Senator pressed for stand on health care

Members of Citizen Action, an advocacy group, handed out "dollar bills" poking fun at Lieberman outside the building housing the senator's office.

By LOLITA C. BALDOR
Washington bureau

WASHINGTON — A defiant Peggy Shorey sat on the floor in U.S. Sen. Joseph Lieberman's office, her voice hoarse from shouting, while a ring of police officers stood just out of reach.

In a few minutes she would deliberately slide through the doorway into the hall, forcing the Capitol Police to arrest her and slap plastic restraints around her wrists. The Connecticut activist was intent on being arrested. She — and the nine others — had a point to make.

"Senator Lieberman has basically done nothing but oppose consumer issues," said Shorey earlier Friday. "The people of Connecticut want real health care reform. If he's not willing to listen to constituents, then the only thing we have left is to put constant pressure on him."

Pressure has been the name of the game in recent months, as lawmakers moved closer to a vote on revamping the country's health care system. And, once again, Lieberman has made himself a prime target by refusing to sign onto the leadership's bill, and instead staking out a moderate-to-conservative stance with a small group of Republicans and Democrats.

On the receptionists' desks in the Connecticut Democrat's office, there are two stacks of phone logs. Each page represents a caller with an opinion on health care. On Friday alone they had fielded hundreds of calls by 2 p.m.

Union leaders, insurance lobbyists, business executives, and rep-

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Lieberman pressured from all sides on health care

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resentatives from an endless array of citizen groups and other health care interests, have filed into Lieberman's offices in Washington and Connecticut for months.

Last Thursday, when the Health Care Express buses arrived in Washington filled with thousands of "reform riders," lobbying for health care, several from Connecticut met with Lieberman. Most had health care problems to share with their senator.

His state colleague, Sen. Christopher Dodd, has been a key player in forming portions of the leadership's health care bill relating to children, and he hesitated when asked if he would be lobbying his junior partner.

"I would love him to be supportive of the bill," said Dodd. "But he doesn't need to be hounded by his colleague — he's being hounded by everyone else." Still, Dodd said he planned to "sit down and chat" with Lieberman before the vote.

And then there was the meeting with President Clinton.

"It was friendly … He said he hoped I could support [the bill]," said Lieberman, adding, "You have to listen and then do what you think is best. It's busy, but I don't feel pressure in that sense."

In fact, Democratic observers eye Lieberman with some resignation. This is a familiar situation for the deliberative senator.

"This is the way Joe Lieberman makes decisions. He is a very thoughtful man. It's sometimes painful to watch, but for the most part he votes right in the end," said Debbie Willhite, a former Connecticut political adviser who is working with the Democratic National Committee to pass health care reform. "There's a lot of pressure on him from both sides. It's probably the most important vote he'll ever cast."

Lieberman, however, has been criticized in the past for publicly agonizing over difficult votes. Part of it, they charge, is a ploy to appear more conservative; to mask his ultimate decision in a shroud of caution. In the end, supporters say, he probably will vote for the reform bill, much as he did the budget after months of study and contemplation.

In the health care debate, Lieberman has opposed employer mandates that would require businesses to pay a portion of their employees health care costs. He also is concerned about the cost of the legislation and the increased government intervention in the health care system.

On Friday he said those continue to be concerns that he and others will try to address in amendments next week when the bill comes up for debate in the Senate.

He has promised supporters that he will not be the person who stands in the way of health care reform. And he said there is no singular issue that would force him to vote against the bill. There are just a number of changes he would like to see.

Meanwhile, the pressure continues.

The Connecticut Business and Industry Association would like to see him stick to his guns and eliminate the employer mandate. The American Federation of State, County and Municipal Employees wants the mandate to stay. Both groups have met with the senator, and continue to make their views known to him.

Lieberman, said CBIA vice president Jan Spegele, "is particularly sensitive to this issue and that is appreciated."

A mandate, she argued, could cost jobs in the state because small businesses won't be able to afford to pay. Under the Senate majority leader's bill, the mandate would not kick in until 2000, and only if 95 percent of the people in individual states were not insured.

Paul Amenta, AFSME's legislative director in Connecticut, pointed out that the taxpayers pay for Congress' health care.

"We're the employer mandate for Congress — our people want what they've got," he said.

A long-time friend of Lieberman's, Amenta says the senator will "do the right thing" and vote for the Mitchell bill in its final form. But he and others acknowledges that it may be difficult for anyone to successfully pressure the senator.

"He is one of the chief recipients of health care and insurance money and thus he has been unwilling to support comprehensive health care that covers everyone and contains costs," said Ed Rothchild, spokesman for Citizen Action, which sponsored the protest at Lieberman's office.

Critics charge that Lieberman has sold his soul by taking nearly $475,000 from health-care interests in his re-election campaign.

But Lieberman denied the vast sums from health care interests has skewed his thinking on the legislation. The money, he said, came from organizations with a wide variety of interests. But in the end, he said, his decision will be based on only one thing. "I'm doing what I think is best for the people of Connecticut."

11TH STORY of Level 1 printed in FULL format.

DAILY LABOR REPORT

AUGUST 4, 1994

1994 DLR 148 d14

LENGTH: 1366 words

SECTION: CURRENT DEVELOPMENTS.

TITLE: SENATORS PREPARE TO MODIFY MITCHELL HEALTH PLAN AS THEY WAIT FOR BILL LANGUAGE.

TEXT:
As senators waited Aug. 3 for the release of legislative language for Majority Leader George Mitchell's (D-Maine) health care reform plan, discussion among various faction focused on how to modify the bill during Senate floor debate.

Without legislative language, however, senators said that decisions on how to proceed would have to wait.

A group of Senate Republicans and business organizations banded together to denounce the "rushed, secretive manner" in which health care legislation is being drafted in the Congress and called for full debate on the legislation that was unveiled Aug. 2 (147 DLR A-19, 8/3/94).

The bipartisan moderate coalition met behind closed doors to discuss what direction that group would take, especially given that several individual group members have indicated some support for the Mitchell approach.

Separately, the committee report accompanying the Senate Finance Committee bill was made available Aug. 3. Although now trumped by Mitchell's offering, the report illustrated that once individual amendments were tallied up, the drafted legislation differed somewhat from the bill members believed they crafted in committee.

Factions Positioning

The bipartisan group of moderates will take a long look at the Mitchell bill, once legislative language is available, and decide where to go from there, group member Sen. John Breaux (D-La) said.

According to Breaux, since some of those members have indicated that the Mitchell bill would be acceptable, the group must decide how best to proceed and maintain the centrist position.

Breaux was upbeat, however, even though he said he would prefer to see modifications. He said he still was working on an approach with Sen. Joseph Lieberman (D-Conn) that would achieve universal coverage without any mandate. Breaux acknowledged that no decision has been made on whether the two senators would offer their alternative, especially if Mitchell has the votes for his triggered mandate, Breaux added.

A Lieberman also said the two were unsure about how they would proceed at this point, but remarked he was was leaning toward Mitchell's approach. Breaux said he has not decided how he would vote on the Mitchell bill if it were presented as is.

Fellow mainstream coalition member Sen. Kent Conrad (D-ND) told reporters he could support the Mitchell package and called the fact that the bill was deficit neutral "significant." The bill, which CBO has estimated would achieve 95 percent coverage within six years without a trigger, is fully in concert with President Clinton's vision for reform, Conrad said.

While Conrad predicted the chances of passage were good because the provisions of the Mitchell bill closely follow those outlined by a mainstream coalition, other mainstream coalition members were not as sanguine.

Sen. John Chafee (R-RI), leader of the mainstream group, and others listed as the plan's key faults the inclusion of an employer mandate and of premium caps, and the fact that the plan would add expensive new entitlement programs, while falling short in the area of tort and malpractice reform.

Breaux added that problems with the premium assessments and the position on abortion taken in the Mitchell plan also must be addressed.

Liberal Democrats want the bill to be stronger, believing that 95 percent coverge is not good enough. Sen. John Rockefeller (D-WVa) stated his intention to offer amendments to the bill, and Sens. Paul Wellstone (D-Minn), Howard Metzenbaum (D-Ohio), Paul Simon (D-Ill), and Russell Feingold (D-Wis) will offer their recommendations at an Aug. 4 news conference.

GOP Opposition

Sen. Phil Gramm (R-Texas) called the Mitchell bill a "one-way ticket to more taxes, more deficit, and more bureaucracy."

He said that the American public would tell their congressional representatives to oppose the bill if they ever got a look at the bill's provisions, and called for a section-by-section debate on the Mitchell bill.

Knowledge of the bill is the Democrats' "enemy," Gramm said, advocating a week-long national forum to help the American public understand the bill's provisions. After that, members of the public will contact their congressional representatives and tell them to oppose the bill because it is "bad for the health of Americans," he said. Gramm also predicted that debate on the Mitchell bill would be fought out "line by line."

According to Sen. Paul Coverdell (R-Ga), members of Congress have been subjected to a "midnight raid" in which legislation they are asked to vote on has not been written and exists only as a press release.

The Mitchell bill imposes "17 new taxes on the American middle class while promising them subsidies," which the middle class also will pay for, Sen. Malcolm Wallop (R-Wyo) stated.

Minority Leader Robert Dole (R-Kan), meanwhile, is not expected to release his health reform alternative for some time because Dole has "no priority in the pecking order" for drafting legislation, Coverdell told BNA. He characterized the Dole bill as extensive, but less complicated than Mitchell's bill, addressing mostly targeted reforms.

Finance Report Released

Separately, the cost of accelerated subsidies for pregnant women and children, approved by the Senate Finance Committee was higher than anticipated, forcing drafters of the final bill to include a temporary increase in the tobacco tax and in the assessment on high cost plans for the period 1997-2002, according to the committee report made available Aug. 3.

According to the report, the $ 1 per pack increase in cigarettes approved by the committee would take effect Jan. 1, 1995. An additional 30-cents-per-pack increase would be in effect from Jan., 1, 1997, to Dec. 31, 2002, however, to offset the additional costs of the accelerated subsidies for pregnant women and children under 18.

Similarly, the 25 percent excise tax on high cost plans would be increased for that time period to 29 percent.

Under the proposal unveiled Aug. 2 by Mitchell and the plan offered in the House by Majority Leader Richard Gephardt (D-Mo) the tobacco tax would be hiked only 45 cents per pack. House Ways and Means Committee member Bill Brewster (D-Okla) remarked Aug. 3 to the American League of Lobbyists that he expected that the 45-cents-per-pack increase would be retained in any final bill.

Debate Expected To Start Aug. 9

Meanwhile, Mitchell told health reporters Aug. 3 that the bill would be brought to the Senate floor Aug. 9, for a day of opening statements by members, with consideration of amendments to begin Aug. 10.

"I expect the amendments to be many and the debate to be lengthy," he said, reiterating that the Senate will remain in session six days a week until action on the bill is completed.

Asked whether he would try to bring up the employer mandate provision for a vote early to assuage House members wary of Senate action, Mitchell replied, "I don't have any plan one way or the other."

Mitchell defended his plan against criticism that it falls short of achieving true universal coverage, suggesting that movement toward full coverage was sufficient. "It will be a very substantial achievement for our society if we reverse the downward trend in the percentage of Americans who have health insurance," he said.

While critical of market-based reforms in the past, Mitchell acknowledged that his plan relies heavily on managed competition principles. "There are many advocates of the managed competition approach [in the Senate]," he said. "They lie at the heart of the bill that's been proposed."

Mitchell acknowledged concerns raised by the Congressional Budget Office and others that the plan may be burdensome on states to administer, particularly the task of determining eligibility and distributing subsidies. But he maintained that his approach is "superior" to other available alternatives.

Asked how much support the plan has among Senate Democrats, Mitchell replied would be "unwise and presumptuous" to speculate at this stage, but quickly added he believes it has "strong support." As for Republicans, Mitchell said he did not think the GOP would filibuster the bill.

LANGUAGE: ENGLISH

National Journal's CongressDaily

August 4, 1994

SECTION: HEALTH

LENGTH: 1334 words

HEADLINE: Senate GOP Vows Slow Health Debate

BODY:

Key Senate Republicans Wednesday committed to slowing down work on Majority Leader Mitchell's healthcare reform bill, pledging to take at least a week of floor time just to explain the legislation. "We'll spend all of August here if we have to," Finance ranking member Bob Packwood, R-Ore., contended at a press conference, although he and other Republicans stopped short of calling for a filibuster. Sen. Larry Craig, R-Idaho, threatened to go "page by page, paragraph by paragraph, until we really understand what it means." And Sen. Phil Gramm, R-Texas, declared that no one person will be able to comprehend the entire bill by next week, so he said he will divide up the measure, assign sections to individual GOP senators and have them explain their designated portions on the floor. That process should take a week, he said, "and after that, the bill is dead."

Democrats chided the Republicans for their scheme, saying the American people will recognize the actions as gridlock, for which the GOP will have to pay a high price. "(Republicans) know everything in these bills, they're just delaying. Delay, delay, delay," Sen. Jay Rockefeller, D-W.Va., asserted.

And Sen. Tom Daschle, D-S.D., added, "These are the same Republicans who cosponsored the (Minority Leader) Dole (healthcare) bill sight unseen."

Dashcle noted Mitchell already has agreed to Dole's request for a week to look at the bill. Mitchell has said he plans to begin Senate floor debate on the legislation next Tuesday, and open the debate for votes by Wednesday.

Dole for his part in a TV interview earlier Wednesday said "as of now, (a filibuster is) not a strategy," adding, " If something develops during that debate, which may last two or three weeks, that makes any bill so bad, my view is we could probably defeat it with 51 votes. You wouldn't need a filibuster."

At their press conference, the GOP members suggested Republicans would rather wait until after the August recess before starting debate on the bill, but contended the Democrats fear the criticism that will build regarding the legislation during the break. "They don't want that pause to occur," Sen. Paul Coverdell, R-Ga., said.

Gramm added that "knowledge of this bill is their enemy," while acknowledging, "I think it's clear we're not going to get a pause," so Republicans therefore are forced "to debate this bill at length."

At the press conference, the American Council for Health Care Reform, which is suing First Lady Hillary Rodham Clinton's Health Care Task Force for keeping its meetings secret, called for holding up floor debate until after the mid-September trial on that issue.

The council claimed the Republicans were joining them, but Packwood stopped short of endorsing the plan. Instead, he asked what was wrong with two, three or four weeks of debate.

Gramm also said Republicans would be happy to put off votes for this year and take healthcare reform to the voters. "If President Clinton would like to make the 1994 election a referendum on health care, we are prepared to do that," he said.

In other Senate healthcare action Wednesday, Sen. Joseph Lieberman, D-Conn., told CongressDaily he is continuing to work on a compromise to the dispute over employer mandates, and said he envisions a proposal to remove the employer mandate element from Mitchell's bill.

At the White House Tuesday night, Lieberman had told reporters he and Sen. John Breaux, D-La., are "working on a plan that we think, laid on top of what Sen. Mitchell has proposed, can guarantee universal coverage."

While citing positive movement toward universal coverage in Mitchell's bill, Lieberman Wednesday said the approach "still does not have the support of a lot of members of the mainstream group", referring to a Senate bipartisan mainstream group in which he is participating.

Preliminary CBO estimates found that Mitchell's bill would reach 95 percent coverage of the population by 2000. The bill would trigger a commission to recommend additional steps if that is not achieved, and Congress in a specified timeframe then would have to vote on those recommendations. If 95 percent was achieved, the commission would make recommendations on obtaining an even higher level of coverage.

The procedure until that point has drawn widespread support, but what comes next has split the bipartisan mainstream group. Failing congressional action, a 50-50 employer-individual mandate automatically would take effect.

Lieberman emphasized Mitchell's approach would get to 95 percent coverage even before the mandate comes into question, calling that a good achievement. And he acknowledged Mitchell "moved in the direction of the mainstream group," despite his concerns over the employer mandate.

Lieberman said he is continuing to work with Breaux in the context of the mainstream group to develop a plan that might be based on Mitchell's procedure, but which would exclude the potential mandate at the end of the process. When asked whether there was enough support to remove the mandate portion, Lieberman said, "some think so," while contending it would be a "very close" vote."

The mainstream group has somewhat split over the Mitchell provision, with some Democrats buying into the approach and most Republicans disliking the end mandate provision.

Lieberman said the matter will be difficult to resolve, contending the "mandate question has taken on a life of its own", and noting the word "mandate" has taken on a symbolic importance for senators on both sides of the issue.

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The Washington Times

August 5, 1994, Friday, Final Edition

SECTION: Part A; NATION; INSIDE POLITICS; Pg. A8

LENGTH: 1530 words

BYLINE: Alan McConagha; THE WASHINGTON TIMES

BODY:

COMPETING MORALITIES

In a White House meeting earlier this week, Deputy Secretary of State Strobe Talbott argued that offering incentives to Haitian leaders is "morally repugnant," the New York Times reports.

The Times' Elaine Sciolino wrote that Defense Secretary William J. Perry - "in a sharp exchange" - said Mr. Talbott represented a strange morality.

Mr. Perry argued it would be immoral for the United States not to do whatever it could to avoid the loss of lives of American soldiers and expenditure of taxpayers' money, Ms. Sciolino said.

CHICAGO REVISITED

The Democrats formally named Chicago the site of their 1996 convention, the first time the city will have hosted a national convention since 1968, when the Democratic gathering was marred by violence during the Vietnam War.

Mayor Richard M. Daley, whose late father was mayor during that ill-fated 1968 convention, hailed the announcement: "We worked hard to get the convention because it will be good for the people of Chicago."

ENTITLED

Treasury Secretary Lloyd Bentsen started his day in the rear quarters of the Senate banking committee, greeting colleagues from his 22-year Senate career, the Associated Press says.

Throughout his testimony on Wednesday the senators had trouble thinking of him as "Mr. Secretary." They called him senator, they called him Lloyd and they called him Mr. Chairman, recalling his direction of the Senate Finance Committee.

"I understand the confusion of titles," Mr. Bentsen said.

He said a young man on an elevator in Washington looked at him for a long moment the other day and said, "I know, you're Senator Bentsen. . . . I went to a political rally of yours in Texas.

"Whatever happened to you?"

HOW IT SEEMED

President Clinton's news conference prompted this reaction, collected by Hotline:

NBC's Tim Russert: "He tried to be presidential, . . . but that undertow of Whitewater kept pulling him back to Washington."

On "CBS This Morning," the New Republic's Fred Barnes said, "I don't think he did that well on substance; he was awfully fuzzy. He said Whitewater is no problem basically, and Whitewater is a problem."

Senate Minority Leader Bob Dole: "He's a quick study, he knew his issues. One thing when you're having a press conference, you can editorialize a lot. You can talk about all the good things and gloss over some of the bad. . . . Overall, he did a good job."

NEW DIRECTIONS

CBS' Rita Braver reported: "Worried about the president's low public approval ratings, the White House has developed a new strategy for him: fewer off-the-cuff remarks, comments restricted to controlled settings where he seems more presidential and a White House team constantly talking up successes like the president's deficit-reduction package. . . . But despite the president's best intentions, Democrats and Republicans alike believe the administration has failed to define itself."

NOT THE HEAT BUT . . .

In its editorial "Asides" earlier this week, the Wall Street Journal lamented that "August isn't three days old and already enough weirdness has fallen from the skies to fill 31 days.

"Michael Jackson announced he's married Elvis' daughter. The Woodstock reunion announces it's folding because the class of '69 is off on family vacations. Millionaire baseball players may 'strike.' Bill Clinton pounds his podium in Jersey City and, ominously, the presidential seal falls off.

"Treasury aide Josh Steiner tells the Senate that what he wrote in his diary actually meant precisely the opposite. Roger Altman apologizes for saying earlier he had one contact with the White House about Whitewater, when actually Treasury had about 40 contacts.

"Must be the humidity."

IT'S AT THE TOP

Columnist William Safire of the New York Times opines, "[Deputy Treasury Secretary Roger] Altman, no ax murderer, is a political zombie. Other members of Treasury's briskly walking dead showed how a pattern of legalistic half-truth telling has permeated the Clinton culture. . . .

"The clank of falsity goes to the top," Mr. Safire concluded, adding that reports now contradict Hillary Rodham Clinton's statements about the removal of Whitewater-Madison files from the office of late White House aide Vincent W. Foster Jr.

"Mrs. Clinton's answer was not an outright lie; only 'incomplete,' intended by the first lady to mislead," said Mr. Safire.

"Deceiving the press with a half-truth is not crime. But willfully failing to answer fully to the Congress is a violation of 2 U.S. Code Section 192. Only a misdemeanor - but it helps preserve the American system of checks and balances."

SHUFFLE

Rep. Rick Santorum, Republican candidate for the Senate in Pennsylvania, dropped campaign manager Ed Hodges, who was "on loan" from the National Republican Senatorial Committee. The campaign said a new manager will be named next week. Santorum consultant John Brabender: "We pretty much know what's going to happen. People will be very impressed."

STERN CHICKENS OUT

Radio host Howard Stern yesterday dropped his bid to become governor of New York, saying he would not comply with state laws that require him to disclose his earnings and total wealth.

Mr. Stern said at a news conference that he had told more about himself than any other candidate, but his personal finances are no one's business.

Mr. Stern announced in March that he would run for New York governor, seeking to unseat Democratic incumbent Mario Cuomo. Mr. Stern was endorsed by the state's Libertarian Party.

THE MITCHELL BILL

Politically, Senate Majority Leader George Mitchell's health care bill may have the best chance of any similar proposal, say Hilary Stout and David Rogers of the Wall Street Journal.

Sen. Joseph Lieberman, Connecticut Democrat, was quoted as saying, "It was a very significant first step forward. He's in the range of 51 votes, but he's a long way from 60" needed to stop a filibuster.

The proposal faces significant opposition: No GOP support is anticipated and Mr. Mitchell appears to have already lost at least five of his 56 Democrats. The left is also restive.

"If a bill resembling the Mitchell approach is enacted, the path toward universal coverage will be slower, probably more expensive to the federal government and more unpredictable than the systems proposed by President Clinton and House Democrats," the Journal contended.

SASSER'S SLIM LEAD

Roll Call's current count in the contest for Senate majority leader: At least 21 senators solidly back Jim Sasser of Tennessee; 19 support Tom Daschle. At most, 10 are uncommitted. The Daschle camp claims, however, that two publicly uncommitted members are pledged to the South Dakotan. The Capitol Hill newspaper finds that average age of the Sasser backers is 62; Daschle supporters, 55.

ANXIETY AT PENTAGON

Ranking officials at the Pentagon fear the dispatch of 2,000 troops on a humanitarian mission to Rwanda could be the beginning of potentially dangerous commitments of American forces to Africa.

With Somalia still in mind, U.S. News & World Report's "Washington Whispers" column says officials fear involvement in Sudan, the scene of more than 10 years of civil war. Other explosive points: Zaire and Burundi.

WILLY LOMAN POLICY?

Observing President Clinton's success with Mideast ceremonials and in selling U.S. products aboard, the Boston Globe's David Shribman said this is the kind of thing governors do and the president cannot "simply be a combination of Willy Loman and Martha Stewart."

Vice President Al Gore told reporters at a breakfast that "there are no changes in the foreign-policy team in prospect" during the same week Republicans thrashed the administration in a foreign policy forum.

Mr. Shribman agreed that the departure of Secretary of State Warren Christopher won't end the problem: "It is the departure of Gov. Clinton that is necessary. He has to be replaced by President Clinton."

HYATT: OOPS

The Columbus Dispatch reports that legal entrepreneur Joel Hyatt, Ohio's Democratic candidate for the Senate, has trumpeted his support for women's rights but actually crusaded against his college turning coed.

Mr. Hyatt told the Dispatch he was wrong in 1991 when he sought to keep Dartmouth College all-male: "Adding women to campus helped enrich the experience that Dartmouth male students had in a way that I didn't see as a kid when I wrote the article."

Then Hyatt spokesperson Dale Butland attacked GOP opponent Lt. Gov. Mike DeWine for issues involving women when he was out of college.

PUNDIT LENO

NBC's Jay Leno on the congressional baseball game: "Actually, Congress has a lot in common with real baseball players. They are all millionaires. They all think working three hours a day is hard work. And they are all going home in August without finishing up what they started."

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Aug. 4, 1994

LENGTH: 1693 words

BODY:

Health Care Reform
REACTION TO MITCHELL PLAN MIXED;
MODERATES, REPUBLICANS CRITICAL

WASHINGTON (BNA) -- Senate reaction to the health care reform bill unveiled Aug. 2 by Senate Majority Leader George Mitchell (D-Maine) was mixed, with liberal Democrats calling it a step in the right direction, but moderates and Republicans criticizing the measure.

Mitchell's bill would rely on market-based reforms as an inducement to increase insurance coverage voluntarily, but would trigger an employer mandate if 95 percent of the population were not covered by 2000.

Clinton Praises Bill

President Clinton Aug. 2 lauded the Mitchell bill, saying it maintains key elements of the White House's initial health care reform package.

"The Senate bill provides for universal coverage, enables Americans to keep their current insurance and their doctor, maintains quality health care, and provides greater opportunity to keep health coverage affordable," the president said. "It builds on the current system of shared responsibility which we already knows works."

Clinton urged Congress to move forward on health care reform, saying, "We have come this far, and we must not turn back now." He dubbed as "unacceptable" any bill that falls short of universal coverage and that fails to contain rising health care costs. "Achieving universal coverage remains a critical goal," the president said. "This is a debate that we must win and that we will win."

White House Press Secretary Dee Dee Myers, during a press briefing, stated that the only way to achieve universal health care coverage is through shared responsibility, and that suggests some sort of employer mandate.

Conrad Says Outlook Is Good

Following a Democratic policy luncheon, Sen. Kent Conrad (D-ND) told reporters Mitchell's package was well received by senators, calling the fact that the bill was deficit-neutral "significant." The bill, which CBO has estimated would achieve 95 percent coverage within six years without a trigger, is fully in concert with the president's vision for reform, he said.

Conrad predicted the chances of passage were good because the provisions of the Mitchell bill closely follow those outlined by a mainstream coalition.

Sen. Howard Metzenbaum (D-Ohio) agreed that Mitchell's bill was a "major move in the right direction," and said there was no feeling of discord during the luncheon briefing. He said, however, that he was concerned because the bill fell short of 100 percent coverage, contained no employer mandate, and took too long to become operative.

Metzenbaum said he was "leaning in support" of the majority leader's bill, but was not prepared to say what his final vote might be.

Similarly, Sen. Paul Wellstone (D-Minn) said he planned to offer amendments to improve Mitchell's bill before making a decision about how he would vote. Wellstone, who advocates a single-payer health care system, also said that Mitchell had done a great job in crafting his bill and praised the inclusion of a single-payer option for states in the final version of the bill.

"George Mitchell has taken a major step forward on health care legislation based on market reforms rather than relying on bureaucratic mandates and regulations," Sen. John Breaux (D-La) said in a press release. "It's a good start and Congress should now begin its work on the floor," Breaux added.

Mainstream Group Critical

Mitchell's plan met with a cooler reception from the bipartisan Mainstream Coalition, which faulted the plan as relying too heavily on regulations and government control, but acknowledged it reflected some movement toward the center.

Sen. John Chafee (R-RI), leader of the mainstream group, told reporters the plan was marred by "real, excessive regulation" and was not aimed at winning bipartisan support. "This really is not designed for a big bipartisan vote. We had hoped for a big bipartisan vote, and we think it is very important that something not just squeak by," he said.

Sen. David Boren (D-Okla), another mainstream member, said the plan needed to be re-worked to win the support of a wide margin of lawmakers of both parties. "The main reason we need to go back to the drawing board is that we are once again following a 51-vote strategy, which is not the best for this country," Boren said.

A health plan that passes Congress on a partisan margin would be open to changes every time the presidency or congressional leadership changed parties, he said.

Mainstream Coalition members charged the plan included premium caps and employer mandates, and would add expensive new entitlement programs, while falling short in the area of tort and malpractice reform.

Chafee criticized the plan for including an employer mandate, despite the plan's delayed phase-in and qualifications on the imposition of an employer requirement. "Even though it is out in the distance. . .the employer mandate is there," he said.

Mainstream member John Danforth (R-Mo) agreed, adding, "We rejected the idea of an employer mandate. That idea has now crept back into Senator Mitchell's proposal. It's watered down, but it is an employer mandate."

Moreover, Sen. David Durenberger (R-Minn), another mainstream group member, said the plan included "some form of premium cap" that would leave the package "substantially to the left of the American public."

Danforth said the premium tax proposal in the Mainstream Coalition's bill was preferable to the caps in Mitchell's package, because a cap approach would require more government involvement and regulation.

Danforth and Chafee further charged the bill's tort reform provisions were too weak.

"We believed medical malpractice reform was essential -- a cap on damages and incentives to proceed with incentives for alternative dispute resolution. These have been scrapped," Danforth said.

Sens. Bob Kerrey (D-Neb) and Joseph Lieberman (D-Conn) stressed that the plan, despite moving in the right direction, should have put more emphasis on cost containment through market based changes.

The Mainstream Group planned to meet Aug. 3 to go through Mitchell's bill and determine where modifications are needed. Even though the plan passed by the Finance Committee reflected largely what the coalition proposed in anticipation of that panel's mark up, and Mitchell's plan drew heavily from Finance's final product, there are areas of significant difference.

A draft document obtained by BNA illustrates where the Finance Committee bill and the original Mainstream proposal diverge, and according to Chafee the next step is to take the legislative language for the Mitchell plan, and see where the two approaches agree and disagree.

Asked whether the Mainstream Group planned to offer its proposals as a single substitute amendment or as a series of amendments, Chafee said the group still had not reached a decision on which strategy to follow.

"Clinton Bill By Another Name"

The Senate Republican leadership criticized Mitchell's proposal as a re-packaged version of the Clinton health plan and as including more than a dozen new taxes.

Senate Republican Leader Robert Dole (Kan) acknowledged the bill included some acceptable features, but numerous provisions to which he objected.

"Taken in its totality, the Mitchell bill is very similar to President Clinton's proposal in that it prescribes more government, more taxes, and more entitlements," Dole told reporters.

Senate Finance Committee ranking Republican Bob Packwood (Ore) said the plan would impose 17 new taxes, including a tax on every health insurance premium. He noted the bill approved by the Finance Committee in early July contained a dozen new taxes.

Moreover, Dole warned that Mitchell's plan contains a triggered mandate that ultimately will cost jobs, that it mandates a comprehensive standard benefits package that will raise costs for many individuals, and creates three new entitlement programs at a cost of at least $172 billion over five years.

In response to a question about whether Republicans plan to filibuster the bill, Dole said that would depend on whether Mitchell proceeds fairly in directing floor action on the bill.

Packwood further suggested that Republicans may insist on "substantial debate" on the proposal, which should not be labeled a filibuster. "What is a legitimate length of time to debate this bill without being accused of a filibuster? A day? A week? Would it be immoral to spend a month on it? I don't think so," Packwood asked.

NAM Expresses Concerns

The National Association of Manufacturers issued a statement saying Mitchell's bill is an improvement over the House leadership package, but "we still have some concerns about it." The bill "wisely stays away from creating a new entitlement program, NAM President Jerry Jasinowski said, but he added that provisions in the bill "would force employers to reduce existing health care coverage and employment."

Citizen Action Executive Director Ira Arlook denounced the Mitchell bill for not achieving 100 percent coverage. "We oppose this bill because it delays any guarantee of coverage until the next century and because it will shift premium costs onto families, many of whom will not be able to afford it," Arlook said.

Arlook also criticized the bill for caving in to senators who have strong ties to health care special interest groups.

The American College of Physicians voiced its support for the bill and its trust in market forces to keep costs down. The group also praised the bill for building on existing changes in the market.

However, ACP said it advocates some strengthening of the bill with amendments.

LANGUAGE: ENGLISH

Volume CLVI, Number 215

Senate leader introduces health plan

A-C p.1 8/3/94

Mitchell bill falls short of Clinton goal

Combined Wire Services

WASHINGTON - Bowing to political reality, Senate Majority Leader George J. Mitchell presented a health-care reform plan Tuesday that would provide coverage for as many as 30 million uninsured Americans, short of President Clinton's pledge to guarantee coverage for all.

In the face of fierce business opposition, Mitchell shelved Clinton's proposal that all employers be required to share in the cost of their workers' health insurance.

Instead, his plan would rely on government subsidies, insurance reforms and voluntary action by employers to extend coverage to 95 percent of Americans by 2000.

Insurance companies couldn't deny coverage for pre-existing health problems, and people could take their insurance with them when they switched jobs.

With the release of the Mitchell plan, the stage for the congressional health care debate is set. Friday, House Majority Leader Richard A. Gephardt, D-Mo., released his proposal, which is significantly more far-reaching than Mitchell's and includes an employer mandate similar to Clinton's.

"I did not have a plan that could have gotten us to higher than this," said Mitchell, a Maine Democrat. "This is the best that I can do." He

Please see Mitchell, Page A4

Vote count for option still unsure

By JOHN A. MacDONALD
Courant Staff Writer

News analysis

WASHINGTON - Senate Majority Leader George J. Mitchell was on his way to brief fellow Democrats on his health care plan Tuesday afternoon when he passed a bust of Theodore Roosevelt in the U.S. Capitol. At the same time a reporter asked, "Is it finished?"

"Finished for now," Mitchell replied with a smile.

The Maine Democrat, a former federal judge, chose his words wisely. By day's end Mitchell had finished the task of presenting an important new health care reform option to Congress. But he still faced the difficult task of getting enough votes to get it through the Senate.

On the positive side, some from his party who had complained about other Democratic bills talked positively about his proposal, improving the chances for reform legislation this year.

Still, other moderate Democrats — who could determine the fate of Mitchell's proposal — remained critical. And most Republicans were hostile.

Mitchell had a difficult task, as several senators acknowledged. He had to move to the right in

Please see Vote, Page A4

Vote count for option still uncertain

Continued from Page 1

hopes of picking up the votes of the more conservative members of his own party. But he could not move so far to the right that he lost the liberals.

Initial reviews were positive, but far from conclusive, and Mitchell said he was not surprised that many senators wanted time to study his plan.

What they will find is a proposal that tries to keep faith with President Clinton's desire to provide health care insurance for all Americans, but does so without using much of the structure Clinton proposed.

Gone are the mandatory purchasing pools, insurance premium caps and an immediate requirement that all employers provide health benefits to their workers and pay 80 percent of the premium.

Still, the Congressional Budget Office, the official scorekeeper on these matters, has informed Mitchell his plan will produce coverage for 95 percent of Americans by the year 2000, he said.

"The legislation I will propose meets the needs of those whom the current system has failed with the least disruption to the parts that work well," Mitchell said.

Mitchell's plan achieves this through a system of voluntary purchasing pools, targeted subsidies to the uninsured and a backup system of employer payments that would start in the year 2002 if Congress failed to approve other means of covering those who remained outside the insurance system. And even then, the employer share would be 50 percent, not the 80 percent Clinton advocated.

Although Mitchell was careful not to make comparisons, it was clear his proposal relies less heavily on government than the plan announced Friday by House Democratic leaders. Perhaps the biggest difference is that House Democrats call for creating a new Medicare program that eventually could cover 90 million Americans, more than one-third of the entire population.

Critics see that as a first major step toward a Canadian-style government-financed health care system. It was designed, analysts suggested, to appeal to the large block of House Democrats who favor the Canadian-style plan. There is no such bloc in the Senate.

Democratic leaders in both bodies had to fashion bills in ways "we felt would best meet the needs of our membership," Mitchell said.

In crafting his plan, Mitchell seemed to have held his liberal base and opened up the prospect of winning over enough of the moderates to give his proposal a chance of passing.

Liberals like Sen. Paul Wellstone, D-Minn., complained that Mitchell did not do enough and promised to fight for changes. But, significantly, Wellstone did not say say he would vote against Mitchell's proposal.

More importantly, Sen. John D. Rockefeller, D-W.Va., was enthusiastic. "It's the only way to get 51 votes in the Senate," said Rockefeller, one of the Senate's strongest health care reform advocates. "I think it's a very strong starting point."

Sen. Christopher J. Dodd, D-Conn., who has worried that the chances of reform were slipping away, also was ready to embrace the Mitchell plan. Asked if Mitchell kept faith with Clinton's pledge of health care coverage for everyone, Dodd said, "As far as I'm concerned, yes."

Dodd said he was optimistic that Mitchell's plan would give moderates the "comfort zone" they needed to back the proposal.

This was the group — numbering perhaps a dozen — that Mitchell seemed to have most in mind as he put together his plan. Some were satisfied Tuesday; others were not.

Sen. David Boren, D-Okla., called on Mitchell to "go back to the drawing board" and scale back his proposal even more.

But Sen. Kent Conrad, D-N.D., thought otherwise. "The reaction was very, very favorable," Conrad said. Mitchell's plan was close to what the moderates were seeking, he said. "It's very well done."

And while he continued to have reservations, Sen. Joseph I. Lieberman, D-Conn., sounded much more positive about Mitchell's proposal than most of the Democratic plans that came earlier.

"I definitely like the direction," Lieberman said. "I think he's taken a giant step forward. I think it does improve the chances for passage."

That leaves only the Republicans, who, with three or four exceptions, seem determined to oppose any bill drafted by a Democrat.

Senate Minority Leader Robert J. Dole, R-Kan., found the plan too costly and said it involves too much government regulation.

As Dole made those comments, few noticed he was standing just one floor above the bust of Roosevelt, a Republican who was the first president to call for a national health care system for the country.

Health Care Activists Protest Lieberman's Stand on Health Care<
Eds: STANDS for item slugged AM-CT--Lieberman-Health Care on digest<
With AM-Health Reform moving on national wire<
By MELISSA B. ROBINSON Associated Press Writer

WASHINGTON (AP) Shouting `Say it ain't so Joe!', about two dozen health care activists Friday stormed the office of Sen. Joseph Lieberman to accuse him of selling out the public in favor of insurance interests.

The protest was among several reported on Capitol Hill as Congress moves closer to debating and voting on bills to change the nation's health care system. The Senate is expected to open debate Tuesday.

Altogether, 40 people were arrested and charged with demonstrating in a Capitol building, a misdemeanor. By early evening, most had been released without bail pending a court date, police said.

Leaders of the demonstration outside Lieberman's office said he was targeted because he was one of the top recipients of campaign contributions from the health care industry, especially insurance companies.

The boisterous group filled the hallway and doorway to the office, shouting slogans, singing songs and holding a mock trial where they accused Lieberman, a Connecticut Democrat, of taking bribes.

They passed out fake money giant yellow $100 bills featuring Lieberman's photo that stated he received nearly $495,000 in health industry-generated contributions since 1979.

Lieberman was not in the office at the time, and police quickly broke up the protest, leading at least seven people, who represented Connecticut Citizen Action, among other groups, away in handcuffs.

``He's been bought,'' said Michael Zaslow, a soap opera actor who lives in New York City and Roxbury, Conn. ``You don't give a guy $495,000 without getting a quid pro quo, and that's what they've done. That's an unprecedented bribe.''

Lieberman, who has gained attention as one of the centrist lawmakers who has not yet signed onto the compromise health care bill offered by Senate Majority Leader George Mitchell, D-Maine, insists that his health care views have not been tainted by campaign money.

``I've worked very hard on this issue,'' Lieberman said in a telephone interview Friday. ``I'm doing what I think is best for most people in Connecticut, and it really doesn't have anything to do with campaign contributions.''

Lieberman has been working with a group of about a dozen moderate Republicans and Democrats to draft legislation that they hope to offer as amendments to Mitchell's bill.

Among Lieberman's concerns is how Mitchell's plan, which relies heavily on federal subsidies to expand coverage, would be financed, and a mandatory employer contribution that would kick in if 95 percent of Americans weren't covered by the year 2000.

Lieberman, however, noted that Mitchell's version of the employer mandate is significantly watered down from President Clinton's, and, alone, would not stand in his way of supporting a health care bill.

PM-CT--Lieberman Protest, Conn Bjt,450<
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Health vote may be crucial test for Lieberman

P.1 By MATTHEW DALY H.C 7/11/94
Courant Staff Writer

Maybe there's something about that seat in the Senate. Win election to it, and you start acting like a political maverick.

For nearly two decades as a Republican U.S. senator, Lowell P. Weicker Jr. cultivated an image as an independent thinker not bound by traditions of party loyalty. Weicker delighted in tormenting presidents in his own party and feuded for years with GOP leaders in his home state.

Now comes Democrat Joseph I. Lieberman, who narrowly defeated Weicker in 1988 and assumed that seat. In the years since, Lieberman has turned into something of a mirror image of his former opponent.

Like Weicker, Lieberman has fashioned a reputation as a politician who appeals to a broad, bipartisan range of "moderate" voters. Conservative on fiscal and military issues, and progressive on social issues, Lieberman likes to say he is not a slave to the left or right, but only to "the right thing."

Campaign '94

But like Weicker, Lieberman's independent ways have sometimes angered those who would appear to be his natural allies. Most recently, Lieberman bucked the Democratic state chairman by seeking the endorsement of A Connecticut Party, founded four years ago by, who else — Lowell Weicker Jr.

Democratic Chairman Edward L. Marcus had tried for months to keep Democrats off the ACP line, fearing the endorsement could hurt the party's nominee for governor.

But Lieberman, in true Weickeresque fashion, went his own way.

"I am proud of my affiliation with the Democratic party," he wrote in a letter seeking the ACP endorsement, "but in my role as a senator, I have tried . . . to be the kind of leader who puts the public interest above partisan politics."

Now, Lieberman faces what ultimately may be judged as the most important first-term test of his political allegiance — the Senate health care votes this summer.

Aid and comfort

The cross endorsement has ruffled feathers in the Democratic Party and in its core coalition — labor unions, consumer advocates and women's groups.

Now, on health care reform, the issue those groups — and the White House — care most about, Lieberman again has gone his own way.

Not only did he snub President Clinton — his fellow graduate from the Yale School of Law and longtime friend — by refusing to back his call for basic health coverage for all Americans, but has even given aid and comfort to the Senate's Minority Leader, Robert J. Dole, R-Kan., the administration's highest-ranking enemy on health care.

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3RD STORY of Level 1 printed in FULL format.

AUGUST 5, 1994, FRIDAY

SECTION: BROADCAST INTERVIEW ABOUT COMMERCE OR TRADE

LENGTH: 4747 words

HEADLINE: JOHN MCLAUGHLIN'S: "ONE ON ONE"
WITH GUEST, SENATOR JOHN H. CHAFEE (R-RHODE ISLAND) FOR BROADCAST: WEEKEND OF AUGUST 6

BODY:

MR. MCLAUGHLIN: Health Care Home Stretch: Both chambers of the U.S. Congress are on the threshold of deciding the fate of one-seventh of the American economy -- $900 billion; namely, health care. What will emerge from the upcoming debate? We'll ask the key player in the debate, the Republican from Rhode Island, Senator John Chafee.

NARRATOR: From Washington, DC, John McLaughlin's "One on One," an unrehearsed, probing, inside exchange with and about the people making the news. Sponsored in part by the Archer Daniels Midland Company -- ADM, supermarket to the world; and by the Mutual of Omaha Company, protection for your changing world.
Here's the host, John McLaughlin.

MR. MCLAUGHLIN: In a prime-time news conference this week, President Clinton taunted the Republicans.

PRESIDENT CLINTON: (From videotape.) My own view is that the questions now should shift to the members of the other party, to the congressional Republicans. Are we going to cover all Americans or not? Are we going to have a bill that provides health care security or not? If you don't like our approaches in the Senate and the House, what is your alternative? MR. MCLAUGHLIN: Some believe that Mr. Clinton's statements are more than a taunt; they were the set-up in the blame game. If he doesn't get a health care bill this fall, Mr. Clinton will blame the Republicans.
Do you think that the Republicans are being set up in a blame game?

SEN. JOHN H. CHAFEE (R-RI): I don't think any game like that is going to succeed. First of all, the Republicans don't have a majority in either branch, nor do we have the administration.
But I must say, rather than getting into a blame game, I'd like to see a darned good bill pass, a bill that accomplishes the goals that certainly the group I'm associated with, the so-called mainstream group has. We have two objectives: we want to work toward covering everybody. That doesn't mean right off the bat we'll get everybody, but that's the goal -- to cover everybody. And secondly, and just as importantly, is to do something about these costs.

MR. MCLAUGHLIN: I want to pursue this political angle, though, of the president. He -- President Clinton says that he reached out to you Republicans and you kept moving farther away. This is what he said Wednesday night.

PRESIDENT CLINTON: (From videotape.) At one time, there were two dozen Republican senators on a bill to give universal coverage to all Americans. They have all abandoned that bill. We have reached out to them, as was our responsibility, to try to work together in a bipartisan fashion, and every time we have done it, they have moved away.

MR. MCLAUGHLIN: Were the Republicans on board -- 24 of them?

SEN. CHAFEE: Or a little less than that, but --
MR. MCLAUGHLIN: Was that your bill?
SEN. CHAFEE: That was the -- that was the bill we had which revolved around the individual mandate.
MR. MCLAUGHLIN: What do you think of his complaint?
SEN. CHAFEE: Well, I don't -- I think it's unfortunate he gets into that. I don't think that we ought to be into the yam, yam, yam, whose fingerpointing is that --
MR. MCLAUGHLIN: Well, is he correct? Did you move away?
SEN. CHAFEE: There is less support for that bill than there was originally, that's a fact, but I might say that a lot of other people have had differences with legislation they originally proposed. Take a look at Senator Mitchell's bill. That's a long way from the bill that Senator Mitchell was originally on, so things have evolved. After all, how many months have gone by? We introduced that bill in the last part of last year, so things have developed, we've has more hearings, we've had a Finance Committee measure come out, and I find no embarrassment in --
MR. MCLAUGHLIN: But didn't you meet with President Clinton on the 15th of June?
SEN. CHAFEE: Oh, yes, I did, as did --
MR. MCLAUGHLIN: And you came out of that meeting, and what did you think when you came out of that meeting?
SEN. CHAFEE: Well, when I came out of that meeting I really felt that he was willing to give up the so-called employer mandate, and that he seemed to be much more receptive to the direction that I and those of us in the mainstream were going to go.
Now subsequent to that, others went down in the following days and day and didn't have the impression I had.
MR. MCLAUGHLIN: This is the way it was described by Joe Klein in Newsweek magazine. He says: "The meeting between Chafee and Clinton started cool. Chafee listed his disagreements with the president's plan, but quickly warmed as the discussion turned to Chafee's proposal. 'It was a positive kind of wonkish meeting,' said a Clinton aide. Chafee certainly thought so. He walked out thinking he had a deal." Which you just said here. "He didn't. 'I've seen others go in there and walk out on Cloud Nine,' says a Senate staffer. 'Clinton plays with them, humors them, but never quite agrees.' Or maybe he does agree and the staff rushes to pull him back. Whatever, the effect is the same -- nothing happens. 'It's really a despicable, candy-assed way of doing business,' says the Senate source."
Do you think that's a fair description?
SEN. CHAFEE: Well, I think that's a little rough in the description, but --
MR. MCLAUGHLIN: But does he move back and forth? You heard what he said in Boston, right?
SEN. CHAFEE: Yeah, I --
MR. MCLAUGHLIN: Then he comes back here and he denies that he's going to -- there's going to be any compromise at all. How do you explain this behavior?
SEN. CHAFEE: Well, I'm not sure. I think that the president gets carried away. The president has a habit of speaking to small groups, and in these small groups there's sort of a back and forth, a give and take, rather than a set speech to a large group. And when you're giving the set speech to the large group, you're working from a text and you're pretty well focused. When you're in a small group back and forth and I guess you can call them casual comments come in that later he feels he can't quite support.
MR. MCLAUGHLIN: That's a very benign interpretation of his behavior.
SEN. CHAFEE: Well, I'm being --
MR. MCLAUGHLIN: Some would not be so benign.

SEN. CHAFEE: Some wouldn't be so charitable. MR. MCLAUGHLIN: Why the rush in getting this through now? The polls show that 61 percent of the American people would want to see it debated this, a health care bill, but they want to see it voted on next year. Do you see a political intent in this -- namely, that the Democrats feel that, if they don't present to the voters on November 8th a signed bill, that they're going to suffer even more losses in the House and the Senate? And do you feel that, because of those losses in the House and the Senate, they have to have the bill now because there'll be more Republicans coming into government and those Republicans will not leave one shred of Bill Clinton's bill left in the final health bill that comes out? Is that what they're thinking?

SEN. CHAFEE: Well, that could be the thinking. But I sincerely believe -- now, time is racing by, but I sincerely believe that we can get this thing done in a measured and orderly way in the time that's left. Now, whether I could say that a week from today I don't know. But as you know, the majority -- I'm just addressing the Senate. The majority leader's already said that we're going to miss a good portion of our recess. So we're going to start next week, and I think that we can do a sensible job in the time that's allotted to us. And that is the balance of August. I hope we can at least have a week's recess.

MR. MCLAUGHLIN: You want to try to save the Mitchell bill, is that correct?

SEN. CHAFEE: No, no. No, that's not accurate. What I want to do is to have us arrive at a good, sensible health care measure that doesn't have intrusive government in it, does not have price controls, does not have the heavy hand of -- as I mentioned, of government setting -- determining this, that, how many young doctors can train for such and such a speciality. All of that is bad, and so much of that is in the Mitchell bill. But I still think that we can come up with a good, sensible bill that's going to serve the American people. He's going to have insurance market reform. He's going to have the small business permits be allied in purchasing. He's going to have tort reform in the form of medical malpractice --

MR. MCLAUGHLIN: It's not in there now.

SEN. CHAFEE: Well, that -- in the Mitchell -- that's right. In the Mitchell bill they have some of these things, but not to the proper degree.

MR. MCLAUGHLIN: We'll be right back with Senator John Chafee of Rhode Island to talk health care and the bill that's coming out of Congress.

(Announcements.)

MR. MCLAUGHLIN: You say you are going to produce a bill next week. Well, there is now a bill that's getting a lot of attention. This the bill. I'm almost herniating as I pick it up. You know, 15 pounds, I would say. This is -- what is this?

SEN. CHAFEE: That's the Mitchell bill -- 1,400 pages.

MR. MCLAUGHLIN: Okay, now, do you people in the Senate have to review this before you say okay to it, before you vote positively on it?

SEN. CHAFEE: Well, I -- it would be inaccurate to say we personally would review it, but I must say our staffs would, yes.

MR. MCLAUGHLIN: Okay, now, you want to propose amendments to this bill. Do you need a laboratory piece to work on to focus this -- the concentration of the Senate, right? And this is that laboratory piece. And you hope to amend it, as I see it, so that it becomes acceptable to you and the moderate, pivot group that you represent.

SEN. CHAFEE: That would be our hope.

MR. MCLAUGHLIN: And that moderate, pivot group, I would say, the mainstream coalition with John Chafee are the following people: you've got Kit Bond, John Chafee himself, of course, John Danforth, Dave Durenberger, David Boren, John Breaux, Bill Bradley, Ken Conrad -- I don't know about Kent Conrad, I think

Mitchell may have won him over -- Bob Kerrey and Joe Lieberman. And the thought is that you -- if you develop a satisfactory number of amendments that are accepted, then there will be something passed.
Now as you see this -- and the others will join you -- as you see this, what do you like and what do you dislike? Let's start with what you like.
SEN. CHAFEE: Well, what we do like is that he's put off the employer mandate, and it's not -- and it's not up -- right up front, not -- doesn't come right into action first, he's put it way at the end. Now we don't like it being at the end, but it's a lot better being at the end in connection with the so-called trigger.
MR. MCLAUGHLIN: That's a placement consideration. SEN. CHAFEE: Yeah, but it's much more than that. It's the prominence of it. But nonetheless, he's recognized that.
MR. MCLAUGHLIN: Can you accept the hard trigger that he describes in it?
SEN. CHAFEE: No, no, we can't, we can't, but that's a difference.
MR. MCLAUGHLIN: Is there any kind of trigger that you can accept?
SEN. CHAFEE: Well, not that would involve a so-called employer mandate, that requires if such and such occurs, then in kicks a requirement that every employer pay -- whether it's 80 percent or 50 percent of every one of his or her employees, we think that that's really very, very severe on small businesses. In my state it would be extremely severe.
MR. MCLAUGHLIN: Do you think any kind of employer mandate can get out of the United States Senate?
SEN. CHAFEE: Well, we hope not, but there are -- but I don't want --
MR. MCLAUGHLIN: Well, but, could it be done on a partisan basis? He's got --
SEN. CHAFEE: No.
MR. MCLAUGHLIN: Obviously he has the Democratic -- he has a number of Democrats -- 56 Democrats in the Senate.
SEN. CHAFEE: That's right.
MR. MCLAUGHLIN: But he's short -- I understand he's short nine. Is that right?
SEN. CHAFEE: Well, I hope he is. It's hard to keep these counts.
But let me go on to some other things. There are a lot of other things -- too much time has been spent dwelling on the so-called employer mandate. I think that there are other things that, as I mentioned before, there's an awful lot of government intrusion in that bill. And I don't want to get into every detail about it, and I must say it gets pretty darn complicated, hut in effect, he has the government setting the premiums that the insurance companies can -- in some instances can charge, and we just think that's bad business.
MR. MCLAUGHLIN: Well, don't you support part of that yourself with your community rating position? SEN. CHAFEE: No. No, well, that's a different thing. Community rating isn't the government setting the rate. Community rating just says that if a -- if an insurance company is to offer insurance, they've got to offer it to everybody, to the senior and to the young man as well. Now we have a variation in that, by the way.
MR. MCLAUGHLIN: Does this document also provide for the U.S. government to set the number of doctors that should go into certain specialties?
SEN. CHAFEE: That's right. And I think that's bad. If a young fellow wants to be an ophthalmologist and go through that specialty training, three cheers.
Now, it may well be that he's not going to get a job, because I think under this managed care, and with more and more people being in health maintenance organizations -- HMOs -- you're going to find that the specialties, the demand for the specialties is clearly going to decrease.
MR., MCLAUGHLIN: What about the federal employee health plan for all? That's in here too.
SEN. CHAFEE: To a degree, yes.

MR. MCLAUGHLIN: To a degree. Is that not back-dooring single payer?
SEN. CHAFEE: Well, I think it is. I think you're right on that, and -- but anyway, that's something that's there.
MR. MCLAUGHLIN: Is the overall strategy -- you mentioned there's an overemphasis on employer mandate -- do you think there's an overemphasis on universal coverage? I mean, you agree -- doesn't everybody agree in principle with universal coverage?
SEN. CHAFEE: That's right, and I think the president got himself way out on the end of a limb when he gave that speech before the Congress saying if it doesn't have universal coverage -- cover everybody! -- then I'm going to veto it. Now, what's he mean by universal coverage? I think that this bill here, and indeed, this follows what we did in the finance committee -- this says -- we strive for 95 percent. If we reach 95 percent that's pretty darn good, because we think we can keep going on from -- that's not the end of the day.
MR. MCLAUGHLIN: But you know that rhetorically and for debate purposes the president and Hillary are funneling all arguments, all problems with this bill into just one heading and that's universal coverage. They're defining the terms of the debate, and they're saying that you and others like you in the Republican party, are relatively unconcerned about those who can't get universal coverage. They're still playing that record at you, and the idea is that the people who want universal coverage in the bulk will seize upon that and see that that's the only problem with this bill.
Now you have said, and Dole has said, that there are a lot of other problems with this bill other than universal coverage. But they're defining the debate in those terms, they're sluicing and shoehorning everything into that as though -- if you get over that hurdle, then there's nothing else wrong with this bill. But there's a lot wrong with this bill, is there not?
SEN. CHAFEE: Sure. But let me go back. Of course, their definition of universal coverage seems to vary. For instance, the president himself has said if you get 95 percent coverage that's fine. Now, is that universal coverage? We thought so in the Finance Committee, we thought that was a very, very worthy goal to try to attain, and that's what we had.
MR. MCLAUGHLIN: Is there a tax fairness issue here?
SEN. CHAFEE: Yes, there is. Unfortunately, Senator Mitchell doesn't allow the solo entrepreneur, the farmer, or the individual self-employed fellow -- might be a carpenter -- to deduct 100 percent of his health care premium. Yet if you work for a big company, that's not taxable to you.
MR., MCLAUGHLIN: Do you think that Clinton can get the liberals to support this bill, or any Senate finance plan, for that matter? I'm talking about Dingel, I'm talking about Waxman, and Pete Stark and Rockefeller and Kennedy. If this is amended to your satisfaction, then he's got a problem with his left. If it's not amended to your satisfaction then he's got a problem with people on his right. Some Republicans and some Democrats. Right?
SEN. CHAFEE: Right. I think it's far better off for them to have a bill that has less regulatory things, less government intrusion in it. I think that will fly much better, not only in the Senate, but with the public of the United States of America.
MR. MCLAUGHLIN: We'll be right back with Senator John Chafee, and we'll play a little biography of Senator Chafee.
MR. MCLAUGHLIN: Senator Chafee, here's a profile of your distinguished career. Born: Providence, Rhode Island, 71 years of age. Wife: Virginia. Five children. Episcopalian. Republican. Harvard University: Doctor of Laws. United States Marine Corps: Captain, World War II, '42 to '45, fought in the Battle of Guadalcanal; plus combat in the Korean War, '51 to '52.
Rhode Island House of Representatives: minority leader, six years. Rhode

Island: governor, six years. Nixon administration: secretary of the Navy, three years. United States Senate, Rhode Island: 18 years and currently. Senate assignments: Finance Committee, Small Business Committee, Environment and Public Works Committee, Select Intelligence Committee. Republican Task Force on Health Care: chairman, four years and currently. Americans for Democratic Action, ADA -- premier liberal rating system: out of a perfect liberal 100, 55 in '93; 58, lifetime.
You know, you are free to use that biography in your upcoming election run in November. (Chuckles.)
SEN. CHAFEE: Couldn't do better. (Chuckles.)
MR. MCLAUGHLIN: How is that shaping up, by the way?
SEN. CHAFEE: It seems to be so far so good, but you know, Rhode Island is a very Democrat state. You can't take anything for granted.
MR. MCLAUGHLIN: You served in Guadalcanal, you served in Korea. Have you thoughts on the prospect of an invasion of Haiti?
SEN. CHAFEE: Well, yes, I certainly have. I think, first of all, before we get talking invasion of any place, we want to determine whether this country -- that is, the place we're involved with -- is of significant national importance to us. And I don't see it. I don't see what our great national interest is in Haiti.
MR. MCLAUGHLIN: Well, did you hear the president the other night? Wednesday night?
SEN. CHAFEE: I --
MR. MCLAUGHLIN: Do you think he satisfactorily cleared that hurdle? SEN. CHAFEE: No, I don't think so. I know that he dealt with it, but it didn't meet it to my satisfaction.
MR. MCLAUGHLIN: You're a member of the --
SEN. CHAFEE: And frankly, I don't see why we have the embargo on Haiti, I just don't see why we're involved to the depth that we are.
MR. MCLAUGHLIN: What about the restoration of Aristide to power? You're a member of the Intelligence Committee, you were briefed on Aristide. Can you tell us anything about that briefing and what do you think of the logic of returning him to power?
SEN. CHAFEE: No, I -- set aside the being on the Intelligence Committee, I just don't think that it behooves us to get this deeply involved in restoring Mr. Aristide the presidency. It's -- if -- it just doesn't affect us that much. I -- we cannot interfere in every country, even though it is in our hemisphere.
MR. MCLAUGHLIN: I have one quick question on health care before we leave the subject. You are supporting a 29 percent excise tax on expensive insurance.
SEN. CHAFEE: Uh-huh.
MR. MCLAUGHLIN: Right?
SEN. CHAFEE: It's not 29, but never mind, go ahead.
MR. MCLAUGHLIN: What is it?
SEN. CHAFEE: Twenty-five.
MR. MCLAUGHLIN: Twenty-five?
SEN. CHAFEE: Yeah, I'm -- go ahead.
MR. MCLAUGHLIN: Okay, and I think Mitchell is, too, isn't he?
SEN. CHAFEE: That's right. He has one, too. It's -- his is much more complicated, we think, than ours.
MR. MCLAUGHLIN: Well, why are you involved in what many people see as a middle-class tax increase?
SEN. CHAFEE: Well, the purpose of this tax is not to raise revenue, it's to get people to choose the less expensive plans. In other words, under our -- set aside what Senator Mitchell does, just take what we do, which is part of the Finance Committee measure. It says that if one takes a plan that is in the very

expensive category, that there is a tax applied to it. And as I say, the purpose isn't to raise revenue. Yes, if we raise some revenue, that's fine, but the purpose really is to get the people to choose the less expensive plans.
MR. MCLAUGHLIN: So it's social engineering affected by economic incentives, is that --
SEN. CHAFEE: Well, you can label it what you want, but the --
MR. MCLAUGHLIN: You're going to -- you could --
SEN. CHAFEE: -- the way -- the way I -- the way I'd label is to get the thrust toward less heavy expenditures in the whole health care field.
MR. MCLAUGHLIN: But you could drive fee-for-service plans off the market, and that would affect those in rural areas who don't have managed care, and it would also affect some unions that don't have adequate managed care.
SEN. CHAFEE: I don't think that that follows. I think that it is true that probably the fee for service, where you can go out and choose any doctor you want, any hospital you want are going to end up more expensive than the HMOs, no question.
MR. MCLAUGHLIN: Senator, we'll be right back.
(Announcements.)
MR. MCLAUGHLIN: Killer question: If Senator Mitchell gets 50 votes for his hard trigger on employer mandate, will you join a Republican filibuster?
SEN. CHAFEE: That's too iffy a question, John. I'm not going to answer a question like that.
MR. MCLAUGHLIN: Can you conceive of any circumstances where you would join a Republican filibuster?
SEN. CHAFEE: I -- I'm not going to speculate on that. Let's see -- we've got -- this thing has got a long way to play out.
MR. MCLAUGHLIN: Thanks so much for being my guest, Senator John Chafee.
END OF REGULAR SEGMENT PBS SEGMENT FOLLOWS
PBS SEGMENT
MR. MCLAUGHLIN: Can I talk to you a little bit about the conference report? We've got a bill in the House, we've got a bill in the Senate relating to health care reform, correct?
SEN. CHAFEE: Right.
MR. MCLAUGHLIN: What do you think of the House bill?
SEN. CHAFEE: I think it's terrible.
MR. MCLAUGHLIN: Why?
SEN. CHAFEE: Well, it has all kinds of provisions in it -- well, let me just give you an example. It takes all the Medicaid population, it takes all the self-employed, it takes numerous other people and puts them under Medicare, and no matter what you say about Medicare, no one can say that Medicare has controlled costs. It's just been a disaster financially. Medicare is all right for the beneficiaries, but for the U.S. government that's paying the bill, it's just been an un --
MR. MCLAUGHLIN: Mitigated, yeah.
SEN. CHAFEE: -- mitigated disaster, and so that's the first thing that's completely wrong with it. They've got a whole series of other provisions in there that really make it so that HMOs can't function successfully -- that's one of the provisions --
MR. MCLAUGHLIN: You're talking about Part C of Medicare.
SEN. CHAFEE: That's right.
MR. MCLAUGHLIN: Now, if you did flood that sector with the populations you are talking about, how many people would you be moving into there?
SEN. CHAFEE: Well, I've seen different estimates that get up into the -- into over a hundred million people with the --
MR. MCLAUGHLIN: A hundred million?

The probability is heightened because the composition of the Senate and the House will be more hospitable to the type of plan you are talking about. So why are you so dedicated to rushing this thing through before the end of this August recess?

SEN. CHAFEE: Well, I don't like the word "rush." I said before that I think we can move with deliberateness and common sense and caution and thoroughness in the time we're going to be here -- not one, but two extra weeks. So there's three solid weeks in which we can deal with this matter.

Now if we can't, then that's that. But I think -- and I'd -- I also said that this thing is getting dicey now. We're getting up close to the margin and time, but I still think there is enough time, but not much extra.

END

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HEADLINE: Mitchell Pitches Compromise Health Reform Plan

BYLINE: By CHRISTOPHER CONNELL, Associated Press Writer

DATELINE: WASHINGTON

BODY:

A sobered President Clinton, touched by the story of a man who buried his uninsured wife two days ago, declared today it was time for members of Congress to "make the tough decisions and not to walk away" from health-care reform.

As Clinton put fresh pressure on Congress to act, Senate Majority Leader George Mitchell voiced confidence that legislators would approve health reforms this year, and Minority Leader Bob Dole indicated a Senate filibuster was unlikely.

Under sunny skies, the president and Hillary Rodham Clinton welcomed hundreds of "Health Security Express" bus riders to the South Lawn to culminate their trek to Washington to press for health reform.

John Cox, who lost his wife, Jan, to stomach cancer while he was traveling with the caravan, told a hushed White House crowd: "We buried her Monday and I'm here today to tell Congress that right is right."

"Unless we can ensure universal health coverage to all Americans, then life, liberty and the pursuit of happiness for some is just a dream," said, Cox, a Christian broadcaster from Athens, Texas. His wife's cancer bills were not covered by insurance because the illness was deemed a pre-existing condition.

Clinton embraced Cox, wiped away a tear and then declared in a cracking voice: "Congress has to decide whether it's going to listen to the insurance companies or to Jan Cox's last wish."

He said Congress had signed on to make the tough decisions and not to walk away," adding that legislators can't duck "those that are difficult, controversial and make people mad."

Mitchell said his compromise plan to get 95 percent of Americans covered by the turn of the century represented an attempt "to come up with a rational and coherent plan that represents what is best for the country and ... has some reasonable chance of being enacted."

But Dole said Mitchell will "need a great deal of flexibility" to push a bill through.

Some moderate Democrats who have dug in their heels against any forced contributions by employers expressed misgivings Tuesday about Mitchell's backstop provision that could require some employers to pay half their workers' premiums in the year 2002 and beyond.

"You just can't sell mandates to the United States Senate," Dole said today on NBC television.

"There's no filibuster strategy," the Republican leader said. "But lets face it, we need a long debate on it."

Mitchell, at a breakfast with health reporters, said, "I don't think there's going to be a filibuster. I don't have any plans to break a filibuster."

Mitchell said he was certain that health care reform will be enacted, but added, "there is not a chance in the world that this bill will pass the Senate unchanged."

Clinton lauded the compromise proposal, saying it "provides for universal coverage (and) enables Americans to keep their current insurance and their doctor." He said it would achieve "what the American people want - health coverage that can never be taken away."

House leaders delayed until Monday the deadline for their bill and rival plans to be submitted to the Rules Committee.

The long-awaited debate will open Tuesday in the Senate, and later in the week in the House. Mitchell has vowed to make the Senate work six days a week until it is done.

House Speaker Thomas Foley said today he couldn't guarantee that the House would act on health care before its scheduled August recess, due to start Aug. 12. "The scheduling is getting pretty tight," Foley said.

Health coverage is expected to be the main topic of Clinton's scheduled news conference tonight.

Democrats in both chambers have made major alterations to the battered plan that Clinton proposed in December, but House Majority Leader Richard Gephardt's bill stayed closer to the White House mark. It included a requirement that employers contribute 80 percent of the premiums and promised to cover everyone by 1999, a year behind Clinton's schedule.

Mitchell said most of his subsidies - upwards of $ 900 billion over 10 years - would come from savings in Medicare and Medicaid; most of Medicaid would be scrapped, with the poor getting help to buy private insurance instead.

Citing a drop in the percentage of Americans with health insurance from 90 percent in 1980 to 85 percent today, Mitchell said, "If we can reverse the downward trend, move up to 95 percent and have a mechanism in place for going the rest of the way, it will be a truly significant and lasting achievement."

The retiring majority leader, who gave up a shot at the Supreme Court to concentrate on enacting health reform, said, "I did not have a plan that could have gotten us to higher than this. This is the best I can do."

But Dole said Tuesday that, "It's not going to fly."

Some 100 million people would get some form of subsidy under Mitchell's plan, said the Kansas Republican, whose less sweeping alternative is backed by 40 of 44 Senate Republicans.

Sen. Nancy Kassebaum, R-Kan., said Mitchell's bill "sands down some of the sharp edges in the Clinton plan," but still promised too much and smacked of heavy-handed government.

Sen. Joseph Lieberman, D-Conn., said Mitchell could get 60 votes if he dropped the distant employer mandate.

That requirement would only be triggered in 2002 if voluntary measures had failed to produce 95 percent coverage by 2000 and Congress did nothing to insure everybody else. Even then, the mandate would only hit firms with 25 or more employees in states with less than 95 percent coverage; those businesses would split the premiums with their workers. Workers in smaller firms would have to buy their own coverage.

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