# Programme OPERA – ENTRETIENS

## Entretien – santé n°26

Pour citer cet entretien : Guigner, Sébastien, Entretien santé n°26, Programme OPERA (*Operationalizing Programmatic Elite Research in America*), dirigé par W. Genieys (ANR-08-BLAN-0032) (*insérer hyperlien*).

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**Interviewer: Yes, I will (inaudible). Thank you very much.**

Responder: You're welcome.

**Maybe just a few words about me and my current-- as you can see, I'm an Associate Professor of Political Science at the EHESP, it's the French National School of Public Health.**

Okay.

**And I am here because I am a member of a research team, and we work on healthcare reform in the U.S. and in the European Union, some countries in the EU.**

Meaning analyzing it?

**Analyzing it in Germany, in France, U.K., Spain, and there is another one. I don't remember. Italy.**

And how did you find me?

**Because we saw your name in many documents.**

What kind of documents?

**Like hearings, Internet reviews, newspapers, and I have some here.**

That's strange.

**I didn't bring all of them, but here are a few. Maybe that's not (inaudible).**

Okay. That's all-- this is really weird, because this was passed to--

**And there's a more recent one from Bloomberg News.**

Oh, yeah.

**So, we-- in our study, we focus on actors. We try to identify individuals and organizations like Siemens, for instance, and institutions like the White House, the Congress, the HHS.**

I'm going to minimize this so it doesn't distract me.

**Et cetera. So, we focus on actors, their role, and their ideas. We try to understand where ideas come from, who promotes them, and how. So, we interview lobbyists, members of the HHS, the Congress, the White House.**

So, you've been doing this in town for the last couple weeks?

**Yes. I'm here for only three weeks now, but we are (inaudible) the studies, and so there are always someone--**

And who have you been interviewing? Who else?

**Oh, about 200 people.**

Really? Just a couple of you? Is there a team of you in town?

**There's a team. Me, I've just seen about 10 people, mainly in the agencies of the HHS.**

Oh, okay.

**Yesterday I met Debbie Chang. I don't know if you know her.**

Debbie Chang. Gosh. I haven't thought of her in a long, long time. Is she-- she's at HHS?

**She was. Now she--**

Right, she used to be. She was Head of the Office of Legislation at CMS.

**And now she works for Nemours. Nemours is an association-- not an association, a foundation, trying to promote health prevention.**

I knew her in the '90s fairly well. We did a lot of work for her.

**This is a small world.**

No, it's not a small world, actually. If you're in healthcare, and you've been in healthcare policy for a long time in this town, you basically kind of all know each other, so, maybe not all, but, you know, it's a community. That's how-- you know, that's how we get our jobs done, is, you know, you're only as good, I think, in government relations, as your ability to network

with people in all the right places, whether they're in organizations that represent your customers, your competitors, and then people who are making policy.

You know, and they talk in Washington about the revolving door, and Obama has made quite a bit of noise about vilifying lobbyists, if you will, but there are lobbyists of all stripes. We're not all necessarily in big corporations. There are lobbyists for disease organizations and health promotion and, you know, it's a community of people, and we get hired into our jobs because of our ability to network and persuade this community, and to know who is doing what.

So, that's-- it's kind of our job to know people. It's my job to know people.

**And how did you learn how to do this? What's your background?**

I've worked in-- I was educated at a small, liberal arts college in Connecticut, Trinity College, and I had a traditional liberal arts background in art and music. That did not set the stage, but this isn't unusual. I have a college-aged child now, and I tell her that your best education is to study broadly, you know, to write well, to present well, to be well-educated, worldly, and so a lot of us have very similar backgrounds. In the U.S., you can either be from a large university system and specialize in our profession in college, or you can have a liberal arts degree, and that was mine.

I thought I was going to go into the law, so I moved to Washington, which was about an hour from my home town, and I quickly ended up in a law firm that had a legislative practice, so the-- one of the young attorneys at that firm became the top aide to a U.S. Senator, and she took me with her. I impressed her, and she took me with her, and I--

**What was her name?**

Well, her name is [Sonna Steschel], that's a mouthful, and I've lost touch with, unfortunately, but I worked for a law firm with a former Attorney General of the U.S., and he opened the DC branch of a Washington office, which is now a huge DC firm, and I ended up, after about a year or two, going to Capitol Hill, to the U.S. Senate with this young attorney at the time. We are not young any more, and I started a career path in legislation, so I worked in the Senate, and then, when I left, I landed a position with a trade association for the for-profit health insurance industry which is now-- doesn't exist, but it got subsumed by America's health insurance plans, which is now the big trade association for health insurance.

And I was there for about four years, and then I was hired away by the U.S. Senate again, and I worked for one of the committees, which was then Labor and Human Resources, and it has since changed its name to the Health Education Labor Pensions Committee, the HELP Committee. Are you familiar with that? Yeah, you've probably talked to people there.

And I was a professional staffer on the Republican side with that committee.

**Okay.**

And then I went into the administration, the Herbert Walker Bush Administration, George W. Bush's father, and I was at HHS in a senior political position, mostly in the office of the

secretary, where I oversaw all Medicaid and Medicare policy, reviewed it for the secretary, and the secretary at the time was a guy named Louis Sullivan, Dr. Sullivan, and he was president of Morehouse Medical School, which is where he had been, and where he returned. I think he is retired now.

But I then, at the end of the Bush Administration, I became a lobbyist for SmithKline Beecham, before the Glaxo merger, and I was there for eight years until the merger, and then I was hired here, so, I've been a lobbyist since my last Senate job, for about 17 plus years. On medical technology.

**Okay. So, you were wondering why we wanted to see you. Your answer is right here. You've held a lot of positions in different places.**

That's not unusual. People in these positions have our background.

**This is very different from Europe. People are in the administration or in the lobby, but they don't move like you here.**

Yeah, I mean, people do that all the time here. I mean, it wouldn't be that unusual for someone like me or 10, 15 years younger, to go back into a position on the Hill or in the administration. My boss has done that. I have a friend who left the Senate, opened a Washington office for a medical technology manufacturer, and then went back to the U.S. Senate to be a staffer on the Senate Finance Committee.

So, that happens all the time, but when they leave the administration, or Capitol Hill, they have kind of a cooling-off period, where they can't lobby the agencies or the offices where they had direct contact for a certain period of time.

**Yeah, okay. I wanted to ask you, the first time you were in the Senate, you were already a political-- how did you say, a (inaudible)? A professional staffer, the first time you went there?**

Yes, but I was a staff member for a personal office for a Senator, I wasn't a committee staffer, and I had sort of responsibility for a bucket of issues, largely civil rights policies.

**For what Senator?**

Bob Packwood, from Oregon. He's-- he retired a long time ago. Actually, he resigned a long time ago.

**And when did you begin to be an expert on health care? Because you are-- you told me that--**

Well, when I started to work in healthcare policy. "Expert," that's questionable, but nonetheless, it was when I left Senator Packwood's office to go to the Health Insurance Association of America. That was in 1984, and so I followed health insurance related issues. In Packwood's office, I had some health issues, mostly child and maternal health, because I did women's issues and civil rights policy, but my specialty in healthcare really began when I joined that trade association.

**And then you never left healthcare?**

No.

**So, is it by choice? Personal choice?**

Yes, I love it.

**Because you're interested in it.**

I love it.

**What's interesting?**

It's so wide-ranging, and, ironically, even though I was an arts major, I love the biological sciences. I think it's fascinating, and, yeah, healthcare issues just impact people. It's very interesting, you can work on-- if you specialize in healthcare policy, as a Capitol Hill staffer, I like to tell people who are leaving the Hill and considering careers, that they can specialize in so many different areas.

You can work for provider organizations, cardiologists, radiologists, the AMA, podiatrists, orthopods, you can work in food policy, so how, you know, the food labels are created, you can work in medical devices, pharmaceuticals, diseases, patient groups, nursing homes, home health agencies, I mean, there's so many different areas that you can work on. I mean, it's sort of-- the fun of it, but it's also, when you think about it, perhaps even the curse of the U.S. healthcare system is there are so many special interests.

**And either one-- did that interest you more, or--**

Well, I obviously love medical technology, or I wouldn't have spent the last 17 years, 18 years, really, if you throw in my committee position, because we did a lot of work on FDA-related problems, and I love public health issues. I guess if I had to do it all over again, I'd probably specialize more in public health. My colleague has a degree in public health, I think that sounds wonderful. Epidemiology, and I loved vaccine policy when I was at SmithKline Beecham.

But, I also like biomedical research, so that's interesting to me, too.

**So, coming to the EHESP, my school, and get a degree in public health.**

Yeah.

**But there is some (inaudible) here. Well, in broad terms, what are your views of the healthcare reforms? What kind of system do you like, do you try to promote? Or, not promote, but what kind of system would you like to have here?**

That's an extremely difficult question to answer, and, again, these are my views and not necessarily the views of the company. The company's view is that there should be health

insurance for all Americans. We are on record supporting universal access, it's the right thing to do, you know, and they should have access-- appropriate access to technology, and-- so, that's my lobbying view, and I personally believe that, too.

You know, there has been a lot of criticism, and there is ongoing criticism from the Right and the Left that this bill is problematic from the Left, it's not a nationally-run system of healthcare, we're relying too much on the private sector, expecting business to cover people who need protection against the high cost of healthcare, and, from the Right, that we can't afford new entitlements.

We created pretty big new entitlements, where about 54% of all the newly-insured who will be coming online in 2014 will be covered under the Medicaid program, so we're vastly expanding the Medicaid program, which is arguably one of the least-efficient programs there is in the U.S.

It pretty grossly underfunds payers, I mean providers. A lot of providers won't accept Medicaid beneficiaries, because they don't get paid very much relative to the private sector, and then, yes, so the Right's criticism is largely, you know, we're creating new bureaucracies, all these new agencies, all these new regulations, and it's at a time when the country can't afford it.

You know, and I guess my own view is that healthcare reform-- the reform of our system has been in the making for decades now, and, you know, Obama was elected, you know, as sort of a change-maker, you know, with a certain mandate, you know, to sort of change the way people think about things, and he decided to use his political capital on driving healthcare reform, and he did it. It's remarkable.

There is no way, when you take on a system as broad-reaching as the U.S. healthcare system, with all our successes and problems, that you're not going to-- it's not going to be easy, and there will be a lot of problems with it. I do think it was the right thing to do. Poorly timed, perhaps, because we are so deeply in debt, at a time when economies in the world are crumbling under bad debt and bad social obligations, mounting social obligations, and here we are doing that to ourselves here in the U.S. So, it's terrifying.

Personally, I think we should have kept moving forward incrementally, biting off pieces that were more easily digestible without upsetting so many vast constituencies. I mean, they have until 2014 to actually implement a lot of this stuff. There are vast new taxes that fall, largely, on people who aren't necessarily wealthy. Those taxes were played as "We're taxing the rich," but remember that a lot of the new-- all of the new taxes on individuals will be paid by couples making $250,000, so, people making $250,000, that sounds like a lot, but when you consider a couple making $125,000 a piece, you know, if you live in a city and you're educated, you're really going to be hitting people in their 30s with mortgages and children.

So, you know, I mean, we're taxing people as they're heading into the prime of their careers, and burdening them with mounting social debt. So, there are pluses, and there are minuses. Yes, I think we needed to do this. There was no better year than to attempt it when Obama's in the new part of his presidency. They did an unbelievable job putting together the votes and getting this passed, and there's a lot of good in the bill, too.

I mean, I think the system of private insurance has a lot of problems. I mean, we have a for-profit system of health insurance, and we're going to expect all of the bad risks to get covered. I mean, to a certain extent, there had to be a lot more regulations superimposed on that, and that largely falls on the hardest part of the market, meaning the individual market, where people have to go out into the-- and purchase their own policies, and I think that's the big question mark, is-- we're still relying on that, and do we really think that's going to be affordable for people, even though you're subsidizing a family of four up to $88,000 a year. Are they still going to be able to find an (inaudible) private policy in these exchanges?

**And what do you think about the individual mandate.**

I think it-- personally speaking, I think it's necessary, and-- because there's no way people are going to get covered unless they're required to, and if they aren't required to, then people who are young and healthy, or simply can't afford it, won't get it until they're very sick, and then they become a bad debt burden on hospitals, or they get priced out of the market.

**It was a point of view that you already had when you were in the Senate or in the HHS?**

Well, I don't know if I ever really thought about it that deeply. I mean, we have been spending the last several years deep in these issues, so one has a lot of time to really ponder all these basic questions. Mandatory health benefits was something that I don't think, when I was in my last job in the Senate in the '80s, something that anyone was really contemplating.

They were contemplating mandating benefits on all employers, and that was one of the issues I was specifically hired to work on. That was something that was proposed by then-Senator Kennedy, and was being considered at our-- in our committee. It was widely opposed by the employer community, of course, and it failed. It didn't have a long life, but I think it was being considered on the state level, and so I think over the last couple of decades it has sort of manifested itself in state-based health reform level efforts, and the whole notion of the individual and the business mandate has been enacted in a couple states, like Massachusetts. I'm certain Massachusetts hasn't been the only state to consider some sort of a system-wide universal access program.

I'm no expert on that stuff, and I think there are other states. California enacted one. Did they repeal it?

**No.**

You might want to check it out, what other states have been active--

**Delaware?**

Delaware, perhaps. I don't know. Again, I'm not an expert, so I think that would be a really important area for you to research. You might want to approach the National Governors Association.

**Yes, I think a colleague of mine met someone there.**

Yeah, you definitely should engage with state-based organizations, many of which are here, the National Governors Association, the National Council of State Legislatures, state Medicaid directors. They may be all under the NGA, and that might be a good place for you to start.

**That brings me to another question about the role of the states and the federal--**

Again, I don't have extensive expertise in the states.

**But you know-- personal point of view is interesting to us, too, even if you're not an expert or whatever. So, still from your point of view, did you perceive a change in the relationship between the federal level and the states in healthcare? I mean, is the federal state more powerful, more active, now, than 20 years ago in healthcare than states, or did states and federal level become more active?**

Gosh, you know, I don't know if I have a really good point of view on that based on any sort of extensive study other than just off the top of my head. Just my basic thought there is that the states have always been, or, at least, for the last 20 to 30 years, kind of the incubators for change. Like, the federal government has adopted programmatic changes at a broad level based on state-based experience.

When I was first at the Health Insurance Association, several states had quote "all-payer systems," where, yeah, I don't even know if I can describe it any more, Maryland was one of them, maybe New York and New Jersey, but they had systems where-- again, this would be a question for you to ask the National Governors Association, but the prospective payment system that Medicare now pays providers under, notably in the in-patient hospital setting, diagnostic-related groups-- are you familiar with this, where they create sort of global payment categories by disease groups and then what follows is that the hospital gets a global payment for a sort of diagnosis-related group, and if they go above it, they lose money, if they stay within it, they stay money.

It's called prospective payment, and these incubator states actually had that, and those became the models for enacting statutory changes at the federal level for all of Medicare. It's often been the case that-- this is my child, hang on.

Yeah. Yes, okay, thanks. Sorry, teenage kid at home. And so the states have been sort of a testing ground for lots of things, like welfare reform and Medicaid reforms. Medicaid-- the federal Medicaid program is a system of block grants, they are broad sort of federal mandates, and then states get matching-- the federal pays, customarily, half, and the states get a chunk of matching money to largely model their programs as they see fit, unique to their populations, and they can apply to the federal government to get waivers to create new ways of insuring their Medicaid populations within broad, federal parameters.

**There is flexibility at the state level.**

Right, and so, yeah. So, a lot of those tests have been sort of incubators for innovation that the federal government is looking at. Very important sections of the healthcare reform bill are focused on these delivery-system reforms that are based on changes that have been home-grown at the state level, or even regional level, like, a number of private payers have also

created sort of unique delivery-system models where, say, a local insurer and a network of hospitals and providers will band together to create these sort of community-based systems.

It's not necessarily the Kaiser Permanente model, because Kaiser is-- well, it's a self-selected system, where you sign up for Kaiser, whereas something that's more like Geisinger or Intermountain Health is a model that takes in everyone in the community, so you have very sick people straight through to the healthy, young ones.

So, you know, this is really the proving ground for present and future healthcare delivery system reforms. That's kind of my view on it. Is one better than the other? I guess I think there's a large section of healthcare reform that is validly looking at these sort of innovative delivery-system models, but we're also imposing sort of nationwide reforms over the next several years as well, and you just have to sort of hope and pray that they will dovetail into changes, and that Congress will be willing to change the statute as the years roll on, and I think everybody expects that to happen, that healthcare reform will be an ongoing experiment.

We do expect, next year, that there will be a technical corrections bill to the healthcare reform bill, where they will have to fix a lot of glitches that they slowly start uncovering as the various interest groups start analyzing the different statutory changes, and certainly, the states will have a lot to say.

**This is not finished.**

It's not finished. No one thinks it's finished, no, that would be ridiculous. We change all our programs on an ongoing basis, so it's not unusual at all.

**So, let me come back to your own experience in your different positions. Would you say that you had impacts on healthcare reform when you were in the Senate or in the HHS, or now, in Siemens. Did you have, personally, an impact on healthcare policies?**

Yeah. I don't know if I'd call it healthcare reform, but, yeah, I mean, I can cite a litany of examples when I was in various jobs where you had hands-on experience crafting legislation.

**Could you give me examples?**

Sure. When I was at HHS, Congress was very interested in changing the nutrition labeling laws, and if you take a--

**For (inaudible).**

No, when you take a package of food-- oh, that's. I don't think this will have a food label, but if you take any package of food in the U.S., this isn't really food, but there's a food label on virtually everything, now, that gives you nutrition information. It didn't use to be that way. It was largely voluntary, and Congress, in the late '80s, early '90s, and the department, were very interested in amending the food labeling laws to require standardized nutritional information on the back of all food products, and Congress was racing ahead to craft a statute to require this stuff.

In the meantime, when I worked for the Secretary, I was in charge of overseeing the policy review for all FDA-related matters, Food and Drug Administration related matters. One of them was food policy, and I knew that the FDA had a project where they were developing new regulations for the food label. Congress was about to enact, but they were stuck over a few issues, and so I presented to the Secretary, you know, this opportunity to sort of make this a secretarial initiative, and he did.

He did-- he loved-- my management at the senior levels in the department loved it for him, and he used an upcoming speech before the FDA regulated community, it was a food, drug and law institute, where he made a speech that was highly regarded at the time, where he talked about the tower of-- the food label being a tower of Babel, and it was a headline, it was a (inaudible) headline, and so, you know, we were all thrilled to pieces for him, and it actually drove-- the Hill decided to compete with the department in terms of who could be in charge of reforming the food labeling laws, and they ended up enacting a statement called the Nutritional Labeling Education Act, and I think that was-- all of this was a catalyst.

Their interest was a catalyst to the department, I saw an opportunity, presented it to the Secretary, they loved it, it was perfect for him, and then his activity spurred Capitol Hill, and then we had to implement. I was still at the department when we actually implemented all of the policies that went into actually getting that label standardized and on every can, every box of food.

**This is--**

That was my favorite, and there was another one, too. That's a statute, and there's a section there-- actually, I don't want to be quoted about that, because there was a bit more stuff. I'm not going to talk about that one.

**Okay. We don't-- we will not, so--**

But, basically, I saved a product for one of our businesses by getting a statutory change that prevented our competitors from taking advantage of a marketing opportunity. It ended up saving the federal government $750 million over 10 years.

**For your own-- by your own--**

Yeah, it was my idea, my lobbying strategy.

**Which was? The lobbying strategy?**

Well, I saw that-- well, everything is driven by the budget now. You can't get anything enacted that increases the federal deficit, and if you have a policy that is rational public policy, and can be presented as saving the federal government money and promoting good health policy, that issue just-- I-- it was just this perfect issue, and the Hill loved it, and they put it in statute, and it gave them money to help fund a change in statute to help pay physicians more.

That's a long, long story, but every year, Congress is passing these Medicare bills to fix Medicare physician payment.

**Was it an argument, your relationship between health and economy and saving money, when you developed the Nutritional Labeling Education Act?**

I was involved in-- yeah, I mean, I was-- I really don't want anything coming out that looks like that was mine, you know, I mean, there were hundreds of people involved in that. I simply saw the issue and presented it to the Secretary of Health and Human Services at the time for him to adopt. That was a little flea speck deep in the system, but you understand that.

**So you had, at that time, a relation with the FDA and Congress?**

Well, I had a position in the Secretary's immediate office. I was a policy coordinator, and so any time that the Food and Drug Administration developed regulations that had to come through the secretary to be approved and then get sent to the Office of Management and Budget for review before they are published, I kind of oversaw that paperwork.

That's what my position was, so I could identify policies for the Secretary's office to dig in deeper on.

**Okay, but did you have a relationship with academics, or you were only a strategy for--**

No, the Agency did it, see, because the rules had to-- I mean, before the Secretary did that speech, he had to have meetings with the Food and Drug Administration. They crafted what he said, because that's where all the expertise is, when I was at the department. I simply identified an opportunity, but there was a tremendous amount of follow-up needed before the Secretary could give that speech.

It wasn't like, "Hey, do that," and he did it the next day. He had to be widely briefed and educated on what you could and couldn't do on the food label, and certainly, they were in touch with academics over what the right-- I mean, I think they worked with the Institutes of Medicine, which is an academic-- you should talk to them, too-- which is an academic, science-based, sort of blue ribbon community. Yeah, the National Academy-- it's part of the National Academy of Sciences, both of which are here in the U.S.

**So, I may make a trip to--**

And I have a contact there. Yeah, you really need to. They are a research arm for Congress and the administration, because they are considered sort of academic experts, and then they put together panels, you know, of experts across the U.S. on specific issues, and they develop reports and--

**So, you had more weight on policies when you were in the HHS than in the Congress? You were more influent?**

No, I think-- if-- no, I think if you understand public policy and politics and know how to position an issue and have the right resources, or the personal knowledge base, whatever it is, you can be influential inside and outside the government. I mean, I think I learned when I

was in the department that Congress isn't the only place where you make policy, that you can be a low-level bureaucrat and have a big influence on the outcome of policies.

**But maybe more on implementation on the bill than on the bill--**

Not necessarily implementation. It can be development.

**Yes, like the example of the--**

Because if Congress-- if the agencies have broad authority on policy areas, they can create new laws through legislation, as long as it's-- through regulations, as long as it falls within broad statutory guidelines.

I mean, the FDA didn't need new authority to create new food labels. They already had the authority.

**They can do it by themselves?**

Yeah, they could have done it by themselves.

**Okay. So, it reminds me of another interview, and someone told me that--**

Please, whatever you do, don't write that Eleanor Kerr created the Nutrition Label Education Act. People would read that and go, "What the hell?"

**Okay, I won't do that. But we're going to meet, ideally, about 500 people, so they're-- it's a broad study.**

A broad look.

**Going into detail on (inaudible) the final reports. Don't worry.**

Right, okay, good.

**I wanted to ask you, so, yes. Someone told me that when the government was or is Democrat, the Department of Health has less independence or influence on health policies than when the government is Republican. I--**

Actually, I have direct knowledge of that. Well, think about it. The Democratic Party-- one of the hallmarks of the Democrat, the traditional, more progressive Democratic policy-- Party, has been the care and feeding of domestic entitlement programs, right? So-- and the Republicans' hallmark is promoting industry, you know, letting industry flourish. Those are really gross overgeneralizations, but when-- I was one of the very first political appointees at the Department of Health and Human Services at the beginning of George Herbert Walker Bush's administration.

I was one of very few people with specific health experience other than Secretary Sullivan, who was head of-- President of the Morehouse Medical School, no one had more experience than him. He was a physician and ran a medical school.

The head of the Public Health Service also was a public health officer. I mean, they were very senior people, but below the Assistant Secretary level, there really weren't hardly any of us who had any relevant health experience. I did, and I was one of the few.

This is going to get messy, because they actually ran a lot of health-- when health issues are really sexy, then the White House will get a lot more involved and really want to control policy development, and there was a fair bit of that at the time at the White House. There was a very powerful head of the Office of Management and Budget, a guy named Dick Darman, who I think has died. I can't remember, but I believe he has passed away.

And there was a very powerful Senior Health Adviser to the White House named William Roper, who has since been Head of the CDC, he was Head of the Health Care Financing Administration, which is now CMS, the Center for Medicare and Medicaid Services, and I think he's Head of the School of Public Health of North Carolina, so he's a medical doc, he's a public health expert, et cetera.

And they really drove a lot of major changes in healthcare at the time, and the Department was a relatively secondary player. However, we were very active in a lot of healthcare policy issues, notably, the food label, the creation of new programs to get AIDS drugs quickly to market out of the NIH, the accelerated drug approval process from the '80s, and early '90s, et cetera.

Whereas I understand-- and we relied enormously on the expertise of the federal bureaucracy within HHS, which is, from our point of view, we thought that's the way it should be, because those people spend their careers in these agencies understanding the ins and outs of specific policies in regulation, and how policies-- you reach consensus, and have a policy driven out of an agency or a cabinet ministry, whereas I understand, during the Clinton years, that they largely ignored the bureaucracy, and they would clear things sort of Assistant Secretary to Assistant Secretary, leapfrog agency clearance and create policies at the very tops of the political establishment-- not establishment, political hierarchy and people at the White House.

I don't know if that's the case with the Obama Administration. I don't know.

**More or less. A bit less than during Clinton's.**

But because I had newly left the Department during the Clinton years, and I had a lot of career friends in the career bureaucracy, there was widespread dissatisfaction with how they were treated. They were so excited to have the Democrats finally take control, people who really cared about healthcare policy, but then they didn't use them. They didn't use that expertise.

**They came with their own stuff and--**

They came with their own expertise, whereas we didn't necessarily have the expertise, so we needed the bureaucracy, and that's because people wanted to be at Treasury, and-- the politicals with expertise wanted to be at Treasury and Commerce and State and Defense, and there weren't a lot of political appointees below the Assistant Secretary level with domestic policy expertise necessarily.

There are exceptions to that. My colleagues in the Senate, when I left, who came along with me into the Bush Administration, one was an Assistant Secretary of the Department of Education, and her expertise was education. She ran a program called Youth and Vocational Education, and now she runs a little trade group that does nothing but train youth and-- it's like child and adult education programs, and so that's been her expertise. She's deeply experienced.

And then my other-- my colleague who did labor policy ended up at the Labor Department as a Special Assistant to the Secretary, I think. She had over a decade of experience in labor policy, so it's not necessarily the case, but, I mean, the Republicans might have cleared policies that impact business without using the career bureaucracy, but in domestic policy, in the Clinton years, it was fairly evident that that was the case.

**Yes, and to (inaudible).**

And you know how successful they were.

**Sorry?**

And you know how successful they were.

**It's famous.**

It's famous. It should be like a case study on how not to enact legislation.

**There are probably some studies about this.**

Yeah, and I think Obama really tried hard to avoid their mistakes.

**There was a learning process, probably, between Clinton and Obama.**

Yes.

**So, still, when you were in the Department, could you explain to me what the role of a political appointee is? Is it specific compared to career people, or--**

That's what we were just talking about, I mean, the career bureaucracy are permanent employees of an agency. Now, you can certainly get fired, but when you're a political appointee, well, when you're a career bureaucrat, your job doesn't change-- you can't lose your job when the administration loses the election.

So, because I was a political-- I was in a political position, first of all, my position had to be approved by the administration. I mean, I was below the level of an appointee that had to be confirmed by the Senate, way below, but I couldn't get my job without clearance by the White House, and by the personnel-- the Political Personnel Officer at HHS, who is designated at HHS.

Hang on, this is my boss. Hi. I'm sorry, the Hospital Association. But, you know, that reminds me. We might want to sprinkle a few patient organizations in there, yeah, because the Heart Association, obviously, cardiology is a huge area for us, and their head of lobbying is a personal friend of mine. I could talk to her-- probably the President, but I could certainly do that. Okay. Bye.

And when George Bush the father lost the election, we lost our jobs, whereas the people who are career bureaucrats didn't.

**So, and then-- all of the political appointees, then, will form lobbies or think-tanks, or--**

Excuse me-- when you leave?

**Yes, when you leave--**

Yes, you can do anything you want. It depends on what your background is. I mean, they all don't become lobbyists.

**Okay, there is no usual line, or--**

No. The-- a handful of Secretary Sullivan's top aides went back to him with Morehouse Medical School, for example. I became a lobbyist. There were people who went to think-tanks, became consultants, you know, the lady who was head of the NIH at the time, Bernardine Healy, I think, is a writer for U.S. News & World Report.

You know, I would say it depends. It depends on what your background is.

**And you (inaudible), in which ways are they different from career people?**

I actually didn't-- I actually felt like my position was more like a career bureaucrat's position, which is why I had so many friends who were career bureaucrats. In the Secretary's immediate office, there were always a couple of special assistant, Schedule C slots, or political slots, for people to come in and actually work, do regular sort of career-type work.

**So, you--**

And it was nice, because I felt like I could serve as a bit of a bridge between the political people and the career people.

**Okay, so you were not like a special agent of the White House inside the Department to--**

No, no, but because my contacts-- I should clarify that when I was in the Senate the last time, on the Health Education Labor Pensions Committee, I was working directly for Dan Quayle, who became Vice President under Bush, and my colleagues, the senior aides to Quayle in the Senate, ended up at the various agencies, where they had issue expertise.

There was a small handful of people that ended up in the Vice President's office, so my political patron, if you will, and what-- virtually all the political people will have some sort of a patron, whether it's a Senator who has become a Cabinet-- a head of a Cabinet agency, or

the Vice President, or-- someone who has raised huge amounts of money for the Republican Party in New York maybe will end up as an ambassador, and they help you somehow.

I ended up at HHS because my boss had been Dan Quayle, and I was his health advisor in the Senate.

**Okay.**

So, yeah, I had extensive friendships all around the administration, but I also had extensive friendships in the Department, too, because I had a health background. I had wonderful mentors when I was there. They are still personal friends of mine.

**So, maybe next time, you will go back to the Department?**

You know, I certainly wouldn't rule it out if the right opportunity came up. Mind you, when you have been in the private sector for a while, you get paid a bit more than you would if you were in the administration, but my child is grown. She is in college, and I would consider the right position if it came along.

My husband works in the career bureaucracy, at the Millennium Challenge corporation, which is a new foreign aid agency. He's a senior lawyer there, so one of us actually does work in government, and he has worked in-- he has run NGOs before, so he has gone in and out.

**And what would convince you to go to the government and--**

It would have to be the right time in my life, and it would have to be a really wonderful position, because I love it here, and I have wonderful co-workers and a wonderful boss, so it would have to be just the right transition in my life to try something else.

But, yeah, I would. I'd be crazy not to if the right position came up.

**I don't want to be too long, so-- just a few quick questions about your job now, here in Siemens. I don't know how to pronounce it in English?**

Siemens.

**Siemens, like in French.**

Yeah, in Germany, it's Siemens, but, yeah, it's-- we pronounce it Siemens.

**Okay. So, what do you do here?**

I am one of three lobbyists. There are three Directors of Government Affairs that specifically support Siemens Healthcare. I was originally the only lobbyist for the healthcare business when-- because the office was new when I was hired back in 2001, and since then, we've added more resources, and we have a lobbyist who focuses on health benefit-related issues and healthcare information technology-related issues, and then two years ago, we hired another lobbyist who specifically helps me support our medical imaging businesses.

He does the Food and Drug Administration-related issues. I do the healthcare coverage and coding and payment-related issues. I serve lead on the imaging businesses, and he leads specifically on our diagnostics businesses.

So, we have a business that creates lab tests and the processors that process lab tests, but he also leads on issues that impact Food and Drug Administration regulation of our products, or approval of our products for marketing in the U.S.

**And who do you lobby?**

We lobby Congress, and we lobby the Department of Health and Human Services.

**Health and--**

Health and Human Services.

**Resources--**

That's our health ministry, the Department of Health and Human Services.

**Okay. Is there one which is more important than the other?**

They're both important. I mean, right now, with Congress having enacted healthcare reform, it's now up to Health and Human Services to implement it, so we'll have to watch-- and, every year, CMS, which is part of the Department of Health and Human Services, promulgates rules, every year, that updates Medicare payment rates to our customers. So, we watch very closely how CMS changes the payment rules for physicians and hospital out-patient departments, the two delivery areas of healthcare delivery where medical imaging is performed.

**Okay, and how do you explain this office expands for a few years?**

I'm sorry, why?

**Why did you expand?**

Why did we expand? Because our business grew, and there are too many issues and program changes for one person to effectively follow and have any impact on, I mean, there are just too many issues.

Since I was hired, we have bought a number of businesses in the healthcare sector, notably in diagnostic imaging. I mean, since 2001, Congress has enacted a major statute on healthcare information technology, for example. That statute was in the making from about 2002 to 2003 through last year, where it was enacted as part of the Economic Stimulus Act, the ARRA that you might have heard a lot about, American Recovery and Reconstruction Act, which was our $800 billion where Congress just launched a lot of money out in the private sector, the private and public sector, for economic recovery.

There was that statute, and it just, you know, we needed more people to really help the business have any impact on new program initiatives.

**Okay, so the reason is, the development of regulations and not the development of--**

Well, there has been, as you know, over the last 9 years, since I've been hired, there have been a lot of major statutes and regulations developed on areas that impact our business, and there have been several Medicare laws, there has been healthcare reform, there's the American-- the ARRA, the big stimulus bill that created-- that put out about $2 billion in funding for adoption of healthcare IT, and new regulations as to what type, or how you were going to standardize and certify health information technology.

So, imagine if you're a vendor, you know?

**That's important to hear.**

Right. And Congress has been enacting payment cuts on medical imaging to help pay for other Medicare changes, and then when healthcare reform came around a couple years ago, we knew that there would be new cuts. Half of the healthcare reform statute, and all of the extended coverage, is paid for by cuts in the Medicare program, payment cuts to providers.

**Okay.**

And those are our customers, hospitals and doctors. So, you have to help shape the policies that you know are about to get enacted. You have to be a thoughtful investor in that whole process. You can't just sit and wait for it to happen to you.

Hopefully, you try to develop policy to give to Congress and the administration. If they're going to do something, make sure you shape it so the market and providers will continue to adopt innovative technologies. That has been our goal.

**So, sometimes you try to anticipate and propose by your--**

You always try to anticipate, yeah, you can't just wait for it to happen. I mean, my job is to help the business anticipate what happens, and to help them proactively deal with it, largely-- usually through coalitions with our customers and our competitors. There are unique instances where we have projects which we are either protecting, saving, or promoting unique business aspects, but you can't get things enacted unless it's good public policy, and you usually need interest groups on your side.

Congress is very suspicious to do anything which is going to help one company over another. They don't like being put in that position.

**And do you have easy access to the Congress or to the Department?**

I don't want to say it's easy, easy. You know, we-- but I've been around long enough that I have a good network, yes, and we also develop relationships with members of Congress who represent our employees, so we often call on Congressional offices to take an interest, well, we want to develop relationships insofar as members of Congress take an interest in

something that impacts employees who live in their state and vote for them, and so if a policy is going to adversely impact employment in their area, they will care about it, you hope, and help you get an amendment, help impact the department in getting a policy done, or shaping a policy.

So, that's part of our job, too, is to develop those relationships, to make sure members of Congress-- we get to know them, and they get to know us, and not just me as a lobbyist, they want to meet the employees who live in their district, and the executives that work there.

**Okay. Let me just check my (inaudible) for a very important question. No--**

They're really great questions, by the way.

**No, I think it's okay, and I will stop here, and thank you very much.**

Okay. Again, I only ask that you don't make me into some superhuman creature that's done all these things.

**Even if you are?**

Well, I mean, there are lots of people with my background, I mean, I think I'm good at what I do, or I wouldn't be in a position like this, but I don't want some media source making me look like I'm preening and making myself sound a lot more important than I am, because I don't want to upset any of my contacts that I consider important to my professional development.

**Okay, I understand, I swear that I won't--**

Okay, that's my only hesitancy in ever giving interviews like this, is that they can sort of make me sound like you're some idiot who just thinks you've done everything, and my success has really been contingent on, you know, my ability to work with other people, so I protect that.

**I can understand that, and I used to be a lobbyist, too, before, so I had to protect our networks and contacts.**

Exactly, thank you.

**It's me-- I want to thank you, it was very interesting, and--**

Okay, good.

**Many parts of the interview were very interesting. Oh, just one other question. Now that you know my questions, who do you think I should meet?**

Oh, I definitely think you should find someone to talk to at the National Governors Association. Send me a follow-up e-mail and I will ask our state-- we have a State Governor Relations Director, I'll see if he has a good contact there.

**Okay, thank you, I'll do that.**

You should definitely talk to the Institute of Medicine, because they support Congress in sort of academic research, and I have a contact there I can send you to, a lady named Marie Michnich who-- she was president of the American College of Cardiology, she's a PhD, she worked on Capitol Hill, she's unbelievably experienced, and she has been at the Institute for Medicine for a while now.

And she-- these may lead to other places you should see.

**Okay, I'll try-- I come back in October.**

There is also an amazing person at HHS who was my immediate boss when I was there.

**I'm ready, sorry.**

No, it's fine.

**Yes?**

Her name is Jacque White, Jacquelyn White, and she is a senior career bureaucrat at CMS, and she is-- she has been a career bureaucrat at HHS, largely at CMS, but also in the immediate office of the Secretary, where she worked when I was there, back through the '70s. She is just-- has an amazing level of knowledge, and I bet, if you talk to anybody who has worked in the Department in the last 30 years, they know Jacque White. Yeah, she was just an amazing mentor to me.

She knew so much about how political appointees come and go, and the cast of characters, and how the Department has worked over the years, and what each administration is like, I mean, she just is amazing. I respect her a lot.

**May I tell her that you advised me to contact her?**

Oh, absolutely, yes.

**Good. Okay, I will send you a follow-up e-mail this afternoon, just to get-- keep in touch**

Yeah, and maybe just a bit about what it is you're doing and who you work for, because that wasn't clear when-- I mean, it was clear that you were putting together some report, and you were a foreign journalist, but it wasn't clear that you're part of the French Public Health-- I mean, if you could put that in your e-mail, who you are and what you're doing this for, I mean, that would make it a lot more interesting for these people to chat with you.

**Okay, I'll do that.**

And so are you going to be writing a report?

**We will write a report, because we are funded by the French National Research Agency, and for them, we are to give a report, but mainly, at the end, we will publish articles in scientific reviews or books.**

And will they be translated so people with high school French like me can read it?

**Yes. It will be in English.**

Okay, good.

**We have done some in French about the French case and the German case because it's finished, and now we're working on the U.S. side.**

And have you talked to people on Capitol Hill?

**Not me, but (inaudible), who contacted you, she did a lot of interviews in the Congress. Actually, she's doing a PhD on the role of the Congress in healthcare reforms, so she met a lot of people.**

Yeah, okay, good, because, yeah. She absolutely needs to, and she's probably met all the right people.

**I think so, yes.**

I'm sure she's talked to Liz Fowler and people like that.

**I don't know much. Well, thank you again.**

You're very welcome.