

THE WHITE HOUSE

WASHINGTON

16 May 1994

Update on Health Care

Date: 16 May 1994
Location: Oval Office
Time: 1:45 p.m.
From: Harold Ickes

- I. PURPOSE: Briefing and update on the legislative status, message and certain issues regarding the health care initiative
- II. BACKGROUND: None
- III. PARTICIPANTS: Vice President Gore
Mack McLarty
George Stephanopoulos
Harold Ickes
Ira Magaziner
Pat Griffin
Maggie Williams
Melanne Verveer
- IV. PRESS PLAN: None
- V. SEQUENCE OF EVENTS: Approximately 15 minute presentation about the status of the legislative process; approximately 15 minute presentation of certain substantive issues; the balance of the time for Q & A.
- VI. REMARKS: None required

Small notes - limits - 5/10/74

• Paul • HI
• Geyers • Pat G

Home - slowing down -

Genes - not sure still working

regular order can still produce but?

BC needs to meet w/ joint working society to put pressure on

Gabriel case covered the full and water

BC needs a needs -

G-5 - C Lifer (Barn / Carey - good

how to get there

F

M E M O R A N D U M

TO: Dr. Laura Tyson
Alice Rivlin
Dr. Judy Feder
Nancy Ann Min
Stan Greenberg
Mandy Grunwald

FROM: Harold Ickes

DATE: 12 May 1994

RE: Senator Mitchell's Premium Cap Presentation

Attached is the final copy of Senator Mitchell's presentation on premium caps which you will find useful for this evening's 6:30 p.m. meeting in Room 100.

Sat
reels

- Small (Sat reels) : 5/5794 - Sat -

① ~~Small~~ Need to reel reels reels -

→ Need collected people

→ need reels list # of issues -

② Let process continue in 5 new reels

- Too early ~~for~~ to reach reels intensity
reels

③ → Kenney to plot reels to only

④ Premium cups -

- HRA only -

- Porty list part - 70% of population

→ reels

→ reels

- all reels in your reels 100

reels - pay 70% of average reels
reels

private reels pay 120%

- 3 reels (Kenney; For; Porty) at reels
reels reels - reels reels reels reels
reels reels reels reels

⊗ - reels reels reels reels

- reels reels reels reels

reels reels reels reels

- reels reels

- reels reels

→ reels + reels reels reels

- reels

- reels reels

Health care mill meeting - 5/11/94 1:00 -

Gelbart - moved about what party will do

Troyer -

- Blue R. plausible but not really workable
- IP - need to look at reverse transfer for premium caps -
- plan on insurance side more difficult -

Timothy F.

Cost containment -

- Caps offset \$180 billion
- DR - incorporated case we are OK
- structure re medical may be a problem

2 items: for adverse outcomes will:

- ①. incorporated case not there anymore
 - ②. medical population will be more expensive than they used to be
behave
 - will see more medical services
-
- medical rates are lower than have been below going rates -

③ we argued we could carry medical people at the same cost as before

CBO took those points into account

→ we can defer our nuclear -

Ken Thompson - not necessarily that much more

over 5 years Caps it would offset costs 180 billion
a public side & 180 billion on private side

for the same night with new plan.

- If doctor charges me ~~the~~ the regulated fee, then patent must pay who fee rather than the difference between fee schedule & the price charged ~~to~~ by the doctor

◦ No more balanced billing as in
new printed

I'm for ~~perm~~ permitting a balanced
budget unless if we need to
to get perm caps

— We now see CBO makes up 15% higher prices

⑧ Caps - very out 360 billion of waste in the market

but counts against will say that some of
9 these things will come at expense of
salaries & more -

Two agents,

- ① how do we get to a reduced price
(e.g. in competitive case identical)
- ② rate of growth

- Next meeting - to prepare 8 papers to explain & deal w/

③ Cooper - No need to prove this - too complicated/complicated

④ Terminy / put forward some weeks -
- let the committee do it

- Small meeting - 4/28/94 -

- Thursday - 6:30 -

Tringee - (2) concerns

(1) cost containment

- 3 new plans in

- all firms above 100 on net pay for 80% of indicated premium (not family premium)

- firms under 100 no indicated -

by 1998 - look at it again - below 25% no net pay covered
more indicated falling again

- Text is correct -

• subsidies for non net pay space will be lower by 2000

No benefits of cost rating before higher is pulled -

Thus no surveys -

- Must have premium cap from beginning -

- could reset premium cap from beginning of competitive rounds -

Demur

(1) get estimate of costs into a full round model

(2) could do full round in 2/3 weeks -

(2) Reason -

does analysis -

(3) premium cap -

- argument will lead to rating

- will need need mechanism to split caps or take them off

4/7/99 :- Small Health Group:

- G. Spelman
- H. B. L.
- F. Poyne
- Blinder
- Gifford
- J. J. J.
- Leon Panto
-

Spelman



= S. J. J. to go to any one of low wave work -

- by business owners will get subsidy for low wave work - therefore a really useful

Problem - dual workers -

- and ~~some~~ require a higher premium for uppers that have a ~~space~~ ~~compared to~~ compared to ~~as~~ ~~for~~ proposed

= equity among workers is better - that to family income - ~~the~~ ~~the~~, ~~that~~ to family % of family income -

Health Care - meeting - 4/11/94

- | | |
|------------|---------------|
| • P.C. | • P. Giffen |
| • H.P.C. | • I. Noyes |
| • T. Gna | • S. Pischke |
| • S. Wiers | • P. N. Lundy |
| • G.S. | |

DC = shitty -

• sliding % for em on expenses get ~~small~~ - small -

Poland -

Need
a meeting

More

① Payment -

- negotiation for SS
- SS common
- • Need memo for DC on all SS issues
- budgetary aspects - what cost -

• Welfare

- • Include budgets for income exp ans
- list of f
- VP national ~~to~~ list to



Small party (went) - 4/13/94

- ① 25% below many past cost
- ② may not be able to absorb price caps
w/o reducing allowances
- ③ analysis -
rangers / & rollers

- Skottens	} ECC ECC
- Lehman	
- Boucher	
Breunert	} W & N

Health - HRC meeting 9/29/93

meeting - small
health

- HRC
- Pelame U.
- Put G
- Jungs
- Lew
- Ruchito
- Ideo

~ Doyle problem ~

- Industrial products - are shown but back
- Trojan -
- Products / come out / pay well too
- premium cups -

*small meeting
Laufer*

MEMORANDUM

TO: Harold Ickes
DATE: 26 March 1994
FROM: Janice Enright
RE: Summary of 3/26 Saturday Healthcare meeting

Meeting attended by:

Pat Griffin	Greg Lawler
Laura Quinn	Ira Magaziner

Post meeting "to do" by HI:

1. Get Stan to get some new data without causing damage.
2. Get bottom line policy discussions going with POTUS and FLOTUS soon.
3. Shut down Gene Sperling (include Griffin and Rubin in that discussion).

It was agreed that the only reason Sperling is not leaking to the press is because he still thinks he will have a forum at the 6 p.m. meeting to get the individual mandate discussion on the table. If he thought that wouldn't happen, he would be out there talking. We would be severely damaged, if not fatally damaged, if that happened.

[prior to the meeting HI wanted to make sure bottom line discussions were on the table regarding policy options]

Griffin discussed how we interact during the next stage.

- resist temptation to get involved yet stay helpful and constructive
- Dingell and Rostenkowski will be completing markup. We need to get our inside decision making process ready and ready to react but we should not take an overt position.

Lawler questioned what if we get there sooner than Memorial Day.

Quinn questioned what if a major committee produced a mark and how we need to structure our response to it.

Saturday 3/26/94 healthcare meeting

Griffin emphasized that we cannot afford to "piss" on the chairs now because we'll need them in the end. His strategy is to "shut up and stay out".

Ira questioned where Rostenkowski really is in this. What his commitment is to getting the President's plan through.

Griffin believes Rostenkowski is with us but will not take it much beyond the goal line. He said Rostenkowski will be more reflective of what's going to happen on the floor.

Griffin discussed a 218 strategy.

Lawler questioned how we frame the debate on the floor.

Quinn broadened that question to include the Rules Committee. Needs to know what we want it to be.

There was general discussion around Stan Greenberg's research which reveals that all the members are generally afraid to vote against reform.

We need to debate on the floor the 5 principles.

Ira questioned again about Rostenkowski. Does he feel he has to deliver to the insurance companies (and effectively give away choice)? Griffin said Rosty is not going in with that on his mind, but will want to do something somewhere for the insurance companies and agent (who have financed his potential reelection).

Lawler wanted to know if it is time to focus on the Senate Finance Committee. It was agreed by Griffin that we should start to do that. We need to develop a presence in key committee members' states.

Ira raised concern over the internal dynamics of the Administration.

- How can we justify George Mitchell trying to hold on to employer mandate, or Dingell ready to fall on his own sword to preserve it while our own economic team is actively discussing individual mandate.

Ira raised that he has been encouraging and stressing the need for weekly POTUS meeting to discuss policy. Griffin and Lawler skeptical but agree in the end.

Saturday 3/26/94 healthcare meeting

Ira concerned about the individual mandate discussion being promoted for the 6 p.m. meeting by Rubin, Sperling and Blinder. It was agreed by everyone that if it gets out we are dead.

Quinn reminded that there is active fundraising going on to get ads up for employer mandates and this could be potential disaster with labor people as well as the fundraisers.

Ira went back to discuss the 50/50 or hybrid version (individual mandate at low end -- less than 10 -- 100 would be a disaster)

Post recess strategy needs to be discussed soon.

Ira recounted the history of HHS feeding Dingell and Stark to the detriment of Ira.

Again Ira raised concern over CEA and Treasury contingent which is actively trying to counter Administration policy on mandates.

Quinn stressed the importance of new data from Stan on what it would mean to people if individual mandate emerged.

Griffin said it is dangerous but we seriously need it.

The question runs from individual mandate and choice.

Some discussion on utilizing the end of recess to bring staff members in for a pizza party and have Stan roll around some info on the new data (assuming he gets it).

4/24/84 - Small meeting -

Health care

- 11 white
- 2 come out
- 11 premium capers
- 11 allows

⇒ Trainers - based on % of people covered

⇒ Place in risk and premium

- Trainers w/ premium caps -

→ payment they received caping by caping
if coverage not met needed

⇒ Need to get CBO -

- Get talking points

- Wait until cover is over then
do a road model

meeting, small
halls

- 4/30/99 - Sat Meeting -

- Cowen -

- Mitchell

= Tom Schenck -> Cowen [Drew]

- Ly Publicus -

→ Drew says from current meeting meeting
⊗ [NE to attend the bus →]

13 seats come meeting w/ BC 2/28/94

meeting null
results

over office

- BC
- AG
- GS
- DG
- ICR
- I. Poyzner
- P. Giffen
- P. N. Lutz
- S. Runtz

- longitudes over new
- • D. novel problem -
- Roster change - a tiny problem not a problem
- B. say default - on rodents + 15 ee current
- IP - don't do anything yet w/ B. say
- IP substitutes -

D. say proposal is OK

under 10 ee in 80% of ephes but
not that many ee -

→ Have some limited seats -

- Take off extra seat off table
- Round table
- individual rodents

→ Cooper could be very new

⊕ → VP

Portchanku in HIPP

- longitudes in community rates
- machine B & C - (pure control or provides rather than a mixed premium)

EDD never pure control only at 60% ^{efficiency} ~~efficiency~~
~~like~~ unlike premium caps that are 100%
efficiency

IP - choice OK on rodents

- T. say machine - let competition work for
while & if it doesn't provide mixed income,
then on rodents and T. say in
to guaranteed mixed income -

First time
premium
are