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Steve – I've given this one out to only a couple of people, but I thought you might find it to be useful. CJ

MEMORANDUM

TO: Requestors for Information on Meetings with Republicans
FR: Chris Jennings
DATE: April 27, 1993

From the onset of the Administration's work on the health care reform proposal, the Health Care Task Force and its Work Groups have made a concerted effort to reach out to House and Senate Republicans for their guidance and support. We believe it is essential to have their involvement to make the package as strong as possible and to assure its prompt and necessary passage. We are therefore concerned that there is any perception that the White House, in any way, has not actively sought the advice and participation of Republicans from the beginning.

It is very important to note that the President has insisted on significant Republican involvement from the moment he established the Health Care Task Force. On January 26th, he requested that the House and Senate Democratic and Republican Leadership appoint representatives to the Task Force. Senator Dole chose himself and Representative Michel appointed Representative Dennis Hastert (R-IL) to serve on his behalf.

Since that time, Mrs. Clinton and/or Ira have attempted to hold meetings on a virtually weekly basis with House and Senate Republicans and/or their staffs. The House has chosen to send its Members to the meetings, while the Senate Health Care Task Force has chosen to send staff. The Senate Republican Task Force has suggested that more active Member-level discussions be delayed until we have a better sense about what our final proposal will be. As these decisions are made, we will reach out to these Members again. It is essential to remember, however that we have always encouraged and been open to meeting with Republican Senators.

To help clear up any misperception with regard this issue, I have attached a list of the numerous meetings that Mrs. Clinton, Ira Magaziner, Judy Feder and their designees have held with Republicans over the last two and half months. I hope you will find this information to be helfpul. Please do not hesitate to contact me with any questions at 456-2645.

THE WHITE HOUSE

WASHINGTON

April 26, 1993

MEETING WITH CONGRESSIONAL LEADERSHIP

DATE:	April 27, 1993
LOCATION:	Oval Office
TIME:	9:30 a.m.
From:	Steve Ricchetti

I. PURPOSE

To discuss with the Congressional Leadership the timing of, and develop strategy for, the passage of your health care reform legislative package.

II. BACKGROUND

This is the first of a number of meetings with members of Congress in preparation for the release of the health care reform package. You will be meeting on Wednesday, April 28, for dinner with the House Democratic Leadership, on May 3 for dinner with the Senate Democratic Leadership, and May 6, for lunch with Republican Congressional Leadership (these meetings are not yet confirmed).

Ira Magaziner and Judy Feder have been meeting at least once a week with the House Leadership staff.

It is important to impart to the Congressional Leadership both your sense of urgency that health care reform legislation pass this year, and your feeling that passage is a real possibility. You are meeting with the Leadership not as much to determine the sense of the Members, as much as to impart on the Leadership, and through them, Congress as a whole, the importance you place on rapid passage.

You should underscore the degree to which the Health Care Task Force has actively consulted with Congress, and emphasize that you would like this Congressional participation to increase, particularly in terms of getting members personally involved.

You should illustrate your awareness that the time and work constraints on the Congress surrounding the near term introduction of health care legislation will impose a challenge. We suggest that, while there may be some minimal latitude possible, waiting too long to introduce the legislation may well eliminate any prospects that health care reform will get done this year.

You should raise the possibility of creating a more accepting environment for the timetable for health care reform legislation by pushing up the schedule for the Senate Finance Committee to mark up reconciliation from mid-June to late May or early June.

The First Lady's address at the Senate retreat this past weekend was extremely well received, and Senator Mitchell has asked that she come to address Senate Republicans and Democrats. The First Lady also held a meeting with bipartisan members of the Senate Finance Committee on April 20th, and the meeting was very successful.

Above all, it is critical that you and the First Lady make the Leadership understand that you are committed to passing health care reform this year, and that you have a workable plan for passage.

Please see attached, as Appendix 1, a legislative timetable.

Please see attached, as Appendix 2, a summary of Congressional meetings.

III. PARTICIPANTS

Senator Mitchell
Speaker Foley
Representative Gephardt

The Vice President

The First Lady

Howard Paster
Steve Ricchetti
Lorraine Miller
Ira Magaziner
Carol Rasco

IV. PRESS PLAN

Closed press.

V. SEQUENCE OF EVENTS

Informal discussion.

VI. REMARKS

See attached.

Suggested Talking Points
for Meeting with Congressional Leadership

- Thank you for coming in today.

- I'm sure you understand the importance I place on true, meaningful health care reform. It is perhaps the single most important legislative initiative we will embark on together.

- With this in mind, it is critical that health care reform pass *this year*. The American people have made it clear that they want quick action on health care reform. I believe that the prospects for passage of health care reform diminish as we move closer to the mid-term elections in 1994.

- I will be meeting regularly with a number of members of Congress. I will be having dinner this Wednesday with the House Democratic Leadership, and dinner on May 3 with the Senate Democratic Leadership. Also, on May 6, I'll be having lunch with Republican Congressional Leadership. And many more meetings are being arranged.

- The First Lady has been meeting regularly with the Committee Chairs and Subcommittee Chairs with jurisdiction over health care, and these meetings will of course continue.

- We will be building on and strengthening the consultations we have been holding with Republicans from both chambers. I am pleased to announce that Senators Chafee, Durenberger and Jeffords have already met with, or will soon meet with, the First Lady.

- My senior health care reform staff, Ira Magaziner and Judy Feder, have been holding weekly meetings with Senate and House Democratic and Republican members and staff.

- I understand how important it is for us to have intensive consultations with the Hill Leadership, and I am hoping to meet actively with the Leadership as this process moves forward.

- At the same time, I understand that there are concerns growing amongst the Members that passing health care reform this year is becoming more and more difficult. I do not believe, however, that we are being overly optimistic on the timetable for the legislation.

- I also understand that there is skepticism among the Members and the Chairmen that health care reform will be extremely difficult outside of the reconciliation bill.

- The Task Force is also actively reviewing Robert Reischauer's assertion that any form of cost containment will achieve few savings.

- I welcome your advice on how best to move on this package. I assure you that I am fully engaged in this process, and I am committed to seeing health care reform pass this year.

DEVELOP A TIMETABLE FOR CONGRESSIONAL ACTION. In conjunction with the Congressional Leadership, the development of a realistic procedural and legislative timetable is essential for a number of reasons:

* It makes the Congress focus much more intently on the work it must complete;

* It illustrates to Congress that the White House understands the time constraints that confront the Congress; and

* It helps all other operations of the Administration (the communications, the DNC, intergovernmental affairs, and public liaison office) focus their efforts around key Congressional actions.

For the purposes of this discussion, and consistent with Howard's conversations with the Leadership, a difficult but achievable schedule of legislative action on the President's bill could be:

House and Senate hearings in June and July; House Committees mark-up bill in mid July; House passes bill before they leave for the August recess (now scheduled for 8/6/93) OR soon after they return -- (great preference would be for the former because a "marked-up" bill awaiting final vote could make it very vulnerable to recess attacks by opponents); Senate Committees mark-up bill late September/early October; Senate passes bill in Nobember or early December; Conference takes place and Houses work out differences (timing depends on differences); and the Congress passes final bill in late December or sometime early in the following year. The process boiled down to ten steps:

1. **Introduction.** The bill must originate in the House since it will have revenue implications and will likely be introduced by Majority Leader Gephardt. Senator Mitchell will introduce the President's bill in the Senate. The timeframe for this obviously depends on the President and his read of what is best for the health care bill, the stimulus package and the reconciliation bill. Having said this, the window of opportunity for Congressional consideration narrows every day we wait once the bill is ready for introduction.

2. **Bill Referral.** The Speaker will work to refer the bill to Committees for which he has previously worked out time limited reporting agreements. There could be as many as 9 Committees with some jurisdiction, but most of the work will emerge from the Ways and Means Committee, the Energy and Commerce Committee, and the Education and Labor Committee. In the Senate, it appears as though at least two Committees, Finance and Labor & Human Resources, will get titles of the bill -- with the significant preponderance going to Finance.

3. **Hearings.** The Committees are likely to hold a good 4-6 weeks of hearings. Their ability to hold and finish these hearings will depend on what other work requirements are confronting them. Given the fact that the Senate Finance Committee will in all probability still be working on the reconciliation bill, it is likely that they will -- as usual -- proceed at a somewhat slower pace.

4. **Mark-up.** The House Ways and Means Committee, like other Committees, may choose to mark-up the bill on a full Committee basis to expedite their work on the proposal. This process should be budgeted about 3-4 weeks. Under any scenario, however, Pete Stark's health Subcommittee will serve as the Committee's bill managers and will be extremely influential on the substance.

As you could tell today, Pete Stark is already raising concerns about an overly abbreviated timeframe for House Committee consideration. We do not believe we should reduce the pressure at this point, however. Any delay reduces the prospects of action this year and, as a result, we believe we should continue to encourage the House Leadership to get the bill out of the full Committee in mid (and no later than late) July, and scheduled for a final vote before the August recess. (If the hearings and mark-up get delayed -- for whatever reason -- the Leadership may need to consider the possibility of shortening the length of the August recess; at bare minimum, we must have the House Committees at a stage where they are at least ready to finalize their mark-up soon after they return from Labor Day recess).

The Senate, for a whole variety of reasons, will follow a different schedule. Following tradition and because the Senate will want to build on top of the House marked-up bill, the Finance Committee will probably wait until after the House brings up its bill for a floor vote before it marks up its bill. At the very least, Finance will wait until after the House completes its Committee work before holding a formal mark-up session.

5. **House Rules Committee Mark-up.** After all the House Committees report within the timeframe allocated by the Speaker, the bill must receive a rule from the Rules Committee in order to receive floor consideration and to determine what amendments to the bill will be in order. The Leadership is likely to ask the Committee for a "modified closed rule," permitting a limited number of amendments and a limited period of time for debate. These amendments may well be limited to substitute amendments, and would likely cover the issue of abortion, taxes, possibly mandates, and others.

6. **House Vote.** House vote, assuming all else is worked out, would then occur in late July/early August. (If a vote cannot be held before scheduled recess; the Leadership, in consultation with the President, might consider keeping the Members in a bit longer into August to assure a vote before they depart (and to avoid attacks on a vulnerable marked-up bill). Assuming passage, the bill would go to the Senate where it would be either held at the desk and placed on the calendar or referred directly to the Committee(s).

7. **Senate Mark-Up.** Under this schedule, the Senate Committees are obviously not likely to have held their respective mark-ups by the time the House passes its bill. As soon as the House (hopefully) passes its bill, there will be an extreme amount of pressure on the Senate to move. Having said this, while the Labor Committee should have no problem pushing out a bill, a major push by the White House on the diverse collection of health care philosophies on the Finance Committee may well be required.

8. **Senate Floor Action.** Immediately after the Senate Committees' hold separate mark-ups, the Majority Leader Mitchell will likely call it up for action as soon as practical to start the debate. At that time, he will almost invariably receive an objection to his unanimous consent request to bring the bill up for consideration. A cloture vote to limit debate on the motion to proceed will ensue. To move to the bill, the Majority Leader would have to find 60 votes. Assuming he fails on the first try, he would continue repeatedly until he (and us) successfully embarassed Members into switching their votes. (The argument would be that opponents are not even allowing <u>consideration</u> of reform).

Assuming that we get our first 60 vote clearance, we would then likely face a second fillibuster and cloture vote on the substance of the bill. No doubt, this floor vote will be our most difficult challenge; in order to pass the bill, we might be doing roll call cloture votes well into the late Fall and early Winter.

9. **Joint House/Senate Conference.** Depending on how different the two bills are, the conference could take a couple of weeks to several months. Since the Democrats control the conference, this would (hopefully) be an easier hurdle to clear.

10. **Vote on Final Passage.** Once again, in the Senate, you have the very real potential for another fillibuster by an unhappy Member. Should this occur, a third and final cloture petition may have to be filed and passed (60 votes) in order to get a final vote on passage. If we succeed in obtaining cloture (probably less difficult than before), we succeed in passing the historic health reform bill.

Obviously, the previously mentioned "regular order" process will be difficult. Should the reconciliation bill be delayed in the Senate, there remains an outside possibility for marrying the two bills, but the 60 vote problem would still remain and such a linkage could well threaten the prospects of passing the other provisions of reconciliation this year. Alternative procedural approaches are being examined, but we agree with the Senate Leadership assessment that nothing currently appears very viable. We will, of course, apprise you should this situation change.

APPENDIX 2

SUMMARY OF CONGRESSIONAL MEETINGS
(Through spring recess)

HOUSE OF REPRESENTATIVES

Members met with:
- Democrats - 128
- Republicans - 26
- TOTAL - 154

Members Remaining:
- Democrats - 127
- Republicans - 149
- Independent - 1
- Vacancies - 4
- TOTAL - 281

Meetings with Member of the Committee of Jurisdiction:

WAYS AND MEANS

Democrats - 20 of 24

Democrats Remaining:

- Andrew Jacobs (IN)
- Harold Ford (TN)
- William Coyne (PA)
- Bill Brewster (OK)

Republicans - 4 of 14

Republicans Remaining:

- Bill Archer (TX)
- Philip Crane (IN)
- Clay Shaw (FL)
- Don Sundquist (TN)
- Jim Bunning (KY)
- Amo Houghton (NY)
- Wally Herger (CA)
- Mel Hancock (MO)
- Rick Santorum (PA)

ENERGY AND COMMERCE

Democrats - 21 of 27

Democrats Remaining:

- Philip Sharp (IN)
- Al Swift (WA)
- Ralph Hall (TX)
- Rick Boucher (VA)
- Thomas Manton (NY)
- Craig Washington (TX)

Republicans - 6 of 17

Republicans Remaining:

- Jack Fields (TX)
- Michael Oxley (OH)
- Dan Schaefer (CO)
- Joe Barton (TX)
- Fred Upton (MI)
- Cliff Stearns (FL)
- Bill Paxton (NY)
- Paul Gillmor (OH)
- Scott Klug (WI)
- Jim Greenwood (PA)
- Michael Crapo (ID)

EDUCATION AND LABOR

Democrats - 12 of 24	Republicans - 3 of 15
Democrats Remaining:	Republicans Remaining:
Bill Clay (MO)	Tom Petri (WI)
George Miller (CA)	Dick Armery (TX)
Austin Murphy (PA)	Harris Fawell (IL)
Dale Kildee (MI)	Paul Henry (MI)
Matthew Martinez (CA)	Cass Ballenger (NC)
Donald Payne (NJ)	Susan Molinari (NY)
Jolene Unsoeld (WA)	Bill Barrett (NE)
Robert Andrews (NJ)	John Boehner (OH)
Jack Reed (RI)	Randy Cunningham (CA)
Tim Roemer (IN)	Peter Hoekstra (MI)
Robert Scott (VA)	Howard McKeon (CA)
Karan English (AZ)	Dan Miller (FL)
Eni F.H. Faleomavaega (Amer. Samoa)	
Scotty Baesler (KY)	

SENATE

Members met with:		Members Remaining:	
Democrats -	45	Democrats -	12
Republicans -	20	Republicans -	23
TOTAL -	65	TOTAL -	35

Meetings with Members of the Committees of Jurisdiction:

FINANCE

Democrats - 9 of 11	Republicans - 7 of 9
Democrats Remaining:	Republicans Remaining:
David Boren (OK)	Orrin Hatch (UT)
Bill Bradley (NJ)	Malcolm Wallop (WY)

LABOR AND HUMAN RESOURCES

Democrats - 11 of 11	Republicans - 5 of 7
Democrats Remaining:	Republicans Remaining:
None	Dan Coats (IN)
	Orrin Hatch (UT)

CONGRESSIONAL MEETINGS

FEBRUARY 3, 1993

	Rep. Dick Gephardt	HRC

FEBRUARY 4, 1993

11:30 AM	Rep. Pete Stark	IM, HP
2:30 PM	Sen. George Mitchell	HRC, IM, JF
3:00 PM	Senate Democrats Sens. Mitchell, Baucus, Bingaman, Boxer, Breaux, Bumpers, Conrad, Daschle, Feingold, Harkin, Kennedy, Kerrey, Leahy, Lieberman, Metzenbaum, Mikulski, Moseley-Braun, Moynihan, Pell, Pryor, Riegle, Robb, Rockefeller, Wellstone, Wofford	HRC, IM, JF
4:00 PM	Sens. Bob Dole and John Chafee	HRC, IM, JF

FEBRUARY 10, 1993

11:30 AM	Sen. Jay Rockefeller	HRC

FEBRUARY 11, 1993

	Sen. Harris Wofford Health Reform Conference Harrisburg, PA	
3:00 PM	Sen. Mitchell's Office	IM

FEBRUARY 15, 1993

10:00 AM	Rep. Jim McDermott	IM

FEBRUARY 16, 1993

2:00 PM	House Democratic Leadership - Tom Foley, Dick Gephardt	HTC, IM, JF

	House Democrats - Andrews, Bonior, Cardin, C. Collins, Conyers, Cooper, de la Graza, Derrick, Fazio, Ford, Hoyer, E.B. Johnson, Johnston, Levin, Lewis, Matsui, McDermott, Meek, Obey, Richardson, Rose, Rostenkowski, Slattery, Slaughter, Stark, Stenholm, Strickland, Synar, Waxman, Williams, Wyden	HRC, IM, JF
4:00 PM	House Republican Leadership Bob Michel, Newt Gingrich, Dennis Hastert	HRC, IM, JF
	House Republicans - Bilirakis, Bliley, Goodling, Goss, Grandy, Gunderson, Hoke, N. Johnson, Kasich, McCrery, Moorhead, McMillan, Roberts, Roukema, Thomas, Walker	HRC, IM, JF

FEBRUARY 18, 1993

11:00 AM	Rep. Dan Rostenkowski	HRC
12:30 PM	Rep. Bill Ford	HRC
1:30 PM	Re. John Dingell	HRC

FEBRUARY 23, 1993

2:00 PM	Congressional Women's Caucus Pat Schroeder, Olympia Snowe Furse, Kaptur, Lambert, Lowey, Maloney, Mink, Morella, Slaughter, Waters	HRC
3:45 PM	Rep. Pete Stark	HRC
4:30 PM	Rep. Henry Waxman	HRC
5:15 PM	Rep. Pat Williams	HRC

FEBRUARY 24, 1993

11:00 AM	Sen. David Durenberger	HRC

11:30 AM	House Democratic Leadership and Committee Chairs Gephardt, Lewis, Richardson, Rostenkowski, Stark, Dingell, Waxman, Ford, Williams	HRC, IM, JF

FEBRUARY 25, 1993

	Sen. Jim Sasser	HRC
	Sen. and Mrs. Reigle	HRC

MARCH 2, 1993

12:00 PM	Sen. Paul Wellstone	HRC
1:00 PM	Congressional Black Caucus Clayton, Collins, Conyers, Flake, Franks, McKinney, Meek, Mfume, Moseley-Braun, Norton, Rangel, Stokes, Waters, Watt	HRC
2:00 PM	Congressional Hispanic Caucus Serrano, Roybal-Allard, Pastor, de la Graza, de Lugo, Ortiz, Richardson, Torres, Ros-Lehtinen, Becerra, Bonilla, Diaz-Balart, Guttierrez, Mendez, Romero-Barcelo, Tejeda, Velazquez, Underwood	HRC

MARCH 4, 1993

	Senators Breaux and Johnston, Rep. Jefferson Louisiana Trip	HRC
	DPC Mitchell, Daschle, Akaka, Baucus, Bingaman, Boxer, Bryan, Campbell, Conrad, Dodd, Exon, Feingold, Feinstein, Graham, Hollings, Kennedy, Kerrey, Kerry, Lautenberg, Leahy, Lieberman, Levin, Mathews, Metzenbaum, Mikulski, Moynihan, Pell, Pryor, Reigle, Robb, Rockefeller, Sarbanes, Sasser, Simon, Wellstone, Wofford	IM, JF

MARCH 5, 1993

2:00 PM	Bob Reischauer, Director CBO	IM

MARCH 6, 1993

10:00 AM	Sen. Dianne Feinstein	IM

MARCH 9, 1993

	Rep. John Conyers	HRC
1:00 PM	Rep. Jim McDermott	HRC
2:00 PM	Chmn. John Dingell and Energy and Commerce Cmte S. Brown, Hall, Kreidler, Lambert, Lehman, Margolies-Mevzinsky, Markey, Pallone, Richardson, Schenk, Slattery, Studds, Tauzin, Towns, Waxman	HRC
2:00 PM	Sen. Jeffords	IM

MARCH 10, 1993

3:00 PM	Republican Task Force Dole, Chafee, Bond, Burns, Cohen, Craig, Danforth, Gregg, Kassebaum, Mack, Murkowski, Nickles, Packwood, Roth, Simpson, Stevens, Thurmond	HRC

MARCH 11, 1993

11:00 AM	Rep. Ron Wyden	HRC
1:00 PM	Sen. Edward Kennedy	IM
2:00 PM	Senate Women's Caucus Mikulski, Kassebaum, Boxer, Feinstein, Moseley-Braun, Murray	HRC
3:30 PM	Veterans Issues Sen. Jay Rockefeller, Rep. Sonny Montgomery, Rep. Roy Rowland	HRC

3:30 PM	Gephardt, Rostenkowski, Stark, Dingell, Waxman, Ford, Willians	IM, JF
5:00 PM	Sen. Daniel Patrick Moynihan	HRC
5:30 PM	House Republicans Bliley, Gingrich, Goss, Hastert, Johnson, Thomas	IM

MARCH 12, 1993

	Sen. Bob Graham, Rep. Sam Gibbons RWJ Forum - Tampa, FL	HRC
1:45 PM	Senate Republican Staff	IM

MARCH 15, 1993

	Sen. Tom Harkin, Sen. Charles Grassley, Rep. Neil Smith RWJ Forum - Des Moines, IA	HRC
	Finance Committee Staff - Lawrence O'Donnell, Staff Dir.	CJ, KP, SR

MARCH 17, 1993

	Chmn Dan Rostenkowski and Democratic Ways and Means Members Andrews, Cardin, Gibbons, Hoagland, Jefferson, Kennelly, Kopetski, Levin, Lewis, Matsui, McDermott, McNulty, Neal, Payne, Pickle, Reynolds, Stark	HRC
2:00 PM	Rep. Jack Brooks	HRC

MARCH 18, 1993

7:30 AM	House Republicans Bliley, Goss, Grandy, Hastert, N. Johnson, McMillan, Thomas	IM
3:45 PM	Reps. Mike Andrews, Jim Cooper, Charles Stenholm, Lewis Payne	HRC
4:15 PM	Sen. Bob Kerrey	HRC

	Rep. Reynolds	HRC

MARCH 22, 1993

	Sen. and Mrs. Don Reigle, Rep. and Mrs. John Dingell, Sen. Carl Levin, Rep. John Conyers RWJ Hearing - Dearborne, MI	MEG, CR, DS

MARCH 23, 1993

9:15 AM	DPC Staff Meeting John Hilley, Abby Safford, Diane Dewhirst, Debra Silimeo, Greg Billings, Michael Werner, Lawrence O'Donnell, Laura Quinn, Jim Gottlieb, Larry Stein, Patricia Zell, John Ball	Begala, BB, CJ

MARCH 24, 1993

	Democratic Policy Committee Sens. Mitchell, Akaka, Baucus, Bingaman, Boxer, Bryan, Conrad, Daschle, DeConcini, Dodd, Feingold, Glenn, Graham, Hollings, Johnston, Kennedy, Kerry, Leahy, Levin, Mathews, Moseley-Braun, Reid, Wellstone, Wofford	IM, JF

MARCH 25, 1993

7:30 AM	House Republicans Bliley, Goss, Grandy, Hastert, N. Johnson, McMillan, Thomas	IM
2:00 PM	Democratic Committee Members Education & Labor, Energy & Commerce, Ways & Means Andrews, Cardin, Cooper, Engel, Lambert, Levin, McDermott, Synar, Tauzin, Pallone, Woolsey, Slattery, Rostenkowski, Dingell, Waxman, Richardson, Markey, Hall, Studds, Margolies-Mezvinsky, Kennelly, Hoyer, Fazio, Kreidler, Bryant, Klink, Sawyer	IM

MARCH 30, 1993

5:30 PM	Mainstream Forum - McCurdy, Bacchus, Browder, Carr, Cooper, Danner, Glickman, Geren, Green, Moran, Payne, Penny, Peterson, Price, Orton, Rowland, Slattery, Spratt, Tanner	IM

MARCH 31, 1993

8:00 AM	House Democratic Caucus - Barlow, Cooper, DeLauro, Derrick, Dingell, Durbin, Filner, Gephardt, Geren, Gordon, Hamilton, Hochbrueckner, Hoyer, Hughes, Inslee, D. Johnson, E.B. Johnson, Kaptur, Kennelly, Lancaster, Levin, Lewis, Lloyd, Lowey, McDermott, Moran, Obey, Olver, Pomeroy, Richardson, Romero-Barcelo, Sawyer, Shephard, Sisisky, Skaggs, N. Smith, Stark, Stupak, Synar, Thurman, Velazquez, Volkmer, Wise, Woolsey Ways and Means Health Sub. Stark, Levin, Cardin, McDermott, Andrews, Klezka	IM, JF

APRIL 1, 1993

7:30 AM	House Republicans Bliley, Goss, Grandy, Gunderson, Hastert, N. Johnson, McMillan, Roberts, Thomas	Quam

PERSONAL AND ~~CONFIDENTIAL~~ MEMORANDUM

TO: Hillary Rodham Clinton
FR: Chris Jennings
RE: Bipartisan Senators Meeting
cc: Melanne, Steve, Ira, Judy

April 29, 1993

Senator Mitchell and Senator Dole have extended invitations to all their rank and file Members to attend tomorrow morning's meeting with you, Ira, and Judy. The collection of Senators will likely be diverse, but it remains unclear how many Members will be in attendance.

BACKGROUND

Majority Leader Mitchell has asked that you start off at his office about 5-10 minutes before the 9:00 start up time. The Majority Leader will then escort you to the Members meeting.

In the front of the room will be a table for Senator Mitchell, Senator Dole, you, Ira, and Judy. Similar to Jamestown, Senator Mitchell will make a short introductory statement. He will recognize Senator Dole for a quick comment, and then the floor will be yours. Senator Mitchell is expecting you to give a 10-15 minute presentation. He has suggested that you stay away from financing, but focus more on the general outline of the plan (see attachment 1) and the process by which you envision it getting completed, introduced, and passed.

Following your remarks, Senator Mitchell and Senator Dole will call on their Members for questions, statements, etc. At this point, you should feel free to call on Ira and Judy to help answer questions.

POINTS TO HIT IN YOUR REMARKS

Although there a number of messages that would be wonderful to convey in your presentation, four come immediately to mind:

(1) **Health Care This Year**. The President and you are no less committed to getting health care passed this year and we will be working closely with the Democratic and Republican Leadership of both Houses to determine the best timetable for assuring this outcome (the Panetta remarks have severely reduced expectations);

(2) **Bipartisan Issue**. Health care is a bipartisan issue and we intend to be spending a great deal of time meeting with all Members interested in achieving the President's goal of cost containment and universal coverage. (The latest report is that, despite the bipartisan Finance Committee meeting, the scheduled bipartisan Senate Labor and Human Resources Committee meeting, and the scheduled Congressional Republican Leadership meeting -- see attachment 2 and its list of meetings, the Republican Members still feel left out of our process);

(3) **Uniquely American Plan**. We believe we can learn from and incorporate the best ideas of many Members into a workable, uniquely American health care reform proposal. (Few Members have a good feel for what direction we are heading and it might be somewhat comforting to cite examples of merging principles of managed competition and single payer plans.)

(4) **Everyone is Held Accountable**. Everyone will be held accountable and to contribute to the new system. While we will ask businesses to contribute, employees will be asked to do their fair share as well. Likewise, just as we will ask insurers, pharmaceutical manufacturers, and other health care providers to contribute to this reform, we must require that the Government be held accountable as well. We can no longer just cut reimbursement, without reducing the bureaucratic burdens we place on providers. Similarly, it is high time we started to seriously address the medical malpractice issue as well. (Republicans like to hear the phrases: "no free loaders" and "individual responsibility." It is important for us to avoid the perception that we will be placing all the burdens on businesses; along these lines, please try to avoid the word MANDATE.)

BACKGROUND MATERIALS

Attached for your review tonight is a list (attachment 3) of all the Senators and their current placement on our health care reform "whip" list. As you will note, we have 22 reliable votes (all Democrats), 24 leaning yes votes (all Democrats), and 20 Members who are very achievable votes if we work them right (ten Democrats and ten Republicans) for a total of 66 possible votes.

In addition, Steve Edelstein's War Room and I have attempted to summarize the current health positions of every Senator. The lists (attachment 4) are divided into a Democratic and Republican list in alphabetical order. We hope you find this information to be useful.

Attachment 1

OVERVIEW OF HEALTH REFORM:

ALL AMERICANS ARE GUARANTEED:

- COMPREHENSIVE BENEFITS
- SECURITY AND PORTABILITY OF COVERAGE
- CHOICE OF PLANS AND PROVIDERS
- HIGH QUALITY CARE

FEDERAL GOVERNMENT WILL:

- DEFINE BENEFITS
- DEVELOP QUALITY, ACCESS, INSURANCE STANDARDS
- REFORM MALPRACTICE
- ESTABLISH FRAMEWORK FOR STATE-RUN SYSTEMS
- SET BUDGETS

STATES WILL:

- SET UP ALLIANCE TO REPLACE FRAGMENTED INSURANCE MARKET
- GUARANTEE AFFORDABLE COVERAGE THROUGHOUT STATE
- ENFORCE QUALITY, ACCESS AND INSURANCE STANDARDS
- ENFORCE BUDGETS

HEALTH ALLIANCES WILL:

- ENSURE AVAILABILITY OF VARIETY OF HEALTH PLANS
- NEGOTIATE PREMIUMS WITH HEALTH PLANS
- MANAGE ENROLLMENT
- PROVIDE CONSUMER EDUCATION AND PROTECTION

HEALTH PLANS WILL:

- ACCEPT ALL APPLICANTS AT COMMUNITY RATE
- PROVIDE GUARANTEED BENEFITS WITHIN AGREED-UPON RATE

ADDRESSING THE PROBLEMS: THE WORK TEAM PROPOSALS

PROBLEM	SOLUTION
LACK OF SECURITY	• ALL AMERICANS ARE INSURED • INSURANCE CANNOT BE DENIED OR TAKEN AWAY REGARDLESS OF HEALTH STATUS • BENEFITS AT A COMPARABLE LEVEL CONTINUE REGARDLESS OF EMPLOYMENT OR INCOME STATUS • ALL AMERICANS AND THEIR EMPLOYERS PAY INTO THE SYSTEM AT THE SAME RATE REGARDLESS OF THEIR HEALTH STATUS
CONSUMER CONFUSION	• GREATER CHOICE OF PLANS FOR MANY AMERICANS • SIMPLE UNDERSTANDABLE BENEFITS PACKAGE • ONE COVERAGE PACKAGE FOR A FAMILY • NO COVERAGE BATTLES AMONG INSURERS • GUARANTEED ACCESS TO PLANS • CONSUMER COMPLAINT MECHANISM IN PLANS AND ALLIANCE • SIMPLE REIMBURSEMENT AND CLAIMS FORMS • PUBLISHED QUALITY INFORMATION

ADDRESSING THE PROBLEMS: THE WORK TEAM PROPOSALS (CONT'D)

PROBLEM	SOLUTION
PROVIDER HASSLE	• STANDARD REIMBURSEMENT AND ENCOUNTER FORM • SIMPLIFICATION OF REGULATIONS
HIGH ADMINISTRATIVE COSTS	• ELIMINATION OF INSURANCE UNDERWRITING AND MULTIPLE RISK PRODUCTS • SIMPLIFICATION OF CLAIMS AND REIMBURSEMENT – MOVE TOWARDS CAPITATED PAYMENT SYSTEMS – SIMPLE UNIVERSAL CLAIMS AND REIMBURSEMENT FORMS DRIVEN BY UNIVERSAL ENCOUNTER FORMS • ELIMINATION OF DUAL COVERAGE AND COVERAGE DETERMINATION PRACTICES • SIMPLIFICATION OF PRODUCT REDUCES NEED FOR AGENT TO ASSIST CONSUMERS • REDUCTION IN COSTS OF SMALL GROUP ADMINISTRATION • REDUCTION IN REGULATORY REQUIREMENTS -- FORM FILLING • REDUCTION IN MALPRACTICE PREMIUMS • REDUCTION IN TIME SPENT BY PROVIDERS AND INSURERS INVESTIGATING OR DEBATING REIMBURSABILITY

ADDRESSING THE PROBLEMS: THE WORK TEAM PROPOSALS (CONT'D)

PROBLEM	SOLUTION
UNNECESSARY TESTS AND PROCEDURES	• BUDGETED/CAPITATED SYSTEMS DISCOURAGE UNNECESSARY UTILIZATION AND INTENSITY OF SERVICE BY PROVIDERS • GATEKEEPERS (IN HMOs OR PPOs), SOME USE OF COPAYS IN FEE FOR SERVICE PLANS AND PRICE COMPETITION WILL DISCOURAGE UNNECESSARY CONSUMER USAGE • NATIONAL TECHNOLOGY ASSESSMENT AND BETTER INFORMATION ON PRACTICE PATTERN DIFFERENCES AND EFFECTIVENESS OF TREATMENT WILL ENHANCE COST CONSCIOUS/HIGH QUALITY PRACTICE • BUDGETED/CAPITATED SYSTEMS ENCOURAGE MORE PRUDENT USE OF TECHNOLOGY AND MORE COST EFFECTIVE CAPITAL INVESTMENT • MALPRACTICE REFORMS WILL CUT THE COSTS OF MALPRACTICE INSURANCE AND DEFENSIVE MEDICINE
UNDERSERVED POPULATIONS	• UNIVERSAL COVERAGE • INCREASED INVESTMENTS IN INFRASTRUCTURE IN POOR URBAN AND RURAL AREAS AND IN PUBLIC HEALTH • PREVENTION OF "RED LINING" OF HEALTH ALLIANCES • RISK ADJUSTMENT OF POOR POPULATIONS • HEALTH ALLIANCE RESPONSIBILITY FOR BUILDING HEALTH NETWORKS WHERE NONE EXIST

ADDRESSING THE PROBLEMS: THE WORK TEAM PROPOSALS (CONT'D)

PROBLEM	SOLUTION
INADEQUATE LONG-TERM CARE	• EXPANDED OPPORTUNITIES FOR HOME CARE AS BEGINNING OF SOCIAL INSURANCE PLAN • RAISING MEDICAID SPEND DOWN LIMITS • INCENTIVES/REGULATION FOR PRIVATE INSURANCE MARKET

HOW THE NEW SYSTEM MAINTAINS WHAT PEOPLE LIKE IN THE CURRENT SYSTEM

MAINTAIN NEGOTIATED BENEFITS	• LARGE EMPLOYERS AND EMPLOYEES CAN MAINTAIN THEIR CURRENT PLANS AS LONG AS THEY MEET FEDERAL STANDARDS – EMPLOYERS CAN CONTINUE TO PAY MORE GENEROUS PREMIUM SHARES AND COST–SHARING THAN NATIONALLY GUARANTEED BENEFITS PACKAGE IN A TAX SUBSIDIZED MANNER
MAINTAIN HIGH QUALITY SYSTEM	• QUALITY OF SYSTEM WILL IMPROVE WITH BETTER PRACTICE GUIDELINE INFORMATION, QUALITY REPORT CARD, CONSUMER SURVEYING • QUALITY INFORMATION WILL BE MORE AVAILABLE TO CONSUMERS
MAINTAIN CHOICE OF DOCTOR	• BUDGETED FEE FOR SERVICE NETWORK ALLOWS ALL AMERICANS TO CHOOSE THEIR DOCTORS AS THEY CAN TODAY • AVAILABILITY OF MULTIPLE PLANS OF DIFFERENT TYPES ALLOWS CONSUMERS GREATER CHOICE OF TYPE OF CARE THAN MANY HAVE TODAY

Attachment 2

MEETINGS WITH CONGRESSIONAL REPUBLICANS

From the onset of the Administration's work on the health care reform proposal, the Health Care Task Force and its Work Groups have made a concerted effort to reach out to House and Senate Republicans for their guidance and support. We believe it is essential to have their involvement to make the package as strong as possible and to assure its prompt and necessary passage. We are therefore concerned that there is any perception that the White House, in any way, has not actively sought the advice and participation of Republicans from the beginning.

It is very important to note that the President has insisted on significant Republican involvement from the moment he established the Health Care Task Force. On January 26th, he requested that the House and Senate Democratic and Republican Leadership appoint representatives to the Task Force. Senator Dole chose himself and Representative Michel appointed Representative Dennis Hastert (R-IL) to serve on his behalf.

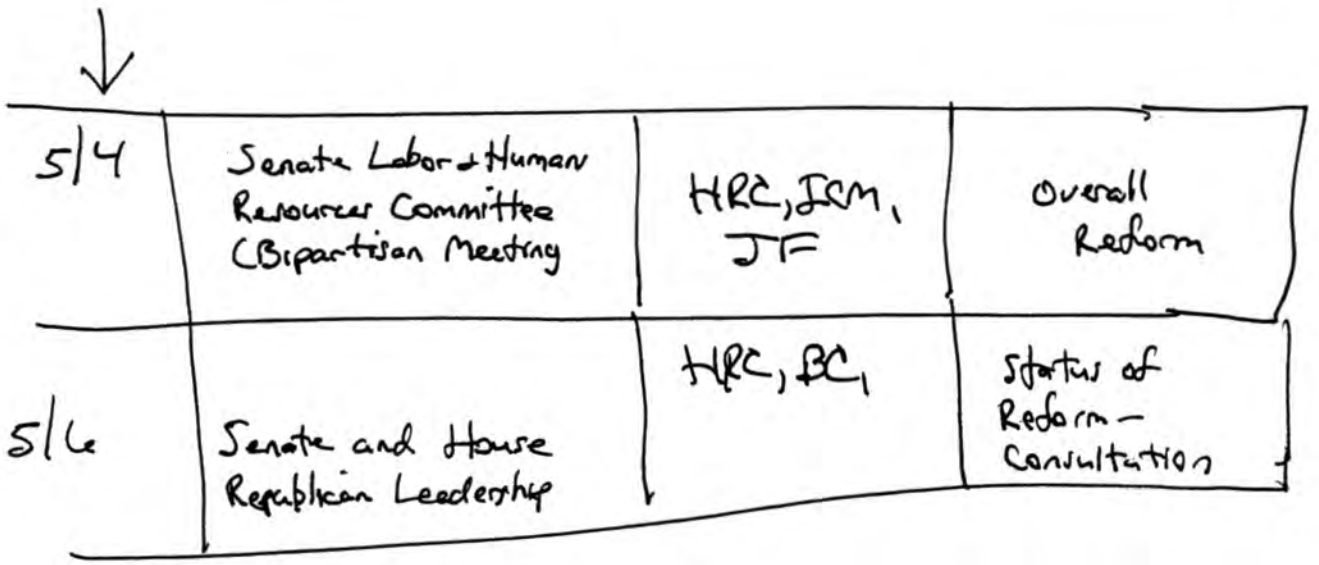
Since that time, Mrs. Clinton and/or Ira have attempted to hold meetings on a virtually weekly basis with House and Senate Republicans and/or their staffs. The House has chosen to send its Members to the meetings, while the Senate Health Care Task Force has chosen to send staff. The staff of the Senate Republican Health Task Force has suggested that more active Member-level discussions be delayed until there is a better sense of what our final proposal will be.

Since the President is now focusing and narrowing the options for his proposal, we have begun an active effort to hold bipartisan meetings with House and Senate Republicans. On April 20th, Mrs. Clinton participated in a bipartisan Finance Committee meeting. She will hold a similar bipartisan meeting with the Senate Labor and Human Resources Committee on May 4th. In addition, the President and the First Lady have already scheduled a meeting with the Republican Congressional Leadership on May 6th to commence serious Presidential-level discussions.

Attached is a list of the numerous meetings that Mrs. Clinton, Ira Magaziner, Judy Feder and their designees have held with Senate Republicans. I hope you will find this information to be helfpul.

DATE	MEMBER(S)	MET WITH	SUBJECT
2/4	DOLE/CHAFEE	HRC/ICM/JF	process, general discussion
2/23	DURENBERGER	HRC/ICM	
3/10	Senate Republican Members Bond Burns **Chafee** Cohen Craig Danforth **Dole** Durenberger Gregg Kassebaum Mack Murkowski Nichols Packwood Roth Simpson Stevens Thurmond (others were present as well)	HRC	general discussions about process and about directions for/components of reform
3/10	JEFFORDS	ICM	
3/11	KASSEBAUM (as part of Women Senators meeting)	HRC	Health Reform Issues of special interest to women
3/12	Senate Republican Staff	ICM	
3/23	Senate Republican Staff	Walter Zellman Rick Kronick Lois Quam	New System Development Governance
4/1	Senate Republican Staff Sheila Burke Christy Ferguson Ed Mihulski	ICM	short-term controls
4/19	Senate Republican staff	Gary Claxton	Insurance Reform
4/20	DURENBERGER	ICM	Overall Reform

4/20	Senate Finance Commitee: bi-partisan meeting Chafee Packwood Danforth Roth Grassley Hatch Wallop	HRC/ICM, JF	Overall reform, costs, financing
4/29	Senate Republican Staff	Lois Quam	Rural Health Care
4/30	Entire Senate (including Republicans)	HRC, ICM, JF	



Attachment 3

SENATORS' CURRENT STATUS 4/29/93

RELIABLE	LEAN YES	NEED WORK	LEAN NO	NO
Akaka	Biden	Baucus	Shelby	Bennett
Boxer	Bradley	Bingaman	Brown	Coats
Daschle	Breaux	Boren	Burns	Cochran
Feingold	Bryan	DeConcini	D'Amato	Coverdell
Feinstein	Bumpers	Exon	Dole	Craig
Harkin	Byrd	Heflin	Domenici	Dole
Inouye	Campbell	Johnston	Gorton	Faircloth
Kennedy	Conrad	Krueger	Grassley	Gramm
Leahy	Dodd	Nunn	Hatch	Gregg
Mikulski	Dorgan	Reid	Lugar	Helms
Mitchell	Ford	Bond	Pressler	Kempthorne
Moseley-Braun	Glenn	Chafee	Roth	Lott
Murray	Graham	Cohen	Specter	McCain
Pell	Hollings	Danforth		McConnell
Pryor	Kerrey	Durenberger		Murkowski
Riegle	Kerry	Hatfield		Nickles
Rockefeller	Kohl	Jefford		Simpson
Sarbanes	Lautenberg	Kassebaum		Smith
Sasser	Levin	Mack		Stevens
Simon	Lieberman	Packwood		Thurmond
Wellstone	Mathews			Wallop
Wofford	Metzenbaum			Warner
	Moynihan			
	Robb			
Democrats 22	Democrats 24	Democrats 10	Democrats 1	Democrats 0
Republicans 0	Republicans 0	Republicans 10	Republicans 12	Republicans 21
TOTAL 22	TOTAL 24	TOTAL 20	TOTAL 13	TOTAL 21

PROFILES - SENATE DEMOCRATS
April 29, 1993

SENATOR DANIEL AKAKA (D-HI) - State flexibility is of primary importance to Senator Akaka. He wants a waiver to allow Hawaii to continue its present employer-based system. He was a cosponsor of Senator Mitchell's "HealthAmerica" plan in the last Congress, but is open to virtually any approach that achieves cost containment and universal access, as long as it provides for significant state flexibility.

Recent Developments: Hawaii is moving to press the House and Senate Committees to obtain ERISA waiver as soon as possible even if that means before health care reform is passed. Senator Akaka can be expected to support this effort.

SENATOR MAX BAUCUS (D-MT) - Senator Baucus was a member of the Pepper Commission. Most notably, however, he voted against the final access recommendations -- they won by just an 8-7 vote -- primarily because of his concern about the proposal's impact on small business. Baucus is concerned about any proposal that utilizes any employer requirement to help finance health care. As a result of this concern, and because the Canadian system is quite popular in Montana, he is a single payer advocate.

He is a member of a 5-Member working group (Daschle, Kerrey, Bingaman, and Wofford) that is looking at alternatives to employer-based models. This group wrote to the First Lady on February 3rd outlining principles which should be incorporated into a managed competition framework including universal participation (no opt-outs), state or regional administration, and phase-in of coverage for long-term care. More recently, on March 30, he sent a letter with eight Democratic Senators from rural states stating their position that the allocation of health budgets among states should not be based on historical costs but on the true cost of providing an appropriate level of care to a state's residents.

Senator Baucus believes health care reform must include real cost containment, sensitivity to legitimate small business concerns, and special consideration for rural concerns. We have been advised by staff that he is very committed to the concept of every citizen being in the HIPC or health alliance. In addition, because it is more broad-based than an employer mandate, he apparently would be supportive of a VAT tax for health care.

Recent Developments: At the April 20 meeting with Finance Committee members, Senator Baucus stressed the need for the plan to contain costs with some sort of global budget. He shared the view of other committee members that the Administration should take longer if necessary, but make sure health reform is done right. At Jamestown, he reiterated his view on the need for strong cost containment and a global budget. He also wanted to know the administrative savings which would reduce the need for taxes. Senator Baucus also stated that he thought the First Lady was the best salesperson for health care reform.

SENATOR JOE BIDEN (D-DE) - Senator Joseph Biden is the Chairman of the Judiciary Committee. This position will become increasingly important as the President sends to the Hill a choice for the vacant seat on the Supreme Court. Confirmation hearings might tie up Senator Biden's time this summer. For the health care debate, however, Biden has been relatively quiet. He has said in the past that he is still learning the issue. One key will be the DuPont Corp., which is pushing national health insurance. Biden has said that he does not favor single payer and is concerned that play-or-pay could lead to rationing. He is non-committal but skeptical on managed competition and is especially concerned about HMOs. His committee will be responsible for marking-up the portions of the reform package dealing with malpractice or tort reform. In addition, any modifications to or clarifications of the anti-trust laws come under his jurisdiction as well.

SENATOR JEFF BINGAMAN (D-NM) - Senator Bingaman joined the Labor and Human Resources Committee in May of 1990. While he does not have a long record on the issue of health care reform, he has been exhibiting increasing interest in the subject. He supports the managed competition model's focus on market adjustment of health care costs but has also supported an eventual cap on health care spending. He has cosponsored legislation with Senator Durenberger to implement the Jackson Hole group recommendations - a managed competition model which rejects global budgets. However, in hearings last December of the Labor Committee, Bingaman expressed strong support for the idea of a global budget to "limit the amount of revenue going into the system, limit the amount of premiums that people can pay into the HPICs." He is a strong advocate of rural health and prevention. He has expressed concern about the effects that employer-based health care reform could have on small businesses.

<u>Recent Developments:</u> Reportedly, Senator Bingaman was unhappy over our language change from "HIPC" to "Alliance." He feels "cooperatives" are rural friendly. At Jamestown, Bingaman raised concerns about small business. He felt that a payroll contribution of 7 to 8 % was too high. In his view, we should lead with cost containment and make sure small businesses are protected.

SENATOR DAVID BOREN (D-OK) - Although not generally thought of as a health care reform leader, Senator Boren is the lead sponsor of the Senate companion (S. 3299) to the House Conservative Democratic Forum's managed competition bill. In recent months, however, he has become more sensitive to the inability of the Conservative Democratic Forum's approach to adequately address the access or cost containment challenge. Like virtually every member of the Committee, he considers himself to be a strong supporter of rural health and small business issues. With Senator Bradley, though, Boren has been traditionally more focused on tax policy than health care.

There have been exceptions to the rule of Senator Boren's general non-interest/association with health care. In addition to the CDF bill, he is now supporting the concept of significant

state flexibility within the context of any health reform proposal (Oklahoma Governor Walters is pushing a major initiative now and wants some significant assistance/relief from the Federal Government). In addition, Boren sponsored legislation last year to provide for an extension of higher payments to rural hospitals that disproportionately serve Medicare patients. (This legislation passed the Congress, but was included in the tax bill which was vetoed by then-President Bush.)

Recent Developments: On April 28, his staff called saying Senator Boren was concerned that the premium payroll approach sounded too much like a pay or play plan. He hates this concept. Chris Jennings assured staff that nothing could be further from the truth, but he may need more convincing.

SENATOR BARBARA BOXER (D-CA) - As a new member of the Senate, Senator Boxer is very interested in working with the leadership. While in the House, she cosponsored the Russo single payer bill (predecessor to the current McDermott Bill) but was not an enthusiast. She is particularly interested in issues concerning women and children. Senator Boxer believes that health care reform should cover reproductive services, including abortion services.

Boxer outlined her basic approach to health care reform in a letter to the First Lady on February 5. In the letter, the Senator emphasized the following principles: care should be affordable and universal; benefits should not be based only on employment; and coverage should include professionals other than doctors. To achieve these goals, the Senator called for a minimum benefits package, increased preventative care, coverage of reproductive services, increased public health education, services for women in crisis, and services for children. Finally, the Senator called for "full representation" for women on any boards, advisory committees or any other bodies created by health reform legislation.

In meetings with the HCTF, she has also expressed concerns over how the Veterans Health System will be integrated into the plan.

Recent Developments: At the Jamestown retreat, she has strongly urged that abortion services be covered up front in the benefit package and protected from any hostile amendment on the Senate Floor. She also raised the possibility of sin taxes being earmarked for children.

SENATOR BILL BRADLEY (D-NJ) - Senator Bradley is known more for his work on tax policy than for his work on health care financing. He has indicated an interest in introducing health care reform legislation similar to the managed competition model that he believes the President has been advocating. The one exception to his general support of the Clinton health care approach may well be with regard to prescription drugs. As a Senator representing the state which is the capital of the pharmaceutical industry, Bradley is a fierce advocate for the

industry and their concerns. With Senator Hatch, he led the fight against Senator Pryor's effort to influence the industry to control price increases by linking their pricing behavior to eligibility for tax credits. (The Pryor proposal was endorsed by the President during the campaign.)

As a member of the Infant Mortality Commission, Senator Bradley is proud of his work to ensure that the Medicaid program was expanded to eventually cover pregnant women and children. He also is a strong advocate for preventative care services. He has sponsored several bills on tobacco, including revised warning labels and tobacco as a drug to be included in the Drug Free Schools program. Lastly, although he incurred the wrath of some aging groups with his opposition to prescription drug price constraints, he has been a long-time supporter of home and community-based long term care services, particularly with regard to respite care services.

Recent Developments: At this week's Finance Committee meeting, Senator Bradley asked for an estimate of how much the plan is going to cost and how much revenue is expected to be needed. He is very concerned about taxes and is a great advocate of going slow on this issue. "It is more important to get it right."

SENATOR JOHN BREAUX (D-LA) - Senator Breaux is the second most junior Member of the Finance Committee. He is one of those up and coming "New Democrats" for whom many see a bright future. His politics are moderate to conservative but he is known more as a pragmatist than a idealogue. In the area of health care, Breaux is yet another of the Committee members who care deeply about small businesses and rural health care.

Prior to this year, Senator Breaux was not overly active in health care issues. That changed when he introduced the Conservative Democratic Forum's managed competition bill with Senator Boren in 1992. He is very concerned, however, about the bill's limitations with regard to assuring adequate access to health care in rural areas. He is also concerned about whether this approach will actually achieve broad-based cost savings. Despite this, he remains uncomfortable with the alternatives and he will want to make sure that the Conservative Democratic Forum's model is used as much as possible during the upcoming debate. He opposes price caps and freezes to control costs.

Recent Developments: At the Finance Committee meeting on April 20, Senator Breaux stated that he was very encouraged about what he was hearing. He believes people want health care reform but it will be important to sell the benefits first (and sell people on what they are getting). He wants the plan to be bipartisan and thinks it should contain malpractice reform. This week he has made very positive public comments about the prospects for health care reform and praised the consultative process with both Democrats and Republicans. In addition, he invited Ira Magaziner to join him and the President at the Democratic Leadership Conference meeting in New Orleans. (It is now unclear whether he will attend.)

SENATOR RICHARD BRYAN (D-NV) - Senator Bryan is a former governor of Nevada who was to fill the seat of retiring Senator Paul Laxalt. Not very vocal on health issues, Bryan has significant small business and rural concerns. He probably will be hesitant to support a bill that at least some small businesses will not support. He has not taken a position on a particular plan, but he does not think single payer will work and is unsure about managed competition's applicability to rural areas. Senator Bryan has publicly supported Senator Pryor's prescription drug legislation and supports insurance reform. Raising taxes might frighten him, and he does not think we need immediate access. He is up for re-election in 1994.

SENATOR DALE BUMPERS (D-AR) - Senator Bumpers has waited to see what the White House will do and has resisted efforts to be pushed into Daschle's camp. As Chairman of the Small Business Committee, Bumpers has a particular sensitivity to the needs of small business. He could well be an important surrogate speaker in his position as Committee Chairman, especially if he not only supports the bill but is comfortable enough to positively talk it up. He is known for his great concern about children's issues. He therefore can be expected to support phasing-in coverage for children first, if such a phase-in is necessary.

SENATOR ROBERT BYRD (D-WV) - Senator Byrd is one of the most senior members of the Senate and a former Majority (and Minority) Leader. As you know, Senator Byrd publicly announced his intention to oppose the use of reconciliation to pass the HCTF bill. Senator Byrd mostly has funding concerns, especially any specific directions for the Appropriations Committee on funding that might be included in a health care reform bill. He is also concerned about jurisdiction, particularly if health care financing might "take over" some discretionary programs. He generally puts his energies into "infrastructure." Byrd has specifically mentioned possible redundant financing received by community health centers for various health care services. He has no preference on the overall approach, and he will likely defer to Senator Rockefeller on this. Byrd has a "wait and see" approach with the Administration and will want to look at the whole package.

SENATOR BEN NIGHTHORSE CAMPBELL (D-CO) - Senator Campbell is the only member of the Senate who is of Native American descent. He is on record in support of managed competition, but has not taken a position on the Administration's deliberations. He is, however, comfortable with the process. Senator Campbell has a special concern with the Indian Health Service and will probably keep his eye out for any changes.

SENATOR KENT CONRAD (D-ND) - Senator Conrad is the newest member of the Senate Finance Committee. He is known as a "budget hawk." Strong cost controls will be critical for his support. He will look closely at the financing package and how the reform plan impacts the federal deficit. He opposes large new taxes to support reform.

Senator Conrad's foremost health concern is rural health care. He is concerned both with how rural health care will be addressed in the context of managed competition as well as current access and delivery issues. He is aware of two successful models from his state – one, a network of clinics, the other an HMO – which have been able to increase access to primary and preventive care. He signed the March 30 letter opposing the allocation of the global budget among states based on historic costs. He is also an advocate for the need to improve and increase funding for the Indian Health Service, where insufficient funding has led to rationing of services. He also feels the IHS has not been sufficiently responsive to Congress or tribal leadership.

Recently, Chris Jennings and Christine Heenan gave him a general health care background briefing. (He had missed one given by Ira and wanted a private meeting.) He was very appreciative and, by the conclusion of the discussion, appeared to feel much better about the direction in which the President and the First Lady are heading.

Recent Developments: At the Finance Committee Meeting this week Senator Conrad was very concerned about mandates. He fears that small businesses will be saddled with too large a burden. He advocated simple, understandable language and provisions that he could explain to his largely rural constituents.

SENATOR TOM DASCHLE (D–SD) – Senator Daschle is the Co–Chair of the Democratic Policy Committee (with Majority Leader Mitchell) and he is one of the more well–informed Democratic members on health care issues. Senator Daschle and his staff are participating in Senator Mitchell's DPC working group, but he has also been a leader of a separate working group (Kerrey, Bingaman, Wofford, and Baucus) that was developing alternative approaches to health care reform. This group has been relatively quiet lately, seeming to be comfortable working with and through the DPC health policy group.

Personally, Senator Daschle is much more comfortable with a single payer type approach to health care, primarily because he believes it is a much easier political sell to his small business folks and the rest of his constituents. He joined Senator Wofford in introducing legislation (S.2513) to achieve this end. Daschle is a team player, however. As part of the Senate leadership, he can be counted on to push his agenda as far as it can go, but he will also do everything he can to assure that we pass comprehensive reform and the President's plan.

In addition, Daschle is one of the signatories of a March 30 letter opposing the allocation of the global budget among states based on historic costs. He is very concerned that rural states would be discriminated against if such a formula were used.

Senator Daschle also worries that people do not understand the real costs of the current health system – how much they are paying in direct and indirect spending. He raised this point in an op ed piece which appeared in the Washington Post this past Monday (April 24). He

believes education regarding these costs is critical to insure that people don't feel the new system will cost them too much money. Daschle also supports restructuring graduate medical education to emphasize primary care.

Most recently, Senator Daschle requested that the First Lady join him in South Dakota at a health care event in June, July or August. In addition, he asked that we send someone to a health event in early May. The Daschle office seems pleased that we are sending Working Group Member, Lois Quan, to that event.

Recent Developments: At the meeting with the Finance Committee members last week, he again expressed his belief that we need to use new language in describing the plan, for example, using "system-wide" rather than "Federal program". He believes that changing the language will change people's perceptions.

SENATOR DENNIS DECONCINI (D-AZ) - Senator DeConcini, who is up for re-election in 1994 and recently separated from his wife, is opposed to new taxes paying for the health care package. While he is willing to work with the concept of managed competition, he wants to preserve some of the current system. He is particularly concerned about the effects on small business and incentives for doctors to treat Medicaid patients. While he has not raised it so far, he will presumably also be worried about undocumented workers and Native Americans.

Recent Developments: At the Jamestown Senate Retreat, Senator Deconcini stated that he opposes including abortion in the benefit package and that, if it is included, a way must be determined to separate out public financing.

SENATOR CHRISTOPHER DODD (D-CT) - Senator Dodd chairs the Labor and Human Resources Subcommittee on Children, Families, Alcohol and Drugs. He has been one of the chief architects of the Act for Better Child Care and the Family and Medical Leave Act. He has also championed full funding for Head Start and expansion of childhood immunization programs. On health care reform, Dodd is keeping an open mind and is inclined to wait for President Clinton to take the lead.

In the last Congress he cosponsored Senator Bentsen's health care reform legislation. However, despite his close friendship with Senator Kennedy, he did not cosponsor the "pay or play" plan put forth as a Democratic leadership proposal. This may be attributable to the fact that Connecticut is the insurance capital of America with many large and midsize insurers based there. Connecticut also is home to many drug manufacturers and he is concerned that they will be hit too hard under cost control proposals. He notes that this is the only industry in his state to have an increase in jobs over the last five years. He is supportive of the Pharmaceutical Manufacturers Association's proposal to negotiate price reductions with the Administration.

SENATOR BYRON DORGAN (D-ND)) – Senator Dorgan can be expected to back the package as long as careful attention is given to the problems of rural areas. In addition to rural health care, his major concern is cost containment. He can also be expected to watch out for coverage for Native Americans. Although his freshman status might not be influential in the Senate, Dorgan still has wide respect in the House where he was a member of the Ways and Means Committee.

SENATOR JAMES EXON (D-NE) – While Senator Exon has put forth a wait-and-see attitude, he advocated "doing it this year" to Ira on March 4. He consults closely with Frank Barrett, chair of the Governor of Nebraska's Blue Ribbon Panel on Health Care. His Nebraska colleague, Senator Kerrey, can influence him but Kerrey's support will not guarantee Exon's.

Recent Developments: At the Senate retreat, Senator Exon asked if the program could be funded by sin taxes alone and how VA and Indian Health facilities would be treated under reform. He also wondered whether supplementary insurance would be available. He praised the First Lady's explanation of how health care reform would work in the states, stressing that she had made his work easier.

SENATOR RUSSELL FEINGOLD (D-WI) – Freshman Senator Feingold has also adopted a wait-and-see attitude but is likely to support the President. In meetings with the HCTF he has discussed the need for long term health care, particularly home and community based care for the elderly and the disabled. Feingold is also concerned abut coverage for farmers. At the state level he was a sponsor of single payer legislation in Wisconsin.

SENATOR DIANNE FEINSTEIN (D-CA) –Just two years after an unsuccessful run for Governor, Feinstein was elected to serve out the final two years of the Senate seat vacated by Pete Wilson. Senator Feinstein focused her campaign on the economy and health care reform, but, in an effort to overcome a reputation of weakness on women's issues, she also raised issues like abortion rights, sexual harassment, equal pay, child care and breast cancer research.

Senator Feinstein has been very open to the proposals of the Health Care Task Force, but has raised concerns that not enough attention is being focused on women's health issues. She would like to ensure that reproductive rights are covered and that women are included in NIH and FDA research.

Senator Feinstein is also very interested in cost containment mechanisms. While she supports strong upfront cost containment, she questions whether the capping of costs will work to

control costs and has concerns regarding the impact of wage and price controls. As such, she also strongly supports medical malpractice reform. The daughter of a physician, Feinstein wants to ensure choice of doctors. She would also like to see the benefit package emphasize prevention and primary care. As a former mayor who lived through the crisis of a hospital strike, Senator Feinstein is concerned that spending limits would create a backlash from labor. Finally, she is very concerned that enough attention and financial resources go to the fight against AIDS.

SENATOR WENDELL FORD (D-KY) - Senator Ford, the Chairman of the Rules Committee and the Majority Whip, will want to support the President. During his reelection campaign this year he talked about wanting to work with a president who would sign health care legislation passed by the Congress, but he is also a fierce protector of the interests of his state. As he says, "if it is not good for Kentucky, I'm not for it." As a result Ford can be expected to fight a tobacco tax. He is also nervous about mandated benefits and wants freedom of choice for consumers. He also has a personal interest in health care since his brother-in-law is a pediatrician in Kentucky.

Senator Ford oppposes giving states too much flexibility, ostensibly because some may not be prepared for the responsibility. But more likely, it comes down to politics. Kentucky's Governor, Brereton Jones, has been working on his own state reform plan. Unlike other Congressional delegations which are promoting their state's reform efforts, Ford may be looking to undercut Jones as a political payback. In 1991, Jones, then the Lt. Governor, scared Ford out of the Democratic primary for Governor with his large war chest and by commenting that the Governorship of Kentucky was a full-time job, not an interim step to retirement. Democratic politics in Kentucky is a blood sport and the Governor's office is the most coveted prize. Senator Ford, a participant of longstanding, certainly has not forgotten.

Recent Developments: At the retreat in Jamestown Senator Ford noted that his state produces coal, liquor, and tobacco and that the Administration has been hitting all of these industries and will continue to do so. He expressed a willingness to take the hit on sin taxes, but needs a quid pro quo (something for his 95,000 farmers). Interestingly, he would like a meeting with the First Lady to negotiate.

SENATOR JOHN GLENN (D-OH) - Senator Glenn has held hearings on the German and French systems as models for health care reform. He supported pay or play but not the Leadership's HealthAmerica bill. His concerns include the impact of reform on small business, retiree health benefits, and potential changes to Medicare and Medicaid.

In a previous meeting with the DPC, Glenn questioned where the savings would come from in the new system. He thinks that doctors have been unfairly vilified in debates over health care costs. He says that their income accounts for less than one-fifth of health care spending. He is more intrigued by the large percentage of lifetime health care costs which occur during the last four months of life as an area for health savings.

As Chairman of the Government Affairs Committee, Glenn is likely to be interested in and actively involved with any proposal that would fold the Federal Employees Health Benefit Plan into the new system. Since advocates for federal employees are now asking that they be treated the same as other large employers, they are likely to express serious reservations about the currently envisioned program. It is therefore advisable to meet with Senator Glenn and other chairmen of jurisdiction before any decision is made public.

SENATOR BOB GRAHAM (D-FL) - Senator Graham wants to support the President and, not surprisingly, is most concerned about long term care being included in the final package. With Florida recently enacting health care legislation, he may be sensitive about state flexibility. He is supportive of employer mandates and wants to be a player on global budgets. However, he would be concerned if Florida were somehow adversely affected in comparison to other states. His staff is working on the White House Long Term Care Working Group. In previous meetings with the HCTF, he was worried about the role of the Public Health System.

SENATOR TOM HARKIN (D-IA) - Senator Harkin has not sponsored any reform legislation or backed any particular reform approach. He has focused instead on specific issues that will need to be components of an overall plan. He has a strong interest in all rural issues. He was recently named Co-Chair of the Senate Rural Health Care Coalition. Harkin is a leading advocate in the Senate for anything related to people with disabilities. (He has a brother who is deaf.) His sponsorship of the Americans with Disabilities Act is perhaps the major achievement of his political career. Ensuring that the plan provides access to health care, including long term care for people with disabilities, is a major concern.

Senator Harkin is especially interested in prevention; he sponsored a bill giving money to states for preventive health programs. As a member of the Labor Committee and Chairman of its Appropriations Subcommittee on Human Resources, he is a key player on public health legislation and funding. Inclusion of preventive services in the benefit package will be key as Senator Harkin opposes co-pays for these services.

SENATOR HOWELL HEFLIN (D-AL) - Senator Heflin has been noncommittal, preferring to wait for the plan and concrete numbers on how and where the money is spent before taking a position. He appears to be open to the concept of reform but will need education on the issue.

Recent Developments: Senator Heflin expressed concern about how health care reform would be financed. He likely will also have strong reservations about medical malpractice reform if it includes caps.

SENATOR ERNEST HOLLINGS (D-SC) - While Senator Hollings wants to support the President's plan, he is worried about employer mandates without cost controls and rural coverage. He is also concerned by the CBO testimony which stated when cost savings might be realized under a managed competition plan. He steered clear of the leadership bill, expressing interest instead for a Medicaid buy-in. He believes the only way to get enough money for health care reform is through a VAT. In meetings with Ira he has stated his hope that the money will be in hand when the bill is ready and his support for a single vote on the package.

SENATOR DANIEL INOUYE (D-HI) - According to Senator Rockefeller, Senator Inouye is expected to be supportive of the President's plan. Specifically, the Senator will want to continue the special exemption to retain Hawaii's current system. He is working with Senator Akaka to secure a waiver through the House and Senate committees. He was a cosponsor of HealthAmerica in the last Congress, and he is a current cosponsor of Senator Wellstone's single payer bill. Senator Inouye is also Co-Chair of the Senate Committee on Indian Affairs and may be watchful of changes to IHS.

SENATOR BENNETT JOHNSTON (D-LA) - Senator Johnston has been noncommittal on health reform but wants to be a constructive player. He may defer to his Louisianan colleague, Senator Breaux, who has shown increasing interest in health care reform. They share concerns on its impact on small business and rural areas. Johnston's major concern is preventive care and he will be willing to compromise on other issues if this is made a high priority in the package. While he is not opposed to managed competition he sees problems with regional pricing. In discussions with the HCTF in the past, he has asked whether everyone will be in the purchasing cooperative and whether doctors will be able to charge higher fees outside of the package. Johnston is also concerned with the financing of the health care package.

SENATOR EDWARD KENNEDY (D-MA) - Senator Kennedy, Chairman of the Labor and Human Resources Committee, is the Senator most closely associated with health care issues. He has been working on comprehensive health care reform issues for well over two decades.

Although previously a strong single payer advocate, in recent years, Kennedy has moved to employer-based approaches. He believes that using business to significantly underwrite the cost of health care reform will substantially reduce the need for federal tax increases, and therefore make the package more sellable to both the Congress and the American public.

He joined with Majority Leader Mitchell, Senator Rockefeller and Senator Riegle in introducing a play or pay employer-based health care model. Despite the backing of these Democratic leaders, it received surprisingly little rank-and-file support. Perhaps as a result of this, Senator Kennedy has come to believe that only a plan backed by the President can be enacted. For this reason, Kennedy will likely be open to any comprehensive reform approach that meets the criteria of universal coverage, cost containment, and quality assurance.

He is also concerned about coverage for long term care. He introduced a substantial and expensive ($45 billion a year when fully phased-in) long term care plan with Senator Mitchell. This also garnered little support. Alternatively, he worked with Senators Pryor, Hatch, Packwood and Bentsen to pass a long term care insurance standards bill. That attempt was blocked because it did not include the tax clarifications that the insurance industry sought.

In addition to all these reform efforts, Senator Kennedy has been extremely active in the public health service areas. His interests are broad ranging, including concerns about tobacco advertising, adequate funding of AIDS research and services, Head Start, extensive oversight of FDA, effective illicit drug strategy, and minority health.

Recent Developments: Most recently, Kennedy has been pressing for primary or sole jurisdiction over Health Care Reform. Howard, Steve and Chris met with Labor Committee Staff Director Nick Littlefield last week. At that meeting he was informed that we appreciated their suggestions but would defer to the Majority Leader on this highly controversial issue. The Committee has also agreed to hold hearings that are consistent with our message in early to mid-May. Specifically, they will focus on the cost of not doing health care reform and the cost effectiveness of mental health coverage in the benefit package (Mrs. Gore is scheduled to testify.). Lastly, Senator Kennedy will want to be significantly consulted in the upcoming weeks. He had requested, and we have scheduled, a bipartisan meeting for the First Lady with his committee for Tuesday, May 4.

SENATOR BOB KERREY (D-NE) - Senator Kerrey has displayed a keen interest in the area of health care reform since first coming to the Senate. In his first year, he sat in on deliberations of the Pepper Commission although he was not a member. He also made health reform one of the centerpieces of his presidential bid.

In the last Congress, he introduced a comprehensive health reform bill which is actually quite similar to the framework being developed by the Task Force. In the Kerrey bill, however, except all businesses would be required to join state-run purchasing groups rather than

privately-run groups. At his last meeting with the First Lady on March 18, he was very complimentary about Ira's presentation at the March 4 briefing for the Democratic Senators. In a note to Senator Rockefeller, Kerrey wrote that he "likes what he is hearing out of the White House."

He has made financing a primary focus and advocates creating a health care trust fund run on a pay as you go basis. Sources of financing for his bill include: a payroll tax on employers and employees; current federal health spending except for Veterans (for whom he believes a separate system must be maintained); new taxes on cigarettes and liquor; taxes on Social Security benefits; and increasing income subject to tax as well as increasing the top rate. At his last meeting with the First Lady he expressed interest in providing language to help sell the plan.

Recent Developments: - Senator Kerrey has recently circulated a proposal in the Senate to create a trust fund which would account for all health expenditures including the Federal Employee Health Benefit Package and NIH. He suggests proposing appropriate taxes designated for health care reform before the introduction of a comprehensive plan.

SENATOR JOHN KERRY (D-MA) - Senator Kerry has represented Massachusetts since 1984. He is best known for his involvement with the POW/MIA issue. While not a major player on health policy in the Senate, Kerry does have some significant health views. He favors a managed competition approach to reform and wants to support the President. Administrative simplification and insurance reform are of particular interest to him. Kerry wants to protect the biomedical and biotechnology industry, which is a growth sector in Massachusetts. Senator Kerry is a Vietnam veteran and may be sensitive to major changes in the VA. He warns that expectations are high and urges regular meetings with Senators.

Recent Developments: In Jamestown, Senator Kerry expressed concern about the adverse impact of managed competition on teaching hospitals.

SENATOR HERBERT KOHL (D-WI) - Senator Rockefeller believes Senator Kohl will likely support the President. Senator Kohl is one of the wealthiest members of the Senate and spent freely of his own money to win this seat. Using the slogan "Nobody's Senator But Yours," Kohl tried to portray himself in a positive light as a candidate not beholden to special interests. He is up for re-election in 1994. He does not support single payer and has not taken a position on managed competition. He is comfortable with employer mandates if coupled with adequate subsidies. Insurance companies are the second largest employer in Wisconsin, which may be a concern for him. He is a member of the Mitchell working group and members of his staff are participating on the HCTF working groups.

SENATOR BOB KRUEGER – Senator Krueger is fighting for his political life trying to hold onto Secretary Bentsen's former Senate seat to which he was appointed. He recognizes the importance of the issue, but is preoccupied with his election May 1.

Recent Developments: Mrs. Gore is going to Texas for a campaign event on April 30.

SENATOR FRANK LAUTENBERG (D–NJ) – Senator Lautenberg is very concerned that health reform will hit two big industries in New Jersey: pharmaceuticals and insurance companies. This coupled with the fact that he is up for re–election in 1994 means he is skittish on certain aspects of the plans. Governor Florio's re–election effort in 1993 may also influence Senator Lautenberg's vote. He was pushed by Senator Daschle on single payer; he resisted saying he was in the managed competition mode. While nervous about employee mandates, Lautenberg wants to be part of the whole team and believes he can serve as a liaison with the business community. Lautenberg's other concerns include transportation services to help provide access to health care in rural areas and the overuse of technology.

Recent Developments: Senator Lautenberg used the opportunity of the retreat in Jamestown to ask that the Administration tone down its anti–drug company rhetoric.

SENATOR PATRICK LEAHY (D–VT) – Senator Leahy is Chairman of Agriculture Committee. As such, he notes that one–quarter of all Americans live in rural areas and provisions need to be made to ensure that they have access to needed health care services. He was one of the few cosponsors of the Leadership's HealthAmerica bill and is likely to support the Administration's plan. Leahy will want to see provisions in the legislation for state flexibility so that they can move ahead now. In the last Congress he sponsored the Leahy–Payor bill, legislation endorsed by the NGA, to provide waivers to states willing to undertake comprehensive health care reform.

Recent Developments: Senator Leahy was recently upset about a rumor that the Administration was going to name the provision on state flexibility in the reform legislation for his Republican Senate colleague from Vermont, Jim Jeffords. In conversations with the Senator's office, Chris Jennings reassured his staff that there was no truth to this rumor and that we appreciated and understood the Senator's longstanding interest in and leadership on this issue. He is very interested in holding an event in Vermont, perhaps highlighting the flexibility issue, and would like to work with us on it. He reiterated his strong support for state flexibility in Jamestown. Lastly, in june, there will a Democratic Governors Association meeting which Leahy will likely attend. He and Governor Dean may ask the First Lady to attend also.

SENATOR CARL LEVIN (D-MI) - Senator Carl Levin has served Michigan since 1978. His brother, Sander, is a Member of the House of Representatives, where he sits on the Ways and Means Committee. Along with Senator Riegle, they are protective of Michigan's auto industry, unions, and the unions' retirees. Senator Levin is concerned about cost control and particularly about the President's plan having sufficient cost control mechanisms (a chief concern of organized labor and the large industrial manufacturers of his state). He want states to have flexibility to design and implement their own cost control measures. Senator Levin is also worried that a tax cap will be a benefits reduction (another union concern). He has also wanted to know how many people will have greater benefits than minimum benefits. Senator Levin also has rural and small business concerns. The Senator supports inclusion of good primary, preventive, hospice and home care services in the reform package. A cosponsor of HealthAmerica in the 102nd Congress, Senator Levin favors managed competition and is on record as wanting to support the Administration's plan.

Recent Developments: In Jamestown, Levin worried about having two big tax votes in one year. He also expressed concern about reduction in benefits for those who currently have good benefits (i.e. unions).

SENATOR JOSEPH LIEBERMAN (D-CT) - Senator Lieberman is in his first term and is up for re-election in 1994. Generally, he is supportive of managed competition (he liked the Cooper Bill), but has a real problem with global budgets and caps. He believes, however, that the plan needs to have significant cost containment.

The Senator believes that before the plan is announced, the White House should have a process to hear people's concerns. He also thinks that it is critical to educate the public so people understand the problems with our health system, and what solutions are necessary. He's very concerned we may lose the middle class because of a big new tax. He is encouraged by what he has heard about the Administration's proposal, but has a wait and see attitude.

Recent Developments: Senator Lieberman felt more comfortable about the process after the First Lady's presentation at Jamestown. Interestingly, he raised small business much more than insurance industry concerns. He feels that if the middle class gets more benefits they will be willing to pay for reform.

SENATOR HARLAN MATHEWS (D-TN) - Senator Mathews was appointed to fill the term of Vice President Gore. He is not interested in returning to the Senate, and will serve until Tennesseans elect a new Senator to fill the Vice President's term. Mathews is generally supportive of the managed competition concept. While he has not backed the Administration's reform efforts publicly, Mathews is supportive with some modifications. He would like to see more action on the state level, especially experimental programs. Vice President Gore will be influential in getting his vote.

Recent Development: At Jamestown, Senator Mathews was worried that sin taxes and payroll taxes would kill the tobacco industry.

SENATOR HOWARD METZENBAUM (D-OH) - Senator Metzenbaum strongly believes in the need for health care reform and has cosponsored Senator Wellstone's single payer bill. He is concerned about the managed competition approach because he fears that it is too easy on the special interests, especially the insurance companies. He believes to truly reform the health care system, the Administration must be willing to take on and defeat the special interests and take the program to the American people. He views health care as a social good that should be provided to all people and believes the system should be based on providing services to people at the lowest possible cost. Metzenbaum strongly favors rate setting and a national budget.

Senator Metzenbaum also favors eliminating fraud and abuse in the system. He has major criticisms of HCFA for not ferreting out fraud and abuse. Other concerns are anti-trust (he chairs the Judiciary subcommittee), malpractice reform and long term care.

Recent Developments: Senator Metzenbaum's staff has indicated a great concern about the apparent Administration infatuation with caps for medical malpractice. He is strongly opposed to caps and might even oppose the legislation if they are included at the time of introduction. He has also expressed concern that quality standards may be vulnerable to the Administration's decision to cut back on what we view as unnecessary regulation and he would like us to proceed cautiously in this area.

SENATOR BARBARA MIKULSKI (D-MD) - Senator Mikulski is known as an outspoken liberal. She supports the Clinton health care reform plan in principle but is concerned about the influence of the Jackson Hole group who she calls "a bunch of geriatric Republicans that represent everything that's wrong with health care." As a former social worker she would like to see greater use of non-physician health professionals to deliver care.

She is a champion of women's health and an strong pro-choice advocate. The plan's position on women's reproductive health services will be critical. She is concerned about improving research into women's health and eliminating the gender bias of NIH research. She is also a strong advocate for seniors. She introduced and passed the Spousal Impoverishment provisions in 1988 so that seniors did not have to spend down all of their assets to qualify for benefits. As the new Chair of the Labor Subcommittee on Aging, she is promoting the expansion of home and community-based long term care services.

On the Appropriations Committee, she heads the HUD/VA and Independent Agencies Subcommittee. VA, the largest managed health care system, is a big concern for Mikulski. She cites the Canadian experience where under the massive change to a single payer system, vets lost out. She feels strongly that vets need a seat at the reform table.

Recent Developments: At the Senate retreat, Senator Mikulski stressed talking the people's language on health care reform and asked for a mechanism to assure this happens. She also said that the Democratic women Senators would lead the floor fight for reproductive health benefits in the package.

SENATOR GEORGE MITCHELL (D-ME) - Few Majority Leaders in the Senate's history have been as interested in and as committed to passing comprehensive health care reforms. Senator Mitchell believes that the single payer approach is not politically feasible. However, at this point, his primary concern and commitment is to push through anything, which can be defined as truly comprehensive, that will pass the Congress. He has repeatedly indicated his intention to work closely with the President to help assure that a bill can make it to the White House before the end of the 103rd Congress.

Senator Mitchell was a strong advocate of incorporating the health care legislation into the budget reconciliation bill. Having failed in that, he and his lead staff are now relatively pessimistic about attracting enough Republicans to support a health care reform initiative without having to make major, and perhaps unacceptable, concessions. Two weeks ago (Sunday, April 18), he indicated his opposition to price controls, his uneasiness with but possible openness to a VAT tax for health, and his desire to wean out all the fraud, abuse and waste BEFORE contemplating large tax hikes.

Recent Developments: He was so enthused about the First Lady's presentation in Jamestown and the meeting at the White House on Tuesday, April 27, that he invited the First Lady to Friday's bipartisan meeting which is open to all Senators. Mitchell seems rededicated to passing health care reform this year.

SENATOR CAROL MOSELEY-BRAUN (D-IL) - Senator Moseley-Braun is one of the freshman members of the Senate. She is a single payer advocate, and is somewhat skeptical of the managed competition model. The Senator believes that there should be one entity collecting revenues for the health care system, and that health care insurance providers unnecessarily duplicate services.

The Senator is particularly interested in financing mechanisms, and would have supported Senator Wellstone's American Health Security Act, introduced March 3, save for her reservations over his approach to funding. She is concerned by public reports of the proposed sin tax, which she feels will not be sufficient to finance health care reform. If a sin tax is not sufficient, and given the tax increases in the President's economic proposal, the Senator is curious about what other mechanisms the Health Care Task Force is considering for revenue.

Senator Moseley-Braun is also interested in the composition and mechanism for creating a basic package of services. She is interested in seeing an increase in resources and focus on primary and preventive care. She would like to make sure that long term care is part of the

reform package, and was a little concerned about signals sent during the meeting with the Congressional Black Caucus on this issue.

The Senator also feels that if managed competition is chosen as the avenue to health care reform, a mechanism should be put in place to insure that health insurance provider cooperatives have an incentive to serve consumers in urban and rural poverty areas. Additionally, the Senator is interested in a slow phase-in of veterans into an overall health reform package.

Recent Developments: At the meeting with Democratic women Senators at Jamestown, Moseley voiced her support for the inclusion of reproductive services in the final package.

SENATOR DANIEL PATRICK MOYNIHAN (D-NY) - As you know, the new Finance Committee Chairman has yet to take a position on national health care reform. His interests lie primarily in the areas of Social Security and welfare reform. He is not a detail person when it comes to the health care debate. Although a number of people have discussed health care with him, it is notable that the one who seemed to catch his fancy the most was Alain Enthoven.

The only health care-specific issues that the Senator is particularly known for are: his advocacy and support of New York hospitals; his concern about the mentally ill and the homeless; his support for chemical and substance abuse in a benefit package; and, most recently, his support of innovation at the state level. On the latter point, he introduced a liberalized Medicaid managed care measure that the NGA strongly supported. (This legislation was opposed by the Children's Defense Fund because they felt that savings through this cost containment approach would be at the expense of the Medicaid population.)

Recently, the Chairman and his staff have been rather pessimistic about the chances for health care reform this year. The complexity, controversy, and potential expense of it frighten them. The Chairman, in comments that have been somewhat retracted by staff, has indicated his concern about any large new taxes to fund the program and any use of price controls to contain costs. Although he has stated his willingness to raise whatever tax is necessary for the elimination and integration of Medicaid into the new system, as well as for a one-card-for-all system, his nervous statements should not be totally written off.

Recent Developments: At the First Lady's meeting this week with the Senate Finance Committee, Moynihan was among those who cautioned against rushing health care reform. He expressed the view that the Administration should take more time if needed to do it right. In Jamestown, he advocated combining the Health Card with the Social Security Card, a view he reiterated in a letter to the President. We trust the First Lady's dinner with Senator Moynihan and his wife on Tuesday went very well.

SENATOR PATTY MURRAY (D-WA) - Senator Murray was a state senator in Washington before being elected to the U.S. Senate this past fall. She serves on the Budget, Appropriations and Banking Committees. As a former state legislator, Senator Murray will be highly sensitive to ensuring state flexibility, especially in light of the Washington State legislative health care initiative. Although she has not taken a public position on a particular health plan, she has indicated she will likely support the President as long as the plan extends coverage and allows for state innovation.

Senator Murray is an advocate for women's health, including extreme concern about breast cancer and screenings. She also strongly backs long term care as part of reform. She is very concerned about eliminating pre-existing condition exclusions. Senator Murray will soon introduce legislation (similar to Congressman Reynolds' bill) designed to raise the excise tax on firearms and earmark the revenue for health care.

Recent Developments: At Jamestown, Senator Murray advocated including reproductive rights in the final package.

SENATOR SAM NUNN (D-GA) - Senator Nunn is known more for his Armed Services Committee work than for health care. Treatment of CHAMPUS and other Department of Defense health programs under the reform plan will be a major concern. Senator Nunn hasn't taken a position on a type of plan. However, he is extremely opposed to employer mandates. In fact, the Senator states that President Clinton has assured him the plan will not include employer mandates. He is strongly in favor of tight entitlement caps. He is unsure how a global budget will work on private spending. As a Senator from Georgia, he also has strong rural health concerns.

Recent Developments: Senator Nunn co-chairs a commission which will soon be making recommendations on health care reform. Reports are that they are leaning towards a managed competition type approach with an individual mandate. This sounds like the Republican plan on which we believe Senator Chafee is working. It is unlikely that they will support even temporary price controls. It is unclear whether they will endorse the concept of universality.

SENATOR CLAIBORNE PELL (D-RI) - Senator Pell is the most senior member of the Senate Labor and Human Resources Committee and a long-time advocate of "cradle to grave" health coverage. On health care reform, he is not an ideologue and is not committed to any method of reform. In 1972, he joined in introducing legislation which would have mandated employer-based health care reform. As a member who has been working on the issue for sometime, he would enjoy seeing actual progress.

Because of his well-to-do elderly constituency, Senator Pell voted to repeal the Catastrophic Health Care Reform legislation. This is significant because it may indicate that a prescription drug benefit that most well-to-do elderly already have will not be adequately responsive to

an influential constituency of his. This helps explain why Senator Pell's top health care concerns include coverage for long term care – Rhode Island has one of the highest percentages of elderly of any state in the country – preventive services and expanding the use of non–physician health provider. He is opposed to smoking and has sponsored legislation to provide grants to states for health promotion programs. He is also interested in studying other countries' health care systems and taking lessons from their experiences.

SENATOR DAVID PRYOR (D–AR) – Senator Pryor is part of the Senate leadership (Secretary of the Democratic Conference). As the Chairman of the Senate Special Committee on Aging, he is well liked and respected by the powerful aging advocacy community. In addition, he is one of the few Democrats that the small business community genuinely trusts. Further, as a former Governor his advocacy of state–based approaches to comprehensive reform has gained him a great deal of good will with the Governors. Although an unassuming member and one who does not get overly involved in detailed policy discussions, he has emerged as one of the most influential and best liked members of the Senate. All of these roles ensure that he will be a key player on the health care front.

In terms of health care priorities, drug cost containment is the first, second, and third highest priority for Senator Pryor. The concept of linking drug cost containment to tax credits – embodied in Pryor's Prescription Drug Cost Containment Act –
S. 2000) was endorsed by President Clinton.

In addition to his drug cost containment interests, Pryor also has a notable legislative achievement record in rural health (relief for hospitals and incentives for primary care doctors in medically underserved areas), state–based reform (his NGA and Clinton candidate–endorsed Leahy/Pryor bill), and long term care (his proposal for Federal standards for private long term care insurance policies).

Recent Developments: At the Finance Committee meeting April 20, Senator Pryor supported the view that more time should be taken to assure that you do it right. He backs the use of a dedicated tax for health care, perhaps a VAT. He also supports the inclusion of a significant long term care benefit. He believes that as long as we will be spending billions of dollars, we should make certain it attracts popular support for the plan. Of the Finance Committee Republicans, he would rank Danforth, Packwood, Chafee, Durenberger in order of likelihood to support the plan.

SENATOR HARRY REID (D–NV) – Senator Reid is in his second term in the United States Senate. Traditionally not outspoken on health issues, he spends most of his time with his Appropriations and Environment and Public Works Committees. He has yet to take a position on a particular reform model. He is waiting to see what the HCTF and the President have developed. The Senator stresses rural health issues, and wants lead screening emphasized. He's concerned about mandated benefit packages because he believes they have

not worked at the state level. He is also worried about the impact of reform on physicians' earnings.

SENATOR DONALD RIEGLE (D-MI) – Senator Riegle considers himself to be a major player in the health care debate. He is Chairman of the Finance Subcommittee on Medicaid and was a lead sponsor of the Mitchell, Rockefeller, Kennedy "play or pay" health care reform proposal. He has always felt he did not get adequate credit for his work on the bill. Although he sponsored this bill, he appears to be extremely willing to sign on to virtually any approach that achieves universal coverage and cost containment.

Senator Riegle is very interested in many health issues, including: child immunization programs; rural health care; Medicare prescription drug coverage; retiree health liability concerns; long term care; and a host of others. He strongly believes that cost containment savings should be used to help reform the health care system -- NOT for deficit reduction.

Recent Developments: At the April 20 meeting with the Finance Committee he stated that he wanted to look at longer budget periods than five years (he can't understand why we are always locked into a five year budget plan). He believes it is important to look at national spending, not just Federal spending, because most of the savings will come from the private sector. He also felt that we needed to look at and change the language used to explain the plan.

SENATOR CHUCK ROBB (D-VA) – Senator Robb believes that cost-containment is the key and that it should be stringent. He has not taken a position on any particular health plan, but likes what he hears so far from the Task Force. He is likely to be supportive. He was an active member of the Mitchell working group and was comfortable with its overall approach. Also, he was a member of the National Leadership Commission on Health Care which predated the National Leadership Coalition. Senator Robb is up for re-election in 1994.

Recent Developments: At the Senate retreat, the Senator was concerned about taxes needed to finance reform, especially sin taxes.

SENATOR JAY ROCKEFELLER (D-WV) – Senator Rockefeller views himself as being – and is – Bill Clinton's number one health care advocate. He was a tireless campaigner and defender of the Clinton health care plan and was a National Co-Chair of the Clinton campaign. Senator Rockefeller is the current Chairman of the Finance Subcommittee on Medicare and Long Term Care and is the new chair of the Senate Veterans Committee. He also has chaired the Pepper Commission and the National Commission on Children. In addition, Senator Rockefeller is the founder and Chairman of the Alliance for Health Reform, a nonpartisan organization dedicated to advancing health care reform through education of public opinion leaders.

Senator Rockefeller's health care priority is very simple: He desperately wants to see a comprehensive reform package enacted during the Clinton Presidency. Although he thinks the long-term outcome of such an achievement is politically attractive, he is primarily pushing this because he is sincerely committed to the need for reform. In this vein, he is not overly committed to any particular approach although he has advocated an employer-based approach. He, therefore, can be counted on to support virtually anything the President ends up proposing, as long as it achieves universal access and cost containment.

Recent Developments: At his one-on-one meeting with the First Lady he was upset with Vice President Gore, Secretary Bentsen, and Director Panetta who he thinks are less than supportive of reform. He thinks Senator Moynihan can be brought on board. He urged using the phone more to increase contact with members. He felt that the Finance Committee Republicans that we should go after are Senators Chafee, Danforth and Durenberger (he seemed less confident about Senator Packwood). He also expressed his willingness to play the heavy on taxes with the public, press, and members.

SENATOR PAUL SARBANES (D-MD) - Senator Sarbanes is in his third term and is up for re-election in 1994. He originally supported Kennedy's Single Payer plan in 1972, but realizes it won't work today. Currently, he is not committed to a specific approach and is open to different options. He has a wait and see attitude on the HCTF deliberations, but he wants to help Clinton and will support Mitchell, Rockefeller and the Democratic Leadership.

Recent Developments: In Jamestown, Senator Sarbanes expressed interest in knowing who would be hurt by health care reform -- what industries, what individuals. Because of his position as Vice-Chair of the Joint Economic Committee, these questions were not surprising.

SENATOR JIM SASSER (D-TN) - Senator Sasser is one of the more popular, populist, and liberal southern Democrats in the Senate. He and his staff have been very supportive of attempting to develop consensus on health care reform for years. But, like others, he never could find the dollars or support for a significant package. As a result, he has focused on more incremental and populist reforms. He is most proud of his three year battle to pass legislation to reform and clean up the fraud and abuse in the durable medical equipment industry. He introduced and passed legislation within last year's tax bill (later vetoed by then-President Bush) to place restrictions on how the industry could bill Medicare for this equipment. In addition, he was one of Senator Pryor's strongest allies in the Senate when he tried to take on the pharmaceutical industry pricing behaviors and their abuse of an offshore tax credit.

SENATOR RICHARD SHELBY (D-AL) - As you know, the media has made much of the rift between Senator Shelby and the White House. He is a conservative Democrat whose vote is considered tough to get. While he has said that he is waiting to see what the President

puts forth he has expressed some clear views regarding health care reform. He opposes "single payer" or any other "top-down" system. He believes there needs to be local control and decision making. He is anti-employer mandates, anti-rate setting, and has significant small business concerns. Some self-insured people have used managed care very well in Alabama.

Recent Developments: Last month, Senator Shelby sent a "Dear Colleague" asking for cosponsors for his resolution expressing "sense of the Congress that any National Health Care reform legislation must ensure that every person covered under the plan has access to coverage for medically and psychologically necessary treatments for mental disorders. Such access should be equitable to coverage provided to treatments for physical illnesses."

SENATOR PAUL SIMON (D-IL) - Senator Simon is very interested in health care reform, and leans toward a single payer approach but also cosponsored the Leadership's HealthAmerica bill. He is close to organized labor and sponsored amendments to strengthen the cost containment provisions of HealthAmerica proposed by the AFL-CIO. He has also been one of the Senate's strongest advocates for long term care and has cosponsored many bills in this area. He is very interested in children's and minority issues. He has a long standing interest in education, particularly higher education. He is a strong supporter of increasing enrollment of minorities in health professional schools.

Recent Developments: Senator Simon recently met with Robyn Stone and reiterated his avid support of a significant long term care plan. He cites his Senate campaign in which he advocated comprehensive long term care legislation which outlined specific tax mechanisms. This plan received a great deal of support in the state, so much so that his opponent, then-Secretary Lynn Martin, pulled ads attacking the tax because they were so negatively received by the electorate.

SENATOR PAUL WELLSTONE (D-MN) - Senator Wellstone is very interested in health care reform. In March, he reintroduced his single payer bill, the Senate counterpart of the McDermott bill. Despite his strong bias toward single payer and his suspicions of managed competition, he has expressed a willingness to work with you. His strong desire for reform and his belief that we must act now make him likely to support the Administration plan. He has a strong interest in mental health and substance abuse benefits. He modified his previous bill to strengthen its mental health provisions. Other concerns include rural health, consumer choice and state flexibility (so that Minnesota might pursue a single payer option).

Recent Developments: Senator Wellstone indicated concern regarding talking points distributed by the Task Force to the members of Congress, particularly how single payer was characterized. At the retreat, he stated that he doesn't want anyone to be able to opt out of the Purchasing Cooperative because he fears that healthy people will opt out. He asked for a meeting with Ira. Ira will conduct a telephone meeting on Friday and then determine if a

one-on-one discussion is necessary.

SENATOR HARRIS WOFFORD (D-PA) - Since his Senate race victory, which was widely attributed to his support of health care reform, Senator Wofford has actively pursued this issue in the Senate. He is part of the group of five (with Senators Daschle, Baucus, Kerrey and Bingaman) on a single financing state-implemented health system with a national health board approving state plans. Employers and individuals would pay a progressive premium to a fund which would be returned to the states on a percentage basis. The original Daschle-Wofford bill was called the American Health Security Act, partially because Wofford believes so strongly in the importance of the success of the Social Security system. He believes that his proposal took into account a middle road between the single payer and managed competition crowds. He believes everyone should be required to participate in the Health Alliances (no opt-outs), that the program must be state or regionally administered, and that long term care coverage is essential. He has previously expressed concern over what he felt was the lack of discussion by the Administration of long term care in connection with reform.

He is working with the Democratic Policy Committee health working group and is looking at the health insurance purchasing cooperatives and how they could work. He is very intellectual and savvy about how difficult some of the concepts are for the public to comprehend. For example, he dislikes intensely the term "global budget," believing that it is too large to understand and turns people off. He believes that President Clinton and Congress must do a lot of educating on health care reform.

Recent Developments: It has been more and more clear to the Senator that his election is tied to Health Care Reform. He will be very helpful. Language used to describe and sell the plan is very important to him. He is very appreciative that the First Lady attended his forum in Harrisburg earlier this year. At the Senate retreat, Senator Wofford stated his support for short term cost controls. He believes that abortion should be out of health reform and does not want the federal government overriding state abortion restrictions.