The National Association of Children's Hospitals
and Related Institutions, Inc.

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August 25, 1993

AUG 26 REC'D

Ms. Carol Hampton Rasco
Assistant to the President
for Domestic Policy
The White House
Washington, DC 20500

Dear Ms. Rasco:

In follow-up to the recent meeting you and Christine Heenan had with NACHRI's Public Policy Council, I met yesterday with Christine to continue our discussion about the role of children's hospitals in health care reform. She and I had a very helpful conversation, in which she was able elaborate on issues we did not have time to explore on August 13.

At the conclusion of our conversation, Christine suggested that it would be helpful to you and her to have a list of the issues in health care reform that we believe will be the most important to the ability of children's hospitals to fulfill their missions of service to all children, medical education, and research.

- **Will health care reform, based on competition in health care delivery, assure a level playing field on which children's hospitals will be able to compete with their special missions of clinical care for all children, education, and research?**

  To achieve such a level playing field in managed care driven market places, it will be important to recognize children's hospitals as "essential providers" assured of opportunities to contract with multiple health care plans, to recognize children's hospitals as pediatric academic health centers, and to assure parents have access to pediatric specialists and subspecialists in their health care plans.

- **Will health care reform's efforts at cost containment -- whether through capitation, global budgets, or price controls -- be risk-adjusted to reflect the different resource requirements of children's health care?**

  The President's vision of health care reform based on large health alliances negotiated with large accountable health plans depends on the accuracy and effectiveness of risk adjustment of capitation rates. However, neither HCFA nor the private sector has invested at all in the development of risk adjustments that reflect the different health care needs of children in general, much less children with special health

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care needs. Health care reform will need both to invest in the development of pediatric risk adjusters and to assure that they are used -- for capitation rates, for global budget development, for price conrols and guidelines.

- **Will health care reform assure children with chronic or congenital conditions access to medically necessary habilitative and rehabilitative care?**

  Because children's hospitals devote on average more than 70 percent of their care to children with chronic or congenital conditions, coverage in the standard benefit package of habilitative and rehabilitative services for children, without arbitrary limits, will be very important. However, most managed care plans place very strict limits on such services, often offering them as benefits only for the first two months following diagnosis.

- **Will health care reform assure adequate financing of Medicaid assisted patients, since so many children -- one in five nationally -- depend on Medicaid for their access to care?**

  Medicaid is widely recognized to be underfinanced. If financing of Medicaid eligible individuals is maintained on a separate track, health alliances, health care plans, and providers who serve a disproportionate share of Medicaid eligible individuals will be financially vulnerable. It will be critical, in the transition to health care reform, to sustain policies that recognize the financial requirements of plans and providers serving a disproportionate share of Medicaid eligible individuals.

We think these will prove to be the issues on which it will be the most helpful to focus from the perspective of the missions of the children's hospitals. Christine already has suggested that we meet again to talk further about the need for research to develop pediatric risk adjusters, and she is trying to arrange a meeting to include Gary Claxton.

On behalf of Larry McAndrews and our Public Policy Council, I want to thank you again for your consideration. We look forward to working with you in helping the President to advance his commitment to making it making meaninful health coverage secure for everyone.

Sincerely,

Pete Willson

Peters D. Willson
Vice President for Government Relations

cc: Ms. Christine Heenan, Senior Policy Analyst, Old Executive Office Building, Room 212R, The White House, Washington, DC 20500

THE WHITE HOUSE

WASHINGTON

Advocacy
- Your boards are terrific source

Risk adj. for kids
Implementation

HCFA - study on risks - 2 yr. inc. children?

Essential provider
Kids-rehab investment

PHOTOCOPY
PRESERVATION

identifying health hazards and their effects, and disorder-specific research.

VII. SPECIAL CONCERNS

The group has outlined four sets of questions that they would like to discuss with you. Attached are suggested responses.

Q: **How should a competitive managed care marketplace be appropriately regulated to sustain access to the services of pediatric institutions devoted to specialized clinical care, medical education, and research?**

HRC — I would want an ACH for all children

A: **Academic health centers will continue to receive dedicated funding to help finance the special and advanced functions they perform.**

Academic health centers serve as the advanced laboratories for U.S. medical care, both in terms of patient care, education and training, and medical research. These functions benefit not only the patients who receive direct care in these settings, but the entire community: these centers train the community's doctors and nurses, advance medical research and search for new cures for disease, and treat patients with the most complex illnesses. The health reform plan recognizes these unique functions that academic research centers play in the community, and recognizes that there is a cost associated with performing these functions. Health Alliances will build into premiums a dedicated set-aside for academic health centers, which will help fund these activities and ensure that these centers' role is preserved.

Q: **How should limits on the comprehensive benefits package be defined to cover adequately children with special health care needs?**

This group has said that they advocate pediatric health care experts be responsible for designing the benefits package for children. They also recommend that Medicaid benefits be used as a model for developing new benefits.

A: The comprehensive benefits package will have an unprecedented emphasis on primary and preventive care services. In addition, it will cover a broad range of acute health services, including specialty care delivered in hospitals. In some areas, the coverage for children goes well beyond that of adults, including dental care

and vision.

The set of covered services included in the President's plan was devised with input from every discipline in modern medicine, including pediatric health experts.

The comprehensive benefits package guaranteed every American will go beyond virtually every benefits package available in the market today in its coverage of primary and preventive care services.

There will be a set of covered primary and preventive care services which will not be subject to any deductibles or co-payments-- we want to be absolutely sure there is no barrier whatsoever to these primary care services. The package will include a recommended number of clinician visits per year for children, a recommended timeframe for immunizations and screenings, and will make widely available health and wellness programs aimed at keeping people in good health.

In addition, the package will include a broad range of acute-care services for aimed at treating both physical and mental illnesses, including complex disease treatment in tertiary care hospitals. **(Carol: I will bring a description of all covered services to the meeting in case you get specific questions)**

Q: How should cost containment strategies -- global budgets, capitation rates, or price controls -- be modified to reflect children's health care resource requirements?

This group generally opposes spending caps and global budgets. However, if global budgets are to be part of the system, they would like caps to be based on an analysis of children's needs, not on a historical assessment of how much care has cost for adults and children combined.

They are concerned that since one-third of the uninsured are children and since uninsured children have been low users of health care services, a budget based on historical spending will not take into account the total spending needs of children.

We feel strongly that real and enforceable cost control must be part of responsible health care reform. We believe that there is more than enough waste and inefficiency in the health care system to meet aggressive spending targets without impacting patient care in any way.

Spending targets will not be based on different categories of beneficiaries-- children, adults, etc-- but rather on weighted average premiums alliance by alliance. Because an alliance will pay out premiums to health plans on a risk-adjusted basis, the funding needs of high-cost complicated patients will be built into the base of health care spending for any alliance.

Q: How should access to care provided by hospitals serving a disproportionate share of low income patients be sustained if Medicaid continues to be underfinanced?

NACHRI is concerned about Medicaid financing since children's hospitals cover a disproportionately large number of low income children. NACHRI found that Medicare DRGs underpaid children's hospitals by 7-30%.

A: Medicaid has served as a lifeline for many populations with pressing care needs, including millions of children. But there are a number of problems with the way Medicaid is organized and funded, and we hope reform will begin to address those.

Since much of the bad debt and charity care provided by hospitals today will be eliminated once everyone has insurance, there will be savings in "Dish" payments redirected as part of reform. But that should not adversely effect children's hospitals, since many of the Medicaid-eligible children now served by your institutions will no longer be on Medicaid, and will therefore allow your hospitals to get reimbursed at higher rates for providing care.

First, children of working parents will now be covered through the new system, and will no longer go onto Medicaid. Second, children who qualify due to "medically needy" status will not need to rely on Medicaid, since they will have full insurance and therefore be able to cover the costs of care. Third, a number of children with very complex health conditions end up on Medicaid because they exhaust the "lifetime cap" of their families' private insurance policy. The elimination of lifetime caps will guarantee that even high cost children will continue to be served by their private sector health plan.

VII. ATTACHMENTS

A. NACHRI Recommendations for Health Care Reform, July 1993

B. List of Participants

C. A Copy of Senator Rockefeller's Speech to NACHRI in March

III. PARTICIPANTS

Representatives from member hospitals, including Arkansas Childrens Hospital. Please see the attached list of participants.

IV. PRESS PLAN

Closed to the Press

V. SEQUENCE

No formal sequence-- it will be a very informal meeting with about 15 people sitting around a table. They'd like you to talk about the reform effort first, for about 20 minutes, then take questions. You will be there for one hour.

VI. TALKING POINTS

This group is most concerned with making sure that reform doesn't try to put a generic template on the whole system, without recognizing that certain populations have special health needs. I would stress the following: comprehensive, guaranteed care for all children, and increased funding for research of diseases and health problems that beset children. (Many of these hospitals are also research institutions) In addition, they have raised a set of specific questions about the reform, which I have drafted answers for below.

- **All children will have comprehensive health care coverage, regardless of their history of illness or family circumstance.**

Today, millions of American children have inadequate health care coverage, or no coverage at all. The Medicaid program has gone a long way to extend coverage to more children, but many kids still fall through the gaps. Most live in families where at least one parent works, but the parents' employer doesn't offer coverage, or covers only the worker, not his or her family. Some live in families that are not poor enough to qualify for Medicaid, but are too poor to afford health insurance. Other children are fortunate enough to have families willing and able to buy health insurance, but no insurance company will take them due to a history of illness. Still others-- many of the children you see at your centers-- had insurance at one time, but, after receiving intensive treatment for a complex illness, were told they had exceeded their "lifetime limit" for insurance benefits, and no longer had coverage.

Our children should not fall victim to fine print, or to insurance company discrimination. Nor should their access to needed health care rest on their parents' job or economic circumstances.

Under health reform, we will guarantee that every American, including

every American child, will never again lose their health insurance. Families will be able to choose among competing health plans in their community, and will have the security of knowing that coverage will be there for them, no matter what. Health care reform will also remove the life-time cap on benefits, good news for many children with complex illnesses who end up on Medicaid due to the cost of their care.

- **Increased funding for medical research will target prevention, as well as treatment and cure of life-threatening illnesses:**

Pediatric health - Including perinatal health, birth defects and diseases of childhood, unintentional injuries, learning and cognitive development, and adolescent health

Reproductive health - Research areas include pregnancy prevention, sexually transmitted diseases, adolescent pregnancy, and pregnancy-related complications

Mental Health and Substance Abuse - Including research on mental disorders in children and adolescents, child abuse and neglect, women's mental health, mental disorders in racial and ethnic minorities, mental disorders in the elderly and their caregivers, severe mental disorders, and violence.

Substance abuse research will target vulnerable populations, including high-risk youth, and will study medications development, substance abuse, and the relationship between substance abuse and women's health.

Infectious diseases - Focusing on new and emerging infectious diseases, vaccine development, and fundamental vaccine research, as well as on infectious diseases currently taking societal tolls.

This will include HIV and AIDs research on behavior, vaccines, transmission of HIV, and prevention of disease progression to AIDS, and research on new vaccines to prevent and quickly diagnose and treat TB.

Health and Wellness Promotion

Includes nutrition- defining optimal diets, dietary links to disease, and obesity. Includes physical wellness- an emphasis on fitness for all ages, and fitness and aging. Includes environmental health- an emphasis on

August 11, 1993

MEMORANDUM FOR Carol Rasco

FROM: Christine Heenan

SUBJECT: National Association of Children's Hospitals and Related Institutions (NACHRI) Briefing

Date: Friday, July 13
Time: 10:00AM - 11:00AM
Location: Ramada Inn Hotel Old Town
Fairfax North Room
Contact: Peter Willson, P6/b(6)

I. PURPOSE

NACHRI's Public Policy Council has asked for a meeting to discuss the President's goals on health care reform and how reform will affect the care provided to children, particularly children with complex medical problems.

II. BACKGROUND

Description of Group

The Council consists of 12 member hospitals, and it directs the associations's work in public policy. They are meeting to discuss their activities over the past year and to begin planning for future events.

The group is very interested in the health of children and the role that children's hospitals will play under reform. NACHRI launched a national education campaign known as "One Size Won't Fit All." The goal of this effort is to explain to the public that children have unique needs and cannot be folded into a new health care plan without considering their special needs.

In July, the group drafted a list of recommendations outlining its hopes of what the national health plan will include. A copy of this document is attached.

THE WHITE HOUSE
WASHINGTON

Put on LR call list

Maria Haley called to say that you should contact this guy and explain what you want to do. Her things are in storage there and her goal is to have it moved by Sept. 15.

Max Davis
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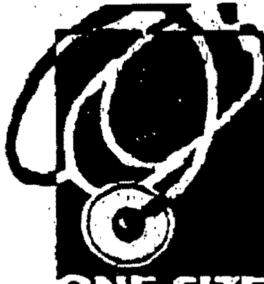
(501) 562-2544



National Association of Children's Hospitals
and Related Institutions

CHILDREN'S HOSPITALS' RECOMMENDATIONS FOR HEALTH CARE REFORM

July 1993

Children's hospitals are experts in the health care of all children -- children whose families are poor or rich, children who are healthy or sick, children who require vaccinations or need life-saving medical technology. In their communities and regions, they care for a disproportionate number of the children who are sickest, poorest, and have the most specialized needs.

Children's hospitals strongly support health care reform that establishes health care coverage for all Americans, based on a uniform benefit package and built on our existing system of both private and publicly financed health care coverage, including subsidies and mandates for employers.

But because they are experts in children's health care needs, children's hospitals also know that when it comes to health care reform for children, "one size won't fit all." Universal health care coverage for all Americans will fail children unless several key features of reform are tailored to fit children's needs.

1. Uniform Benefits for Children Should Be Defined by Pediatric Experts and Based on Medicaid Benefits. Children have unique health care needs -- not only in preventive and primary care but also in subspecialty, rehabilitative, and long term care. Children's hospitals recommend that comprehensive benefits for children be defined by pediatric health care experts who begin with an assessment of the Medicaid benefit package for children. Medicaid has the most comprehensive, federally recognized benefits for children. It guarantees medically necessary care for children.

2. Managed Competition Should Be Regulated to Guarantee Availability of Pediatric Care and Avoid Duplication of Existing Regionalized and Specialized Services. Managed care and managed competition have the potential to improve children's access to appropriate health care -- *if* they are tailored to fit children's needs.

- First, managed competition should ensure choice. Children's hospitals recommend that parents have choice among managed care plans. Within plans, parents should have the option of pediatric care, including sub-specialists for primary as well as acute care of children with special health care needs. Managed competition also should permit the development of comprehensive pediatric care networks devoted to all children.

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- Second, managed competition should avoid duplication of existing regionalized and specialized health care services for children, which the consolidation of resources serving large numbers of children makes possible. Dispersion of the pediatric population and proliferation of pediatric facilities can undermine the availability of services for children with special health care needs and reduce system wide efficiency, effectiveness, and quality. Capitation rates should be adjusted for age and risk factors. Managed competition policy also should address the financing of medical education.

3. Cost Containment Policies Should Recognize the Different Resource Requirements of Children's Health Care Needs. Children's hospitals and other providers should intensify their efforts to deliver quality care ever more cost-effectively. Because children are disadvantaged in the allocation of health resources, children's hospitals do not advocate government spending caps for children. But if reform establishes cost containment for all Americans, adjustments will be needed to reflect children's health care needs.

- Global budget caps should be based on an assessment of children's health care needs, using children's utilization and costs of care, not historical utilization or average costs of care for adults and children combined.

- Payment regulation for inpatient care should be adjusted to reflect differences in children's diagnoses/severity, age, and nursing care requirements. Payment regulation should be adjusted for children with extraordinary health care needs, children who are transferred from one hospital to another, and children with chronic and congenital conditions. Regulation and financing policy should support medical education needs to ensure the future availability of appropriate pediatric care.

4. Reform Should Recognize the Special Requirements of Providers of a Disproportionate Share of Care to Poor Children. Medicaid is the nation's health care safety net for children -- covering one in five children. In the transition to comprehensive health care reform, Medicaid will continue to be critical to children. Children's hospitals recommend continuation of Medicaid policies that recognize the special circumstances of providers serving a disproportionate share of low income patients and their need for adequate payment rates. Such policies should apply to both Medicaid managed care and Medicaid fee-for-service.

5. Informing Consumers About Health Care Costs Should Be Based on Pediatric Health Care Costs, Not Average Costs. Most hospital cost reporting, including Medicare's, averages adult and pediatric health care costs together. Efforts to inform consumers about health costs, based on such cost reporting, will not reflect children's needs. Resource-based accounting will provide a more accurate view of children's use of hospital care and its costs.

NACHRI's Council on Public Policy
October 1992 - September 1993

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Marvin D. Kolb., M.D., M.S., Executive Medical Director, The Children's Mercy Hospital, Kansas City, MO. Fourth year on Council. Former liaison from the American Academy of Pediatrics. Former chairman of the American Academy of Pediatrics' Council on Governmental Affairs. Phone: 816-234-3780. Fax: 816-234-3590.

July 2, 1993

Senator John D. Rockefeller IV
National Association of Children's Hospitals
Washington, D.C.
March 30, 1993

Thank you. It is most kind of you to accept a substitute with a ranking that isn't exactly up there with the First Lady. I am going to work very hard not to disappoint you, or more to the point, I want to be sure to not disappoint Mrs. Clinton.

And the First Lady asked me to share her regrets that her father's illness prohibits her from being with you today. I know you all join me in keeping the Rodham family in our prayers and thoughts.

In preparing to pinch-hit for Mrs. Clinton, I discovered just how deep her roots are to the cause of children and families. They go back at least twenty years, to time she spent at the Yale New Haven Hospital and Child Study Center -- which I have had the privilege to visit through my own work with the National Commission on Children.

And as you know, Hillary Rodham Clinton has been a positive force for children ever since -- in her work for the people of Arkansas, through the Children's Defense Fund, and as a strong supporter of organizations like yours. I know she intended to tell you how much she admires, as I do, your work for thousands and thousands of children in some of their greatest hours of need.

In her role as the head of the President's Task Force on Health Care Reform, the First Lady has accepted a tremendous challenge. And all of us in this room know just how much the children of this nation are relying on the Task Force and the Congress to succeed in enacting health reform.

In my work as chairman of the National Commission on Children, I have been almost overwhelmed at times by the pain and struggles that fall on America's children and family -- because of the terrible flaws in our so-called health care system. The diseases that children contract because they didn't get their vaccinations in time. The disabilities that children develop because they didn't have the insurance to see a doctor in time.

The Children's Commission has worked intensely over the past several years to propose new policies to respond to the health care needs of our children, and to the many other problems that we studied. Our mission was to design an action agenda for the 1990s, and to build the public commitment and sense of common purpose to see that agenda implemented.

Nothing could be higher on that agenda than reforming our present health care system so that it works -- really works for children and families. American families deserve health care they can count on. They deserve peace of mind.

Yesterday over sixty groups sat with the Vice President and members of the President's Health Care Task Force for a little over thirteen hours. More than 400 hundred people in the Task Force's working groups have been laboring night and day to help shape a health care reform proposal that will pass Congress, and serve all the American people.

The challenge is to create a plan, and put a system in place that recognizes and serves the diverse needs of our children and their families. To give the American people a sense of security about health care protection -- for themselves and for their children.

The President and the First Lady believe that a nation that does not make it a priority to care for the health of its children cares little about its future. Healthy children means healthy adults. Healthy adults are productive workers, participating citizens. This is our "investment" argument -- it's a serious, valid, and very urgent argument.

But the best argument for keeping our children healthy is that they are our children. And, we as adults are responsible for our nation's children. It is our job and it should be our privilege. It is the moral measure of ourselves as a civilized people -- and of America as a great nation.

In the final report of the National Commission on Children, we quote Lynn Clothier, the Executive Director of the Indiana Health Centers in Madison, Indiana. Whenever there is a discussion about doing what is right for children I remember her words.

"I can't believe we can care so little about these children that we simply look the other way."

You and your colleagues don't look the other way. I have visited many children's hospitals, and have talked to many of you. Your voices and your dedication are essential to our efforts to reform health care.

And the President's Task Force knows -- and we want the rest of the country to know -- that while you represent only 1 percent of the nation's hospitals, children's hospitals provide care and life-saving treatment to about 12 percent of all hospitalized children. You devote nearly 50 percent of your patient days to the inpatient care of our most vulnerable children. Children's hospitals wage intense battles every day -- every day -- to rescue children, and help those with chronic or congenital health conditions.

For so many of America's children you are their best hope -- sometimes their only hope. When they have no where else to go, you keep your doors open for them -- all day and all night.

Dr. Norman Fost, one of the pediatricians serving on a health care working group, relayed this story to Mrs. Clinton, not too long ago. She won't forget it, ever.

Dr. Fost recently treated a 10-day old baby at the University of Wisconsin Children's Hospital in Madison. When the child was three days old he came down with a fever. Most parents would have brought this child to a doctor right away. These parents didn't. They weren't bad parents. They were good, hardworking parents who simply could not afford health care. They loved their child but they were afraid.

Afraid that without insurance they couldn't afford the cost of a hospital visit. Afraid that a stiff hospital payment would force them to choose between rent and food. So they crossed their fingers and desperately hoped it was just a bad cold, and prayed that their infant would get better. But he didn't, and a few days later he still had the fever. Then they had no choice left. Whether they could afford it or not they had to get help for their child. They took their infant son to a hospital emergency room.

This story does not end happily. In fact, it ends tragically. The child wound up brain-damaged. Dr. Fost says that if this family had brought their child to the hospital earlier, he could have been easily and inexpensively treated. The child's parents have been bankrupted. Health costs for the child have amounted to thousands of dollars.

I tell you this story not to burden you with one more tragedy to add to the ones you have witnesses -- but to affirm and reaffirm the urgency that we feel for achieving health reform. To underscore why we must and why we will pass a reform bill this year. It is time to protect our children and give families freedom from fear. It is time for health care reform.

The President's goals for health care reform are straightforward and simple:

We must get health care costs under control.

We must cut waste and increase competition. Those in the insurance and pharmaceutical industries will no longer be allowed to profit excessively. It's just not fair.

We must ensure that every American is covered by a comprehensive benefits package. Pediatric health care experts should have -- and will have -- substantial input in helping

to define the specific health needs of children within that comprehensive benefits package. This makes sense to me and it makes sense to those who are working on the Administration's plan.

We understand that children not only have different health needs, they have different health care service delivery needs, must be taken into consideration. Health care reform must be accountable to specialized populations.

I know that talk about getting costs under control sometimes raises a red flag. There is a concern that greater attention to budgeting may result in hospital payment systems which are biased against high-cost, intensive care patients -- who all too often are children.

We will not develop a plan that turns its back on children. We will develop a plan which places an emphasis on prevention so that fewer and fewer children reach your hospital doors when their illnesses are critical.

Reform must make the system simple. I know that one of your greatest frustrations in today's health care system is the burden of paperwork. Every day the paperwork in hospitals steals time and money from those who give and those who receive care.

The Administration's health care reform proposal will drastically reduce the bureaucracy, and will turn attention away from the file cabinet and back to the bedside.

The country should not go another day and certainly not another year without reforming health care.

The well-being of our children and the reform of our health care system are linked.

The National Commission of Children has proven that politicians, policymakers, researchers, and leaders like you can find common ground when it comes to the needs of children. The public says over and over again that they want the country's resources and actions targeted to children, and to building a better tomorrow.

We have to translate this consensus and this public support into bold, tangible reform of our health care system. We have to make sure that reform starts with the care and coverage that children must have. The President and the First Lady have made this their goal. I know you and I will do everything humanly possible to help them succeed.

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October 1992 - September 1993

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Steve Worley, Executive Director, Children's Hospital, New Orleans, LA. First year on Council. Phone: 504-896-9450. Fax: 504-896-9707.

Lorraine Zippiroli, President and Chief Executive Officer, Lucile Salter Packard Children's Hospital at Stanford, Palo Alto, CA. Second year on Council. Phone: 415-497-8340. Fax: 415-497-8612.

Marvin D. Kolb., M.D., M.S., Executive Medical Director, The Children's Mercy Hospital, Kansas City, MO. Fourth year on Council. Former liaison from the American Academy of Pediatrics. Former chairman of the American Academy of Pediatrics' Council on Governmental Affairs. Phone: 816-234-3780. Fax: 816-234-3590.

July 2, 1993

Senator John D. Rockefeller IV
National Association of Children's Hospitals
Washington, D.C.
March 30, 1993

Thank you. It is most kind of you to accept a substitute with a ranking that isn't exactly up there with the First Lady. I am going to work very hard not to disappoint you, or more to the point, I want to be sure to not disappoint Mrs. Clinton.

And the First Lady asked me to share her regrets that her father's illness prohibits her from being with you today. I know you all join me in keeping the Rodham family in our prayers and thoughts.

In preparing to pinch-hit for Mrs. Clinton, I discovered just how deep her roots are to the cause of children and families. They go back at least twenty years, to time she spent at the Yale New Haven Hospital and Child Study Center -- which I have had the privilege to visit through my own work with the National Commission on Children.

And as you know, Hillary Rodham Clinton has been a positive force for children ever since -- in her work for the people of Arkansas, through the Children's Defense Fund, and as a strong supporter of organizations like yours. I know she intended to tell you how much she admires, as I do, your work for thousands and thousands of children in some of their greatest hours of need.

In her role as the head of the President's Task Force on Health Care Reform, the First Lady has accepted a tremendous challenge. And all of us in this room know just how much the children of this nation are relying on the Task Force and the Congress to succeed in enacting health reform.

In my work as chairman of the National Commission on Children, I have been almost overwhelmed at times by the pain and struggles that fall on America's children and family -- because of the terrible flaws in our so-called health care system. The diseases that children contract because they didn't get their vaccinations in time. The disabilities that children develop because they didn't have the insurance to see a doctor in time.

The Children's Commission has worked intensely over the past several years to propose new policies to respond to the health care needs of our children, and to the many other problems that we studied. Our mission was to design an action agenda for the 1990s, and to build the public commitment and sense of common purpose to see that agenda implemented.

Nothing could be higher on that agenda than reforming our present health care system so that it works -- really works for children and families. American families deserve health care they can count on. They deserve peace of mind.

Yesterday over sixty groups sat with the Vice President and members of the President's Health Care Task Force for a little over thirteen hours. More than 400 hundred people in the Task Force's working groups have been laboring night and day to help shape a health care reform proposal that will pass Congress, and serve all the American people.

The challenge is to create a plan, and put a system in place that recognizes and serves the diverse needs of our children and their families. To give the American people a sense of security about health care protection -- for themselves and for their children.

The President and the First Lady believe that a nation that does not make it a priority to care for the health of its children cares little about its future. Healthy children means healthy adults. Healthy adults are productive workers, participating citizens. This is our "investment" argument -- it's a serious, valid, and very urgent argument.

But the best argument for keeping our children healthy is that they are our children. And, we as adults are responsible for our nation's children. It is our job and it should be our privilege. It is the moral measure of ourselves as a civilized people -- and of America as a great nation.

In the final report of the National Commission on Children, we quote Lynn Clothier, the Executive Director of the Indiana Health Centers in Madison, Indiana. Whenever there is a discussion about doing what is right for children I remember her words.

"I can't believe we can care so little about these children that we simply look the other way."

You and your colleagues don't look the other way. I have visited many children's hospitals, and have talked to many of you. Your voices and your dedication are essential to our efforts to reform health care.

And the President's Task Force knows -- and we want the rest of the country to know -- that while you represent only 1 percent of the nation's hospitals, children's hospitals provide care and life-saving treatment to about 12 percent of all hospitalized children. You devote nearly 50 percent of your patient days to the inpatient care of our most vulnerable children. Children's hospitals wage intense battles every day -- every day -- to rescue children, and help those with chronic or congenital health conditions.

For so many of America's children you are their best hope -- sometimes their only hope. When they have no where else to go, you keep your doors open for them -- all day and all night.

Dr. Norman Fost, one of the pediatricians serving on a health care working group, relayed this story to Mrs. Clinton, not too long ago. She won't forget it, ever.

Dr. Fost recently treated a 10-day old baby at the University of Wisconsin Children's Hospital in Madison. When the child was three days old he came down with a fever. Most parents would have brought this child to a doctor right away. These parents didn't. They weren't bad parents. They were good, hardworking parents who simply could not afford health care. They loved their child but they were afraid.

Afraid that without insurance they couldn't afford the cost of a hospital visit. Afraid that a stiff hospital payment would force them to choose between rent and food. So they crossed their fingers and desperately hoped it was just a bad cold, and prayed that their infant would get better. But he didn't, and a few days later he still had the fever. Then they had no choice left. Whether they could afford it or not they had to get help for their child. They took their infant son to a hospital emergency room.

This story does not end happily. In fact, it ends tragically. The child wound up brain-damaged. Dr. Fost says that if this family had brought their child to the hospital earlier, he could have been easily and inexpensively treated. The child's parents have been bankrupted. Health costs for the child have amounted to thousands of dollars.

I tell you this story not to burden you with one more tragedy to add to the ones you have witnesses -- but to affirm and reaffirm the urgency that we feel for achieving health reform. To underscore why we must and why we will pass a reform bill this year. It is time to protect our children and give families freedom from fear. It is time for health care reform.

The President's goals for health care reform are straightforward and simple:

We must get health care costs under control.

We must cut waste and increase competition. Those in the insurance and pharmaceutical industries will no longer be allowed to profit excessively. It's just not fair.

We must ensure that every American is covered by a comprehensive benefits package. Pediatric health care experts should have -- and will have -- substantial input in helping

to define the specific health needs of children within that comprehensive benefits package. This makes sense to me and it makes sense to those who are working on the Administration's plan.

We understand that children not only have different health needs, they have different health care service delivery needs, must be taken into consideration. Health care reform must be accountable to specialized populations.

I know that talk about getting costs under control sometimes raises a red flag. There is a concern that greater attention to budgeting may result in hospital payment systems which are biased against high-cost, intensive care patients -- who all too often are children.

We will not develop a plan that turns its back on children. We will develop a plan which places an emphasis on prevention so that fewer and fewer children reach your hospital doors when their illnesses are critical.

Reform must make the system simple. I know that one of your greatest frustrations in today's health care system is the burden of paperwork. Every day the paperwork in hospitals steals time and money from those who give and those who receive care.

The Administration's health care reform proposal will drastically reduce the bureaucracy, and will turn attention away from the file cabinet and back to the bedside.

The country should not go another day and certainly not another year without reforming health care.

The well-being of our children and the reform of our health care system are linked.

The National Commission of Children has proven that politicians, policymakers, researchers, and leaders like you can find common ground when it comes to the needs of children. The public says over and over again that they want the country's resources and actions targeted to children, and to building a better tomorrow.

We have to translate this consensus and this public support into bold, tangible reform of our health care system. We have to make sure that reform starts with the care and coverage that children must have. The President and the First Lady have made this their goal. I know you and I will do everything humanly possible to help them succeed.

Directions to Ramada Hotel Old Town
901 North Fairfax Street
Alexandria, VA

(Hotel Phone: 703-683-6000)

Drive South on the George Washington Parkway, approximately three miles past National Airport.

As you enter Alexandria, you will pass a "Welcome" sign to Alexandria on the left. Continue on the Parkway, the name of which now becomes Washington Boulevard.

A few blocks past the Welcome sign, at the intersection of Washington and Madison, turn left onto Madison Street. Drive down Madison Street four blocks, toward the Potomac River.

At the intersection of Madison and North Fairfax Street, turn left onto North Fairfax. The Ramada Hotel is located two blocks down North Fairfax on the right.

NACHRI

The National Association of Children's Hospitals
and Related Institutions, Inc.
401 Wythe Street, Alexandria, VA 22314
Telephone: (703) 684-1355 - Facsimile (703) 684-1589

Facsimile Transmittal Form

Date: 8-11-93 **No. of pages including cover:** 5

To: Rosalyn

Carol Rasco's Office

Facsimile Number: (202) 456-2878

Telephone Number: (202) 456-2216

From: Kathryn White (Pete Willson's Office)
Administrative Assistant - Public Policy

Facsimile Number: (703) 684-1589
Telephone Number: (703) 684-1355

Comments:

Please call to confirm receipt of this fax.

I have attached a copy of the agenda for the Council on Public Policy meeting on August 12-13, 1993. Ms. Rasco is scheduled from 10:00 - 11:00. Please call if you need additional information.

Thank you.

If you have any questions or transmission problems, call the number above.

Agenda

COUNCIL ON PUBLIC POLICY

Working Dinner Meeting
7:00 - 9:30 p.m., Thursday, August 12, 1993
Ramada Hotel Old Town, Alexandria, VA

Meeting
8:00 a.m. - 2:30 p.m., Friday, August 13, 1993
Ramada Hotel Old Town, Alexandria, VA

		Proposed Agenda		Enclosure
		THURSDAY, AUGUST 12, 1993		
7:00 PM		Dinner		
8:00 PM	1.	Introduction and Acceptance of Agenda	Mr. Rozek	#1
8:10 PM	2.	Acceptance of Results of Meeting, 6/4/93	Mr. Rozek	#2
	3.	Action Items	Mr. Rozek Mr. Willson Ms. Langley	

NACHRI seeks the Council's recommendations on three action action items, both for further consideration by the Executive Council and for guidance to the staff.

8:15 PM	a.	Action Item #1 - NACHRI's Health Care Reform Recommendations on Graduate Medical Education	#3

At its June meeting, the Council asked staff to prepare a draft position statement for the association on the financing of graduate medical education (GME) under health care reform based on managed competition, which would support separating the financing of GME from patient care reimbursement. Staff seeks the Council's recommendations on the attached draft for the Executive Council's consideration.

9:00 PM b. **Action Item #2 - NACHRI's Position on Hand Gun Control** #4

In January, the Public Policy Council recommended that NACHRI go on record in support of gun control legislation. The Child Health Council seeks the Public Policy Council's endorsement of the attached association position statement on children and firearms, including support for efforts leading to the eventual elimination of private use of certain categories of firearms in order to reduce children's access to firearms.

9:30 PM **Adjournment**

FRIDAY, AUGUST 13, 1993

8:00 AM 3. **Action Items** (continued) Mr. Rozek, Mr. Willson

8:00 AM c. **Action Item #3 - Public Policy Council's Goals and Objectives for Program Year 1993 - 1994** #5

NACHRI's program year runs from October through September. In August, the Public Policy Council recommends to the Executive Council broad functional goals for the upcoming program year, with the Public Policy Council deferring until January recommendation of a specific legislative agenda. Attached are last year's statement of goals and objectives and staff suggestions for the upcoming year.

8:30 AM 4. **Legislative Agenda Updates** Mr. Rozek, Mr. Willson, Ms. Feldman, Mr. Pilotte, Ms. Hansen, Ms. Langley

The Council will discuss updates on each of the four issues on the association's 1993 Legislative Agenda.

8:30 AM a. **Medicaid** Ms. Hansen #6

The Council will discuss the current status of Congressional action on Medicaid entitlement caps, disproportionate share payment caps, and Medicaid managed care, plus NACHRI's recent visit with the

newly confirmed Administrator of the Health Care Financing Administration.

8:45 AM	b.	<u>Child Health Grants</u>	Ms. Feldman Mr. Pilotte	#7,8

The Council will discuss the current status of Congressional action on FY 1994 Congressional appropriations for child health grants and NACHRI's Federal Grants Opportunities Project. It also will discuss NACHRI's promotion of the Institute of Medicine recommendations for emergency medical services for children.

9:00 AM	c.	<u>Tax Exemption for Hospitals</u>	Mr. Pilotte	#9

The Council will discuss the current status of Congressional review of federal tax exemption policy for non-profit hospitals.

9:10 AM	d.	<u>Health Care Reform</u>	Mr. Willson Ms. Langley	#10

The Council will review the current status of White House and Congressional action on health care legislation, NACHRI's new "One Size Won't Fit All" Action Kit on Health Care Reform, NACHRI's Key Congressional Contact Network and Computer On-Line Service on health care reform. The Council also will discuss the key issues on which to focus in its 10:00 a.m. meeting with White House Domestic Policy Chief Carol Rasco.

9:50 AM 5. <u>Break</u>

* 10:00 AM 6. <u>Meeting With Carol Rasco, Assistant to President Clinton for Domestic Policy</u>

Presidential aide Carol Rasco has accepted NACHRI's invitation to meet with the Public Policy Council to discuss the President's plans for health care reform as they affect children's hospitals.

11:00 AM	7.	<u>NACHRI's Strategic Planning Process</u>	Mr. McAndrews	#11

Mr. McAndrews will discuss the current status of the work of NACHRI's Strategic Planning Steering Committee, which met in June and will meet again this month. The Council

will discuss recommendations for a statement of mission for the association and a statement of vision for the association's work over the next five years.

12:30 PM 8. **Lunch and Discussion of Council Member Activities**

Over lunch, Council members will discuss public policy developments in their respective institutions, beginning with Steve Edwards, M.D., Chairman of the American Academy of Pediatrics Council on Government Affairs and Academy Liaison to NACHRI's Public Policy Council.

9. **Program Updates** NACHRI Staff

1:15 PM a. **NACHRI's Managed Competition Advisory Committee** Mr. Muldoon #12

The Council will discuss NACHRI's appointment of a Managed Competition Advisory Committee and NACHRI's initiation of preliminary research on pediatric adjustments of capitation rates in managed care.

1:45 PM b. **NACHRI's New Vice President Public Affairs and Media Relations on NACHRI's Public Policy Efforts** Ms. Tate

Lisa Tate, NACHRI's new Vice President for Public Affairs will discuss efforts to increase NACHRI's visibility in the media on public policy issues.

2:00 PM c. **NACHRI's 1994 Washington Conference** Mr. Willson

The Council will discuss preliminary plans for NACHRI's 1994 Washington Conference.

2:10 PM d. **Coordination between NACHRI's Public Policy and Advocacy Council** Mr. Willson and Ms. Tate

NACHRI's Advocacy Council, which oversees the association's work in child advocacy, seeks ways to coordinate its agenda with NACHRI's Public Policy Council's agenda.

2:20 PM 10. **Other Business** Mr. Rozek

2:25 PM 11. **Schedule for Next Public Policy Council Meeting**

2:30 PM 12. **Adjournment**

NACHRI

The National Association of Children's Hospitals
and Related Institutions, Inc.
401 Wythe Street, Alexandria, VA 22314

Telephone: (703) 684-1355 - Facsimile (703) 684-1589

Kathy

Facsimile Transmittal Form

Date: 8/10/93 # of pages including cover 8

To: Carol Rasco, Assistant to the President
attn: Rosalyn Kelley

Facsimile Number: (202) 456-2878

Telephone Number: (202) 456-2216

From: Peters D. Willson

Vice President for Government Relations

Facsimile Number: (703) 684-1589

Telephone Number: (703) 684-1355

Comments:

If you have any questions or transmissions problems, call the number above.

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At the intersection of Madison and North Fairfax Street, turn left onto North Fairfax. The Ramada Hotel is located two blocks down North Fairfax on the right.

The National Association of Children's Hospitals and Related Institutions, Inc.

August 10, 1993

Ms. Carol Rasco
Assistant to the President
for Domestic Policy
The White House
Washington, DC 20500

Attn: Rosalyn Kelly

Dear Ms. Rasco:

NACHRI's Public Policy Council is very much looking forward to meeting with you at 10:00 a.m. on Friday, August 13, in the Fairfax North Room at the Ramada Hotel Old Town at 901 N. Fairfax Street in Alexandria. NACHRI's President Larry McAndrews has asked me to send you the following background information.

NACHRI's Public Policy Council includes representatives of 12 member hospitals and oversees the association's work in public policy for the Board of Trustees. I am enclosing a list of the members of the Council. Stephen Edwards, M.D., chairman of the American Academy of Pediatrics' Council on Government Affairs, also attends our meeting, as well as members of NACHRI's staff.

The Public Policy Council will be holding its annual summer business meeting the evening of August 12 and the day of August 13 to review our overall activities in public policy and to focus on our goals and objectives for next year. Health care reform is, of course, the most important public policy issue for NACHRI, and we have attempted to follow closely the development of the President's proposal for comprehensive health care reform.

Our Council would benefit very much from hearing your views about the President's vision for health care reform and how it would meet the needs of children requiring the services of highly specialized pediatric health centers such as children's hospitals. The Council members also would find it helpful to talk about with you about four specific sets of issues we believe will be important to the patients of children's hospitals:

- How should a competitive managed care marketplace be appropriately regulated to sustain access to the services of pediatric institutions devoted to specialized clinical care, medical education, and research?

- How should limits on the comprehensive benefits package be defined to cover adequately children with special health care needs?
- How should cost containment strategies -- global budgets, capitation rates, or price controls -- be modified to reflect children's health care resource requirements?
- How should access to care provided by hospitals serving a disproportionate share of low income patients be sustained if Medicaid continues to be underfinanced?

In addition to the list of NACHRI's Public Policy Council members, I am enclosing for you a summary of NACHRI's recommendations for health care reform and directions to the Ramada Hotel. I will call Rosalyn Kelly in your office to see if you would like any additional information or material, or if you would like us to organize the discussion differently. In the meantime, thank you very much for taking time from your busy schedule to meet with representatives of the children's hospitals.

Sincerely,

Peters D. Willson
Vice President for Government

Enclosures

NACHRI's Council on Public Policy
October 1992 - September 1993

Thomas M. Rozek, President, Children's Hospital of Michigan, Detroit, MI. Chairman. Third year on Council. First year as NACHRI Trustee and first year as Council Chairman. Phone: 313-745-5850. Fax: 313-993-0389.

Joel T. Allison, Trustee and Former Chief Executive Officer, Driscoll Children's Hospital, Corpus Christi, TX. Vice Chairman. First year on Council. First year as NACHRI Trustee. Previously served two years on NACHRI's Council on Child Health Care Financial Requirements. Chairman of the Legislative Committee for the Children's Hospital Association of Texas. Phone: 512-850-5021. Fax: 512-850-5317.

Laurie M. Cammisa, Esq., Director of Government and Community Relations, Children's Hospital, Boston, MA. Second year on Council. Former legislative assistant on health to U.S. House Ways and Means Committee Chairman Dan Rostenkowski (D-IL). Phone: 617-735-6090. Fax: 617-735-6434.

Gary Miller, Ph.D., Administrator, James Whitcomb Riley Hospital for Children, Indiana University Hospitals, Indianapolis, IN. First year on Council. Phone: 317-274-4071. Fax: 317-274-3404.

Blanche Moore, Director of Institutional Relations, Arkansas Children's Hospital, Little Rock, AR. Served on the Public Policy Council 1987 - 1989. Phone: 501-320-1481. Fax: (501) 320-3547.

Suzanne Respess, Assistant Director of Government Relations, Children's Hospital of Alabama, Birmingham, AL. First year on Council. Former Reagan White House staff. Phone: 205-939-9652. Fax: 205-939-5177.

Michael A. Simmons, M.D., Medical Director, Primary Children's Medical Center, Salt Lake City, UT. First year on Council, and first year as NACHRI Trustee. Member of NACHRI's Steering Committee on the Universal Access for Children Reimbursement Study. Former Congressional health aide to Senator Orrin Hatch (R-UT), Ranking Republican on the U.S. Senate Committee on Labor and Human Resources. Phone: 801-588-2360. Fax: 801-588-2380.

Charles P. Swisher, Director of Government Relations, St. Louis Children's Hospital, St. Louis, MO. Third year on Council. Former staff of the Missouri Hospital Association. Phone: 314-454-6030. Fax: 314-454-2869.

Brenda Wolf, Director of Planning and Government Relations, LaRabida Children's Hospital and Research Center, Chicago, IL. First year on Council. Phone: 312-753-8631. Fax: 312-363-6527.

Steve Worley, Executive Director, Children's Hospital, New Orleans, LA. First year on Council. Phone: 504-896-9450. Fax: 504-896-9707.

Lorraine Zippiroli, President and Chief Executive Officer, Lucile Salter Packard Children's Hospital at Stanford, Palo Alto, CA. Second year on Council. Phone: 415-497-8340. Fax: 415-497-8612.

Marvin D. Kolb., M.D., M.S., Executive Medical Director, The Children's Mercy Hospital, Kansas City, MO. Fourth year on Council. Former liaison from the American Academy of Pediatrics. Former chairman of the American Academy of Pediatrics' Council on Governmental Affairs. Phone: 816-234-3780. Fax: 816-234-3590.

July 2, 1993

National Association of Children's Hospitals and Related Institutions

CHILDREN'S HOSPITALS' RECOMMENDATIONS FOR HEALTH CARE REFORM

July 1993

Children's hospitals are experts in the health care of all children -- children whose families are poor or rich, children who are healthy or sick, children who require vaccinations or need life-saving medical technology. In their communities and regions, they care for a disproportionate number of the children who are sickest, poorest, and have the most specialized needs.

Children's hospitals strongly support health care reform that establishes health care coverage for all Americans, based on a uniform benefit package and built on our existing system of both private and publicly financed health care coverage, including subsidies and mandates for employers.

But because they are experts in children's health care needs, children's hospitals also know that when it comes to health care reform for children, "one size won't fit all." Universal health care coverage for all Americans will fail children unless several key features of reform are tailored to fit children's needs.

1. Uniform Benefits for Children Should Be Defined by Pediatric Experts and Based on Medicaid Benefits. Children have unique health care needs -- not only in preventive and primary care but also in subspecialty, rehabilitative, and long term care. Children's hospitals recommend that comprehensive benefits for children be defined by pediatric health care experts who begin with an assessment of the Medicaid benefit package for children. Medicaid has the most comprehensive, federally recognized benefits for children. It guarantees medically necessary care for children.

2. Managed Competition Should Be Regulated to Guarantee availability of Pediatric Care and Avoid Duplication of Existing Regionalized and Specialized Services. Managed care and managed competition have the potential to improve children's access to appropriate health care -- if they are tailored to fit children's needs.

- First, managed competition should ensure choice. Children's hospitals recommend that parents have choice among managed care plans. Within plans, parents should have the option of pediatric care, including sub-specialists for primary as well as acute care of children with special health care needs. Managed competition also should permit the development of comprehensive pediatric care networks devoted to all children.

401 Wythe Street Alexandria, VA 22314 (703) 684-1355 FAX (703) 684-1589

- Second, managed competition should avoid duplication of existing regionalized and specialized health care services for children, which the consolidation of resources serving large numbers of children makes possible. Dispersion of the pediatric population and proliferation of pediatric facilities can undermine the availability of services for children with special health care needs and reduce system wide efficiency, effectiveness, and quality. Capitation rates should be adjusted for age and risk factors. Managed competition policy also should address the financing of medical education.

3. Cost Containment Policies Should Recognize the Different Resource Requirements of Children's Health Care Needs. Children's hospitals and other providers should intensify their efforts to deliver quality care ever more cost-effectively. Because children are disadvantaged in the allocation of health resources, children's hospitals do not advocate government spending caps for children. But if reform establishes cost containment for all Americans, adjustments will be needed to reflect children's health care needs.

- Global budget caps should be based on an assessment of children's health care needs, using children's utilization and costs of care, not historical utilization or average costs of care for adults and children combined.

- Payment regulation for inpatient care should be adjusted to reflect differences in children's diagnoses/severity, age, and nursing care requirements. Payment regulation should be adjusted for children with extraordinary health care needs, children who are transferred from one hospital to another, and children with chronic and congenital conditions. Regulation and financing policy should support medical education needs to ensure the future availability of appropriate pediatric care.

4. Reform Should Recognize the Special Requirements of Providers of a Disproportionate Share of Care to Poor Children. Medicaid is the nation's health care safety net for children -- covering one in five children. In the transition to comprehensive health care reform, Medicaid will continue to be critical to children. Children's hospitals recommend continuation of Medicaid policies that recognize the special circumstances of providers serving a disproportionate share of low income patients and their need for adequate payment rates. Such policies should apply to both Medicaid managed care and Medicaid fee-for-service.

5. Informing Consumers About Health Care Costs Should Be Based on Pediatric Health Care Costs, Not Average Costs. Most hospital cost reporting, including Medicare's, averages adult and pediatric health care costs together. Efforts to inform consumers about health costs, based on such cost reporting, will not reflect children's needs. Resource-based accounting will provide a more accurate view of children's use of hospital care and its costs.

a) Heenan briefing preparing by COB Aug. 11 (pto)
b) Format: See fax

TO: CR/ROZ

FROM: Pat *pr*

DATE: July 29, 1993

SUBJECT: Telephone conversation with Peter Wilson regarding CR's August 13, meeting, 10:00a.m.

Mr. Wilson was delighted that CR would be able to meet with NACHRI's Public Policy Council on Friday, August 13, 1993. He will be faxing a letter to confirm date, time, and location of meeting. (The council is comprised of approximately 14 persons.)

Per phone conversation, he said the meeting would take place at the Old Town Ramada Hotel in Alexandria, Virginia. The hotel is located at 901 North Fairfax Street.

Mr. Wilson's phone number in Virginia is P6/b(6)

accept

Roz - Pls. share this letter & the orig. w/ Heenan so that briefing materials can be prepared.

The National Association of Children's Hospitals and Related Institutions, Inc.

LAWRENCE A. McANDREWS, FACHE
President & CEO

June 29, 1993

JUL 1 1993

Ms. Carol Rasco
Assistant to the President for Domestic Policy
The White House
Washington, DC 20500

✓ Materials sent to C. Heenan 7/2/93 gr

Dear Carol:

I was very pleased to receive a call from your staff that you would be able to accept my invitation to join NACHRI's Public Policy Council for dinner on Thursday, August 12, in Alexandria, VA.

10am Fri - Aug 13

We have made our meeting arrangements, and I wanted to let you know the details. Our council will meet for dinner ~~at 7:00 p.m.~~ on ~~Thursday, August 12 in the Fairfax~~ North Room of the Ramada Hotel Old Town at 901 North Fairfax Street in Alexandria. ~~(Please note that we~~ will not meet at the Old Colony Inn as originally planned. The Ramada Hotel is in the same neighborhood but located next to the Potomac River.)

We welcome the opportunity to enjoy your company at dinner, and we look forward to discussing informally your thoughts and the most appropriate and effective ways to permit children's access to the services of children's hospitals in a reformed system of health care delivery that ensures both universal coverage and effective cost containment through expanded managed care.

If you would like additional information about our dinner meeting or if there is anything we can do to be of assistance, whether it be to provide transportation or to take into account any meal preferences you have when we arrange for the catered meal, please call Pete Willson in my office. He is coordinating the Public Policy Council's plans.

I look forward to seeing you on August 12.

Sincerely,

Larry

Lawrence A. McAndrews

PDW/kw

P.S. The recent New York Times profile on you gave me a much better appreciation of the special sensitivity and depth of commitment you bring to health care reform. It was a very impressive article.

nachri 401 Wythe Street, Alexandria, Virginia 22314 • Phone 703/684-1355 • FAX 703/684-1589

MEMORANDUM OF CALL

Previous editions usable

TO: CR

[x] YOU WERE CALLED BY— [ ] YOU WERE VISITED BY—

Pete Wilson

OF (Organization)

[ ] PLEASE PHONE ▶ [ ] FTS [ ] AUTOVON

[ ] WILL CALL AGAIN [ ] IS WAITING TO SEE YOU

[ ] RETURNED YOUR CALL [ ] WISHES AN APPOINTMENT

MESSAGE

– delighted you accepted –
They will be following up w/ logistics (ones)

RECEIVED BY	DATE	TIME
PR	6/4	3²⁰

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The National Association of Children's Hospitals and Related Institutions, Inc.

Accept

LAWRENCE A. McANDREWS, FACHE
President & CEO

May 24, 1993

Ms. Carol Rasco
Assistant to the President for Domestic Policy
The White House
Washington, DC 20500

Dear Carol:

I appreciate very much your having your staff call me to let me know that while you will be unable to join NACHRI's Public Policy Council for dinner on June 3, you would be interested in having more information about our August meeting.

I would like to renew our invitation to you to meet with NACHRI's Public Policy Council for dinner on Thursday, August 12, ~~or for its business~~ meeting on the morning and early afternoon of Friday, August 13, at the Old Colony Inn in Alexandria, VA. We would be ~~happy to~~ have you as our guest for all or part of the Thursday evening dinner, which will begin at 7:00 p.m. Similarly, we would be glad to arrange the schedule of the Friday business meeting, which runs from 8:00 a.m. to 2:30 p.m., to fit your schedule so that you might be able to spend a half hour to an hour with us, or whatever your time would permit.

As I discussed in my original letter of invitation of May 13, the Council includes representatives of children's hospitals in 12 states, including Tom Rozek the CEO of Children's Hospital of Michigan, Marvin Kolb, M.D., Executive Medical Director of Children's Mercy Hospital in Kansas City (he is the former chairman of the American Academy of Pediatrics' Council on Government Affairs), and Blanche Moore from Little Rock. I know the Council and I would benefit greatly from the opportunity to discuss your views and ours about the most appropriate and effective ways to permit children's access to the services of children's hospitals in a reformed system of health care delivery that ensures both universal coverage and effective cost containment.

Please have your staff call Pete Willson in our office for additional information. Pete staffs our Public Policy Council and will be making arrangements for the August Council meeting.

Again, thanks very much for your consideration.

Sincerely,

Larry

Lawrence A. McAndrews

LAM/kw

Called - Mr. Wilson's off - Louise 6/4/93 10:05 am "accepted" dinner - Thur Aug 12 pw

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