



The Players: The People and Groups Who Will Influence Health Reform



May 2009

Dear reader:

As action on health reform ramps up this spring, it seems ever more likely that Congress will approve such legislation before the August recess. Along the way, various players and forces are lining up to influence the direction of the legislation. At the center of this sphere are congressional lawmakers, tasked by President Obama to write up health reform legislation. The administration itself is serving as a director of sorts, guiding the process along and working to ensure the president's priorities are included in some form or another. At the same time, groups representing doctors, hospitals and consumers -- heavily involved in taking down the last major health reform effort -- are weighing in on proposals, stating their concerns and preferences early in the debate.

As lawmakers are expected in coming weeks to unveil legislation that ultimately could overhaul the U.S. health system, the latest On the Issues feature from *American Health Line* takes an indepth look at the key players and groups in health reform, describing their backgrounds and how they've been acting on health reform to date. Once this legislation comes out, *AHL* plans to provide readers with an analysis of the most important elements.

If you are looking for further resources on health reform, *AHL* in April analyzed health reform as laid out by Obama during the 2008 presidential campaign and in his first 100 days in office. You can download the entire series -- "Promising, Proposing and Providing: Health Care in Obama's First 100 Days" -- by clicking here (please note: this will begin downloading a PDF).

We sincerely hope On the Issues supplements your daily news intake and furthers your health care knowledge. We welcome all feedback on these features. E-mail us at ahleditorial@advisory.com.

Amanda Wolfe, Editor in Chief *American Health Line*





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Table of Contents

- Congressional Committees Working Together, Separately To Craft Reform Legislation...
 Page 1
- **Administration Guides Process; Stakeholder Groups Watch Cautiously** ... Page 10

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Congressional Committees Working Together, Separately To Craft Reform Legislation

Unlike the approach of the Bill Clinton administration -- the last president to take on health reform on as large of a scale as President Obama is considering -- the Obama administration has mainly left drafting health reform legislation to Congress. The Clinton administration developed health reform legislation on its own, without input from Congress or health industry groups. The effort failed in part because the administration was unable to build consensus not only among lawmakers, but among a variety of health-related groups, which took steps to turn the public against the plan.

While Obama has laid out the basic outlines of his health reform priorities, lawmakers -- specifically five congressional committees -- are taking the reins and filling in the details of reform legislation. Committee chairs have set an ambitious goal of having legislation ready in June and up for a vote on the House and Senate floors in July. While the legislation coming out of these committees will be the main vehicles for health reform, other lawmakers are devising plans of their own, hoping to influence the debate.

Senate

In the Senate, two committees have emerged as the leaders of the effort to draft health reform legislation. The Senate Health, Education, Labor and Pensions Committee, which shares jurisdiction with the Senate Finance Committee over HHS programs, was expected to be leading health reform efforts. However, with HELP Committee Chair Edward Kennedy (D-Mass.) undergoing treatment for brain cancer, Finance Committee Chair Max Baucus (D-Mont.) has asserted himself and his committee as the top health reform force. The two committees have worked together before in drafting health care legislation; in 2003, under Republican control, the committees jointly crafted the Medicare Part D prescription drug benefit law.

The HELP Committee has been conducting private work group meetings to draft legislation, while the Finance Committee has made its bill-writing process more transparent and inclusive. Proposals the Finance Committee is considering are relatively moderate compared with what the HELP Committee and other House committees are thought to be drafting.

Though Kennedy has been mostly absent throughout the current congressional session because of his illness, his staff reports that he works tirelessly on health care reform when he is on Capitol Hill and is in constant communication with his staff about the topic when away. For months, Kennedy's staff has been holding private stakeholder meetings to gather input from 20 health care industry groups. In March, Kennedy named five HELP Committee members, including ranking member Mike Enzi (R-Wyo.), to a legislation drafting committee.

While it is not certain what proposals are being considered by Kennedy's working group and drafting committee, the HELP Committee bill likely will be more in line with the

Democratic caucus and less concerned with winning support from Republicans than the Senate Finance Committee's legislation. The HELP Committee bill is expected to include a plan for universal health insurance similar to the one in Kennedy's home state of Massachusetts. Coverage in Massachusetts can be purchased through a health insurance exchange that includes a state-funded option. The plan also is expected to address ways to curb growing health care costs.

Regardless of what is included in the final Senate health care bill, Kennedy is expected to be a major player in ensuring its passage, both because he is an experienced and respected dealmaker and because he has demonstrated a strong dedication to the issue during his legislative career. Over his more than 40-year tenure in the Senate, Kennedy has made comprehensive health care coverage one of his top policy priorities. In the last few decades Kennedy has been instrumental in some of the country's most expansive health care measures, including CHIP, mental health parity and COBRA. Kennedy also is considered to be the reason why Obama has made health care such a priority. In fact, many suggest that Kennedy had Obama promise to put the issue at the top of his agenda.

Over the past two months, the Finance Committee has held three roundtable discussions covering a wide spectrum of health care interests. These discussions have occurred alongside closed-door meetings with committee members, their staffs and occasionally other government figures. Coinciding with the roundtables and meetings, Baucus and Senate Finance Committee ranking member Chuck Grassley (R-Iowa) released three policy papers with proposals for reducing health care spending and increasing quality, expanding health care coverage and paying for a health system overhaul. Proposals coming out of the committee included adjusting Medicare payments; two options for a public health insurance plan: one run separately from HHS and one run similarly to Medicare; changing the tax exemption for employer-based health coverage; and creating new taxes on certain health care benefits, such as health savings accounts, and on items like alcohol, tobacco and sugary drinks as a way to pay for reform. The senators to date have not specified which proposals in particular they support.

Baucus and Grassley are considered moderates in their respective parties, and as such, the committee's legislation has potential to be strongly bipartisan. Unlike Kennedy, Baucus until now never made health care reform a priority in his political agenda, though he has always been one of the leaders when it came to drafting legislation. His leadership on health care this time around fell into place largely because of his seniority in the Senate.

Grassley is the Senate's chief Republican negotiator on health care and is as dedicated to passing bipartisan health reform legislation as Baucus. While the senators have taken pains to develop a bipartisan plan, there still is no definite consensus over the issue of a public health insurance plan -- considered by many Democrats to be a crucial part of health care reform legislation. Grassley has said that he favors increased government intervention and regulation in the health insurance market over a separate public plan option, but he has noted that "when you've got three or four different ways of offering it, it's possible" to find a consensus. Grassley's task of rallying Republicans to get on board with the moderate proposals the committee has put forth has been particularly

challenging since Democrats passed a budget resolution that included reconciliation as an option for passing health reform legislation. Under reconciliation, Democrats would have enough votes to pass health reform legislation without Republican support. Grassley has called on the Republican Party to be the "loyal opposition" but also a "constructive" force in the health care debate.

Baucus tasked Sen. Charles Schumer (D-N.Y.), a member of the Finance Committee and its Subcommittee on Health, with devising a middle-ground plan on a public health insurance option. Under Schumer's plan, a public, government-run option would be required to follow the same rules and regulations as those of private plans. The proposal would be self-sustaining by paying claims with money accrued from premiums and copayments, rather than tax revenue or government appropriations, and would pay providers more than Medicare.

Schumer generally is "not known as a health care guy," according to William Pierce, a former Bush administration official and health care strategist. Schumer has previously introduced bills to make it easier for generic drugs to come to market, and in the late 1990s to early 2000s was heavily involved in developing and advocating for a patients' bill of rights to ensure that members of HMOs were permitted to appeal an insurer's coverage decisions.

Other Players in the Senate

As the two committees work on their own legislation, Sens. Ron Wyden (D-Ore.) and Robert Bennett (R-Utah) are pushing the Healthy Americans Act (S 334), which would require all U.S. residents, except those covered by Medicare or in the military, to purchase health insurance coverage, the premiums for which would be subsidized for people with annual incomes up to 400% of the federal poverty level. The bill would guarantee that the coverage would be equal to health plans for federal employees. Wyden has met with 86 senators to discuss the legislation and has stressed that it would not place a big strain on the Treasury at a time of soaring budget deficits. Peter Orszag, formerly the director of the Congressional Budget Office and now the chief of the White House Office of Management and Budget, estimated that Wyden's plan would pay for itself within a few years.

Wyden and Bennett, a seemingly mismatched pair, have teamed up to introduce the legislation twice, first in January 2007 and most recently in February 2009. Wyden has advocated for various changes in health care since he was elected to the House in 1980. After former Senate Majority Leader Tom Daschle (D-S.D.) withdrew his nomination for HHS secretary, Wyden suggested that he would not oppose being nominated for the position. According to Wyden, calls from the business community for changes to the health care system indicate that there is a greater opportunity for reform now than there was for former President Clinton's proposal in the early 1990s.

People familiar with the health care reform debate said that Wyden's ability to convince Bennett, who had worked to defeat Clinton's health coverage proposal, to sign on as a

sponsor of the bill is a big victory. The legislation reflects a bipartisan compromise, Bennett has said, noting that Wyden has been "far more open to suggestions and resolutions" than those who promoted universal health care during the 1990s. Most recently, Bennett showed his hand on his feelings about a health care reform plan when he voted against confirming Kathleen Sebelius as HHS secretary because of her support of a government-backed health care system.

Although the Healthy Americans Act has received bipartisan support, it has been criticized by some Democrats for relying too much on the market. However, Wyden repeatedly has said that he welcomes alternative proposals because they are necessary to craft comprehensive overhaul legislation that would create sufficient bipartisan support for passage.

House of Representatives

Health reform legislation in the House of Representatives is taking shape under the guidance of Reps. George Miller (D-Calif.), Charles Rangel (D-N.Y.) and Henry Waxman (D-Calif.) -- who in March pledged to Obama that they would have a finalized bill ready for a floor vote before the August congressional recess. On May 13, after a meeting with Obama, Vice President Biden and House lawmakers, House Speaker Nancy Pelosi (D-Calif.) reiterated the pledge. Miller, Rangel and Waxman describe themselves as veterans of past health reform debates, and they were involved in previous health reform efforts, including Clinton's attempt in 1994. In addition, their positions as chairs of committees with direct relationships to health care make them suitable choices to hold the responsibility: Waxman is chair of the House Energy and Commerce Committee, Miller chairs the House Education and Labor Committee, and Rangel serves as chair of the House Ways and Means Committee.

In a letter sent to Obama in March, the representatives wrote, "Our intention is to bring similar legislation before our committees and to work from a harmonized approach to ensure success," conveying a process of coordination while each committee contributes feedback that shapes the legislation. House Majority Leader Steny Hoyer (D-Md.) will oversee the partnership among the three committees. Hoyer, also a veteran of health reform attempts under the Clinton administration, said his role will be "to coordinate, rather than impose," his own views. Also aiding in reform efforts is House Energy and Commerce Health Subcommittee Chair Frank Pallone (D-N.J.), another player in the 1994 health reform debate. His subcommittee's concentration on health makes it a vital source of expertise for the three main committees as they generate legislation. Pallone called the partnership among the committees "a stark contrast from 1994 when the three committees were handed a legislative proposal from above in which they had little or no input and went to work on separate paths."

The House committees are considering a number of the same proposals that Senate Democrats are evaluating. The three committee chairs have expressed support for a public insurance option designed to compete with private insurers. A summary from a House Energy and Commerce Committee meeting in April envisioned a public plan run

by HHS. The plan "would be subject to the same market reforms and consumer protections as private plans" and "would have geographic adjusters for price." According to the summary, the public plan would not be subsidized by the government and "would build on Medicare providers and rates, similar to the practices of private plans today."

In addition, House committees are reviewing a proposal that would require employers to offer coverage to full-time employees or pay a percentage of their payroll into government plans. Also, the committees are considering a requirement that all U.S. residents have health insurance and that the federal government subsidize the cost of coverage for families with incomes of up to \$88,000. Hoyer also said he expects proposals to overhaul Medicare and Social Security to end up as part of finalized reform legislation.

At this point, legislation has not been written, and committee members continue to evaluate the aforementioned proposals. Since January, the three committees have conducted 10 hearings on health care reform. Indeed, Democrats have a large enough majority to pass a reform bill without Republican support. Because of this, House Democrats might not be as compelled to engage in bipartisan cooperation while writing legislation. This, in turn, suggests a reform bill that could attempt to secure a public insurance plan and universal coverage rather than address private insurers' concerns.

Other Players in the House

While progress is being made among like-minded Democrats, the fiscally conservative Democratic Blue Dog Coalition does not find the method of drafting reform legislation as open to them. Earlier this month, the coalition sent a letter to Miller, Rangel and Waxman saying the Blue Dogs are "increasingly troubled" by the exclusivity of the process. The Blue Dogs said, "Our contributions, to date, have been limited" and called the Senate's approach to writing legislation more "collaborative." Rep. Mike Ross (D-Ark.), chair of the Blue Dog health care task force, said, "We don't need a select group of members of Congress or staff members writing this legislation. We don't want a briefing on the bill after it's written. We want to help write it."

The Blue Dogs have long been involved in health care talks, mostly on the money side. In 1997, a group of 22 Blue Dogs released an alternative balanced-budget plan that would have cut Medicare spending by \$119 billion and Medicaid spending by \$26 billion over five years. The group has evolved since then, and now possesses a more powerful bloc in the House. Fifty-one of the 256 Democrats in the House are Blue Dogs, and with 218 needed to pass legislation, the Blue Dogs wield significant influence on any legislation in the House.

On the Republican side, Rep. Roy Blunt (Mo.) is leading the Republican Health Care Solutions Group, formed by House Minority Leader John Boehner (R-Ohio) to create a Republican health reform proposal. On his Web site, Boehner says that he formed the Solutions Group "to develop House GOP proposals to expand Americans' access to affordable health care." In March, Boehner said that Republicans "have serious concerns

about the plan outlined in the president's budget," adding that the GOP "believe[s] families and their physicians should make decisions about what treatments are 'appropriate,' not government bureaucrats."

Two groups of congressional Republicans in May separately introduced reform proposals to counter Democrats' plans. One plan, developed by a group of conservative Republicans, would create state-based health insurance exchanges and provide U.S. residents with tax credits to subsidize coverage premiums. The other plan, developed by moderate House Republicans, would prohibit the government from interfering with medical decisions made by physicians and patients.

The large Democratic majority in both chambers and the lack of a public option in either plan -- a provision strongly favored by Democrats -- makes it unlikely that either Republican proposal would pass. However, specific provisions in the plans might be considered by Democrats when drafting overhaul legislation.

The Game Ahead

Thus far, there have been few causes for division among Democratic members of the House and the Senate. However, one proposal might prove to be a point of contention between Democrats in both houses of Congress later in the year: taxation of employer-sponsored health benefits. Baucus seems to be considering the idea, perhaps spurred by a recent congressional estimate that predicted the tax could yield \$100 billion in revenue over the next five years. However, other lawmakers, employer groups and labor officials have stated their opposition, saying that such a tax could threaten the current employer-based insurance system and impose additional burdens on employees. Nevertheless, Congress has many reform issues to consider, and the disagreements between Democrats and Republicans about a public plan option seem to be taking precedence in the debate.

Considering the large majority of Democrats in the House and Senate Democrats' hesitation to use budget reconciliation to pass reform legislation, it is probable that more bipartisan efforts will be made in the Senate. This likely will result in Senate legislation that balances concern for the private insurance industry with efforts to give U.S. residents an alternative to the established system. Meanwhile, House legislation likely will seek to secure a public insurance option and universal health care above all else. After the Senate and the House pass their respective bills, the two chambers will attempt to consolidate their bills over the remainder of the year, a process likely to require just as much diligence as writing the measures did.

For additional information on the topics discussed above, please see the following archived American Health Line stories:

- Congressional committee chairs to lead reform effort (American Health Line, 3/16/09)
- <u>Senate Finance, HELP committees work separately on bills</u> (American Health Line, 4/16/09)
- <u>Blue Dog Democrats ask for broader involvement in reform debate</u> (*American Health Line*, 5/12/09)

- Wyden to introduce universal health coverage legislation (American Health Line, 12/14/06)
- Schumer proposes same rules for private, public insurers (American Health Line, 5/5/09)

Administration Guides Process; Stakeholder Groups Watch Cautiously

Although it is accurate to say that the Obama administration has been hands off when it comes to drafting health reform legislation, the president and members of his administration have certainly been involved as lawmakers undertake the work of determining what details and provisions to include. Key members of the administration have been meeting with lawmakers to help push the legislation-drafting process along and ensure that President Obama's priorities are included. Some members of the administration also have been working with industry groups to listen to concerns, build consensus and generally avoid the pitfalls that befell former President Clinton's attempt at health reform in the mid-1990s. Members of the health care industry, and related groups with a vested interest in the outcome of reform, are weighing in and watching cautiously.

Key Administration Members

HHS Secretary Kathleen Sebelius is perhaps the most visible Obama administration official on health reform. Before she was confirmed as HHS secretary, Sebelius served as Kansas' health insurance commissioner and then as governor. While insurance commissioner, she was best known for stopping a merger between the not-for-profit Blue Cross and Blue Shield of Kansas and the for-profit Anthem. She claimed the merger would have allowed BCBS to deny coverage to certain individuals, including those with pre-existing conditions, while raising premiums. Her experience dealing with insurance regulations could play out on the national level as Congress mulls whether to include a public option to compete with private insurers. Her decision to limit the encroachment of for-profit insurance into the not-for-profit sector could serve as a precedent if a similar situation develops on a national scale.

Sebelius is not closest to the president or Congress on matters of health reform. That position belongs to Nancy-Ann DeParle, director of the White House Office of Health Reform, who has been working behind the scenes and meeting with members of Congress, business representatives, drugmakers and similar groups to discuss different aspects of reform. Before joining the Obama administration, DeParle worked as Tennessee's Medicaid director, in the Office of Management and Budget under former President Clinton, and she served on the boards of more than a dozen health care firms. She also was administrator of the Health Care Financing Administration, now called CMS. DeParle has a good reputation with both lawmakers and industry insiders because of her previous work in both politics and business, which also gives her a unique perspective in the health reform debate. The White House will look to leverage that clout as it considers possible regulation standards. In addition, because she was appointed to the White House post and did not face Senate confirmation, she perhaps has more freedom than Sebelius to press for Obama's initiatives. DeParle is not seeking to write the details of an overhaul bill but rather to promote the administration's policy preferences in meetings with lawmakers and outside groups.

DeParle is working with Obama's top adviser, David Axelrod, who recently delved into creating the administration's health reform message for the public. As she works on

reform, DeParle likely will collaborate with Jeanne Lambrew, who recently was named director of the HHS health reform office. Previously, Lambrew was a senior fellow at the Center for American Progress where she worked on Medicare, Medicaid and long-term care issues. She had health roles in the Clinton administration, in OMB and on the National Economic Council, and she was deputy to the White House health care adviser. Lambrew also helped develop CHIP. In addition, she co-authored a book on health care reform with former Majority Leader Tom Daschle (D-S.D.), Obama's first choice for HHS secretary. She will seek to bring more connectivity and dialogue between HHS and the White House throughout the reform process.

While they are not policymakers, Peter Orszag, director of OMB, and Douglas Elmendorf, director of the nonpartisan Congressional Budget Office, have considerable power because of their roles in the budget process. Orszag was appointed by Obama, while Elmendorf was not. They help project the economic costs of policies, which is a huge concern -- especially for Republicans -- in the face of the recession. For his part, Orszag has been vocal for years about the need to reduce Medicaid and Medicare spending to strengthen economic growth. He has stressed having a reform package that is budget neutral and consistently reiterated dire economic consequences that could arise from uncontrolled health care spending increases. In the past, he has questioned the ability of health information technology to lower costs but more recently has become more open to the role health IT could play in reducing costs. He also has said that he sees promise in using comparative effectiveness research to cut down on unnecessary procedures and in reorganizing physician incentive payments. Orszag believes regulating Medicare and Medicaid payment rates across states could yield significant savings.

Elmendorf is in charge of scoring the president's budget, as well as any reform proposals put forward by Congress. He recently has suggested that the federal government must create a plan that pools risk, mandates coverage and offers subsidies for care. Like Orszag, Elmendorf has expressed skepticism about certain reform ideas, including greater use of health IT, yet he also agrees that there is a need to reduce inefficient, costly procedures. Both he and Orszag have warned about the difficulty of trimming costs while maintaining health quality.

Various other top White House staff members have played a role in health reform discussions. Vice President Biden has attended discussions with congressional leaders who are developing legislation. Chief of Staff Rahm Emanuel and his brother, Ezekiel, a physician and special adviser to OMB who worked on Clinton's health care task force, also are involved in meetings, as is Larry Summers, Obama's top economic adviser. Sebelius and DeParle, however, occupy the administration's lead roles in public and behind the scenes, respectively, while Orszag works to craft the economic arguments for health care reform.

While perhaps not as directly involved in crafting health reform legislation, other Obama appointees have roles promoting and implementing changes to the health system. For instance, FDA Commissioner Margaret Hamburg and FDA Deputy Commissioner Joshua Sharfstein have been vocal in previous roles on issues from regulating tobacco and food

safety agencies to implementing stricter regulations on drugmakers' marketing and review practices. Thomas Frieden, the newly named CDC administrator, has put more stringent regulations on the food industry and smoking as the health chief in New York City. At CDC, one of his main tasks will be to reduce chronic disease and infection rates and implement other public health measures.

As national coordinator for health IT, David Blumenthal is tasked with working alongside HHS to create a definition for "meaningful use" of health IT. Providers that demonstrate meaningful use of health IT are eligible for incentive payments through the federal stimulus package. Prior to being named national coordinator for health IT, Blumenthal served as Obama's top adviser on health IT during the 2008 presidential campaign and was director of the Institute for Health Policy at Massachusetts General Hospital.

Insurers, Care Providers

As the process of creating overhaul legislation trucks along, insurers, care providers, and business and consumer groups are watching the players involved and trying to leverage support for their own views and priorities. These disparate groups likely will launch advertising campaigns and release research to rally the public behind various goals and ensure lawmakers that their constituencies will know how they vote on the matter.

The Clinton administration's attempt to overhaul health care was brought down by such efforts, headed up by America's Health Insurance Plans and the National Federation of Independent Business. The campaign sought to convince consumers that they would lose the health insurance coverage they already had. Negative sentiments against the reform effort grew strong enough that Congress never brought the bill up for a vote.

This time around, insurers, care providers and advocacy groups are taking a slightly different stance. Perhaps assuming that health reform is inevitable, or trying to influence the direction of legislation, some members of the industry have weighed in on their preferences and have made some concessions.

Private insurers' main concern is competition from the government in the form of a public health insurance plan. Hoping to show lawmakers good faith and perhaps convince them that a public option is not necessary, the industry has offered to stop the practice of charging different premiums based on individuals' health status and sex, as long as the federal government requires all U.S. residents to obtain health coverage. The offer was made in a letter to two Senate committees in March by AHIP and the BlueCross BlueShield Association.

The insurance industry then went one step further, with AHIP President and CEO Karen Ignagni saying that members would concede to greater government regulation and "accept the premise that the system is not working today and needs to be reformed." She called on the government to overhaul regulations governing insurance markets nationwide and replace inconsistent elements in state regulations. She emphasized that

specific changes to the industry's operations could expand health care coverage and hold insurance companies more accountable, thus negating the need for a public plan.

In May, AHIP joined five other major health care groups -- the American Hospital Association, the American Medical Association, the Service Employees International Union, the Pharmaceutical Research and Manufacturers of America and the Advanced Medical Technology Association -- in a pledge to reduce health care spending growth by 1.5 percentage points over 10 years. The coalition, however, did not elaborate on what specific measures they would take to achieve such reductions, and the Obama administration has requested specifics on their cost-cutting plans by June 1. With the president and lawmakers concerned about reducing growth in health spending, the pledge can be seen as a way to ensure these groups have a voice in the health care debate. It also is a way for the groups to stake their claim early on what is possible in terms of stemming spending growth. For AHIP in particular, it is yet another way to mount defenses against a public insurance option. For other groups, like AMA, the pledge is a way to connect the larger effort of reducing health spending growth with its own priorities. One of AMA's top goals with health reform is medical malpractice reform, which AMA President-elect J. James Rohack said could help the industry even further reduce costs.

This move was not the first time some of the industry groups teamed up on health reform. In March 2009, AMA, AHA, AHIP, BCBSA and several other groups announced the Health Reform Dialogue coalition, which aimed to seek consensus on overhauling the U.S. health care system. SEIU and the American Federation of State, County and Municipal Employees initially were members of the group but later pulled out because group members could not agree to support a public option or employer mandate.

While insurers are solidly against a public insurance option, providers are not as united on their views of the proposal. AHA has expressed concern about it, worrying that a public plan could affect provider payments. AMA has not made definitive statements on the public option, though AMA President Nancy Nielsen has said that the health insurance industry is in need of reform. The American Academy of Family Physicians' Board of Directors has voted to support the public plan option. Groups supporting nurses -- such as the California Nurses Association/National Nurses Organizing Committee and the American Nurses Association -- are more soundly in favor of a public insurance plan.

Other Interests, Players

NFIB earlier this month scoffed at the pledge made by six major health care industry groups to reduce health care spending growth. NFIB President Donald Danner in an interview with the *Washington Times* said the industry players, who now are trying to cast themselves as part of a solution, "clearly have been a major part of the problem, and they have been slow to come to the table to fix it." While NFIB's current stance that a public health insurance plan would help lower the cost of health coverage and provide greater choice shows how this reform debate is different than the one in the 1990s, the group has stated its opposition to an employer mandate or a government-run insurance

exchange that would require employers to buy "gold-plated benefits that they cannot afford for themselves and their workers."

Consumer groups, on the other hand, largely are in favor of a national insurance system that would allow people to choose between private policies that meet federal coverage minimums and a federally subsidized government option. They have expressed disappointment with the Obama administration's apparent willingness to compromise on the matter and have formed coalitions seeking to keep the public option at the fore of reform talks. These efforts could be ratcheted up to include mailing campaigns to the voting districts of moderate lawmakers who will cast the deciding votes on a reform bill, as was the case during voting on legislation to reauthorize and expand CHIP last year.

The individual mandate does not appear to be as divisive an issue as the public plan, with even conservatives and industry groups supporting the idea. AARP, the nation's largest lobbying group, has named the individual mandate as its top priority in a reform bill, as well as the related provision of banning insurers from rejecting people with pre-existing conditions. However, Consumer Watchdog, a left-of-center group, in a letter to Senate Health, Education, Labor and Pensions Committee Chair Edward Kennedy (D-Mass.) wrote, "The right to health care you have championed is not the same as the requirement to buy private insurance."

With countless nuanced views of so many complicated proposals, coalitions have been a way for these advocates to provide lawmakers with guidelines that have wide support, and to show the public that there is considerable momentum behind a substantial reform package. The Winter Soldiers --formed in January by Families USA, SEIU, Consumers Union, AARP and others -- have been working to pool their influence. Other groups, such as Divided We Fail -- led by AARP and including health industry groups, SEIU and NFIB -- have the more ambitious goals of bringing together groups that were very much divided during Clinton's attempt at reform.

Conservatives for Patients' Rights has emerged as the major proponent of free-market health care initiatives. Founded by former HCA CEO Rick Scott, the group seeks to provide conservatives with a central organization for opposing Democratic health reform efforts. In the first ad sponsored by the group, Scott says, "Imagine waking up one day and all your medical decisions are made by a central national board," adding, "Bureaucrats decide the treatments you receive, the drugs you take, even the doctors you see." Scott has stressed that the group is not against reform, but dedicated to seeing it carried out according to free-market principles.

It remains to be seen whether Congress will adopt any measures put forward by these groups. But before then, these groups will seek to use language and media to the best of their advantage. This month's instance of protesters interrupting a Senate meeting on reform shows the potential for frustration to build within these groups as a concrete reform bill inches closer to reality.

For additional information on the topics discussed above, please see the following archived American Health Line stories:

- AHIP President, CEO says health insurance industry would accept stronger federal regulation, stop charging women higher premiums than men (American Health Line, 5/6/09)
- Two labor unions withdraw from coalition working to overhaul health care system (American Health Line, 3/9/09)
- <u>In joint statement, industry groups reiterate commitment to reduce health spending growth</u> (*American Health Line*, 5/18/09)
- Obama names Sebelius, DeParle to health care team (American Health Line, 3/3/09)
- Obama names CBO Director Orszag as new OMB director (American Health Line, 11/26/08)