THE WHITE HOUSE

WASHINGTON

March 7, 1994

The Honorable Norman Y. Mineta
U.S. House of Representatives
Washington, D.C. 20515

Dear Congressman Mineta:

Thank you for sending the information and video from Dr. Edmund Tai about the Treatment Center of the Sunnyvale Medical Clinic.

The Treatment Center has shown true leadership in adopting innovative reforms in health care delivery. By increasing competition among health plans and giving consumers the information and ability to make meaningful choices among plans, the Health Security Act provides incentives for the development of innovative, high quality and cost-effective health care.

I look forward to working with you in the coming weeks and months as Congress considers the Health Security Act.

Sincerely yours,

Hillary

Hillary Rodham Clinton

cc: Edmund Tai, M.D.

NORMAN Y. MINETA
MEMBER OF CONGRESS
15TH DISTRICT, CALIFORNIA

DEPUTY WHIP

CHAIRMAN
PUBLIC WORKS AND TRANSPORTATION COMMITTEE

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TO: Steve Edelstein

The White House

FROM: Chris Strobel

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If all pages are not received, call (202) 225-2631

NUMBER OF PAGES TO FOLLOW (EXCLUDING COVER SHEET): 3

Steve:

Here's the letter and the background material. As I said, Norm is going to be out of pocket until Monday, but that would be a good day for Mrs. Clinton to call.

Thanks, and don't hesitate to call if you have any questions.

Chris

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November 10, 1993

Mrs. Hillary Rodham Clinton
Chair
President's Task Force On Health Care Reform
The White House
Washington, D.C. 20500

Dear Mrs. Clinton:

I have reviewed the legislation submitted by the President to implement the Health Security Act. I am very impressed with the structure and the overall scope of the plan, and I am hoping to give it my full support.

However, there are a number of important points on which I need to have clarification. I have outlined them on the attached pages.

In some cases, resolving these issues may require actual changes in the legislation. At a minimum, report language or other legislative history will be needed to clarify the intent of these provisions.

These particular concerns aside, I would like to take this opportunity to congratulate and thank you for the tremendous service you have done this Nation in developing this proposal. I am very much looking forward to working with the President and you to make these vital reforms a reality.

Once again, thank you for your consideration. I look forward to hearing from you.

Sincerely yours,

NORMAN Y. MINETA
Member of Congress

NYM:cws

HEALTH SECURITY ACT
Comments
Norman Y. Mineta, M.C.

MINORITY HEALTH ISSUES

1) Linguistically and culturally appropriate care - The plan frequently uses the term "demographic characteristics" as a factor which must be taken into account in providing patient care, measuring provider performance and tracking health data. Some clarification must be made to specify that language and cultural barriers are included in that term. These will be new issues for many providers and insurers, as well as for those who will design the health data collection system. If language is not specifically mentioned, it will likely be left out.

2) Health professions training - Measurements of provider supply and funding for increasing representation of minorities in the health professions must be based on ethnicity in addition to race.

In aggregate, Asian Pacific Americans are over-represented in the health professions (10.1% of physicians vs. 3% of the population). However, this is largely due to the Japanese American, Chinese American, and increasingly, the Vietnamese American communities. Other groups are substantially under-represented.

If the provider supply data is not broken down by ethnicity, one of two problems will surface. Either Asian Pacific Americans will be ignored because of their aggregate over-representation, or benefits will end up going to the communities which are most readily able to access them - which happen to be the groups that are already over-represented.

3) The data collection provisions need to be tightened to clarify that health alliance enrollment forms must record ethnicity and language requirements, and that this data should be tracked as part of the proposed national health information network. Similarly, the language abilities of physicians need to be recorded as well. A third-generation Japanese American physician isn't necessarily going to be able to speak Vietnamese or Cambodian, or even Japanese. He or she might be unable to provide linguistically appropriate care, while a Caucasian physician might be fully qualified to do so. A fully accurate portrait of patient needs and provider skills is needed.

INSURANCE ISSUES

McCarren-Ferguson anti-trust exemption repeal for health insurers - I have fought successfully for a number of years to preserve the McCarren-Ferguson anti-trust exemption. With the changes to health insurance under the reform package, I agree that this is no longer necessary for health insurance. However, I am concerned that there may be an attempt during consideration to widen this to a total repeal. I hope the Administration will oppose any attempt to expand this beyond the health insurance area.

GAY RIGHTS ISSUES

1) The non-discrimination statements in the legislation cover all categories under existing federal law, but does not cover sexual orientation either in patient care or employment. At a minimum, it must be made clear that these provisions do supersede state and local laws that do prohibit such discrimination.

2) The bill includes language aimed at allowing religious hospitals and physicians to refuse to provide items or services if they have a "religious or moral conviction against doing so". However, as the language is currently drafted, it is the provision of an item or service that triggers the religious conviction issue -- not the item or service itself. That leaves room for a provider to refuse to treat patients the provider finds morally objectionable. This must be clarified.

CORPORATE ALLIANCES

I have been contacted by a number of large, self-insured companies with the following concerns. The companies are Allied Signal, Ameritech, Amoco, ARCO, Bell Atlantic, Boeing, Cox Enterprises, Dow Chemical, DuPont, General Electric, Hershey Foods, Intel, IBM, Pacific Telesis and Southwestern Bell. They may be willing to publicly support the plan if these issues are resolved.

1) How will corporate alliances barely above the 5,000-employee threshold be treated in the event of layoffs or firings? Will they be automatically enrolled in the alliances, and can they get back out again if they climb back above 5,000 employees?

2) If an employer grows to the 5,000-employee level after the plan goes into effect, can that employer leave the regional alliance and establish a corporate alliance?

3) Is it possible to include ERISA-preemption language for multi-state corporate alliances to allow for direct regulatory oversight by the National Health Board rather than by individual states? This would substantially reduce the regulatory burden under which multi-state corporate alliances would be required to operate.

TO: Hillary Rodham Clinton
FROM: Jennifer Klein
DATE: November 22, 1993
RE: Congressman Mineta's Comments

Congressman Mineta has raised the following issues:

A. Minority Health Issues

1. Linguistically and Culturally Appropriate Care

The introduced version of the Health Security Act provides that a health plan may not discriminate against an individual on the basis of language, race or national origin, among other factors. The provision also specifies that a health plan may not engage in discrimination against a provider based on language, race or national origin, among other factors. (See section 1402(c).)

In addition, funding is provided through the Public Health Initiatives Fund to improve access to health services for urban and rural medically underserved populations and to expand capacity of community practice networks.

2. Health Professions Training

The Health Security Act requires the National Council on Graduate Medical Education to consider the race and ethnicity of training participants in making allocations for medical specialties among programs and to consider the extent to which a racial or ethnic group is underrepresented in the field of medicine generally and in particular specialties. (See section 3013(c).) In addition, funding is provided to support projects to increase the number of underrepresented minority and disadvantaged persons in medicine and other health professions. (See section 3062(b).)

3. Language Skills and Other Patient Needs

The Administration has addressed the need for language skills of physicians and other means for meeting patient needs as part of the national quality system rather than through data collection requirements. The national quality system in the Health Security Act measures patient satisfaction as well as access to care, use of health services and health outcomes. Consumer surveys specifically assess the impact of the Act on vulnerable populations. Health plans measured on their ability to reach and serve patients will consider the language skills of their physicians and other means of meeting patient needs.

B. Insurance Issues

The Administration supports only the repeal of the McCarran-Ferguson anti-trust exemption for health insurance.

C. Gay Rights Issues

1. Anti-discrimination Provisions

Based on the recommendations of lawyers in the field of anti-discrimination law, the Act provides that no health plan may engage in any activity that has the effect of discriminating against an individual on the basis of race, national origin, sex, language, socio-economic status, age, disability, health status, or anticipated need for health services. In addition, in selecting providers for networks or in establishing the terms and conditions of membership in a network, a health plan may not discriminate against a provider on the basis on the race, national origin, sex, language, age, or disability. (See section 1402(c).) Legally, these provisions augment any state or local laws that prohibit discrimination on the basis on sexual orientation.

2. Conscience Objection

The intent of section 1162 (Provision of Items or Services Contrary to Religious Belief or Moral Conviction) is to permit health professionals or health facilities to refuse to provide an item or service if they have a moral or religious objection to <u>that item or service</u>. We would support an effort to clarify that language.

D. Corporate Alliances

1. Corporate Alliances Falling Below 5,000 Employees

Corporations eligible to form corporate alliances may continue to operate as corporate alliances until the number of employees falls below 4,800 full-time employees. If the number of employees falls below 4,800, the corporation's employees enroll in a health plan in the regional alliance.

2. New Corporate Alliances

An employer that reaches 5,000 employees after the effective date of the Health Security Act may elect to form a corporate alliance.

3. Regulation of Corporate Alliances

The states have no authority to regulate corporate alliances. The requirements under the Act are supervised by the Department of Labor.