Supplemental Services Under Medicaid
4. Low-income -- Separate Plans
5. Disproportionate Share
6. State Maintenance of Effort
7. Long Term Care
8. Medicaid Subsidies SSI

WELFARE RECIPIENTS UNDER THE PLAN

QUESTION:

What happens to people who move off and on the welfare rolls?

ANSWER:

- All individuals, whether they receive cash assistance from a Federal program or are employed will be enrolled in an Alliance and will have a choice of plans.

- Once an individual leaves a cash assistance program for employment, they may choose to continue in their health plan but will be required to pay the 20% share of the premium if their income is above 150% of the poverty level. If they have income at or below 150% of poverty, their premiums will be subsidized.

- When an individual is on Welfare, Medicaid pays the premium. When the individual leaves Welfare she pays the premium, subject to subsidies.

DISPROPORTIONATE SHARE

QUESTION:

What happens to the disproportionate share program under the Plan?

ANSWER:

- Disproportionate share payments will be phased out over time.
- The purpose of the disproportionate share payments was to compensate hospitals for patients they were forced to subsidize. Once the uninsured and underinsured receive coverage for the comprehensive set of benefits it will negate the need for the government to continue these payments.
- Some DSH funds may be retained and targetted to institutions serving the poor.

SUPPLEMENTAL SERVICES UNDER MEDICAID

QUESTION:

What happens to supplemental services under Medicaid, such as EPSDT or transportation?

ANSWER:

- Individuals receiving cash assistance will continue to receive the supplemental benefits they currently receive under the Medicaid program.

TREATMENT OF MEDICAID ELIGIBLES UNDER THE PLAN

QUESTION:

How do the different Medicaid populations get treated under the Plan? Will Medicaid beneficiaries be treated the same as everyone else?

ANSWER:

- Medicaid beneficiaries will have the same security of coverage as everyone else. Their insurance card will be identical to the general population.
- The plan in which they are enrolled will be unable to identify the Medicaid population from the general population.
- Individuals receiving cash assistance will enroll in an Alliance just like the general population, but their full premium will be subsidized.
- Individuals who are currently Medicaid eligible, but not receiving cash assistance, will pay their 20% share of the premium if their income is at or above 150% of poverty.

FOLLOW-UP

Reallistically:	Medicaid eligibles cannot afford the full range of choice of plans, especially fee-for-service.
ANSWER:	Correct, but they will be guaranteed coverage in plans in which quality is assured.

LOW INCOME -- SEPARATE PLANS

QUESTION:

Will the subsidy scheme segregate low-income people into separate plans?

ANSWER:

- The important thing to remember is that low-income people are guaranteed access to a quality plan.
- States can require plans to serve populations in all areas.
- We are continuing to model other subsidy schedules to explore their impact on patient choice and program costs and will work with you on this.

STATE MAINTENANCE OF EFFORT

QUESTION:

Will States continue to be allowed to tax providers to comply with their maintenance of effort requirement?

ANSWER:

- States will have the flexibility to apply broad-based and uniform taxes on their providers to raise revenues to maintain their ongoing effort for the Medicaid program.

LONG TERM CARE

QUESTION:

Is the long term care program an entitlement? What happens to a severely disabled person if the state cannot afford to provide services?

ANSWER:

- The new long term care benefit is a capped entitlement to the States to expand home and community based services to individuals with severe disabilities. It is not an entitlement program for individuals.

- While this new benefit does not guarantee that every eligible disabled individual will have access to a wide array of home and community based services, the substantial increase in Federal dollars should improve the availability of these type of services for most eligible disabled individuals.

MEDICAID SUBSIDIES - SSI

QUESTION:

Is the Medicaid subsidy different for the SSI disabled?

ANSWER:

- Yes, the Medicaid disabled are subsidized up the cost of the fee-for-service plan (not just the average cost plan).

QUESTION:

Why is that?

ANSWER:

- Because the new system will take time to develop networks and other managed care plans to serve the severly disabled. We want to assure continued access to services in the fee-for-service system where these people are served today.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

14

Divider Title: _____

N. PROVIDERS

1. Will Provider Monopolies Occur?
2. Small Pharmacies
3. Fee-for-service Providers
4. Will All Willing Providers Be Approved?
5. Can Plans Control Who's Covered?
6. Will Public Hospitals Be Subsidized?
7. Will Small Group Practices Be Protected?
8. Guaranteed Provider Wages
9. Academic Health Centers
10. Rural Providers
11. Encouraging Provider Networks
12. Scope Of Practice Standards
13. Antitrust Reform/Provider Joint Ventures
14. Hospitals' Concerns
15. Essential Access Providers

WILL PROVIDER MONOPOLIES OCCUR?

QUESTION:

Will this new system drive providers toward consolidating so that monopolies will occur and competition will be stifled? (Reps. McMillan, Shays, Volkmer)

ANSWER

- No, although there will be some easing and clarification of enforcement, the anti-trust laws will remain in effect.
- Moreover, there will be ease of entry provisions for any willing provider.
- However, special measures may be needed to assure the availability of hospital beds for independent physicians in underserved areas where hospitals elect to participate in an area plan.
- We're providing incentives to stimulate the development of community-based plans -- including loans and grants to increase access to capital.

SMALL PHARMACIES

QUESTION:

Will small pharmacies be able to compete under this plan? (Rep. Snowe, Rep. Brewster, W&M)

ANSWER:

- Yes, the expanded coverage for prescription drugs will increase the need for quality pharmacy services, not only to fill prescriptions but to play an important role in the management of care and promotion of quality.

- Also, as a condition of participation under Medicare and Medicaid, manufacturers of prescription pharmaceutical products sold in interstate commerce would have to offer discounts to all purchasers of pharmaceuticals on equal terms.

FEE-FOR-SERVICE PROVIDERS

QUESTION:

What behavior can we expect from the fee-for-service providers? What happens if these providers simply decide that joining a plan would not be in their financial interest? Does the system mean that this will be the end of the traditional fee-for-service practitioner? (Rep. Mike Kopetski)

ANSWER:

- Under health care reform, current fee-for-service providers could elect to participate in managed health care or continuing seeing patients on a fee-for-service basis.

- Each regional and corporate alliance must offer at least one fee-for-service plan based on fee schedules negotiated by alliances with willing providers. Each fee-for-service plan would be required to reimburse providers up to the scheduled amount.

WILL ALL WILLING PROVIDERS BE APPROVED?

QUESTION:

What is the situation with any willing provider? Currently, networks and plans can exclude providers, how will it work in the new system? Will all providers be approved providers? (Reps. McDermott, Brewster)

ANSWER:

- Every community will be required to have a plan where any willing provider will be able to participate.
- However, managed care plans will have the option to limit the number and type of providers in the plan and can establish different payment rates for participating providers and those outside the plan.
- In addition, providers are free to --will be encouraged to-- set up their own plans to offer efficient, high quality care in their communities.

CAN PLANS CONTROL WHO'S COVERED?

QUESTION:

Can a plan draw its own area and fix it so that it only serves the wealthy (say for example in LA). Also could the plan draw its district so that it doesn't have an essential access provider in its area? How are you going to ensure that minority providers aren't locked out? (Rep. Scott)

ANSWER:

- First, Title VI of the Civil Rights Act will preclude discrimination and provide protection both to providers and recipients.

- In addition, States may require plans to establish service areas to ensure that eligible populations are covered.

- However, financial incentives will reinforce these rules. Plans that do manage to draw a more favorable enrollment--either by luck or by design--will be paid a risk adjusted premium that offsets the case-mix advantage.

- Alliances may not subdivide a primary metropolitan statistical area and may not discriminate against health plans or providers on the basis of race, gender, ethnicity, religion, or organizational arrangement.

- Health plans may not discriminate against providers on the basis of race, ethnicity, gender, religion, mix of health professionals or patient population.

WILL PUBLIC HOSPITALS BE SUBSIDIZED?

QUESTION:

You are taking into account a risk adjuster for plans based on health status. What are you going to do about additional payments for public hospitals that aren't a part of the Academic Health Centers, but who are still treating "sicker" patients.

ANSWER:

- First, these facilities are the victims of the current system. They disproportionately serve non-paying uninsured populations and low-paying Medicaid patients. Under reform, all of these patients will be covered and will be compensated for at higher reimbursement rates.

- Secondly, the risk adjusters will ensure that plans receive greater compensation from the alliances for populations that are disproportionately "sicker." Therefore, the plans that contract out with these facilities will be in a position to ensure that they are adequately reimbursed.

- Thirdly, if these hospitals are designated as essential community providers, health plans are required to contract with them for a period of not less than five years.

- Lastly, the plan currently provides for grants to essential community providers to improve their facilities and form their own health care networks in order to make them more competitive within the community.

WILL SMALL GROUP PRACTICES BE PROTECTED?

QUESTION:

Small group practices are frightened; how will they be protected?

ANSWER:

- Special loan and grant funds will be available to enable groups of physicians to network and develop plans.
- Small group practices will have the option to negotiate with plans to provide services under a managed care model, or to provide services under the fee-for-service plan.

GUARANTEED PROVIDER WAGES

QUESTION:

What are we going to do to guarantee prevailing wages for providers? (Dickey)

ANSWER:

- No, there are no guarantees to pay providers prevailing wages.

ACADEMIC HEALTH CENTERS

QUESTION:

How will high cost medical schools and academic health centers be protected under the plan? (Rep. Kennedy)

ANSWER:

- The Health Security Act creates a national pool of funds to support costs associated with the institutional costs of research, development of new medical technology, treatment of rare and unusually severe illnesses and provision of specialized patient care.

- Academic health centers, including affiliated teaching hospitals will receive a new separate payment as reimbursement for costs incurred over and above the cost of routine patient care.

RURAL PROVIDERS

QUESTION:

How will rural facilities and health care personnel be affected under the plan?

ANSWER:

- I used to be very concerned about the impact of reform on rural areas. Now I feel that reform will benefit rural areas the most. Here's why:

- Under our current system, citizens and health care providers living in rural areas face some of the greatest health care challenges that confront our nation. These areas have too few primary care providers, disproportionate numbers of uninsured and underinsured populations, greater numbers of Medicaid patients who frequently are reimbursed at very low rates, and frequently have larger numbers of Medicare patients who are paid for at lower rates than private insurers.

- The reform's structural changes will ensure that rural providers and facilities finally have fully paying patients when they arrive at doctors' offices and hospitals. This will be the key to assuring that these providers not only survive, but hopefully flourish. Increased access to reimbursement will help communities attract and retain desperately needed providers.

- In addition, access to care is ensured for Americans who live in rural areas by designating independent health professionals and health care institutions as "essential community providers".

- During a five-year transition phase, health plans in underserved areas are required to contract with and reimburse established community-based providers that are designated as essential community providers.

- Finally, the reform proposal would provide new funds to underserved areas to support capacity expansion and to provide access to health care for low-income, underserved, hard-to-reach, and otherwise vulnerable populations.

ENCOURAGING PROVIDER NETWORKS

QUESTION:

What will you do to encourage providers to network? (Rep. Fazio)

ANSWER:

- Under the reform plan, physician networks will be encouraged by providing grant and loan funds to develop provider networks.

- Additionally, we are clarifying anti-trust laws and providing prompt opinions so as not to have a chilling effect on physicians who wish to form legitimate plans.

- In urban and rural areas, additional funds will be available to develop infrastructure communications and other links between health care providers.

SCOPE OF PRACTICE STANDARDS

QUESTION:

What will be done to eliminate practice barriers for mid-range , allied health professionals? Will there be a Federal standard for the medical scope of practice, i.e., will State restrictions on licensing limit the scope of practice for nurse practitioners, midwives, etc.? (Rep. DeLauro)

ANSWER:

- More can be done to broaden the range of health care professionals providing basic health care services to individuals.
- As a part of health care reform, HHS will develop, and encourage States to adopt, model "scope of practice and licensing standards."
- However, there will not be a Federal preemption of the States' authority to license health care professionals.
- Under reform, we are overriding State scope of practice laws that restrict a providers ability to practice within their skill training.

ANTITRUST REFORM/PROVIDER JOINT VENTURES

QUESTION:

What happens to provider joint ventures under the plan?

ANSWER:

- Legitimate concerns exist about the need for greater clarity concerning antitrust enforcement policy and the ability of some health care providers to be sure their conduct comports with antitrust rules.

- For hospital mergers, hospital joint ventures and purchasing arrangements, and physician network joint ventures the Department of Justice and Federal Trade Commission will publish guidelines that provide safety zones for provider joint ventures, provide examples of actions that will not be challenged by the agencies, and will inaugurate expedited business review or advisory opinion procedures.

HOSPITALS' CONCERNS

QUESTION:

How do I convince hospitals (in New York City) that they will be at least as well off under this plan?

ANSWER:

- The Health Security Act includes several provisions that improve the ability of hospitals to provide improved health care services while reducing costs.

- Hospitals will be more secure knowing that all patients entering the hospital will have insurance providing the comprehensive basic benefits, including hospitalization services.

- Since all Americans will have health care insurance, patients will no longer need to go to emergency rooms for basic primary care services. Hospitals will then be able to redirect their resources to their essential mission of acute care.

- The reform plan includes an initiative to streamline regulatory activities by replacing the current myriad of regulations with uniform standards for licensing health care institutions.

- Paperwork burden will be reduced substantially by the implementation of standard forms, including a single reimbursement form, and the development of networked, automated health care information systems.

ESSENTIAL ACCESS PROVIDERS

QUESTION:

How will "essential access providers," for whom special protections will be granted, be defined?

ANSWER:

- The plan calls for the Secretary to designate essential access providers.
- We are exploring the criteria and we would welcome your recommendations.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

15

Divider Title: _____

0. **MEDICAL MALPRACTICE**

1. Medical Malpractice Proposals Weak

2. Limits on Attorneys Fees -- Waive for Small Cases?

3. Why Not Discipline Providers Like Attorneys

4. Will Cap on Fees Generate More Suits?

5. Certificate of Merit -- New Cottage Industry for Doctors?

6. Why not Cap Non-Economic Damages?

7. What About Stricter State Reforms?

8. Will the Plan Preempt State Malpractice Laws?

9 Why Non-Binding Alternative Dispute Resolution?

10. Certificate of Merit -- Not Effective

11. Practice Guidelines -- Affirmative Defense

12. Delayed Effective Date for Medical Guidelines

MEDICAL MALPRACTICE PROPOSALS WEAK

QUESTION:

Everything about your plan seems very comprehensive except the section on medical malpractice. Why is it so weak?

ANSWER:

- It protects consumers by placing caps on attorneys' fees.
- It protects physicians who abide by well-documented practice guidelines.
- It also protects against frivolous claims by requiring a certificate of merit, and the mandatory use of alternative dispute resolution mechanisms before resorting to litigation.
- We'd like to hear your thoughts on this.

LIMITS ON ATTORNEYS FEES -- WAIVE FOR SMALL CASES?

QUESTION:

What about allowing a waiver on the limit of attorneys' fees for small cases?

ANSWER:

- I don't think we can say that where there is an injured victim of medical malpractice it is a small case.
- Even so, we believe by requiring alternative dispute resolution, victims will have a better opportunity to have their claims resolved.
- From a policy standpoint, we are seeking to ensure that victims get the majority of any award.

WHY NOT DISCIPLINE PROVIDERS LIKE ATTORNEYS

QUESTION:

Shouldn't there be disciplinary recourse against providers like there is for attorneys?

ANSWER:

- There is recourse against providers. Currently, hospitals have access to the National Practioners' Data Bank which contains information about a provider's history with regard to malpractice claims filed against them.
- We're going to make that information available to the public as well.
- The hospitals are free to use that information in selecting who may be granted privileges at their facilities.

WILL CAP ON FEES GENERATE MORE SUITS?

QUESTION:

Won't your malpractice proposals just generate more suits because you limit the amount attorneys can make off each suit?

ANSWER:

- If anything, we believe there will be fewer suits because plaintiffs attorneys will have reduced incentives to take a suit.

CERTIFICATE OF MERIT -- NEW COTTAGE INDUSTRY FOR DOCTORS

QUESTION:

Won't the requirement of a certificate just drive doctors into a cottage industry of certification?

ANSWER:

► I don't expect that this will be anymore a growth industry than physicians offering their services to testify as experts at trial.

WHY NOT CAP NON-ECONOMIC DAMAGES?

QUESTION:

Why don't you place caps on non-economics the same way you do with attorneys fees?

ANSWER:

- In developing our proposals it was our goal not to disadvantage victims.
- While there is some evidence that they do control growth in malpractice premiums and awards, they do so by punishing the most vulnerable to achieve negligible savings.
- We'd like to hear your views and work with you on this.

WILL THE PLAN PREEMPT STATE MALPRACTICE LAWS?

QUESTION:

Will your plan preempt State malpractice laws? For example, if a State has already limited non-economic damages, can that remain in effect? (Rep. Durbin)

ANSWER:

- If a State has already enacted more stringent tort reforms, they would remain in effect. In the case of non-economic damages, if a State has set a cap, its law would control.
- With regard to attorneys' fees, if the State's cap is lower than ours (33 1/3% of the award) it would prevail.

WHAT ABOUT STRICTER STATE REFORMS?

QUESTION:

Many States that have enacted tort reforms have placed a cap on non-economic damages, so why did you avoid this in your plan? Also, many States that have enacted tort reforms have severed the tie between joint and several liability. Why did you preserve that tie?

ANSWER:

- In choosing the set of reforms we wanted to include in our plan we focused on what made the most sense in terms of "fairness" for the "victim".

- While we have not included these particular reforms in our plan, we are not preempting the States from having such provisions.

WHY NON-BINDING ALTERNATIVE DISPUTE RESOLUTION?

QUESTION:

Why have you not made alternative dispute resolution binding?

ANSWER:

- By requiring alternative dispute resolution in each plan, we believe many suits will be resolved without protracted, costly litigation.
- It would be fundamentally unfair to bar victims of medical malpractice from access to the courts.

CERTIFICATE OF MERIT -- NOT EFFECTIVE

QUESTION:

It is my understanding in some States that have the certificate, or a pretrial screening panel which is comparable, it has not been effective in deterring plaintiffs from pursuing a claim in court. What makes you think it will work now?

ANSWER:

- Once our proposals are in place, we will be looking at medical malpractice in a "reformed" delivery system.
- There will be greater access to care and higher quality.
- In that new system, we believe that the set of measures we have proposed will be effective in protecting both victims and providers.

FOLLOW-UP:

My State has overturned the use of pre-trial screening panels, so are they now being forced to reinstate them?

ANSWER:

- Under our plan, they would now be required to have a physician review claims to verify that the conduct producing the injury deviated from the established standards of care.

KEY INFORMATION:

Currently 16 States have mandatory pre-trial screening panels, 6 have voluntary panels. In addition, 5 States have repealed the use of such panels, and another 5 States have had the courts overturn the use of the panels.

PRACTICE GUIDELINES -- AFFIRMATIVE DEFENSE

QUESTION:

Your plan calls for the development of practice guidelines, can these be used as an affirmative defense in a malpractice suit?

ANSWER:

- It is our intent that as the various medical practice guidelines are developed and in place, providers adhering to those standards would be protected from a claim of malpractice.
- The provider will be able to use the practice guidelines as an affirmative defense.

DELAYED EFFECTIVE DATE FOR MEDICAL GUIDELINES

QUESTION:

Why is there a one year waiting period before the protection for adhering to the medical guidelines kicks in?

ANSWER:

- Under our proposal, HHS will develop a pilot program based on guidelines set out by the National Quality Management program.
- We will be developing the guidelines over time, as those guidelines are developed, HHS will work with States to enact laws that protect providers who adhere to the guidelines.
- The exact time frame for when those guidelines will take effect has not been specified.

Clinton Presidential Records
Digital Records Marker

This is not a presidential record. This is used as an administrative marker by the William J. Clinton Presidential Library Staff.

This marker identifies the place of a tabbed divider. Given our digitization capabilities, we are sometimes unable to adequately scan such dividers. The title from the original document is indicated below.

16

Divider Title: _____

P. FEDERAL PROGRAMS

1. Veterans Hospitals and Competition
2. Veterans Hospitals and Medicare
3. Military and Veterans -- Inclusion in Plan
4. Indian Health Service
5. School-Based Clinics -- Parents' Choice

Public Employees

6. FEBHP -- Why Included?
7. State and Local Public Employees -- Inclusion in Plan

VETERANS HOSPITALS AND COMPETITION

QUESTION:

If veterans can go wherever they want, and the VA can compete as a health plan, aren't you placing a federal hospital in competition with the private sector? (Fish)

ANSWER:

► I think I should point out that Americans who are not veterans are not eligible to enroll in the VA plans, so that the population they will be competing for are the veterans. This competition can have two pay-offs for veterans; one, they will be provided with more care options and, two, may be provided better services because in some cases the VA program, in order to compete, may have to revise and improve their services.

VETERANS HOSPITALS AND MEDICARE

QUESTION:

Will the VA hospitals now be eligible for Medicare reimbursement?

ANSWER:

► Yes, but only when they serve Veterans who have high incomes and non-service connected health problems.

QUESTION:

What is the cost of this?

ANSWER:

► I don't know, but we will provide it for you.

QUESTION:

Will VA hospitals be required to meet Medicare conditions of participation?

ANSWER:

► I understand your concerns on this matter. We believe that as new money goes into the VA hospital system the quality of care will improve.

KEY INFORMATION

We do not specify this requirement in the plan.

MILITARY AND VETERANS -- INCLUSION IN PLAN

QUESTION:

How will you treat active military and their families and veterans?

ANSWER:

- The Secretary of Defense supports coordinating the military system with national health reform and DOD will develop a plan for implementation. The DOD plan would cover those are currently eligible for care in the military system.

- The Department of Veterans Affairs may organize its health centers and hospitals into health plans, or allow them to function as health providers contracting with plans or other providers to deliver services. All veterans would be eligible to enroll in a VA health plan if one exists in their area with veterans with service-connected disability receiving top priority.

INDIAN HEALTH SERVICE

QUESTION:

How will you treat the Indian Health Service?

ANSWER:

- Our commitment to the Indian Health Service does not change. IHS health programs will operate outside health alliances.

- However, American Indians and Alaska Natives may enroll in a health plan through regional alliances and may receive care through the IHS if that plan contracts with the IHS for services.

- In turn, an IHS program may serve non-Indians enrolled in a health plan if that plan has contracted with the IHS to provide services.

SCHOOL BASED CLINICS --PARENTS' CHOICE

QUESTION:

How would you address the parents' concerns that they don't want their kids to get health care through school based clinics? (Rep. Emerson)

ANSWER:

- Whether schools have health service clinic programs is a decision that will be left up to the local school board. I would expect that the role of parents will be critical to this decision as well as to decisions about the design and availability of such services.

- Reform provides local flexibility for the design of a service delivery system to best meet the needs of their children.

FEHBP -- WHY INCLUDED

QUESTION:

Why include the Federal Employee Health Benefit Plan enrollees when that plan is doing so well? Why not have the FEHBP as a separate corporate alliance?

ANSWER:

- I believe that the FEHBP will be improved by requiring that a standardized package of benefits be available to all Federal employees.

- Also, by including Federal employees under the Plan there is the opportunity to protect their benefits against the political pressures to cut them as a part of efforts to constrain the Federal budget.

STATE AND LOCAL PUBLIC EMPLOYEES -- INCLUSION IN PLAN

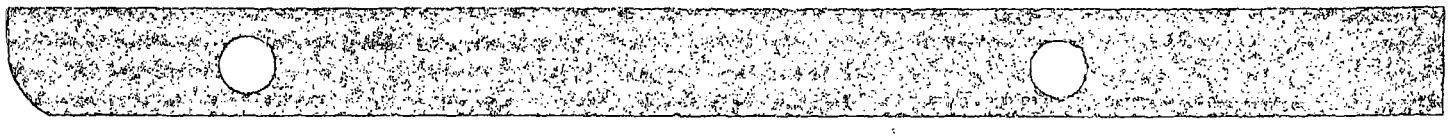
QUESTION:

How will you treat State and local public employees? (Rep. Dingell/Sangmeister)

ANSWER:

- State and local public employees will be included in regional alliances just as Federal employees are included.

HEALTH CARE LETTERS



Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	Health Care Letters Index [partial] (1 page)	n.d.	b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
Liz Bowyer
OA/Box Number: 3979

FOLDER TITLE:
Congressional Testimony Briefing Book for HRC [binder] [2]

2014-0483-S
sb440

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]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
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]

LETTERS INDEX

CALIFORNIA (Reps. Stark, Moorhead, Waxman, Lehman)
- Prescription drugs; pre-existing condition (Santa Rosa), (b)(6) 001
- Long term care insurance premiums (Salinas), (b)(6) 001
- Pre-existing condition; loss of coverage (Livermore), (b)(6) 001

CONNECTICUT (Rep. Johnson)
- Pre-existing condition (Milford), (b)(6) 001
- Self-employed; pre-existing condition (Danbury), (b)(6) 001

GEORGIA (Rep. Rowland)
- Self-employed, excessive medical costs (Cedartown), (b)(6) 001
- Lost job; pre-existing condition (Roswell), (b)(6) 001
- Overcharged medical costs (Newnan), (b)(6) 001
- Lost job; pre-existing condition (Atlanta), (b)(6) 001

ILLINOIS (Reps. Rostenkowski, Hastert)
- Pre-existing condition (Arlington Heights), (b)(6) 001
- Excessive costs (East Peoria), (b)(6) 001
- Simplicity - excessive paperwork (Mascoutah), (b)(6) 001
- Excessive medical costs (Glenview), (b)(6) 001

KENTUCKY (Rep. Bunning)
- High premiums (Brandenburg), (b)(6) 001
- Pre-existing condition (Hopkinsville), (b)(6) 001

LOUISIANA (Rep. Tauzin)
- Excessive costs (Ville Platte), (b)(6) 001
- Job lock (New Iberia), (b)(6) 001
- High costs (Kenner), (b)(6) 001
- Social Security technicality; high costs (Madisonville), (b)(6) 001

MICHIGAN (Rep. Dingell)
- Excessive costs, prescription drugs (Livonia), (b)(6) 001
- Medicaid (Pontiac), (b)(6) 001
- Prescription drug prices vary (Southgate), (b)(6) 001

PENNSYLVANIA (Rep. Santorum)
- Small business (Sellersville), (b)(6) 001

TENNESSEE (Reps. Sundquist, Cooper)
- Prescription drugs, home health care (Tullahoma), (b)(6) 001

TEXAS (Rep. Archer)
- Small business, fraud and abuse (Richardson), (b)(6) 001
- Elderly, high premiums (Kingwood), (b)(6) 001
- Prescription drugs (Winnie), (b)(6) 001

VIRGINIA (Reps. Payne, Bliley, Boucher)
- Job lock, no preventive care (Virginia Beach), (b)(6) 001
- Home health care, Medicaid (Norfolk), (b)(6) 001

WASHINGTON (Rep. McDermott)
- Price gouging (Seattle), (b)(6) 001

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. list	Summaries of Letters [partial] (6 pages)	n.d.	b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
Liz Bowyer
OA/Box Number: 3979

FOLDER TITLE:
Congressional Testimony Briefing Book for HRC [binder] [2]

2014-0483-S
sb440

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]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
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]

SUMMARIES OF LETTERS

CALIFORNIA (Reps. Stark, Moorhead, Waxman, Lehman)

* Prescription drugs; pre-existing condition (Santa Rosa)

002 (b)(6) has diabetes, high blood pressure, and asthma, and is currently on SSI and PERS disability after working for 30 years. She buys COBRA insurance, which does not cover prescription drugs. She has stopped taking her medications because she cannot afford the $150/mo. Two insurance companies told her that she could qualify for their plans if she went on county aid (which still would not pay for the medications). (NOTE: Consent has not yet been obtained for public use of her letter.)

* Long term care insurance premiums (Salinas)

002 (b)(6) and wife are in their 80s and in good health. They pay long term care insurance premiuns ($7,026/yr.), uninsured dental care costs, and supplemental insurance ($1,476/yr.) for a total of $9,938 in out-of-pocket insurance and health costs in 1992.

* Pre-existing condition; loss of coverage (Livermore)

002 (b)(6) 24 year-old son, (b)(6) -- born with cystic fibrosis -- is hospitalized once a year for about $50,000/yr, and requires approx. $1,300 in prescription drugs each month. The family is covered by the father's insurance, which has covered 80% of these expenses until now. As (b)(6) recently graduated from college, he is only covered on his parents' insurance if he remains a dependent. He is otherwise uninsurable. The husband is 66 years old, has worked for over 40 years, and cannot retire for fear that his family will lose health coverage.

CONNECTICUT (Rep. Johnson)

* Pre-existing condition (Milford)

002 (b)(6) 36, had an ileostomy (most of her intestines removed) at age 12. Her supplies are termed "maintenance" and coverage for them may be dropped under her insurance plan. If so, she will be forced to quit her job and go on public aid.

* Self-employed; pre-existing condition (Danbury)

002 (b)(6) and husband were laid off from good jobs, but paid own COBRA insurance of $400/mo. Daughter required surgery to repair ear drums (which cost $12,000 for a 24-hour hospital stay). After this, (b)(6) took a job paying just over 1/3 her former salary, and her husband opened a small business. The best policy they can get is a $400/mo. premium with a $3,000/yr. deductible, but this will exclude her husband's pre-existing heart condition (he had a heart attack five years ago) and her daughter's ear problems. The only way they can get care is to sell everything and go on welfare.

GEORGIA (Rep. Rowland)

* Self-employed, excessive medical costs (Cedartown)

002 (b)(6) insurance cost $80/mo. for a $500 deductible in 1983 and now costs $403/mo. for a $1,000 deductible. Her husband's medical bills last year were $2,960, and their insurance premiums were $5,650 ($8,610 total), on an income of $26,100. They are in their 50s and don't know how to continue paying these expenses. Quote on phone: "I work to pay insurance. It's about all we can do to hang on."

* Lost job; pre-existing condition (Roswell)

002 (b)(6) husband lost his job in 1991 when the company reorganized. Months later, her 17 year-old daughter had kidney failure, went on dialysis and received a kidney transplant (father donated kidney). The family bought COBRA insurance, which ran out after 18 months, leaving the daughter on Medicare, which cut off all coverage in Dec. 1992. Medicare covered (b)(6) (who had cancer) and her daughter (except for her $550/mo. of prescription drugs) for one year before ceasing. Mr.

002 (b)(6) is uninsurable in his new job because he had donated the kidney.

* Overcharged medical costs (Newnan)

002 (b)(6) went to the emergency room with a dislocated shoulder, and was charged $686, including erroneous fees ($183) for four x-rays when only three were taken. His bill was corrected upon his complaint, though he is unsure if Medicare will receive the corrected bill. Quote: "If every hospital patient is over-charged $183 it is no wonder the U.S. is going broke paying medical expenses."

* Lost job; pre-existing condition (Atlanta)

002 (b)(6) 36, lost his job and health coverage because of ongoing health problems (multiple knee and ankle operations). When COBRA runs out, he worries that he'll have no insurance; currently, most of his money goes to medical bills. Quote: "It's not my fault that I have these problems. I would certainly prefer to be healthy."

ILLINOIS (Reps. Rostenkowski, Hastert)

* Pre-existing condition (Arlington Heights)

002 (b)(6) 24, was a juvenile diabetic, and is now being denied coverage for a pre-existing condition despite the fact that she has been in good health for 12 years and had only one 2-week stay in the hospital when she was an adolescent. She currently carries COBRA insurance that will expire on October 8, 1994, and feels that she will have trouble getting coverage after this time.

* Excessive costs (East Peoria)

002 55, is a quadraplegic after a car accident that was not her fault. She cannot change her insurance, which costs her a $4,000 premium with a $2,500 deductible; she did not work enough to get Social Security disability since she was

raising her family; and is not eligible for SSI or Medicaid. Her husband takes care of her, and as a result, can no longer attend to his business.

* Simplicity - excessive paperwork (Mascoutah)

002 (b)(6) needs to file over 51 claim forms to be reimbursed for his prescription medications (five times as many as he had to file for the same prescriptions in 1992.) He is in Blue Cross/Blue Shield under the Service Benefits Plan of the Federal Employee Program.

* Excessive medical costs (Glenview)

002 (b)(6) husband underwent a 20 minute outpatient cataract operation (they were at the hospital for three hours), and received a bill for about $3,000. The doctor's bill will be about $1,500. The charges are partly covered by Medicare, but 002 (b)(6) wonders why the charges are not more in line with what Medicare pays.

KENTUCKY (Rep. Bunning)

* High premiums (Brandenburg)

002 (b)(6) eight year old daughter has tonsilitis, but the (b)(6) 002 cannot afford health insurace as they are self-employed. In the meantime, she takes her daughter for weekly shots to combat the infections that would likely end with tonsil surgery.

* Pre-existing condition (Hopkinsville)

002 (b)(6) her husband, and their four children were denied medical assistance (Medicaid) because the husband earned $300-$400/mo. doing odd jobs. He was turned away from the hospital with pneumonia (feverish and hallucinating). The 002 (b)(6) borrowed money from their parents to buy his medication. He was recently hired at a local factory which offers health insurance. The (b)(6) will pay, but (b)(6) 002 worries about being refused because she has been treated for depression in the past.

LOUISIANA (Rep. Tauzin)

* Excessive costs (Ville Platte)

002 (b)(6) was charged over $11,000 for a seven-day hospitalization with pneumonia. He feels overcharged for services and medications (i.e. $3.50 per Advil).

* Job lock (New Iberia)

002 (b)(6) 58, has worked as a legal secretary for 40 years with good health insurance. Her husband, 61, is insured under her plan and recently had a heart attack. She cannot retire because her husband is uninsurable and will not be covered by Medicare until age 65.

* High costs (Kenner)

002 (b)(6) does not work outside the home so she can raise her children (ages 4 and 9 mos.); her husband's work does not provide insurance. They pay $261.50 per

month for insurance with a $500 deductable, receive no maternity coverage, no well baby care, etc. on an income of $30,000.

* Social Security technicality; high costs (Madisonville)

002 (b)(6) has a chronic heart ailment, but was denied Social Security Disability on a technicality (denial may have been related to wife's income - $20,000). His medical costs are $300/mo., insurance; $378/mo., medications; $1,000/mo., payments on deductables. His heart condition precludes his returning to work. He feels that he is an economic burden on his wife (whose premiums, incidentally, are rising 40% this year).

MICHIGAN (Rep. Dingell)

* Excessive costs, prescription drugs (Livonia)

002 (b)(6) paid 270% more for his wife's medication in February 1993 than in October 1992 ($19 to $53). His wife will require the medication for the rest of her life; further increases will drain their resources.

* Medicaid (Pontiac)

002 (b)(6) 65, is angry because an OB/GYN refused to treat her pregnant daugther because of fears she wasn't covered by Medicaid (card takes 45 days to process). Her daughter and son-in-law have no insurance, and their first child was premature after receiving no pre-natal care. She pays for the children's shots. She feels that "little babies suffer because of a group of greedy doctors."

* Prescription drug prices vary (Southgate)

002 (b)(6) 76, notes that drug prices vary from pharmacy to pharmacy, and feels that she cannot drive miles in Michigan winters at her age to pay less for her medications.

PENNSYLVANIA (Rep. Santorum)

* Small business (Sellersville)

002 (b)(6) recently joined the Chamber of Commerce to obtain group medical insurance for himself and his four employees. They were denied coverage from the HMO they chose because one employee had a heart attack five years ago as a result of smoking (after the surgery, he stopped smoking, takes no medications, and has no heart troubles). The letter from the HMO cited their business as one with fewer than 25 employees, yet they joined the Chamber of Commerce specifically to be considered as part of a 2,500 person group.

TENNESSEE (Reps. Sundquist, Cooper)

* Prescription drugs, home health care (Tullahoma)

002 (b)(6) is a home health nurse; one couple among her clients must pay $475/mo. for medications on a fixed income of $675/mo. "They must a decision on whether to eat, buy clothes, or buy medicines."

TEXAS (Rep. Archer)

* Small business, fraud and abuse (Richardson)

002 (b)(6) owns a small business with three employees. Their group health insurance premiums have increased 1100% since 1981 after one employee developed a heart condition. The person would be uninsurable if (b)(6) dropped his company's policy. "This burden is bankrupting our little firm." 002

* Elderly, high premiums (Kingwood)

002 (b)(6) [NOTE: Consent to use story, but not name], 59, had polio 40 years ago, and uses a leg brace and canes. She falls frequently and has sufficient pain that she cannot work. She does not qualify for any benefits, and has no insurance. She has decided not to seek medical care should she need it so that she will not lose her house in attempting to pay for her treatment.

* Prescription drugs (Winnie)

002 (b)(6) receives Social Security disability benefits after his leg became paralyzed in 1988. Several months ago, he had a severe heart attack which almost killed him. Medicare paid for the surgery, but does not pay for his medication. "What good is it for Medicare to spend a huge sum of money for the surgery to keep a person alive if the person cannot buy the medicine he needs to maintain that life."

VIRGINIA (Reps. Payne, Bliley, Boucher)

* Job lock, no preventive care (Virginia Beach)

002 (b)(6) mother of three, received notice of second increase/year in premium. She will have to drop coverage soon because of the cost. Her high premium discourages her from getting preventive care for her children. She is not on the family plan because of a mild heart condition, so she keeps jobs she would rather quit to keep insurance. Quote: "I am holding my two year old while I am writing this letter. He is running a fever and sounds congested. Now, do I take him to a doctor or wait and see how bad he gets?"

* Home health care, Medicaid (Norfolk)

002 (b)(6) 69 year-old mother receives $715/mo. in Social Security benefits, but her home care costs over $1,200/mo. She does not qualify for Medicaid unless she gives up and goes into a nursing home, which would cost about 2/3 more than her current home care. She is spending down her savings.

WASHINGTON (Rep. McDermott)

* Price gouging (Seattle)

002 (b)(6) visited doctor for an AIDS test, was told $126 as a fixed price, and found AIDS tests for $35 and $25 at local clinics. She was "livid" and wrote him an angry letter, which she "cc'd" to you.
(NOTE: Consent has not yet been obtained for public use of her letter.)

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
003. letter	Health Care Letters (46 pages)	1993	b(6)

COLLECTION:
Clinton Presidential Records
First Lady's Office
Liz Bowyer
OA/Box Number: 3979

FOLDER TITLE:
Congressional Testimony Briefing Book for HRC [binder] [2]

2014-0483-S
sb440

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]
b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
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]

WAYS & MEANS

WAYS AND MEANS COMMITTEE
September 24, 1993

DEMOCRATS:

CHAIRMAN DAN ROSTENKOWSKI (D-IL): The delicacy of the situation of the Chairman of the Ways and Means Committee is clear. In a September 22 column, David Broder pictures Rostenkowski as anxious to pass this historic health care legislation, both because of his own personal problems and because of his treatment during the repeal of catastrophic.

RECENT DEVELOPMENTS: Following the President's address, Rostenkowski told the AP that he thought the plan might not solve all problems but it's a start. "I'll do whatever I can to pass it." He also told the Chicago Tribune that the tobacco tax is likely to be 75 cents a pack.

POLITICAL PROFILE

After over three decades in the House, Ways and Means Committee Chairman Dan Rostenkowski still wields a heavy gavel. He backs his subcommittee chairmen, allowing them free reign to move key legislation. However, during the last session, as the debate over health care reform heated up in the Health Subcommittee, Rosty refused to let Subcommittee Chairman Stark's bill move without assurances it could garner the votes necessary to pass the full Committee. The bill died in Subcommittee. Since 1989, the Chairman's ability to build coalitions on health care issues within Committee has diminished.

In 1989, he opposed the Medicare catastrophic coverage repeal, but outside interests stymied his efforts to save this legislation. He was particularly upset with the tactics of the pharmaceutical industry in opposing the legislation. On health care reform the Chairman has not taken a position, preferring to keep his options open. In the last Congress, he leaned toward small group market reform and other incremental reforms. While this was the case, he also introduce an employer-based, comprehensive reform initiative that controlled costs by regulating provider payments. Interestingly, his bill also addressed the expensive retiree health issue by lowering the Medicare eligibility age to 60.

HEALTH REFORM ISSUES/PRIORITIES

Chairman Rostenkowski's primary concern in the upcoming health reform debate will be how the new program is financed and, relatedly, the jurisdiction his committee receives, rather than the details of the plan itself. Lately, the Chairman has been one of the members asking that the Administration is careful to take the time to ensure the plan is done right. He and his staff have indicated that they do not believe a mark-up is possible in 1993.

LEGISLATIVE INTERESTS

103rd: Cong. Rostenkowski has sponsored legislation (H.R. 19) to provide coverage of certain preventive services under part B of Medicare. He cosponsored a bill to improve the administration of the Medicare program (Pickle, H.R. 22).

CONGRESSMAN SAM GIBBONS (D-FL): While he is not a major player on health care issues, Congressman Gibbons wants to be helpful. He has long advocated extending Medicare coverage to all Americans.

On July 21, Gibbons told the Congressional Monitor: "I have told the Clintons that I would be ready to support whatever system the President comes up with."

POLITICAL PROFILE

Although Cong. Sam Gibbons has been in the House for over three decades and involved in many major debates, he has always been a step or two away from real power. For a decade he has held the No. 2 spot on Ways and Means. Gibbons was the floor manager for many of the social programs of the Great Society during the Johnson Administration. However, he voted against school busing and the Civil Rights Amendments of 1964 and 1968. He has since changed his stand on civil rights. Gibbons' primary legislative issue is free trade. As chairman of the Trade Subcommittee, he has blocked numerous Democratic attempts to raise trade barriers.

HEALTH REFORM ISSUES/PRIORITIES

Gibbons has not been a major player on health care legislation. However, he obviously will be the focus of much attention should there be any change in the Committee Chairman's status. One expects that his primary interest will be the preservation and protection of Medicare. In addition, his trade interests may make competitive advantages arguments (on health reform) very appealing.

LEGISLATIVE INTERESTS

103rd: Cong. Gibbons cosponsored the Family and Medical Leave Act of 1993 (P.L. 103-3).
Gibbons is also a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

CONGRESSMAN J.J. (JAKE) PICKLE (D-TX): Congressman Pickle has been a key player on major issues, including Social Security. Pickle opposes global budgets or caps because he believes they undermine competitiveness. He is close to the AMA and the hospital lobby. Pickle worked with Congressman Stark in an unsuccessful attempt to rescue Medicare Catastrophic Act. Pickle rarely bucks his Chairman, however he is on Gephardt's list as a "no".

POLITICAL PROFILE

Like Lyndon Johnson, whose House seat he occupies, Cong. J.J. Pickle is a man of rural populist roots. As an LBJ protege, in his first two years in the House Pickle backed the Civil Rights Act of 1964 and the Voting Rights Act of 1965, which caused him political difficulty in his district. Now third in seniority on Ways and Means, he has been involved in a variety of major issues, including Social Security, trade and revision of the tax code. Significantly, Pickle rarely bucks the Chairman's priorities and is rewarded as a result. Partly because of this philosophy, he strongly supported the Chairman's defense of the catastrophic health care legislation.

Whatever he does on the Oversight Subcommittee in the future, he will have trouble matching his earlier achievements as chairman of the Social Security Subcommittee in the 98th Congress. Convinced that the way to save the Social Security system was to raise the retirement age, he successfully prevailed on the House floor against Claude Pepper of Florida, who proposed solving the system's financing problems by increasing the payroll tax. Pickle's approach became law in 1983 and he relinquished the Social Security subcommittee chairmanship, saying that he had accomplished his major goal.

HEALTH REFORM ISSUES/PRIORITIES

Pickle is closely allied with the Texas Medical Association and the Texas Hospital Association. This helps explain why he is so adamantly opposeds global budgets or caps. He believes they undermine competitiveness. Rural health issues are also extremely important to him. In a recent meeting, Pickle expressed his concern about health reform's impact on third party administrators (TPAs). Lastly, unlike most of his Texas counterparts, Pickle is a pro-Choice old time Democrat.

LEGISLATIVE INTERESTS

103rd: Cong. Pickle introduced legislation (H.R. 22) to improve the administration of the Medicare program (as well as a number of other Federal agencies). The bill emanates from Pickle's Oversight Subcommittee and institutes management reforms designed to prevent fraud, abuse and mistaken payments. In the 102nd Congress, Pickle introduced similar legislation, which was incorporated into H.R. 11, the Revenue Act of 1992.

CONGRESSMAN CHARLES RANGEL (D-NY): Many observers believe Congressman Rangel will be the next chairman of the Ways and Means Committee.

POLITICAL PROFILE

Cong. Charles Rangel has held the secure Harlem, New York City district seat for over two decades. He is 4th in seniority on Ways and Means and is a past chairman of the Health Subcommittee. Rangel is known as a skillful backroom negotiator, and he sees himself as a protector of the true liberal traditions of the Democratic Party. Rangel ran unsuccessfully against Tony Coelho for Democratic Whip in 1986. On the heels of this defeat, Rangel scrambled to recapture the chairmanship of the Health Subcommittee, but the Democrats voted 17-4 to give the job to Pete Stark. He is often vocal about his problems and is known to complain about being shut out of debates. When the 103rd Congress decided to reduce the number of Select Committees, the Select Committee on Narcotics Abuse, chaired by Rangel, was the first to be voted out of existence.

Rangel is critical of liberalizing trade with Mexico, because of his belief that lowering the trade barriers will allow illegal drugs to enter the United States. This helps explain his stong opposition to NAFTA.

HEALTH REFORM ISSUES/PRIORITIES

The Congressman is interested in health care policy, but is not viewed as a key player. He is very concerned about urban health and access for the poor. He is very influential with the Congressional Black Caucus. He has co-sponsored a number of single payer bills, including the McDermott bill. In addition, he has also supported the Matsui and Slattery bills which are designed to expand coverage to women and children. Rangel believes that drug abuse is one of the causes for spiraling health care. He is expected to be with the Administration, as long as the CBC is happy, and there is no overly regressive tax hike. His focus on health care will be on adequate subsidies for the poor and to assure that inner-city urban populations are well served. In addition, he will continue to be a strong advocate for adequate benefit coverage of chemical and substance abuse.

LEGISLATIVE INTERESTS

103rd: Cong. Rangel has sponsored H.R. 15, the Enterprise Zone Community Development Act of 1993, which would provide tax incentives to encourage private development in the inner cities. He cosponsored the Family and Medical Leave Act (P.L. 103-3) and a Pickle bill to improve the administration of Medicare (H.R. 22). Rangel is a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

CONGRESSMAN PETE STARK (D-CA): Despite frequent consultation with him, the Chairman of the Health Subcommittee has been critical of the Administration's health care reform efforts from the start - and that posture seems unlikely to change in the foreseeable future. Stark is also Chairman of the District of Columbia Committee and he has already told District officials that they may need special provisions under the plan. The District now believes they will need special insurance subsidies because of the city's high cost of living.

Recent Developments: Congressman Stark has continued to be highly critical of the plan, particularly proposed cuts in Medicare and Medicaid. Among his more noteworthy comments:
September 9 in *USA Today*: I am unwilling to risk the destruction of Medicare just so the President can claim a pyrrhic victory;"
September 10 (*Washington Times*): "If you think limiting premiums will control costs, show me what you're smoking;"
September 13 (*USA Today*): "We're not going to make huge changes. People are quite comfortable and the seniors love Medicare."

At a staff briefing on September 13, Stark asked whether our plan would mean the elimination of Medicare. When told that we envisioned a single-tier system, he wondered what happened to the Medicare payroll taxes. He was not satisfied with Ken Thorpe's response and expressed concern over the whole scenario in a subsequent conversation with John Rother of AARP.

Following the President's speech, Stark was quoted as follows in USA Today: "The Clinton Administration is obsessed with being against the federal government."

POLITICAL PROFILE

Liberal Cong. Pete Stark has developed a reputation for being unorthodox. However, as Chairman of the Ways and Means Subcommittee on Health, he has been effective in moving legislation consistent with the liberal agenda. Stark was dealt a major blow in his efforts to improve health services for the elderly when the Medicare catastrophic coverage legislation was repealed. The demise of this legislation left many members of Congress wary of future efforts to expand health care coverage for any group.

Stark moved quickly during the 102nd Congress to introduce legislation which provided universal health care coverage based on a play-or-pay model. As the 102nd Congress drew to a close, and the House leadership searched for a reform vehicle to move, Stark offered up his "Health Care Cost Containment and Reform Act", which would have expanded health care coverage while reforming the health insurance market. The bill was held by Chairman Rostenkowski and did not move out of subcommittee.

HEALTH REFORM ISSUES/PRIORITIES

Medicare-for-all is Pete Stark's preferred approach to health care reform. He believes the Administration's health care reform plan would dismantle the Medicare program. Pete Stark is deeply distrustful of market-based approaches to contain costs or deliver appropriate, quality health care. As such he has significant reservations about anything in our proposal that relies too heavily on what is labeled as managed competition. He therefore believes our reliance on risk adjustments borders on fantasy. He is sharply critical of the HMO industry.

The HMO industry is not the only health player that Pete Stark has had run-ins with. He has had major feuds with the AMA, the AHA, the HIAA and Blue Cross, and the Pharmaceutical Manufacturers Association.

Although not market oriented, he also is greatly skeptical about the ability to guarantee cost containment through the use of premium caps. He cites his recently released CBO requested study as evidence. (He believes down to the core of his existence that the only way to control costs is through direct rate regulation.) Despite all of his bluster and strong policy feelings, his number one priority is to be the player in the House that delivers on health care reform. As such, we anticipate that in the end he will be an Administration ally.

LEGISLATIVE INTERESTS

<u>103rd</u>: Cong. Stark has re-introduced the Health Care Cost Containment Act (H.R. 200); also H.R. 2610, a Medicare-for-all plan. He has sponsored legislation to extend and improve the ban on physician referrals to health care providers with which the physician has a financial relationship (H.R. 345); impose an excise tax on certain sales of assets of medical service organizations to managers, etc. of such organization (H.R. 483); establish in the Food and Drug Administration the Patented Medicine Prices Review Board to regulate the prices of certain prescription drugs; and amend the Internal Revenue Code to recapture certain tax benefits (H.R. 916). He has cosponsored the Family and Medical Leave Act (P.L. 103-3) and Cong. Rostenkowski's bill to cover certain preventive services under Medicare (H.R. 19). He has also cosponsored a measure to improve the administration of the Medicare program (H.R. 22). Stark is a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

CONGRESSMAN ANDREW JACOBS (D-IN): Congressman Jacobs is one of the most individualistic Members of Congress. He is the former Chairman of the Health Subcommittee and the present Chairman of the Social Security Subcommittee. Jacobs is strongly anti-smoking, and has advocated the doubling of the cigarette tax and earmarking the funds to pay for health care. Being the maverick that he is, it is and will be difficult to impossible to predict how he will vote on health care reform.

RECENT DEVELOPMENTS: After the President's speech Jacobs said, "I have my apprehensions about the employer mandate. I am encouraged there is a bipartisan atmosphere emerging. I am for the medical savings account plan. I don't like single payer. You've heard the saying, 'If it ain't broke, don't fix it?' Well, if it can be fixed, don't replace it. I will take it item by item as we go through the plan in the coming months."

POLITICAL PROFILE

Indianans seem attracted by the same traits in Cong. Andrew Jacobs that have kept him an outsider in House politics. Outspoken in his fiscal conservatism and attention to federal waste, he has long opposed congressional salary increases.

Before becoming Chairman of the Social Security Subcommittee, Jacobs chaired the Health Subcommittee. When the Social Security Reform Act reached Ways and Means in 1983, he added a Medicare payment plan which set fixed costs for inpatient treatment of various diseases. He also pushed to freeze Medicare payments to physicians and to prohibit the charging of extra fees beyond those covered by Medicare.

HEALTH REFORM ISSUES/PRIORITIES

Strongly anti-smoking, Jacobs has been a consistent advocate of doubling the cigarette tax and earmarking the extra revenues for the Hospital Insurance trust fund. He is also closely associated with the Pharmaceutical Manufacturers Association. He was a strong advocate of their position in Committee during the catastrophic health care debate.

LEGISLATIVE INTERESTS

103rd: Cong. Jacobs has sponsored legislation to streamline the Social Security disability application and appeal process (H.R. 646); to make the Social Security Administration independent of the Department of Health and Human Services (H.R. 647); to require the Secretary of the Treasury to issue to the Social Security trust funds certificates of U.S. obligations (H.R. 931); and to strengthen provisions prohibiting the use of Social Security symbols for deceptive purposes (H.R. 978).

CONGRESSMAN HAROLD E. FORD (D-TN): Representative Ford is the Chairman of the Human Resources Subcommittee which will have jurisdiction over the Administration's welfare reform. As such he will be interested in the link between reform of health care and of welfare.

Ford is supportive of health reform but not wedded to any particular approach. He has voiced concern for the elderly in the past.

POLITICAL PROFILE

After spending two Congresses waiting vindication from allegations of bank, mail and tax fraud charges, Cong. Harold Ford was cleared of charges at the beginning to the 103rd Congress, and chairs the Ways and Means Subcommittee on Human Resources. With the reclamation of the Chair, Cong. Ford reasserted his position as a leader on national welfare policy. During the 1987 debate on welfare reform, Ford sponsored his own welfare reform legislation, the centerpiece of which was job training for welfare recipients. Major portions of Cong. Ford's legislation were incorporated into the welfare reform package which became law in 1988. Importantly, he has strong reservations about everything the Clinton Administration is contemplating doing about welfare reform.

HEALTH REFORM ISSUES/PRIORITIES

Ford will be interested in health care reform as a facilitator of welfare reform. However, his discomfort with the Administration's more conservative approaches to welfare reform may lead him to voice related concerns over the health reform proposals. Specifically, he will be protective of low income populations and foster children. He will resist efforts that he views that will isolate the poor in low cost plans. Similarly, he will be critical of asking the poor to be "responsible" for paying a portion of their health care costs if he perceives that payment to be burdensome.

LEGISLATIVE INTERESTS

103rd: Cong. Ford cosponsored the Family and Medical Leave Act of 1993 (P.L. 103-3) and the Federal Program Improvement Act of 1993 (Pickle, H.R. 22). Ford is also a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

CONGRESSMAN ROBERT MATSUI (D-CA): Congressman Matsui is a well respected Committee member who tends to follow the Chairman on major issues. He is very close to big business and, in particular, for profit hospitals and nursing homes. He views himself as a moderate who the Administration should lean on mjore frequently as a dealmaker. This was evidenced by the meeting he requested with the First Lady, Congresswoman Kennelly, and other moderate members of the Ways and Means Committee on August 6.

RECENT DEVLOPMENTS: After the President's speech he called the plan a step in the right direction, but that Congress may want to explore alternatives for limiting increases in insurance premiums. Congress has "to make sure it is not so onerous that it affects the quality of care and the ability of providers to do the kind of work . . . that we have been used to." He backs the employer mandates in the plan because companies that provide health insurance end up indirectly subsidizing those that do not. He was also optimistic of passage. He said, "Before the end of this Congress we will have major health care reform that is comparable to the Medicare and Medicaid legislation of 1964."

POLITICAL PROFILE

First elected to the House in 1978, Cong. Robert Matsui, is considered a loyal Democrat, but one who often sets his own agenda. He is a skilled fundraiser who has considered seeking higher offices including Alan Cranston's U.S. Senate seat and the California governorship.

With seven terms on the House Ways and Means Committee, Cong. Matsui combines a liberal approach to tax policy with a strong interest in protecting California businesses. Matsui's greatest accomplishment in the House was on Japanese-American redress. He was one of the lead sponsors of the 1988 law which provided monetary compensation for every survivor of the internment camps and for so-called "voluntary evacuees."

HEALTH REFORM ISSUES/PRIORITIES

On health issues, Congressman Matsui supports phasing in coverage for pregnant women and children first and introduced legislation to achieve this goal in the last Congress. He supports sin taxes and can push them on the committee. He also supports a tax cap, like the one recommended by the Jackson Hole group, because he believes it is necessary to force employees to make real choices. In addition, Congressman Matsui supports global caps to control costs.

LEGISLATIVE INTERESTS

103rd: Cong. Matsui introduced H.R. 727, the Children and Pregnant Women Health Insurance Act of 1993, to provide health insurance coverage for pregnant women and children through employment and State based insurance plans.

CONGRESSWOMAN BARBARA KENNELLY (D-CT): Congresswoman Kennelly can be a valuable ally both with the Congressional Women's Caucus and the House's Old Guard.

POLITICAL PROFILE

Cong. Barbara Kennelly has a knack for getting along with the male-dominated House leadership. She had been in the chamber less than a year when she won a seat on Ways and Means and in 1984 she was appointed to the Democratic Steering and Policy Committee. In the 102th Congress, she became a Chief Deputy in the majority whip organization. Kennelly is also the first woman to serve on Intelligence as Chairwoman of the Subcommittee on Legislation. As one of her first accomplishments on Ways and Means, she won passage of a law to encourage payment of child support. She is also considered an expert on the taxation of the insurance industry, and she has actively promoted legislation affecting the industry.

HEALTH REFORM ISSUE/PRIORITIES

Despite concerns about her Connecticut insurance constituency, Rep. Kennelly wants health care reform as shown by her request to meet in August to discuss strategy. She is a strong advocate of woman's health issues, particularly the coverage of mammography. If treated with sensitivity on the insurance side of the equation, she should be able to be counted on as a strong and influential ally during the reform debate.

LEGISLATIVE INTERESTS

103rd: Cong. Kennelly introduced legislation to improve Medicaid nursing home coverage and to clarify the tax treatment of long-term care insurance (H.R. 2407). She cosponsored the Family and Medical Leave Act of 1993, (P.L. 103-3), and the National Institutes of Health Revitalization Act (Waxman, H.R. 4).

CONGRESSMAN WILLIAM (BILL) COYNE (D-PA): Congressman Coyne is a former member of the Ways and Means Health Subcommittee. Coyne is a team player who prefers to work behind the scenes and is ALWAYS loyal to the Chairman.

POLITICAL PROFILE

Although he was elected to Congress in 1980, Cong. William Coyne has been so quiet that he has been almost invisible. Previously an accountant and a 10 year veteran of local politics, Coyne works almost entirely behind the scenes in Congress. A Party loyalist and member of Ways and Means since 1985, Coyne just switched from the Health to the Trade Subcommittee. Coyne is actively involved in issues related to his Pittsburgh district's steel industry. For example, Coyne has supported an extension of Clean Air Act compliance dates for the steel industry; promoted additional funds for unemployed workers; proposed enterprise zone legislation; and sponsored legislation to require the Bureau of Labor Statistics to collect and report data on "discouraged" workers. Coyne has never faced serious opposition, and has easily won each reelection, usually with over 70 percent of the vote.

HEALTH REFORM ISSUES/PRIORITIES

Congressman Coyne supports the single payer model and is particularly concerned about the effect of Medicare cuts on beneficiaries. Coyne likes and respects Congressman Stark and supported him when serving on the Health Subcommittee.

While on the Health Subcommittee, Coyne co-sponsored the Russo Single Payer and the Stark-Gephardt Health Care Reform bills. His primary health priorities are coverage for mental health and reimbursement for psychologists and other non-M.D. mental health providers.

LEGISLATIVE INTERESTS

103rd: Cong. Coyne cosponsored the Family and Medical Leave Act (P.L. 103-3). Coyne is a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott, and
H.R. 2610, the Medicare for all bill sponsored by Cong. Stark.

CONGRESSMAN MICHAEL ANDREWS (D-TX): Congressman Andrews is one of the conservative Democrats on the Committee. He is close to Chairman Rostenkowski, as well as Secretary Bentsen and Rep. Stenholm. Andrews is considered a bellwether for his delegation.

Recent Developments: In public statements, Andrews has been very supportive of tobacco excise taxes. On September 9, he told Knight-Ridder: "I honestly believe we cannot have health care reform without a cigarette tax."

On September 24, Andrews was quoted as follows in the New York Times: "By giving so much regulatory power to the alliances, Clinton's plan will undermine the competition we are trying to promote."

After the President's speech, he told the Houston Post, "I used to think, it's going to be so hard to get beyond these special interest groups. I don't think that anymore." But he still worries about too much "government intrusion."

HEALTH REFORM ISSUES/PRIORITIES

One of the new members of the Health Subcommittee, Cong. Andrews is enjoying his new status. A member of the Conservative Democratic Forum, Andrews was a key force behind the introduction of the "Managed Competition Act." Although the bill has yet to be reintroduced, CDF members (Andrews, Cooper, and Stenholm) are expected to soon reintroduce this legislation to lay it down as a marker and to assure their roles on the debate.

His primary concerns include children, immunization, low-income women, rural areas, and academic health centers. He is pro-choice and anti-tobacco. Andrews supports a tax cap on benefits and the use of excise taxes, particularly cigarette taxes, to fund health care reform. He is nervous about cost controls and the impact they might have on managed competition. Likewise, he is concerned about the impact of employer mandates.

Congressman Andrews' district is known as the health capitol of the world because the Texas Medical Center -- the largest facility in the nation -- resides there. He is close to the Texas AMA. He is not known to be an idealogue and, as such, should be open to horse trading during the legislative development process.

LEGISLATIVE INTERESTS

103rd: Cong. Andrews introduced legislation to increase excise taxes on cigarettes and use the money to expand Medicaid (H.R. 1246). Cong. Andrews has cosponsored legislation to protect children from exposure to environmental tobacco smoke (Durbin, H.R. 710).

CONGRESSMAN SANDER LEVIN (D-MI): Congressman Levin was one of the Subcommittee members who asked to meet in August to discuss strategy.

Levin will be influenced mainly by unions and retirees. In addition, Levin has a large teaching hospital in his district and he actively defends GME payments. Levin is a quiet member, but helpful behind the scenes. He helped draft the Stark-Gephardt compromise in the 102nd and was one of the last defenders of the Medicare Catastrophic Act.

POLITICAL PROFILE

A former labor leader who represents a district dominated by auto industry workers, Cong. Sander Levin's main interest is international trade. A strong loyalist, Cong. Levin was appointed to the Ways and Means Committee in 1988. He has used the seat largely to pursue his interests on trade. First elected in 1982, he has easily won each reelection with over 70 percent of the vote.

Known for his gentlemanly demeanor and cerebral (if verbose) approach, Levin tends to discuss complex issues in detail. When he first arrived on Ways and Means, Levin proposed welfare reform legislation, which he cosponsored with Senator Moynihan of New York. His bill would have required states to establish work training and education for AFDC recipients and provide services to help those trying to become self-sufficient.

HEALTH REFORM ISSUES/PRIORITIES

On health care, Levin has not endorsed any reform proposal; however, he was an important participant in drafting H.R. 5502, the Stark-Gephardt compromise proposal of the 102nd Congress. Congressman Levin believes that consumers want fraud, waste and abuse cut before they will be willing to pay more. He believes that the Administration can cut costs by using home care and living wills. He thinks that Congress will need plenty of Presidential leadership and warns about over-promising on health care.

In support of the large teaching hospitals in his district, Levin defends Medicare payments to hospitals (particularly indirect medical education (IME) payments to teaching hospitals). Of note, he has been the primary author of every major mental health Medicare expansion that has been passed during the six years. Although he does not want to be taken for granted (and should not be), he can be counted on to be a loyal and helpful ally during the debate.

LEGISLATIVE INTERESTS

103rd: Cong. Levin cosponsored the Family and Medical Leave Act (P.L. 103-3).

CONGRESSMAN BEN CARDIN (D-MD): Congressman Cardin is one of the Subcommittee members who most wants to see health care moved in this Congress. Cardin is close to Rostenkowski and has continuously urged the Administration to undertake widespread consultation before introduction of the final bill.

Recent Developments: On September 9, Cardin told the *New York Times*: "If Medicare and Medicaid are subjected to the same type of cost controls as the private sector, then its fair." That same day, he said in the *Congressional Record*: "President Clinton's commitment to national health reform gives this Congress an opportunity to address the real needs of American families."

POLITICAL PROFILE

After serving in the Maryland State Legislature for 20 years, the last 8 as Speaker, Congressman Cardin was elected to Congress in 1986. Cardin was only 23 when elected to the State Legislature, and at 35, became the youngest Speaker in the State's history. In his third year in Congress, Cardin was appointed to Ways and Means. At home, Cardin has easily won each reelection with over 70 percent of the vote. In his capacity on the Ways and Means Subcommittee on Health, Cardin has supported the party positions on Medicare and Social Security.

HEALTH REFORM ISSUES/PRIORITIES

Cardin strongly advocates an all-payer rate setting system like the one he helped to create in Maryland. In addition, he believes the federal government should adopt national standards and use the states for implementation. He will always be a strong advocate for state flexibility.

Although Cardin introduced his own state-oriented health care reform bill last year, he was an active participant in drafting H.R. 5502, the Stark-Gephardt compromise bill. In addition, Cardin sponsored Medicare bills that would impose standards relating to the prevention of fraud and abuse on suppliers of durable medical equipment under Part B of Medicare.

LEGISLATIVE INTERESTS

103rd: Cong. Cardin sponsored a bill modeled after Maryland's program that would allow states to develop their own rate-setting/payment programs to meet a budget target. It includes an emphasis on preventive care and portability in insurance plans (H.R. 1398). He cosponsored the Family and Medical Leave Act (P.L. 103-3). He also co-sponsored Cong. Fazio's access to abortions bill and legislation to require/expand

Medicaid/Medicare coverage of mammography screening. In addition, he sponsored a provision that was included in OBRA 1993 to provide coverage of anticancer drugs in Medicare.

CONGRESSMAN JIM MCDERMOTT (D-WA): Since gaining the throne of single payer lead sponsor from Marty Russon, Jim McDermott has received more national attention in one year than he has in all his time as a public figure. He enjoys his position and will likely use the role to extract as much out of it as possible.

Recent Developments: On August 30 McDermott told *USA Today* that health care would be the "toughest battle of the last 75 years." After the White House briefing on September 3, he was critical of the White House for insufficient dollar figures on Medicare and Medicaid and told the *AP* that without those there would be "wholesale Democratic defections." McDermott continues to push his single payer approach; however, on September 7th, he told the *Boston Globe*, "It's not my bill versus the President's. I will keep working for a compromise I can live with." On September 10, he told the *L.A. Times*, regarding the consultation process, "There has been very little in the way of tangible evidence that they have really paid attention." On September 13, he told *USA Today*, "It'll come to the Congress, and then we'll shape it to what we think the American people can accept." In a September 14 *AP* story, McDermott said: In reality, a lot of people won't be able to afford the money it will cost to have their own choice of physician so they will be forced into a (plan) that restricts their choice."

On September 20 McDermott said at a news conference: " There are some legitimate questions that need to be raised about their choice of a financing mechanism. We'll have a big debate about that."

Following the President's speech, McDermott told USA Today: "This is not going to be pretty...It's going to be a long, long debate. But this is how a democracy makes a tough decision." He told The Morning News Tribune, "I made my first speech on this (topic) in 1973 to the Young Democrats. This is not an issue that I discovered yesterday."

POLITICAL PROFILE

One of just three physicians in the House, Cong. Jim McDermott is generally well liked and respected by his colleagues. McDermott's legislative experience, political connections, personality and pragmatic attitude have made him a serious player in health policy debates.

McDermott began his political career in the Washington State House in 1971, served in the State Senate from 1975-80, and made three unsuccessful attempts for the governor's office. In 1988, he gave up a three year Foreign Service commitment as a psychiatrist in Zaire to run for the U.S. House seat.

HEALTH REFORM ISSUES/PRIORITIES

The single most important priority for Congressman McDermott is to be treated with the respect that he feels the sponsor of a bill with 80 plus cosponsors should be accorded. He wants to be a dealmaker -- and recognized as such -- and in the room when the final deal is cut.

Like his single payer supporters, McDermott is extremely sensitive to any Administration criticism of their plan and fearful of being taken for granted. Congressman McDermott told the LA Times on September 23: "I think it's always a mistake to take for granted the vote of any member of Congress." Likewise, he and others are very sensitive to any reference by the Administration calling the President's plan the "American Health Security Act." (We are sticking to only the Health Security Plan because we know we cannot introduce the same name titled bill).

In the end, McDermott will compare the list of single payer principles with the proposal that comes before the full House for a vote before he makes a final decision. If we are close to him at that time in terms of substance, and we have paid him adequate attention and respect, he is likely to be with us in the end.

LEGISLATIVE INTERESTS

<u>103rd</u>: Cong. McDermott sponsored H.R.1200, the American Health Security Act, a single payer National health insurance program (85 co-sponsors). He has cosponsored the Family and Medical Leave Act of 1993, (PL# 103-3); the National Domestic Violence Hotline Act of 1993, which would provide grants to establish and operate a national domestic violence hotline (Morella, H.R. 522); and the Preventing Our Kids from Inhaling Deadly Smoke (PRO-KIDS) Act of 1993, which would require the EPA to develop guidelines for nonsmoking policies in buildings owned or leased by Federal agencies (Durbin, H.R. 710).

CONGRESSMAN GERALD KLECZKA (D-WI): Congressman Kleczka votes dependably with the Democratic Leadership and his committee chairman.

POLITICAL PROFILE

First elected to the Wisconsin State Assembly at the age of 24, Cong. Gerald Kleczka has had a long career in politics. He served 11 years in the State House and was elected to the U.S. House of Representatives in 1984. Cong. Kleczka comes from a safe, largely Polish, Democratic district from the southside of Milwaukee. Although viewed as a dependable Democratic vote for the leadership, he is known also as a street-smart combative politician.

Much of his past legislative agenda has been on banking and savings and loan issues. In the social issues arena, Cong. Kleczka had been a consistent vote against abortion rights until the 1989 Supreme Court Webster ruling, when he was a swing vote allowing federal funding of abortions in cases of rape and incest.

HEALTH REFORM ISSUES/PRIORITIES

Kleczka is a smoker and takes money from the tobacco lobby. He was a cosponsor of Congressman Russo's single payer bill in the 102nd Congress, but Congressman Gephardt considers him a reliable vote for the Administration's health reform initiative. He seems to be relatively comfortable with our plan to date, but we cannot afford to take him -- or anyone else -- for granted.

LEGISLATIVE INTERESTS
103rd: Cong. Kleczka cosponsored the Family and Medical Leave Act (P.L. 103-3); and the Gift of Life Congressional Medal Act of 1993, a measure that would establish a congressional commemorative medal for organ donors and their families (Stark, H.R. 1012).

CONGRESSMAN JOHN LEWIS (D-GA): Congressman Lewis is a freshman member of the Ways and Means Committee and serves on its Subcommittee on Health. He is also a Chief Deputy Whip.

Recent Developments: After the President's speech he told The Atlanta Constitution, "He hit it out of the ballpark. He can pass it with modifications. Before the next congressional election, we will have passed a bipartisan piece of legislation and signed it into law."

POLITICAL PROFILE

The son of a black sharecropper and the first in his family to finish high school, Representative John Lewis is a celebrated leader of the Civil Rights movement. Having met and been influenced by Dr. Martin Luther King at the age of 18, Lewis organized the first lunch counter sit-in in Nashville, Tennessee. In May 1961, he was on the first of the Freedom Rides, riding buses as they were attacked and burned; he was viciously beaten in Rock Hill, South Carolina, and Montgomery, Alabama. In the 1970's he served as the Associate Director of ACTION under President Carter.

After serving four years on the Atlanta city council, Cong. Lewis fought a bitter campaign with his former ally, state Senator Julian Bond, for the U.S. House seat vacated by Wyche Fowler in 1986. He won that seat and subsequent House elections with over 75 percent of the vote. In the 102nd Congress, Lewis was appointed one of three Chief Deputies in the Majority Whip organization.

Representative Lewis is a confirmed liberal and votes with the Democratic Party on key issues, including cutting funds for the Strategic Defense Initiative, opposing death penalties for drug-related murders, and supporting the requirement for plant-closing notifications, which none of his more conservative colleagues in the Georgia delegation supported.

HEALTH REOFRM ISSUES/PRIORITIES

On health issues, Congressman Lewis is concerned about access to substance abuse and mental health programs, and about long-term care. He strongly opposes smoking and favors raising excise taxes. Although he has lots of hospitals in his district, he will be a trooper. Lewis believes the American people are out on front on this issue. He will be influential with the Congressional Black Caucus and shares the caucus' positions.

LEGISLATIVE INTERESTS

103rd: Cong. Lewis has cosponsored the Family and Medical Leave Act (P.L. 103-3). He is also a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

CONGRESSMAN LEWIS F. PAYNE (D-VA): Congressman Payne represents Southern Virginia where his constituents include several thousand tobacco farmers. He is very conservative and is a member of the Conservative Democratic Forum, the Rural Health Care Coalition, and the Mainstream Forum.

He is a consistent supporter of abortion rights and civil rights, but voted against a minimum wage increase and the Family and Medical Leave Act. If he supports the President on health care, he will do so on his own and not due to pressure from the Chairman or the Leadership.

POLITICAL PROFILE

Cong. Lewis Payne, a successful developer, was tapped to fill the vacant seat created by the death of Cong. Dan Daniel. Payne is considered a "progressive conservative," who balances being a conservative with traditional Democratic actions. For instance, he voted for using force against Iraq and a constitutional ban on flag burning. However, he is a consistent supporter of both abortion and civil rights. Also, Cong. Payne endeared himself to the business community by voting against a minimum wage increase and the family and medical leave act.

Cong. Payne is a member of the Conservative Democratic Forum (CDF), the Rural Health Care Coalition and the Mainstream Forum.

HEALTH REFORM ISSUES/PRIORITIES

Congressman Payne's primary work on the Committee during health reform will be to either reduce the amount of the tobacco tax or, at the very least, make sure it is not raised anymore. Although he is very concerned about the impact of a tobacco tax on his constituency, he is also not interested in voting against health reform. He wants to be with the President. The only other known health issue in which he has been actively engaged has been that of graduate medical education reform. He believes we need to increase the numbers of primary care physicians trained by Federally-supported medical schools around the nation.

LEGISLATIVE INTERESTS

103rd: Cong. Payne is a cosponsor of H.R. 5936, the CDF Managed Competition bill sponsored by Congressman Cooper.

CONGRESSMAN RICHARD NEAL (D-MA): Congressman Neal attended the August strategy session regarding the Subcommittee. He is said to be close to the leadership and to Congressman Moakley. While generally liberal, he is strongly anti-choice, and has voted against federal funding for abortions in the case of rape or incest.

POLITICAL PROFILE

A former city councilman and mayor of Springfield, Cong. Richard Neal was first elected to Congress in 1988. Neal spent a quiet first term "learning the ropes" on the Banking Committee. After surviving a strong challenge in 1990, Neal is now entering his third term. He was appointed to the Ways and Means Committee this year, replacing former Congressman Brian Donnelly (D-MA). Although Neal has usually voted the party line, he voted in opposition to Federal funding for abortions, (even in cases of rape and incest); in opposition to the 1989 congressional pay raise, and in opposition to the 1990 budget summit agreement. Neal's legislative activities have focused on banking issues, such as insolvent savings and loan institutions, and proposals to restructure the industry's deposit insurance system.

HEALTH REFORM ISSUES/PRIORITIES

Not well known at this time.

LEGISLATIVE INTERESTS

103rd: Cong. Neal cosponsored the Family and Medical Leave Act (P.L. 103-3). He has also cosponsored the Enterprise Zone Community Development Act of 1993 to provide tax incentives to encourage community development in enterprise zones (Rangel, H.R.15). He has not cosponsored health care reform legislation.

CONGRESSMAN PETER HOAGLAND (D-NE): As a recent appointee to Ways and Means, Congressman Hoagland is considered a moderate Democrat. He is also a member of the Mainstream Forum and the Rural Health Care Coalition.

RECENT DEVELOPMENTS: Following the President's speech, Congressman Hoagland told the AP that he supported the tobacco tax, noting that his mother had died of lung cancer.

POLITICAL PROFILE

Although elected to Congress in 1988, Congressman Hoagland served for eight years in the Nebraska State legislature. A moderate Democrat, Hoagland served on the Banking Committee where he joined other moderate Democrats in writing legislation to provide incentives for landlords to continue renting to low-income families.

Hoagland has supported abortion rights, increased minimum wage and has opposed a constitutional amendment to ban flag burning. In his second term, Hoagland was appointed to the Judiciary Committee, where he pursued his interests in drug interdiction and "boot camps" for drug offenders. In the 103rd Congress, Hoagland was appointed to the Ways and Means Committee.

HEALTH REFORM ISSUES/PRIORITIES

Congressman Hoagland's desire to meet with the First Lady in August to discuss Subcommittee strategy may indicate that he will be more upfront in supporting health care reform than is his usual "wait and see" approach. He has a good number of hospitals in his district who will be important to his decision making. Although not on the Health Subcommittee, he has taken a relatively active interest in legislation including bills to expand home health care, provide more preventive services, simplify claims forms, and to require hospitals to advise parents on the importance of ensuring high immunization rates.

LEGISLATIVE INTERESTS

103rd: Cong. Hoagland has introduced legislation to expand Medicare coverage of home health services from 5 to 7 days per week for up to 40 days(H.R. 72); a bill to require the President to send to Congress a balanced budget each year, and to require the Congress to consider the balanced budget (H.R. 75); and a bill to require as a condition of participation in Medicare, hospitals to provide parents of newborn children with information and recommendations on childhood immunizations (H.R. 77). Hoagland has not sponsored any major health care reform legislation.

CONGRESSMAN MICHAEL MCNULTY (D-NY): Congressman McNulty is new to the Ways and Means Committee and he has no record on Ways and Means issues.

POLITICAL PROFILE

Cong. Michael McNulty entered politics at age 22, and served in local and State government for 18 years. He was elected to Congress in 1988. Appointed to the Armed Services Committee, McNulty is more supportive of defense spending than many of his Democratic colleagues, particularly spending in support of defense installations in his district. He was one of only three House Democrats who voted for both the leadership resolution calling for continued sanctions rather than war in Kuwait, and the resolution authorizing military force. In 1990, despite his 100 percent labor voting rating, McNulty was supported by the Conservative Party and easily won reelection.

HEALTH REFORM ISSUES/PRIORITIES.

The Democratic Leadership considers McNulty a reliable vote for the Administration's health reform plan. In the last Congress, McNulty cosponsored comprehensive universal access reform bills including Congressman Russo's single payer bill. McNulty will want a strong substance abuse and mental illnesses benefit package.

LEGISLATIVE INTERESTS

103rd: Cong. McNulty sponsored H.R. 911, a bill to grant immunity from personal civil liability to volunteers working on behalf of nonprofit organizations and governmental entities.

CONGRESSMAN MIKE KOPETSKI (D-OR): Congressman Kopetski is another first term Ways and Means Committee Members this year.

POLITICAL PROFILE

After holding Republican incumbent Denny Smith to the smallest margin of victory of any incumbent in 1988, Cong. Mike Kopetski returned to win in 1990. Kopetski is considered a moderate Democrat representing a conservative district.
He chairs the House mental health working group. He believes tort reform should be part of health care reform, but he has not cosponsored any health care reform legislation.

HEALTH REFORM ISSUES/PRIORITIES

Congressman Kopetski has expressed concerns that the Administration's benefit package is not be as generous as those included in current union contracts. The current provisions to grandfather in current collective bargained agreements for years is something that should appease the Congressman. It is important to note that Kopetski chairs the House mental health working group and will press for parity for mental health benefits with coverage for physical ailments. He wants the President's plan to be comprehensive and include tort reform. Despite his specific concerns, Congressman Kopetski is expected to vote for the Administration's health reform proposal.

LEGISLATIVE INTERESTS

103rd: Kopetski cosponsored the Family and Medical Leave Act (P.L. 103-3).

CONGRESSMAN WILLIAM JEFFERSON (D-LA): As a former malpractice attorney, Congressman Jefferson will be very sensitive to the changes in malpractice laws. He urged the President to be cautious regarding capping malpractice awards and wanted a negligence standard instead. Unless the Congressional Black Caucus is in rebellion, Jefferson should be okay.

Recent Developments: Regarding the health care proposals, Jefferson was quoted in the **New Orleans Times-Picayune** as follows: "This is one issue where there's a lot more involved than just the high-priced lobbyists...The people back home feel the issue very directly and so do your local physicians, local nurses associations, chiropractors, pharmaceutical and business groups. All are wanting to be heard."

POLITICAL PROFILE

Cong. William Jefferson is Louisiana's first black congressman since Reconstruction. In 1990, in a close race with the son of New Orlean's first black mayor, Jefferson won the House seat of former Cong. Lindy Boggs, wife of the former House majority leader. Jefferson defeated the son of New Orleans' first black mayor to win election. Jefferson launched his political career in the State legislature, where he developed an interest and expertise in finance and budget issues when he chaired the Government Affairs Committee of the Louisiana Senate. He is known as a liberal Democrat, with the skill to steer federal program funds to New Orleans, and was an early supporter of President Clinton. He is a former malpractice attorney.

LEGISLATIVE INTERESTS

103rd: Jefferson cosponsored a bill to create an entitlement program for immunizing infants (Byrne, H.R. 940). He has not cosponsored any health care reform legislation.

CONGRESSMAN BILL BREWSTER (D-OK): Congressman Brewster is a conservative and a member of both the Mainstream Forum and the Conservative Democratic Forum. He is close to Reps. Montgomery, Peterson, and Stenholm.

Recent Developments: After the President's speech he said, "If this bill is done incorrectly, this county will suffer. It has to be a balanced approach. As the old saying goes, the devil is in the details." Although he supports universal coverage and reducing the costs to many small businesses, problem areas for him could be how the health alliances are not always available and residents may not have as many options that could reduce costs.

POLITICAL PROFILE

Oklahoma's 3rd District is one of the state's most economically depressed and its most reliable Democratic stronghold; in the 84 years since statehood, it has never elected a Republican. This seat was held by former Speaker Carl Albert for 31 years. Cong. Bill Brewster began his political career in the Oklahoma House where he specialized in business and energy issues.

HEALTH REFORM ISSUES/PRIORITIES

A licensed pharmacist, he is one of five health professionals in the Congress. As such, he is sensitive to the concerns of pharmacists in a reformed health care system. In particular, he believes that many rural pharmacists, who cannot compete with large purchasers, may go out of business. The result may not only be one less store, but much less access to needed medications. (He should be pleased with our current provision that assures that pharmacists can compete on an equal plane with other purchasers of medications.)

Congressman Brewster is concerned about the ongoing funding for health reform. He believes the revenue base must be strong and permanent, and he wonders whether sin taxes will be sufficient. He will be a strong supporter of rural health reform and primary care. Brewster supports the use of global budgets. Lastly, of note, he has not cosponsored any health care reform legislation.

LEGISLATIVE INTERESTS

103rd: Cong. Brewster has cosponsored legislation to establish a congressional commemorative medal for organ donors (Stark, H.R. 1012).

CONGRESSMAN MEL REYNOLDS (D-IL): Congressman Reynolds is expected to use his Ways and Means post to pursue tax policies to promote private investment in housing and other inner-city concerns. While the Congressman was adamant in his support of sin taxes in prior meetings with the First Lady, it is worth noting that he has been given some pause thanks to a well-orchestrated effort by the tobacco industry.

Recent Developments: Reynolds told the New York Times on September 23: "The telephone lines are burning up. He said that Mom-and-Pop grocers and tobacco industry lobbyists were deluging his district office with warning about higher cigarette taxes. While Reynolds said he would still support "sin taxes" he said: "When constituents come in like that, it gives you a moment of pause to think." He went on to note that many of his inner-city constituents "die disproportionately from cigarette smoking."

POLITICAL PROFILE

Cong. Mel Reynolds was the only member of the 1992 class tapped for the Ways and Means Committee. This plum assignment was out of recognition for his stunning upset of the incumbent, Gus Savage. After two previous unsuccessful attempts, Reynolds defeated Savage by 63 percent to 37 percent. Although both men grew up poor in the streets of South Chicago, Reynolds excelled in school and was a Rhodes scholar, while Savage was a street organizer. The campaign was a bitter, head-to-head clash that centered on Reynolds' success in painting Savage as an ineffective politician who could not deliver to his constituents. Even some core Savage wards believed this message and voted for Reynolds. Reynolds won the majority of votes of middle class blacks and whites; he even won some Republican cross-over votes.

HEALTH REFORM ISSUES/PRIORITIES

He was a gunshot victim during his campaign and supports doubling the excise tax on firearms and earmarking money for hospitals with high numbers of trauma cases.

LEGISLATIVE INTERESTS

103rd: Cong. Reynolds cosponsored the Family and Medical Leave Act of 1993
(P.L. 103-3). Reynolds is a cosponsor of H.R. 1200, the single payer bill sponsored by Cong. McDermott.

REPUBLICANS

CONGRESSMAN BILL ARCHER (R-TX): The ranking Republican on the Ways and Means Committee has a congenial relationship with Chairman Rostenkowski.

Recent Developments: After the President's speech Archer told the Houston Post, "We all, on a bipartisan basis, know that we have problem and we have to do something about it."

POLITICAL PROFILE

Cong. Bill Archer has two areas of acknowledged expertise: the oil industry and Social Security. It was his idea to separate Social Security trust funds from budget calculations, and he has long supported making the Social Security Administration independent from the Department of Health and Human Services.

As a member of President Reagan's National Commission on Social Security Reform, Archer argued that Social Security should be made solvent by reducing the growth of benefits, not by increasing the payroll tax rate for younger workers. Although the Commission's recommendations lead to legislation which gradually raised the retirement age to 67, Archer did not feel it went far enough in restraining benefit growth.

In 1989, Archer led a crusade to repeal of the Medicare Catastrophic law.

A Houston native, Archer occupies the House seat of George Bush. A well-known opponent of taxes, Archer entered politics as a Democrat and did not switch parties until he was in the State Legislature. Over the years he has shown a commitment to leading while at the same time getting along.

HEALTH REFORM ISSUES/PRIORITIES

Archer serves on the Republican Task Force on Health. He led the crusade to repeal the Medicare Catastrophic law and is firmly anti-choice. One of his sons is a Ob/Gyn MD. In the 102nd Congress he introduced legislation to reform the health care liability system and cosponsored bills to reform the health insurance market, contain health care costs and to establish medical savings accounts. He has not sponsored any health care reform legislation in this Congress.

CONGRESSMAN PHIL CRANE (R-IL): The second ranking Republican on the Ways and Means Committee, Congressman Crane is one of the most conservative Members of Congress. No longer a powerful conservative voice, however, there is some question as to whether or not Crane will run again.

Recent Developments: Following the President's address, Crane told the AP that he thought the proposal would cost jobs and that he opposed the tax increases. "I really find it difficult to imagine the Democrats are going to want to vote again for a humongous tax increase."

POLITICAL PROFILE

A one time presidential hopeful, Cong. Phil Crane had hoped to be the conservative standard bearer in the House, but lost out to a younger and more combative Newt Gingrich. Known for his intellect and oratorical skills, Crane is also an unyielding conservative. His actions define the ideologically pure frontier which were evidenced in his calling for the outright abolition of the National Endowment for the Arts. On the Ways and Means Committee, Cong. Crane has kept a low-profile except for issues relating to trade (he is the ranking member on the Subcommittee). He is quick to endorse cuts for domestic programs noting that neither education, housing, mail service nor a variety of other programs are mandatory Federal functions.

HEALTH REFORM ISSUES/PRIORITIES

Beyond being strongly anti-abortion, Congressman Crane's views on health reform have not been well fleshed out. It is clear that he is likely to be a difficult to impossible members to attract, however.

LEGISLATIVE INTERESTS

103rd: Cong. Crane is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

HOUSE WAYS AND MEANS COMMITTEE

MEMBER PROFILES AND BACKGROUND

for

SEPTEMBER 28th HEARING

CONGRESSMAN BILL THOMAS (R-CA) - The Ranking Republican on the Subcommittee, Congressman Thomas is an assertive partisan who wants Republicans to offer clear alternatives to Democratic policies. A close friend of Rep. Gingrich, Thomas is also an ally of the National Federation of Independent Business.

Recent Developments: After the President's speech, Thomas asked in USA Today: "Is Clinton interested in passing a plan, or is Clinton interested in passing his plan?"

POLITICAL PROFILE

The departure from Congress of Congressman Bill Gradison led the way for Bill Thomas to assume the ranking position on the Health Subcommittee. Thomas' combative style may invite confrontation with Chairman Stark, who enjoyed a collegial relationship with Gradison. A former roommate of Rep. Gingrich, Thomas has worked with fellow conservatives to unite GOP members in opposition to the Democratic Party line. In his first term on the Ways and Means Committee, Thomas lobbied successfully to raise the Social Security retirement age as a way to stem future payroll tax increases. Also a member of the House Administration Committee, he has led the GOP effort on campaign finance reform. He serves on the Republican Task Force on Health. He has voted for reproductive rights.

HEALTH REOFRM ISSUES/PRIORITIES

Thomas serves on the Republican Task Force on Health. In February he wrote to the President outlining his concerns about health care, particularly his doubts about the benefits of cost controls. He supported expanded coverage, particularly for low-income families. He hoped that quality health care in rural and large urban areas and long-term health care addressed. Thomas outlined his steps for reallocating federal resources to improve health care, reducing health care delivery costs while increasing availability, and enhancing the role of the consumer in health care.

Of some interest, he is a strong home health care provider advocate. (There apparently is a well organized home health provider entitity within his District). Most recently, he also pushed for legislation to assure for continuity of care for patients to assure that those patients who left close panel HMOs could have access to non-panel members and still get reimbursement for it. (Some skeptics have questioned as to who he was advocating for: the patient or the providers.)

Thomas attended the February Republican meeting with the First Lady and has also attended the breakfast meetings with Ira. Thomas has voted for reproductive rights.

LEGISLATIVE INTERESTS

103rd: Cong. Thomas has cosponsored legislation to improve the administration of the Medicare program (Pickle, H.R. 22), and to establish provisions in the Food Drugs & Cosmetics Act regarding the composition and labeling of dietary supplements (Gallegly, H.R. 509). Thomas is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill. He also sponsored H.R. 2261 to contain health care costs through improved consumer information, and H.R. 2851 to reform medical malpractice laws.

CONGRESSMAN CLAY SHAW JR. (R-FL): Congressman Shaw voted to repeal Medicare Catastrophic Act in 1989 and he has been an ally of Congressman Stenholm. The Democrats are trying to recruit Anthony Shriver to run against Shaw in 1994.

While Shaw's specific health care views are not known, he has voted against abortion funding.

POLITICAL PROFILE

Cong. Clay Shaw, is a former mayor of Ft. Lauderdale. Although he voted for the Medicare catastrophic bill in 1988, the retirees in his district quickly voiced their displeasure over the surtax and put Shaw into the position of being one of the Republican members leading the efforts to repeal the bill. A former member of the Judiciary and Select Narcotics Committees, Shaw has been active in anti-drug legislation designed to address the narcotics problems in South Florida. In the 99th Congress, the Minority Leader appointed Shaw to the GOP drug task force and he is now its chairman. Shaw introduced the 1988 anti-drug bill, which included the death penalty for drug kingpins, creation of the drug czar, and use of the military for drug interdiction. He is also an advocate for drug testing of employees in the transportation industry and other industries where consumer safety is at stake.

In his position on the Subcommittee on Human Resources, he has opposed expansion of unemployment benefits and has successfully countered many of the Social Security amendments offered by former Chairman Downey. Cong. Shaw's legislative interests lie in drug abuse intervention, penalties for drug smuggling and the impact of public policy on senior citizens.

LEGISLATIVE INTERESTS

103rd: Cong. Shaw has sponsored H.R. 741 which would provide welfare families with education, training, job search and other services to prepare them to leave welfare within 2 years and to authorize states to conduct demonstration projects to help people leave welfare. He also sponsored H.R. 953, a Medicare provision helping small rural hospitals dependent on Medicare. Shaw has cosponsored a bill to improve the efficiency and accountability of the administration of Medicare (Pickle, H.R. 22). He is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN DON SUNDQUIST (R-TN): Congressman Sundquist chairs the Republican Study Group and may run for Governor of Tennessee. He has one of the most conservative voting records in the House.

Recent Developments: Following the President's speech, Sundquist told the AP: "I approach the health care debate with an open mind, though as a rule, the greater the government's role in running health care, the less comfortable I am."

POLITICAL PROFILE

Cong. Don Sundquist is known as a savvy and sure-footed politician. However, he over-reached his popularity in his failed attempt in the 101st Congress to unseat Guy Vander Jagt as chairman of the House GOP campaign committee. Many of his colleagues thought that he went too far in his criticisms of the committee's operations. His personal style is non-confrontational and he is a strong believer in party building. He is loyal to the Republican agenda and he supported the republican position on issues even when the political price was steep.

On the Ways and Means Committee, Sundquist has become interested in trade issues, especially those affecting the shoe industry and other industries in his district. Sundquist is a firm believer that many things the federal government does can be done better by local government or the private sector. Sundquist's legislative interests are in government downsizing, trade, and matters affecting rural areas.

HEALTH REFORM ISSUES/PRIORITIES

Sundquist's general health care views are not known. He believes in government downsizing and is concerned about matters affecting rural areas. In this Congress, he is a cosponsor of Michel's Health Care Reform Act and of legislation to improve the efficiency and accountability of Medicare. He has voted against reproductive rights.

LEGISLATIVE INTERESTS

103rd: Cong. Sundquist cosponsored legislation to improve the efficiency and accountability of Medicare (Pickle, H.R. 22), the Action Now Health Care Reform Act of 1993 (Michel, H.R. 101), and an amendment allowing separate Medicare billing for EKGs (Torricelli, H.R. 421). He is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSWOMAN NANCY JOHNSON (R-CT) - Congresswoman Johnson has used her seat on the Health Subcommittee to focus on Medicare, health, and child care.

Recent Developments: Congresswoman Johnson was one of the three Republicans responding to the President's speech. There has been some backlash among Republicans about the negativity of that response.

POLITICAL PROFILE

Cong. Nancy Johnson is sometimes seen on the periphery of the GOP for often voting with the Democrats, but she can also be partisan. Her tendency to vote independently, both in committee and on the floor, has made it difficult for her to get the committee posts she has sought. But in the 101st Congress, she became the first Republican woman ever to serve on Ways and Means, and she has earned praise for her efforts to craft a comprehensive package of child care initiatives. Her priority issues have been Medicare, health, child care, and trade. She was the author of the Republican alternative to the Family Preservation Act in the 102nd Congress.

She has been an active member of the '92 Group, a coalition of moderate Republicans, who worked on ways to set budget priorities and reduce the deficit. Johnson served as the co-chairman of the '92 group in the 100th Congress. In 1988, she joined Lowell Weicker in an effort to moderate the GOP's opposition to abortion rights and restore support for the Equal Rights Amendment in the party's platform.

HEALTH REFORM ISSUES/PRIORITIES

Congresswoman Johnson is well known for her concern about and advocacy for the insurance industry. She wants to be a player in the health care debate, but she is a high maintenance member with many priorities. More importantly, large commitments of time with her do not assure support.

In addition to her insurance industry sensitivities, she is a strong supporter of outcomes research. She seems to be leaning toward requiring the individual to obtain health care coverage, rather than requiring all small business to do so. Most recently, she suggested that we should all consider a mandate on companies with 50 employees and above and rely on an individual mandage for firms with fewer employees. Her husband is an oncologist, and she has said repeatedly that doctors are not the cause of the country's health care ills. As such, and because of her insurance industry impact concerns, she is adamantly opposed to insurance premium caps -- that will also guarantee savings from the provider community.

LEGISLATIVE INTERESTS

103rd: Cong. Johnson has cosponsored legislation to reauthorize the National Institutes of Health (Waxman, H.R. 4); to improve access to health insurance and contain health care costs (Michel, H.R. 101); to require State Medicaid plans to provide coverage of screening mammography (Vucanovich, H.R. 425); to expand research on breast cancer (Lloyd, H.R. 615); and to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years (Shaw, H.R. 741). Johnson sponsored H.R. 2317 to amend the Internal Revenue Code with respect to treatment of long-term care insurance policies. She is a cosponsor of H.R. 3080, the House Republican leadership health care reform legislation.

CONGRESSMAN JIM BUNNING (R-KY): Congressman Bunning, a former professional baseball pitcher, is now part of Rep. Gingrich's hard-hitting conservative team. Bunning is a member of both Ways and Means and Budget.

While Bunning's health care views are not known, he is a strong protector of Social Security recipients and is anti-abortion.

POLITICAL PROFILE

People who watched Cong. Jim Bunning as a major league pitcher generally described him as a tough, stubborn competitor who hated to lose and never yielded an inch to an opposing batter. Those who have watched him in politics have observed the same characteristics.

As ranking member of the Ways and Means Social Security Subcommittee, Bunning has been a supporter of eliminating the Social Security earnings limit and of making the Social Security Administration independent of the Department of Health and Human Services.

He is anti-abortion.

LEGISLATIVE INTERESTS

103rd: Cong. Bunning has cosponsored bills to eliminate the Social Security earnings limit (Hastert, H.R. 300); increase access to mammography screening under Medicaid (Vuncanovich, H.R. 425 and H.R. 427); prevent misleading Social Security mailings (Jacobs, H.R. 978); and add AIDS as a communicable disease for immigration purposes (McCollum, H.R. 985). Bunning is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN FRED GRANDY (R-IA): Congressman Grandy calls himself a "knee-jerk moderate." Many believe he will run for the Senate at some point. Although Grandy voted against Family and Medical Leave, he remains a White House target on health care. Grandy left the Education and Labor Committee to serve on Ways and Means. Grandy is a member of the Health Subcommittee. He is regularly allied with business and against labor interests.

Recent Developments: After the President's speech, Grandy told the AP: "I think he did a very good job of outlining the opening bid. I think ... that everything is on the table as long as we don't shortchange universal access and cost containment. If there's going to be any philosophical debate, the Democrats are going to emphasize security while the Republicans are going to emphasize choice."

POLITICAL PROFILE

His primary focus was on the Agriculture Committee his first two terms; he joined Ways and Means in the third. He has worked hard to earn a reputation for intelligence, incisiveness and homework. His work on the House ethics committee has demonstrated his willingness to perform unpleasant duty for GOP leaders. Grandy votes with his party more often than the average Republican; he usually is allied with the Education and Labor Committee's more conservative Republicans opposing labor initiatives such as parental leave. Grandy also is an opponent of abortion.

HEALTH REFORM ISSUES/PRIORITIES

Congressman Grandy is someone most people like, respect, and frequently hold out hope that he will join cross over to a high priority Democratic issue. Generally, he brings himself to the edge of the cliff, but does not jump. Most recently, like Nancy Johnson, he has hinted that an employer-mandate bridge could be built. The trade-off might be the Administration laying off on insurance premium caps.

Other health issues of interest: Grandy believes too much money is spent in the last months of life and is concerned about coverage for self-employed individuals. He is an abortion opponent. In this Congress he has sponsored a bill to provide basic group health care benefits, and cosponsored Rep. Michel's health care reform bill and Rostenkowski's Medicare improvement program. He attended the February Republican meeting with the First Lady and has been attending Ira's breakfast meetings.

LEGISLATIVE INTERESTS

103rd: Cong. Grandy introduced a bill to provide universal access to basic group health coverage and provide incentives to make coverage affordable (H.R. 30). He cosponsored the health care reform bill by the Minority Leader's task force (Michel, H.R. 101); a "microenterprise" bill removing barriers in AFDC that prevent recipients from moving toward self sufficiency (Hall, H.R. 455); and legislation to provide welfare families with the education, training, job search, and work experience needed to prepare them to leave welfare within 2 years (Shaw, H.R. 741). Grandy is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN AMO HOUGHTON (R-NY): Congressman Houghton is a new member of the Ways and Means Committee. In this Congress he has introduced HR 196 -- a tax credit based health care reform bill. With support from his wife and sister, he has voted pro-choice. Houghton attended the Republic breakfasts with Ira and is considered a priority target by Congressman Bonior.

POLITICAL PROFILE

Cong. Houghton, a new member of Ways and Means, is a former CEO of Corning Glass Works and scion of one of the nation's wealthiest families, brings with him the conviction that government's fiscal affairs should be run like those of a corporation. Congressman Houghton stands to the left of the GOP Party line on a number of issues. He was one of 17 Republicans opposing a constitutional amendment to ban flag desecration and voted against repeal of Medicare Catastrophic. He opposes a balanced-budget amendment stating that it is Congress' responsibility to control spending. Congressman Houghton has been an active participant in the House Budget Committee's budget and deficit deliberations.

LEGISLATIVE INTERESTS

103rd: Cong. Houghton has introduced the Health Equity and Access Improvement Act (H.R. 196) which would provide tax incentives to improve health care access, expand rural health programs, create a new public health program for the near poor, preempt State anti-managed care laws and reform the small group health insurance market. Also, he has cosponsored the Republican Action Now Health Care Reform Act of 1993 (Michel, H.R. 101). Houghton is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN WALLY HERGER (R-CA): A new member of the Ways and Means Committee, Congressman Herger adds another solidly conservative voice. His health care views are not known but he has voted against abortion funding.

POLITICAL PROFILE

Cong. Wally Herger is a Northern California rancher who easily won election to the House in 1986 and held his Democratic district due to his friendly style, despite being a conservative. Herger was in his third term in the State Assembly when he first won his House seat, defying predictions of tough Democratic competition for the open seat.

He has served his constituents on the Agriculture Committee by protecting his district's fruit and nut growers, and loggers. This is his first session as a member of the Ways and Means Committee.

He opposes government funding of abortions.

LEGISLATIVE INTERESTS

103rd: Cong. Herger has cosponsored a health care reform bill (Hastert, H.R. 150) and a bill to revise the way of regulating diet supplements (Gallegly, H.R. 509). Herger is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN JIM MCCRERY (R-LA): Congressman McCrery is a member of the Republican Task Force on Health and the Wednesday Group. He is said to be supportive of the Heritage Foundation's tax credit proposal for health care. McCrery opposes abortion except to save the life of the woman.

POLITICAL PROFILE

Cong. Jim McCrery is a conservative Republican with a low-key approach. Although this is his first term serving on Ways and Means, he has been a member of the Budget Committee since his arrival in the House.

McCrery was first elected to the House as a Democrat in 1988, taking over the seat of his former boss, Cong. Buddy Roemer. He switched to the Republican Party in 1991; in 1992, he defeated former Cong. Jerry Huckaby in a reapportioned seat.

LEGISLATIVE INTERESTS

103rd: Cong McCrery cosponsored the Republican Leader's health care reform bill (H.R. 101), but as yet, he has not cosponsored H.R. 3080, the recent House Republican leadership health care reform bill.

CONGRESSMAN MEL HANCOCK (R-MO): Congressman Hancock represents southwest Missouri -- a solidly conservative area matched by his voting record. His health care views are not known but he has voted against abortion funding.

POLITICAL PROFILE

Cong. Mel Hancock, the oldest freshman member of the 101st Congress, favors privatization of all government activities. His district includes the region's industrial and commercial center with Kraft, Litton, 3M, Rockwell and Zenith as major employers. In the 102nd Congress Hancock pushed his bill creating tax-free savings accounts for parents and grandparents who are saving for college for their children and grandchildren.

He opposes government funding of abortions.

LEGISLATIVE INTERESTS

103rd: Cong. Hancock has cosponsored Health Freedom Act, which would establish provisions regarding the regulation of dietary supplements (Gallegly, H.R. 509); Action Now Health Care Reform Act, the Michel bill (H.R. 101); and Social Security Domestic Employment Tax Simplification Act, which would simplify the payment of employment taxes (Klug, H.R. 899). He is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN RICK SANTORUM (R-PA): Serving his second term, Congressman Santorum has already built a reputation as a bomb-thrower, and one who may get bored with the House. If so, he could run against Sen. Wofford in 1994.

Regarding health care, Santorum has said he believes companies should give employees $3,000 cash for deductibles and let insurance cover the rest. If health care reform is not enacted in this Congress, Santorum would use that issue against Wofford.

POLITICAL PROFILE

Cong. Rick Santorum arrived in the House in 1990 after a upset victory over seven- term incumbent Democrat Doug Walgren. Against the odds and with little support from the national Republican Party, Cong. Santorum assembled a volunteer organization of anti-abortion activists and young Republicans. Santorum focused attention on repeal of the Congressional pay raise, institution of the line-item veto, and limits on political action committee contributions.

Cong. Santorum's father was an Italian immigrant who was a clinical psychologist for the Veterans' Administration. He has long been involved in politics: working on campaigns while at Penn State; working for a state senator while getting his law degree at Dickinson; joining the Pittsburgh law firm that included former U.S. Attorney General Dick Thornburgh; staying active in Pittsburgh Republican politics; and then taking on Congressman Doug Walgren in 1990.

LEGISLATIVE INTERESTS

103rd: Cong. Santorum has cosponsored two health related bills of interest: the Action Now Health Care Reform Act of 1993 (Michel, H.R. 101) and the Responsibility and Empowerment Support Program Providing Employment, Child Care and Training Act which would authorize States to conduct demonstration projects to test welfare reform policies (Shaw, H.R. 741). Santorum is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

CONGRESSMAN DAVE CAMP (R-MI): Congressman Camp is a conservative member of the Ways and Means Committee and is on the Human Resources Subcommittee. Camp's health care views are not known but he has voted against abortion funding.

POLITICAL PROFILE

Cong. Dave Camp is considered a moderate who has also been known to take a hard line against tax increases and abortion. Dow Chemical's international headquarters and a Dow Corning plant dominate his district's economy and set the tone for its Republican politics. The city is surrounded by small, rural communities and farmland. Cong. Camp has made a commitment to focus on agricultural issues, as well as improving his district's roads and bridges. He also is on record as supporting a school voucher program.

He opposes Federal funding of abortions.

LEGISLATIVE INTERESTS

103rd: Cong. Camp is a cosponsor of H.R. 3080, the House Republican leadership health care reform bill.

TALKING POINTS