Jen

Comments on Kaiser

1. More details on Medical

2. Does Medi Cal know?
They will get phone calls -
want to make sure they
are supportive

Emily

3. Does HIPC know?

4. Do we have statement
of Support from Kaiser
of our initiative?
They should at least be
fully aware of what we're doing,
and also be able to
articulate how ~~we~~ their
initiative would work under
our proposal.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
OFFICE OF HEALTH LEGISLATION

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- [ ] GREGORY JONES
- [ ] ANDREA LEVARIO
- [ ] JUDY LEWIS
- [x] COLLEEN MEIMAN
- [ ] ROGER MCCLUNG
- [ ] MARC SMOLONSKY
- [ ] DEBRA SPEIGHT
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PAGES ____________
(INCLUDING COVER)

REMARKS

These are the "crowd out" Q's we need your input on.

GREER, MARGOLIS, MITCHELL, BURNS
GMMB&A
& ASSOCIATES, INC.

GMMB&A Fax Cover Sheet

Date: ___/___/___

To: Jennifer Klein

From: Roy Behr

Number of Pages to Follow: 3

Comments:

Here are a description of Kaiser's plan to subsidize uninsured children & a Q&A document. Please call if you have any questions

If you should have any problems with transmission, please call:

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Questions and Answers about Kaiser Permanente's subsidy program for uninsured children

1. **What is it?**

   Kaiser Permanente is committing $100 million over the next 5 years to subsidize health coverage for low income children in California. Approximately 50,000 children a year will receive the subsidies.

2. **Who will be eligible?**

   The subsidies will go to children whose families have incomes between 100% and 300% of the poverty level, are not eligible for public subsidies, and are currently uninsured.

3. **How much of a subsidy will each child receive?**

   The subsidies will vary from 25% to 75% of premiums, depending on the family's income level. The average subsidy will be 50% of premiums. In addition Kaiser Permanente hopes to encourage employers to pick up a small portion of the premium, to further reduce out-of-pocket expenses to the family.

4. **Is this subsidy limited to California?**

   This program is, but other Kaiser Permanente divisions throughout the country are currently investigating the possibility of developing similar programs.

5. **What benefits will be covered?**

   The children will receive the same comprehensive benefits package as other Kaiser Permanente members.

6. **How will children be selected?**

   There are three mechanisms. First, Kaiser Permanente will work with the Health Insurance Plan of California – a consortium of health plans that offer insurance to small employers – to provide subsidies to children from working, low income families. Second, Kaiser Permanente will select a limited number of schools whose populations have high numbers of uninsured students, and will work with those schools to identify children who are currently uninsured and ineligible for public subsidies. Third, Kaiser Permanente will create a program to serve children through MediCal.

7. **When will it start?**

Kaiser Permanente expects to be enrolling children by late this year.

8. **Will legal immigrants be covered?**

Yes. The program will have the same guidelines as state-subsidized programs.

E. J. Dionne Jr.

Orrin Hatch To the Rescue

So who do you think said the following about the plight of poor kids without health insurance?

"One of every three children in this country is uninsured. Ten million children are uninsured . . . these are the poorest of the poor working families. . . . And we must help these working poor families who are frantic about what to do with their children."

The options are (a) Sen. Ted Kennedy, (b) Sen. Paul Wellstone, (c) President Clinton, or (d) Hillary Rodham Clinton.

Okay, it's a trick question. The answer is none of the above. That scourge of liberals, Sen. Orrin G. Hatch, Republican of Utah, said the words recently on ABC's "This Week."

If you think it odd that Orrin Hatch is playing the role of Hubert H. Humphrey or Robert F. Kennedy as the friend of poor children, so does he. "I think they would resent that," he said with a laugh during an interview this week. Then he thought for a moment and added: "Hubert wouldn't. Hubert had very high hopes for me."

Humphrey would be proud of Hatch. With his friend Ted Kennedy, Hatch is the co-sponsor of a bill that would increase cigarette taxes 43 cents a pack to raise $30 billion over five years. (Read his lips: new taxes.) Of that, $20 billion would go to provide health coverage to about half of the poor children without insurance. Most of their parents work and are not eligible for Medicaid. The other $10 billion would go to deficit reduction.

How can the president resist being on the right side of an effort to get health insurance for kids?

The Senate Republican leader, Trent Lott, was livid when Hatch rounded up Republican co-sponsorship for the Kidcare health bill. Lott is agitated that in a non-election year, Republicans would do things they were forced to do in 1996, such as raise the minimum wage or guarantee health coverage for people who change jobs. "This is not last year," Lott snapped. Does this mean the Republicans didn't believe in the things they did to win an election? Heavens!

Lott doesn't alarm Hatch, who says things about poverty many Democrats are scared even to think. "We make $134,000 a year," Hatch says of his fellow senators. "I hear complaints from senators all the time" about how hard it is to get by on that sum. "If it's difficult for us who earn $134,000, what is it like for people to work for $25,000 a year?"

Unlike so many of his colleagues, Hatch faces up to the fact that parents who "can't put food on the table" can't afford health coverage. And employers of uninsured low-wage workers aren't about to boost their labor costs 20 percent or more by buying insurance.

Senators find it easy to relate to people with whom they've shared problems. Sen. Pete Domenici (R-N.M.), whose daughter suffered from mental illness, crusaded to pass a provision requiring health insurance policies to cover mental illness. Domenici is a fine man, and his concern for mental health is admirable. But what about working parents whose kids have no health coverage at all? That means no coverage for ear infections, or broken legs, or pneumonia, or heart conditions, or cancer. Will senators' kids have to be stripped of health insurance entirely before Congress understands what such families go through?

Hatch is too collegial to answer that question, but he predicts his colleagues will get the message. "I think we'll pass this bill in the end."

Low-income working families, says Hatch, face "a choice between dropping employment to get Medicaid eligibility or staying employed and getting no health insurance." Some choice. Don't politicians say all the time that people should stay off welfare and keep working? No wonder Hatch says this bill is "the most conservative thing in the world."

Many conservatives fear that Kidcare is a foot in the door for national health insurance. One can only hope they are right. It's irrational to have a health system, so brilliant in many respects, that leaves about 40 million people without basic coverage.

President Clinton made many mistakes in pushing for universal coverage, but his goal was right. He's endorsed Hatch-Kennedy, but how hard will he fight for it? Hubert Humphrey would be surprised if a conservative Republican showed more spunk for expanding health coverage than a Democratic president. Clinton should get over the trauma of losing his last health care fight and join the new one.

And if Trent Lott wants to fight this bill, how can the president resist being on the right side of the question: Don't kids deserve the same health coverage their grandparents get? You can bet their grandparents think so.

The Washington Post
FRIDAY, APRIL 18, 1997

LETTERS TO THE EDITOR

U. Alexis Johnson—Another Role

The Post's March 25 obituary of U. Alexis Johnson omitted his role in defending the 50 junior Foreign Service officers who, on May 8, 1970, had signed a letter protesting the invasion of Cambodia.

President Nixon demanded they be fired, but Secretary of State William P. Rogers, Undersecretary Johnson and Deputy Undersecretary William B. Macomber Jr. stood firm in refusing to divulge their names to the White House, shielded them and the more than 200 other State Department and USAID employees who had signed the letter, and insisted that the matter be handled within the department.

U. Alexis Johnson, the department's senior career officer, upheld the finest traditions of the corps of career officers in this, as in so much else.

R. T. DAVIES
Silver Spring

The writer is a retired Foreign Service officer.

Molester in the Neighborhood

I take exception to Eric Lotke's response [letters, April 13] to the editorial of March 31 regarding Megan's Law, which is designed to inform a community of the whereabouts of convicted child molesters. Recently, my community became aware of the existence of a convicted child molester. This man lives within walking distance of the elementary school and has been observed watching children in the vicinity of the school. In addition, he has been spotted watching and approaching children in several surrounding neighborhoods. His behavior toward the children reportedly is bizarre.

Mr. Lotke claims Megan's Law is about politics. I disagree. It's about the children who walk to school in the morning and walk home in the afternoon. It's about children as old as 12 or even 14 who no longer will be able to go into their own backyards without a parent standing guard against such predators.

Mr. Lotke states that recidivism rates hover around 13 percent, implying that the situation has been blown out of proportion. He is gambling with children's lives. The recidivism rate could be only one percent, but if that one percent lives in my neighborhood, then that is one percent too high.

JO B. SPIEGELMAN
Derwood, Md.

Sixth Best

I wish to correct information published on March 25. In his front-page article titled "Montgomery's Line of Defense Against the Suburban Invasion, County Preserves Open Space, Allows Denser Development Elsewhere," Stephen Fehr identifies the top 10 counties in the United States that preserve farmland. According to the footnote, the information was current as of July 1996. At that time, 10,980 acres were preserved in Calvert County, making it the 10th most successful county in the United States.

Calvert County was the first county in Maryland to have a transferrable development rights program, which has preserved most of the land. Since 1993, the Board of County Commissioners has enhanced the program by purchasing some development rights through the Purchase and Retirement (PAR) fund. Of the top 10 counties, Calvert has preserved the sixth-highest percentage of total land preserved.

FRANK A. JAKLITSCH
Prince Frederick, Md.

The writer is director of the Calvert County Department of Planning and Zoning.

Sex Ed: Videos for Kids

I was appalled to see that Fairfax School Superintendent Robert R. Spillane has caved to the whims of a lone parent and ordered, at least for now, that the county's two new sex-education videos about boys should be shown only to boys and that two new videos about girls should be shown only to girls [Metro, April 9]. Worse, school board member Mychele B. Brickner (At-Large) wants the board to bar elementary students from seeing any sex education videos about the opposite sex.

I vehemently disagree. I prefer that my fifth-grade son be sensitized to the changes his classmates are going through. I viewed the videos in a special parents' meeting at my son's school and found them to be balanced, thoughtful and immensely useful introductions to the information all youngsters need to make informed, moral choices about their sexual lives. My husband and I applaud the family life education program and plan to supplement this teaching with dialogue at home.

My son attends Franklin Sherman Elementary School, and when an informational meeting on the family life education program and a screening of the videos were offered on the evening of March 4, only my husband and I and two other parents bothered to show up. Even though the school administrators had invited parents in advance and explained the importance of the meeting in writing, the turnout was abysmal.

The rows of empty chairs in the school auditorium spoke volumes about how "important" parents think this issue is—and how ill-informed most parents are about the committed work the teachers and administrators are doing in the realm of sex education. The information and videos were age-appropriate. They contained useful information regarding the bodily changes these 10- to 13-year-olds are experiencing.

Mr. Spillane needs to do some more research before he has a knee-jerk reaction such as this if he professes to represent the people of Fairfax County. Ms. Brickner needs to poll her constituents as well and find out what Fairfax County parents as a majority really want. If we don't teach our children strong, moral lessons today and supplement this with good, factual information regarding sexuality we have done our children a grave [illegible]vice.

MARY LYNN MARTIN
McLean

How They 'Quoted' Me

The March 24 Metro article "An American Revolution" raises serious concerns about The Post's standards for accurate reporting. A disturbing example was a quote attributed to me about American University and President Benjamin Ladner's leadership. The reporter did not contact me, nor did she speak with me in preparing this article. The "quote" was taken from a statement I made three years ago, which appeared in a Post story at that time.

Also, contrary to the article's conclusion, the jury is not "still out" on the quality and results of Benjamin Ladner's strong leadership at AU. He is bringing needed changes, which the board of trustees fully supports.

WILLIAM I. JACOBS
Peekskill, N.Y.

The writer is a trustee of American Un[illegible]sity.

Music for Other Ears

I read with interest The Post's story about compact discs (CDs) being sold by non-music stores, but The Post missed a piece of the story that is particularly significant to my organization and other nonprofits. The stores that sell these discs are making music for the ears of not only their customers but also non-profit groups that receive part of the proceeds from the sales of some of these CDs.

In the case of the Public Education Network, a Washington-based network of local school reform organizations, the Gap Foundation (representing the Gap, Old Navy and Banana Republic clothing stores) has donated $1 from the sale of each copy of a Sony compact disc of romantic jazz classics to support our work in improving public education for all of America's children. This type of arrangement benefits the customer, the corporation and the community, and I think it represents an important example of responsible corporate citizenship. I look forward to others following the Gap Foundation's example.

WENDY D. PURIEFOY
Washington

The writer is president of the Public Education Network.

'A Case of the MEWAs'

The Post has done it again. In its editorial "A Case of the MEWAs" [March 31], The Post says, "the whole idea of insurance is to create a common pool through which the healthy help pay the bills of the sick." This is the same argument The Post made time and again last year in opposing medical savings accounts, but now, as then, The Post completely misunderstands the way insurance is organized in this country.

The Post's point is theoretically right, but in fact there is no "common" insurance pool in the United States. Every company that self-funds its benefits is its own "pool." Every company that is "experience rated" is its own pool. Every HMO is a single pool. Every indemnity insurer is a pool. There are tens of thousands of insurance pools in this country, and not one of them subsidizes any of the others.

And so it would be with MEWAs (multiple employer welfare arrangements). A group of employers would join together to form their own pool, which would include some healthy, some sick and some in between. The Post's health benefits plan wouldn't subsidize them, and they wouldn't subsidize The Post. But for the first time, this group of small employers would be eligible for the same regulatory treatment The Post gets today.

GREG SCANDLEN
Washington

The writer is executive director of the Business Coalition for Affordable Health Care.

The Washington Post
Friday, April 18, 1997

Description of Kaiser Permanente plan to provide coverage for uninsured children

- Within the next month, Kaiser Permanente intends to formally announce that it will commit $100 million over the next 5 years to provide health coverage to uninsured children in California. Approximately 50,000 children a year will benefit from this program.

- Recipients will be children from families with incomes of 100% to 300% of the poverty level. As a practical matter, this means mostly children of low-income working parents whose employers do not provide health coverage will receive the subsidies.

- Recipients would receive the same benefits package as other Kaiser Permanente members.

- Though details are still being worked out, Kaiser Permanente will provide an *average* subsidy of approximately 50% of premiums. The actual subsidy for any individual will range from 25% to 75% of premiums, depending on their family's income level. Kaiser Permanente is hopeful that it can encourage employers to pick up a small portion of the premium as well, to further increase the subsidy to the family.

- The subsidies will be offered primarily through three routes. First, through the Health Insurance Plan of California (HIPC) – a consortium of health plans that offers health coverage to small employers – Kaiser Permanente will subsidize coverage of children from working, low income families. Second, Kaiser Permanente will create demonstration projects in selected schools, through which it will identify and subsidize coverage for low income children who are not currently eligible for publicly subsidized programs. Third, Kaiser Permanente will create a program to serve children through MediCal.

- The subsidies are part of a comprehensive plan by Kaiser Permanente to lead an effort aimed at providing expanding coverage for uninsured children. The overall plan will also include support for legislation and public-private partnerships.

- Further details of the program will be announced in Los Angeles in late April or early May by Dr. Dave Lawrence, the Chairman and CEO of Kaiser Foundation Health Plan and Hospitals.

- Kaiser Permanente is America's largest nonprofit health care organization, with nearly 8 million members and 10,000 physicians in 18 states and the District of Columbia. Last year, Kaiser delivered nearly 100,000 babies. Founded in 1945, Kaiser Permanente is made up of the Kaiser Foundation Health Plan, Kaiser Foundation Hospitals, and the Permanente Medical Group.

Kaiser Permanente Talking Points

- Dr. David Lawrence has been Chairman and CEO of Kaiser Foundation Health Plan and Hospitals since 1991.

- Today, Dr. Lawrence announced that Kaiser Permanente has committed to spend $100 million over the next 5 years to provide health coverage for uninsured children. That will provide coverage to 52,000 children a year, most of whom are children of low income working parents whose employers do not provide health coverage.

- Dr. Lawrence has also announced that as part of the "I Am Your Child" Campaign, Kaiser will host a national summit of business leaders to develop strategies for promoting early childhood development. A broad range of business leaders from throughout the country and members of children's advocacy groups, will be invited.

- The summit has three main goals: identifying how businesses can help their own employees ensure proper development of their young children, developing strategies for businesses to promote early childhood development in the communities they serve, and identifying the special roles that can be played by health care organizations.

- Kaiser Permanente is America's largest nonprofit health care organization, with nearly 8 million members and 10,000 physicians in 18 states and the District of Columbia. Last year, Kaiser delivered nearly 100,000 babies. Founded in 1945, Kaiser Permanente is made up of the Kaiser Foundation Health Plan, Kaiser Foundation Hospitals, and the Permanente Medical Group.