

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Chris Jennings to Hillary Clinton Re: Tuesday Meeting with Congressman McDermott (2 pages)	4/28/93	P5

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Chris Jennings (Health Security Act)
OA/Box Number: 8990

FOLDER TITLE:

[HSA] Congressma McDermott

gf135

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

COMMITTEE ON WAYS AND MEANS
SUBCOMMITTEE ON HEALTH
SUBCOMMITTEE ON HUMAN RESOURCES
CHAIRMAN
COMMITTEE ON STANDARDS OF
OFFICIAL CONDUCT
COMMITTEE ON DISTRICT OF COLUMBIA
CHAIRMAN
SUBCOMMITTEE ON FISCAL AFFAIRS
AND HEALTH
SUBCOMMITTEE ON JUDICIARY AND
EDUCATION

JIM MCDERMOTT
7TH DISTRICT, WASHINGTON

CO-CHAIRMAN,
CONGRESSIONAL URBAN CAUCUS
CHAIRMAN
CONGRESSIONAL TASK FORCE ON
INTERNATIONAL HIV/AIDS
SECRETARY-TREASURER
ARMS CONTROL AND FOREIGN
POLICY CAUCUS
ELECTED REGIONAL WHIP, ZONE 2

Congress of the United States
House of Representatives
Washington, DC 20515
July 15, 1993

Melanne Verveer
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C.

VIA FAX

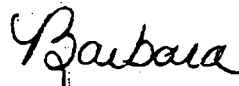
Dear Melanne:

I just wanted to confirm our telephone conversation of June 30 in which we informed you that the members of the H.R. 1200 cosponsor working group will be: Mr. McDermott, Ms. Clayton, Mr. Frank, Mr. Miller (CA.), Ms. Pelosi, and Mr. Stokes. While you and I initially discussed having the first meeting this week, we realize that the travel related to the Tokyo summit intervened.

We look forward to hearing from you or Chris regarding the composition of the Administration members of the working group and the timetable you anticipate for meetings.

Please do not hesitate to contact me if you have any questions.

Yours sincerely,



Barbara Markham Smith

cc: Chris Jennings

U.S. REP. JIM MCDERMOTT'S CHECKLIST OF CRITERIA FOR MEASURING HEALTH CARE REFORM PROPOSALS

1. Does it provide insurance coverage to every American?

Nearly 40 million Americans do not have health insurance coverage today. That total increases by 100,000 each month. An almost equal number (nearly 40 million) are dangerously under-insured. Any reform proposal must extend quality coverage to these Americans.

2. Is that coverage portable, stable and continuous?

A major problem for people who have insurance is the fear that they will lose it if they move to another job, due to a "pre-existing condition" which won't be covered under their new employer's plan, or other restrictions and inadequacies in the plan offered by their new employer.

3. Is the standard benefit package comprehensive enough to prevent the need for a large secondary insurance market which leads to two-tier medicine and uncontrollable costs?

In a democracy, it is important to have a quality health care system available to all. If the standard benefit package guaranteed to all citizens provides only minimal benefits, then some people will look for a "better deal." People will try to either "buy out" of the national system or buy more private insurance. If the standard package of benefits is a generous one, people will stay in the system, preserving the ability to control costs.

4. Does it allow individuals or families to choose their own physician or other health care provider?

Americans cite the ability to choose their own physician as the single most important aspect of any health care plan, even over cost and convenience. They do so by large margins. One of the fundamental elements of healing is the relationship between the healer and the patient. If the patient has no choice, you take away an essential element of the health process.

McDermott's checklist
page -2-

5. Does it guarantee coverage regardless of physical condition or the presence of a pre-existing condition?

Increasingly, insurance in this country is only available for those things for which you do not need insurance. If you have a cancer, insurance companies will cover everything but cancer. If you have heart problems, they will cover everything but heart problems. Any reform plan must correct this fundamental problem.

6. Does it provide for effective, verifiable cost-containment?

Currently, America's health care system essentially has no cost controls. We cannot, as a nation or as individuals, afford this any longer. Any reform plan must have verifiable cost-containment.

7. Does the cost-containment apply to the entire health care delivery system without loopholes or exemptions for the secondary insurance market or self-insured entities?

It is increasingly difficult to control costs and stop wasteful spending if large numbers of people are "outside the system." To be effective, cost-containment measures must be applied to the entire health care delivery system.

8. Is there one simplified federal administrative system that applies to all Americans, rather than multiple bureaucracies which do the same thing for different groups?

A central goal of any health care reform plan should be to simplify the system to make it understandable for ordinary citizens and to make it easier to identify and eliminate waste. Over-lapping layers of federal health care bureaucracies for separate benefit programs needlessly waste health care dollars. Waste is also an unavoidable aspect of having 1,500 different private health insurance companies. According to the GAO, Americans incur nearly \$60 billion a year in unnecessary health care costs simply because of all the different forms and paperwork issued and required by so many different companies.

9. Does the health care delivery system enhance access to health care in rural areas and the inner cities?

More than 35% of Americans live in rural areas or inner cities. Both have been chronically under-served by the current health care system. Any national health care system must correct this inadequacy.

McDermott's checklist
page -3-

10. Does it eliminate interference between doctors and patients by insurance companies second guessing medical decisions and allow health professionals to make their own medical decisions?

Maintaining America's high quality of health care must be a fundamental goal of whatever health care reform plan America adopts. The current system's case by case random reviews, which inserts insurance companies between the patient and the health care provider through "pre-certification" requirements for hospital admissions, length of hospital stays, and even for specific medical procedures, have not been effective in controlling health care costs. What we need is a system that allows doctors to make their own medical decisions, but which also teaches them how to deliver better medicine by developing better practice patterns.

11. Does the system dramatically reduce administrative costs of the health care budget?

Almost a quarter of all health care dollars in America are consumed by administrative expenses of insurance companies. This is simply unacceptable. If we are to make the kinds of savings necessary to finance comprehensive health care coverage for all Americans this figure must be reduced. And it can be reduced. For example, under Canada's "single payer" system, for example, only 3 percent of all health care dollars are consumed by administrative expenses.

###

PRIVILEGED AND ~~CONFIDENTIAL~~ MEMORANDUM

TO: Hillary Rodham Clinton
FR: Steve Edelstein
RE: Cosponsors of McDermott Bill

June 17, 1993

There are currently 83 Cosponsors of Congressman McDermott's single payer bill. This is a significant bloc of votes, representing over one-third of the total number needed for passage in the House. **There are 25 cosponsors who sit on the three primary House committees of jurisdiction: 4 on Ways and Means; 7 on Energy and Commerce; and 14 on Education and Labor.**

Half the cosponsors (41 in all) are members of House caucuses -- 29 members of the Congressional Black Caucus, 8 members of the Congressional Hispanic Caucus and 13 members of the Congressional Caucus on Women's Issues (some are members of more than one caucus). In addition, 20 are Members serving the first term in Congress.

Attached is a list of the cosponsors, their party affiliation, home state, committee assignments and caucus memberships. Freshman Members are also indicated. The list is broken into three categories based on our targeting lists -- Reliable, More Inclined, Need Work.

- (1) Reliable - **19 cosponsors** who the House leadership believes we can count on as "reliable" votes for the Administration's plan.
- (2) More Inclined - **52 members** are categorized as "more inclined," those who are likely to vote with us in the end but cannot be taken for granted.
- (3) Need Work - **11 cosponsors** are listed as "need work." These Members will be the most difficult to get on board and will need significant attention to get their support.

RELIABLE:

Abercrombie	(D-HI)	-Armed Services; Natural Resources
Ackerman	(D-NY)	-Foreign Affairs; Merchant Marine and Fisheries; Post Office & Civil Service
Clyburn	(D-SC)	-Public Works and Transportation; Veterans Affairs; <i>Congressional Black Caucus</i> ; Freshman
C. Collins	(D-IL)	- Energy and Commerce ; Government Operations; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i>
Engel	(D-NY)	- Education and Labor ; Foreign Affairs
Evans	(D-IL)	-Armed Services; Natural Resources; Veterans' Affairs
Frank	(D-MA)	-Budget; Public Works and Transportation
Gejdenson	(D-CT)	-Foreign Affairs; House Administration; Natural Resources
Kennedy	(D-MA)	-Banking, Finance and Urban Affairs; Veterans' Affairs
Lewis	(D-GA)	-District of Columbia; Ways & Means; <i>Congressional Black Caucus</i>
Manton	(D-NY)	- Energy & Commerce ; House Administration; Merchant Marine & Fisheries
Markey	(D-MA)	- Energy & Commerce ; Natural Resources
Moakley	(D-MA)	-Rules (chairman)
Pelosi	(D-CA)	-Appropriations; Select Intelligence; Standards of Official Conduct; <i>Congressional Caucus for Women's Issues</i>
Sabo	(D-MN)	-Appropriations; Budget (chairman)
Schumer	(D-NY)	-Banking; Finance & Urban Affairs; Foreign Affairs; Judiciary
Scott	(D-VA)	- Education & Labor ; Judiciary; Science, Space & Technology; <i>Congressional Black Caucus</i> ; Freshman

Studds	(D-MA)	-Energy & Commerce; Merchant Marine & Fisheries (chairman)
Swift	(D-WA)	-Energy and Commerce; House Administration

MORE INCLINED:

Andrews	(D-ME)	-Armed Services; Merchant Marine and Fisheries; Small Business
Becerra	(D-CA)	- Education and Labor ; Judiciary; Science Space and Technology; <i>Congressional Hispanic Caucus</i> ; Freshman
Beilenson	(D-CA)	-Budget; Rules
Berman	(D-CA)	-Budget; Foreign Affairs; Judiciary; Natural Resources
Blackwell	(D-PA)	-Budget; Public Works and Transportation; <i>Congressional Black Caucus</i>
Borski	(D-PA)	-Foreign Affairs; Public Works and Transportation; Standards of Official Conduct
Brown	(D-CA)	-Agriculture; Science, Space & Technology (chair)
Clayton	(D-NC)	-Agriculture; Small Business; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i> ; Freshman
B.R. Collins	(D-MI)	-Government Operations; Post Office and Civil Service; Public Works and Transportation; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i>
Coyne	(D-PA)	-Budget; Ways and Means
Dellums	(D-CA)	-Armed Services (Chair); <i>Congressional Black Caucus</i>
de Lugo	(D-VI)	- Education and Labor ; Natural Resources; Public Works and Transportation
Dixon	(D-CA)	-Appropriations; Select Intelligence; <i>Congressional Black Caucus</i>
Edwards	(D-CA)	-Foreign Affairs; Judiciary; Veterans' Affairs
Faleomavaega	(D-AS)	- Education and Labor ; Foreign Affairs; Natural Resources
Flake	(D-NY)	-Banking, Finance, and Urban Affairs; Government Operations; Small Business; <i>Congressional Black Caucus</i>

Furse	(D-OR)	-Armed Services; Banking, Finance & Urban Affairs; Merchant Marine & Fisheries; <i>Congressional Caucus for Women's Issues</i> ; Freshman
Gutierrez	(D-IL)	-Banking, Finance and Urban Affairs; Veterans' Affairs; Freshman
Hamburg	(D-CA)	-Merchant Marine and Fisheries; Public Works and Transportation; Freshman
Hilliard	(D-AL)	-Agriculture; Small Business; <i>Congressional Black Caucus</i> ; Freshman
Hochbrueckner	(D-NY)	-Armed Services; Merchant Marine & Fisheries
Lantos	(D-CA)	-Foreign Affairs; Government Operations
Martinez	(D-CA)	- Education & Labor ; Foreign Affairs; <i>Congressional Hispanic Caucus</i>
McCloskey	(D-IN)	-Armed Services; Foreign Affairs; Post Office & Civil Service
McDermott	(D-WA)	- Ways & Means ; District of Columbia; Standards of Official Conduct (chairman)
McKinney	(D-GA)	-Agriculture; Foreign Affairs; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i> ; Freshman
Meek	(D-FL)	-Appropriations; <i>Congressional Caucus for Women's Issues</i> ; <i>Congressional Black Caucus</i> ; Freshman
Miller	(D-CA)	- Education & Labor ; Natural Resources (chairman)
Mink	(D-HI)	- Education & Labor ; Budget; Natural Resources
Murphy	(D-PA)	- Education & Labor ; Natural Resources
Norton	(D-DC)	-District of Columbia; Post Office & Civil Service; Public Works & Transportation; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i>
Oberstar	(D-MN)	-Foreign Affairs; Public Works & Transportation
Olver	(D-MA)	-Appropriations

Owens	(D-NY)	- Education & Labor ; Government Operations; <i>Congressional Black Caucus</i>
Rangel	(D-NY)	-Ways & Means; <i>Congressional Black Caucus</i>
Romero-Barcelo	(D-PR)	- Education and Labor ; Natural Resources; <i>Congressional Hispanic Caucus</i> ; Freshman
Roybal-Allard	(D-CA)	-Banking, Finance & Urban Affairs; Small Business; <i>Congressional Hispanic Caucus</i> ; <i>Congressional Caucus for Women's Issues</i> ; Freshman
Reynolds	(D-IL)	- Ways & Means ; <i>Congressional Black Caucus</i> ; Freshman
Rush	(D-IL)	-Banking, Finance and Urban Affairs; Government Operations; <i>Congressional Black Caucus</i> ; Freshman
Stark	(D-CA)	- Ways & Means ; District of Columbia (chairman); Joint Economic
Stokes	(D-OH)	-Appropriations; <i>Congressional Black Caucus</i>
Thompson	(D-MS)	- <i>Congressional Black Caucus</i> ; Freshman
Torres	(D-CA)	-Appropriations; <i>Congressional Hispanic Caucus</i>
Towns	(D-NY)	- Energy & Commerce ; Government Operations; <i>Congressional Black Caucus</i>
Tucker	(D-CA)	-Public Works & Transportation; Small Business; <i>Congressional Black Caucus</i> ; Freshman
Underwood	(D-GU)	-Armed Services; Natural Resources; <i>Congressional Hispanic Caucus</i> , Freshman
Velazquez	(D-NY)	-Banking, Finance & Urban Affairs; Small Business; <i>Congressional Hispanic Caucus</i> ; <i>Congressional Caucus for Women's Issues</i> ; Freshman
Vento	(D-MN)	-Banking, Finance & Urban Affairs; Natural Resources
Washington	(D-TX)	- Energy & Commerce ; Government Operations; Judiciary
Watt	(D-NC)	-Banking, Finance and Urban Affairs; Judiciary; Post Office and

Civil Service; *Congressional Black Caucus*; Freshman

Woolsey (D-CA) -**Education & Labor**; Budget; Government Operations;
Congressional Caucus for Women's Issues

Yates (D-IL) -Appropriations

NEED WORK:

Clay	(D-MO)	- Education and Labor ; House Administration; Post Office and Civil Service (Chair); <i>Congressional Black Caucus</i>
Conyers	(D-MI)	-Government Operations (Chair); Judiciary; Small Business; <i>Congressional Black Caucus</i>
Gibbons	(D-FL)	- Ways & Means ; Joint Taxation
Hinchey	(D-NY)	-Banking; Finance & Urban Affairs; Natural Resources; Freshman
LaFalce	(D-NY)	-Banking; Finance & Urban Affairs; Small Business (chairman)
Maloney	(D-NY)	-Banking; Finance & Urban Affairs; Government Operations; <i>Congressional Caucus for Women's Issues</i> ; Freshman
Mfume	(D-MD)	-Banking; Finance & Urban Affairs; Joint Economic; Small Business; Standards of Official Conduct; <i>Congressional Black Caucus (Chair)</i>
Nadler	(D-NY)	-Judiciary; Public Works & Transportation; Freshman
Payne	(D-NJ)	- Education & Labor ; Foreign Affairs; Government Operations; <i>Congressional Black Caucus</i>
Serrano	(D-NY)	-Appropriations; <i>Congressional Hispanic Caucus (Chair)</i>
Waters	(D-CA)	-Banking, Finance & Urban Affairs; Small Business; Veterans' Affairs; <i>Congressional Black Caucus</i> ; <i>Congressional Caucus for Women's Issues</i>

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. memo	Chris Jennings to Hillary Clinton Re: Tuesday Meeting with Congressman McDermott (2 pages)	4/28/93	P5

**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Chris Jennings (Health Security Act)
OA/Box Number: 8990

FOLDER TITLE:

[HSA] Congressma McDermott

gf135

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

Freedom of Information Act - [5 U.S.C. 552(b)]

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

File

McDERMOTT/CONYERS COSPONSORS (June 23, 1993)

1. Jim McDermott (D-WA)
2. John Conyers (D-MI)
3. Nancy Pelosi (D-CA)
4. George Miller (D-CA)
5. John LaFalce (D-NY)
6. Charles Schumer (D-NY)
7. Major Owens (D-NY)
8. Patsy Mink (D-HI)
9. Lane Evans (D-IL)
10. Matthew Martinez (D-CA)
11. Ron Dellums (D-CA)
12. Gary Ackerman (D-NY)
13. Kweisi Mfume (D-MD)
14. John Olver (D-MA)
15. Barney Frank (D-MA)
16. Lynn Woolsey (D-CA)
17. Sid Yates (D-IL)
18. Jerrold Nadler (D-NY)
19. Eliot Engel (D-NY)
20. Maurice Hinchey (D-NY)
21. Xavier Becerra (D-CA)
22. Anthony Beilenson (D-CA)
23. Neil Abercrombie (D-HI)
24. Elizabeth Furse (D-OR)
25. Louis Stokes (D-OH)
26. Eva Clayton (D-NC)
27. Cardiss Collins (D-IL)
28. Eleanor Holmes Norton (D-DC)
29. Howard Berman (D-CA)
30. Nydia Velazquez (D-NY)
31. Charles Rangel (D-NY)
32. Bill Clay (D-MO)
33. Edolphus Towns (D-NY)
34. Bernie Sanders (I-VT)
35. Jim Oberstar (D-MN)
36. Carolyn Maloney (D-NY)
37. Donald Payne (D-NJ)
38. George Hochbrueckner (D-NY)
39. Robert Scott (D-VA)
40. Esteban Torres (D-CA)
41. Pete Stark (D-CA)
42. Walter Tucker (D-CA)
43. Sam Gejdenson (D-CT)
44. Earl Hilliard (D-AL)
45. Bruce Vento (D-MN)
46. Barbara Rose Collins (D-MI)
47. Joseph Kennedy (D-MA)
48. Joe Moakley (D-MA)
49. Cynthia McKinney (D-GA)
50. Tom Manton (D-NY)
51. Gerry Studds (D-MA)
52. Don Edwards (D-CA)
53. Maxine Waters (D-CA)
54. Dan Hamburg (D-CA)
55. Frank McCloskey (D-IN)
56. James Clyburn (D-SC)
57. Martin Sabo (D-MN)
58. John Lewis (D-GA)
59. Floyd Flake (D-NY)
60. Bobby Rush (D-IL)
61. Tom Andrews (D-ME)
62. Tom Lantos (D-CA)
63. Mel Reynolds (D-IL)
64. Luis Gutierrez (D-IL)
65. Lucille Roybal-Allard (D-CA)
66. Robert Borski (D-PA)
67. Jose Serrano (D-NY)
68. Lucien Blackwell (D-PA)
69. Mel Watt (D-NC)
70. Carrie Meek (D-NC)
71. Al Swift (D-WA)
72. Ed Markey (D-MA)
73. Sam Gibbons (D-FL)
74. Ron de Lugo (D-VI)
75. Carlos Romero-Barcelo (D-PR)
76. Bill Coyne (D-PA)
77. Julian Dixon (D-CA)
78. Bennie Thompson (D-MS)
79. Austin Murphy (D-PA)
80. Eni Faleomavaega (D-AS)
81. George Brown (D-CA)
82. Robert Underwood (D-G)
83. Craig Washington (D-TX)
84. Eddie Bernice Johnson (D-TX)
85. Sam Farr (D-CA)

WELLSTONE COSPONSORS

1. Paul Wellstone (D-MN)
2. Howard Metzenbaum (D-OH)
3. Paul Simon (D-IL)
4. Daniel Inouye (D-HI)
5. Carol Moseley Braun (D-IL)

ENDORISING ORGANIZATIONS

Actors' Equity
Amalgamated Clothing and Textile Workers Union
American Federation of State, County and Municipal Employees
American Medical Student Association
American Psychoanalytic Association
Americans for Democratic Action
American Public Health Association
Church Women United
Citizen Action
Communications Workers of America
Consumer Federation of America
Consumers Union
Democratic Socialists of America
Graphic Artists Guild
Gray Panthers
International Association of Machinists and Aerospace Workers
International Brotherhood of Teamsters
International Ladies' Garment Workers Union
International Longshoremen's and Warehousemen's Union
International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers
Interreligious Health Care Access Campaign
National Association of Social Workers
National Council of Independent Living
National Council of Senior Citizens
National Family Farm Coalition
National Farmers Union
National Health Care for the Homeless
National Rainbow Coalition
Neighbor to Neighbor
Oil, Chemical and Atomic Workers International Union
Older Women's League
Physicians for a National Health Program
Public Citizen
Screen Actors Guild
Unitarian Universalist Association of Congregations
United Automobile, Aerospace and Agricultural Implement Workers of America
United Church of Christ, Office for Church in Society
United Electrical, Radió and Machine Workers of America
United Mine Workers of America
United States Public Interest Research Group

Conr. McDermott HSG-7739



News from Congressman *House* **Jim McDermott**

7TH DISTRICT • WASHINGTON

1707 LONGWORTH BUILDING • WASHINGTON, D.C. 20515 • 202/225-3106

FOR IMMEDIATE RELEASE
Thursday
September 2, 1993

FOR MORE INFORMATION
Contact: Barry E. Piatt
PHONE: 202-225-3106

STATEMENT BY REP. JIM McDERMOTT (D-WASH.) ON RECENT NEWS REPORTS REGARDING THE WHITE HOUSE'S HEALTH CARE REFORM PLAN

202
537
1647

The White House appears to be going down the wrong road without a road map on health care reform.

If the reports we saw today are accurate and if the briefing got at the White House yesterday is any indication of the degree to which they are prepared to discuss, defend and substantiate their decisions, there will be wholesale defections from the Democratic side of the aisle. I urge the President to go back to the drawing board and get this right -- its too important.

If the President is serious about no price controls between now and 1998, when the budgets presumably take effect -- on whatever basis they are going to take effect -- all he's going to guarantee is that health care costs will soar through the roof during the interim period. The White House is not recognizing that a "Make Hay While the Sun Shine" mentality is going to flourish in the health care industry if there is a window of opportunity with no price controls.

They called me back from Seattle yesterday to brief me on the plan, but the White House could provide no cost estimates, no paper or any description, and could give no details on the specifics of the financing plans regarding Medicare and Medicaid.

I have great concerns regarding the financing of their plan. We are not going to be able to successfully reform the health care system with slight of hand and accounting gimmicks. If it had been possible to subsidize coverage for the uninsured for what we are currently spending on Medicaid and Medicare, we would have brought everybody into the health insurance system a long time ago.

- END -

Dorothy Smith

~~2~~ 205-3106

()

10032-11830

P6/b(6)

[Handwritten signature]

Nancy James -

P6/b(6)

P6/b(6)

A

Jim McDermott

Real World Health Care

If one dropped to Earth in Washington from outer space today, one would believe that all thinking people agree that a system called "managed competition" was the only proven system of health care financing known to the industrialized nations of the world. Newspaper reporters, talk-show hosts and political pundits all talk as though no other system of financing could provide the American citizenry the peace of mind that comes with health insurance covering everyone without respect to where they live or where they work or what their economic status is at the moment.

No conclusion could be further from the truth.

Throughout the world, societies not dissimilar to ours have adopted variations of the "single payer" system of health care financing. And "single payer" works. Despite enormous evidence that it is possible to provide a universal, portable and comprehensive set of benefits that is simple to access and to administer, one must ask: Why do the theorists of "managed competition" refuse to learn from the experience of the rest of the world?

The health care systems of Canada, Germany and Australia allow the patient free choice of health care provider. The provider and the single payer negotiate the payment for services. The "managed competition" theory, on the other hand, seeks to control costs by herding the patient into a maze of purchasing cooperatives that compete on the basis of

"Only in the United States is a leading cause of bankruptcy the cost of health care."

cost, not quality. People must choose their health plan on the basis of what they expect their health status to be over the next year and on whether a health plan will allow them to see their own physicians.

The price of this untested theory of "managed competition" will be increased by the costs of advertising and marketing in addition to the cost of additional paperwork hassle created by an administratively complex multi-payer system. To what end? All other industrialized countries in the world cover everyone in their societies—yet we spend 40 percent more per capita and cover only 86 percent of our citizens. Most of these uninsured Americans are working full-time at jobs that do not provide benefits.

We have had almost totally uncontrolled free enterprise in the medical-industrial complex since the Second World War, and an outrageous cost explosion has been going on for at least 20 years. The forces of the free market have not worked at all. Only in the United States is a leading cause of bankruptcy the cost of health care. Only in the United States are you sure to lose your health care if you lose your job. These same forces have been at work in other countries of the world, and they have, through a single-payer system, managed to preserve freedom of choice of doctor and still afford high-quality health care for everyone. The advocates of "managed competition" have no credible evidence that single-payer countries have any less quality of care than we do. There is no evidence that "managed competition" will promote quality or technical or clinical innovation.

Why people pursue the untested theory of "managed competition" remains a mystery. The only statement about it that can be made with certainty is that managed competition's applicability to the entire spectrum of a nation's—any nation's—health care delivery has never been observed by anyone at any time. Indeed, it has become apparent that when the theory is applied to citizens living in the inner city or rural areas—where 35 percent of our population lives—it fails miserably.

To move to a single-payer system that costs less and guarantees quality health makes sense. That is why 74 members of the House of Representatives have signed on to the American Health Security Act (H.R. 1200), a single-payer plan that has federal financing, state-level administration and all care provided by private physicians and hospitals chosen by the patient—not the government, not the employer. The simplicity of the system makes it understandable by both patient and provider.

Perhaps most important, it has been tested in the real world. We know it works.

We are Americans. Surely we do not need to gamble on a highly disruptive system that all but guarantees administrative confusion and significant administrative costs. Surely we can design a system that includes the lessons learned from real experience, one that brings people the security, the simplicity and the predictability they deserve while serving the values they cherish.

The writer, a Democratic representative from Washington and a medical doctor, is a member of the Ways and Means subcommittee on health.

**PHOTOCOPY
PRESERVATION**