

Programme OPERA – ENTRETIENS

Entretien – santé n°30

Pour citer cet entretien : Beaussier, Anne-Laure, Entretien santé n°30, Programme OPERA (*Operationalizing Programmatic Elite Research in America*), dirigé par W. Genieys (ANR-08-BLAN-0032) (*insérer hyperlien*).

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Interviewer: Yeah. Okay.

Responder: Okay.

My first question maybe is about your career. Can you describe to me your job and-- before, in the Democratic staff, and maybe also now, and-- thank you.

Okay. Well, I went to work for Senator Kennedy in 1983. I had come from the Office of Management and Budget, which is part of the executive office of the President, and they are in charge, really, of budget and policy-- recommendations on budget and policy to the President, and reviewing the work of the various departments, and I had been in the health policy branch there.

Senator Kennedy-- I had-- I worked for Senator Kennedy on the committee staff, so, in theory, I was really employed by all the Democrats on the committee, but in practice, I was hired by Senator Kennedy, and I was responsible to him as the ranking member of the committee.

And that's typical of most Senate committees where the Democratic or Republican (inaudible) staff will work for the ranking Democrat or Republican on the committee, either the chairman or the ranking member. The ranking member is the most senior member of the party that's in the minority, and if the majority changes, that person would normally become the chairman of the committee.

So, I worked for Senator Kennedy. I was his health policy staff director for him and for the committee. It was called the Labor and Human Resources Committee when I started working there, and then the name was changed fairly recently to the Health, Education, Labor and Pensions Committee.

And so, in my capacity there, I supervised the staff of health policy legislative assistants who worked both on health legislation before the committee and on-- because of Senator Kennedy's long history with universal healthcare and health insurance issues, we also worked

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on issues that related more to the finance committee's jurisdiction, which would be Medicare and Medicaid, and tax policies related to healthcare.

I left-- I worked with Senator Kennedy for 22 years, and I left in 2005, you know, to come here, and I'm a Senior Executive Vice President of the Advanced Medical Technology Association. Our organization is the trade association for the medical device industry. Our companies manufacture just about everything that's used in medicine that's not a drug.

So, imaging machines, cardiac stents, cardiac pacemakers, surgical tools, in vitro diagnostic devices, sort of you name it and they produce it, again, if it's not a drug, and I'm in charge of domestic policy for them, essentially. So, that's my--

(inaudible) Sorry, that was French. So, you said first that you were supervising the staff in the Senate Health, Education, Labor and Pensions. Can you tell me-- can you talk to me-- what kind of people were in the staff, and what was their expertise?

Well, the people who worked for me were two categories. We had a couple of paid staff, but because Senator Kennedy is so active and wants to do so much in health policy, we really needed more staff than we could afford to pay for out of our budget. So, we were able to get-- to supplement our paid staff, we were able to get people who were fellows, that is, they were-- somebody gave them a fellowship for a year to work at the committee, or they were detailees from one of the federal agencies, usually HHS, who were actually employed by the agency, but would work for a period of time from the Congress. And just to sort of look at the staff that I had when I left, I had two deputy staff directors. One was a PhD neuroscientist, and the other was a physician who was a-- had done health policy work with several foundations, and had a kind of training on health policy at Harvard before coming to work for the Committee.

The fellow who was a neuroscientist originally came to us as a fellow from the American Academy for the Advancement of Science, and he was so good that we kept him-- you know, we kept him on, eventually put him on payroll.

Amongst the people who were there as fellows or detailees, we had a lawyer, who was from the General Counsel's office at the Food and Drug Administration, who worked on FDA issues for us. I had another lawyer from the Social Security Administration who worked on a variety of issues for me, and then we had a whole set of fellows, and they were typically-- I would say predominantly people with PhDs. Some with a Master's in Public Policy.

And you were looking for people who had skills in policies--

Yeah, it was a combination of people who knew-- who had skills in-- who knew something about health, had some skills or background in the public policy area, and, you know, had sort of the intelligence and energy and skills that you need to work in the Senate, and, you know, sometimes when you-- when you hire somebody for a year, like a fellow or a detailee, sometimes you're taking a leap in the dark, you don't know if they-- because they don't have any legislative experience, and some of them have pretty limited policy experience, so you're looking for people who are hopefully pretty quick studies.

Thank you very much. What was the most important aspect of your work, and what did you find most interesting? What was--

Well, let me describe what we did for Senator Kennedy, and then maybe we can talk about what was most interesting. Any staff member for a United States Senator, you know, whether they're committee staff or personal staff, does a whole set of things for the Senator. They write him briefing memos on issues, they help him advance legislation-- develop and advance legislation, they meet with outside groups on his behalf, they write speeches for him, they write briefing memos for hearings-- or for meetings with outside constituents. They write speeches for him, they make recommendations as to how he should vote on issues that come before him, either on the committee or on the floor, to relate to your subject matter.

So, we did all those things for Senator Kennedy, and the expectation in the office was that you do them very well. It was an office that had high expectations for staff performance.

The other thing that Senator Kennedy really wanted and, I think, was the main thing he looked for in his staff were people that would think up new and better ways to improve the healthcare of the American people, and get them enacted, so it was very much a focus on creativity, defining problems and finding solutions, and then sort of finding the political (inaudible) that would allow you to change policy in a way that would help people out, and that was a very rewarding environment to work in.

In terms of interesting, I think there were whole sets of things about the job that were very interesting. I mean, it was-- healthcare itself is very interesting because it's so complicated and affects people so personally, and you have so much opportunity by influencing health policy to help people, but the Senate itself is also a very interesting place to work, you know, because so much of it is trying to figure out a creative way to identify a problem, come up with a solution, and then figure out how you can make that solution acceptable to all of the people who have an influence on what the outcome will be and then actually get it done.

In the Labor Committee, or Health Committee, most of the bills that we did were so-called public health bills, and most of them, because of the way the Senate operates, had to be done by unanimous consent, which means that if anybody objected to them, then they couldn't pass, because there's limited floor time in the Senate, and there's unlimited debate unless you invoke closure.

So, most things, you can't get floor time for, only some very big, controversial things could we actually get to the-- you know, if we needed floor time, could we actually get it done. So, a lot of-- most of our stuff had to be done by consensus, so it was quite challenging to get things that were meaningful but nobody would object to them. You know, that's not an easy task.

Then, of course, the big things, like universal health insurance, the children's health insurance program, the patient's bill of rights, (inaudible) insurance reform, which were some of the bigger issues I was involved with were not things that you could do by consensus, and you could get floor time for them, but it was still a very difficult task to get enough support to be able to get 60 votes on the floor of the Senate, and it involved both knowledge of the issue, you know, the policy implications, understanding where the interest groups were, a press

strategy, appealing to public opinion, a whole set of sort of complicated things that had to be brought together.

And can you tell me the process of the reform you were involved, like (inaudible) the (inaudible)?

The story of how it happened? Well, that's kind of interesting. You know, we worked very hard to try to pass the Clinton health reform bill and, as you know, were not successful. So, you know, every year, in Senator Kennedy's office, it's kind of-- at the end of the year, we sit down and think about what the agenda's going to be for next year, meet with the Senator and discuss it with him.

We thought, "Well, we couldn't pass universal health insurance, what can we do to take an incremental step to get something done that would improve healthcare?" Initially we thought, "Well, let's try to do children's health, you know, because coverage for more children, because most of the-- all of the Democratic bills and most of the bipartisan bills had some special provision for healthcare coverage for children, so we thought maybe that would be attractive enough we could get Republican support for it."

This is now in 1994, where the Democrats have lost control of the Congress, you know, a Republican-- a conservative, Republican majority has taken control. Well, we went around and kowtowed to various Republican Senators, and we went, ultimately, went to Senator Chafee, who was the great champion of children's health on the Republican side, and he said, "No, you can't. There's just no appetite for it this year. This year's all going to be about cutting the deficit and reducing spending. It's not going to be about new programs."

So, we decided that wouldn't work, and then we went to see, well, what else did these bills have in common that didn't-- wasn't a big spending item? And they all had insurance reform in them to make it easier for people-- excuse me, easier on people who had health problems or pre-existing conditions, to get coverage, and there was a lot of press at the time about something that was called job-lock. People in the United States would come work for a company that offered health insurance, and they would be covered under the employer health plan, but let's suppose they got an offer and they wanted to change jobs and start their own business or something.

And if they had any-- in the case of the person who wanted to change jobs, typically, if they had a pre-existing condition, let's suppose I develop-- I had had cancer at one point, or I had some heart disease, if they would go to work for another company, the other company would expose a pre-existing condition exclusion, and would say, "Well, okay, we'll cover you under our health plan, but we won't cover you perhaps for up to two years," you know, they sort of varied as to the time, it wasn't usually forever. "We won't cover you for the thing that you're most likely to get sick from, you know, that you need coverage for the most." So, people would get stuck in jobs that really weren't the best opportunities for them because the jobs they would like to take, they couldn't get the health insurance that would protect themselves and their families.

And that was even more true if you were going out to start your own business or something and you needed to buy coverage as an individual as opposed to getting it through a group

health insurance plan. All the plans, both Republican and Democrat, had addressed that issue, so we thought, well, this is a place where we could maybe make some bipartisan progress.

So, we, again, went to a number of Republicans, and the person who was interested in working with us was, in some ways, the most logical choice, it was Senator Nancy Kassebaum, from Kansas, who was the Chairman of our committee, and so we started negotiating a bill with her and were successful in getting a bill together. It wasn't everything Senator Kennedy would have wanted, because (inaudible) compromise, but it was a pretty good bill, and it was the kind of bill where nobody wants to be publicly against it, because the American public felt so strongly about it, and it seemed so unfair to people that you couldn't change jobs because you'd lose your health insurance coverage.

So, we got it out of committee on a straight-- you know, a unanimous vote, and then the issue was to try to get it to the floor, and, again, it's very hard to get a bill to the floor if the Majority Leader doesn't want it to-- it's very hard to get a bill to the floor. You have to get unanimous consent. You either have to be willing to take a bill-- call a bill up, have the Majority Leader to call a bill up, and then if anybody-- you get two opportunities, really, to object to the bill.

One is, you can object to its consideration, because you have to get unanimous consent, or you have to be prepared to get 60 votes to get the Senate even to discuss a bill, so there's a convention in the Senate called "Holds." And that is, any Senator can anonymously send a note to his leader, the Majority Leader or the Minority Leader saying "I will object to the consideration of such-and-such a bill," and it's anonymous.

Basically, there were a number of holds on the Republican side on this Kassebaum-Kennedy bill, because the insurance industry, even though it wasn't willing to take a public position against it, very much wanted to delay it and keep it from passing, and Senator Dole, at that point, who was running for President. He was the Majority Leader, and obviously wanted the support of the insurance industry.

So, there was a series of what they would call "rolling holds." I mean, nobody wanted to be identified as the person who had the hold, you know, so, you know, if somebody would have pulled-- Senator Kassebaum would say, "Oh, I don't have a hold on it," or "I'll take my hold off," and then they'd immediately get somebody else to put a hold on it, and the real source of the problem was Senator Dole, because Senator Dole could have ignored those holds, he's the Majority Leader, he could have brought the bill up, and then people would have had to come to the floor and publicly defend why they didn't want to move on the bill, but nobody really wanted to do that.

So, Dole was sort of hiding behind these anonymous holds, and we got a reporter at the Washington Post interested to write about this, because for the press, it's like a scandal that people can anonymously prevent a bill from being discussed. So, she wrote a story about it, and then Nightline, which is a-- I don't think it's around anymore, but it was sort of a late-night news program, it was very popular, very-- watched it quite a lot.

On the Washington Post?

Well, the Washington Post was the newspaper story, and then the TV program was Nightline.

Night?

Nightline it was called. I think it was on ABC, and they decided they were going to do this expose, you know, this was a good topic for them, because they like these kind of expose, gotcha kind of stories. So, they did a whole thing on it. They had a whole section on the bill, you know, the need for it and the anonymous holds, and then Senator Kennedy pointed the finger at Senator Dole. He said, "you know, ultimately, it's the responsibility of the Majority Leader to call bills up."

So, they tried to-- Dole didn't want to talk to them, and they kind of caught him by surprise in this motel room in New Hampshire, where he was out campaigning in the Republican primary, and they caught him in this corridor, and he looked like a criminal, you know, kind of trying to get away from the camera in this white, sort of tawdry motel color, and the reporter said, "Senator, Senator Dole, will you bring up the Kassebaum-Kennedy Insurance Reform Bill?" And he said, "There are a lot of holds on that bill," walking faster. Oh, he said, "There are holds on that bill, there's a hold on that bill."

And they said, "Yes, but will you bring the bill up?" And he said, "Well, there are holds on that bill," and ducked into a room and slammed the door. So, of course, he looked absolutely terrible, and the day after that, they approached us and said, "Well, let's try to work out a unanimous consent to get the bill to the floor," and their price for doing that was that the bill wasn't going to be brought up for like three months, to give the insurance industry time to do whatever they could to develop support for it, but they did agree to a date certain to bring it up.

And then, when it was brought up, the Republicans had come up with this idea-- it was really inspired by a guy who ran one of the worst insurance companies in the country in terms of abusive practices, the Golden Rule Insurance Company, a guy named Pat Rooney. He had come up with this thing called a Health Savings-- it was called Medical Savings Accounts in those days, and it's now called Health Savings, and it's become-- for whatever reason, he was able to promote it as sort of the Republican gospel, this is a way to solve the healthcare problem.

And what it is, is what's called a high-deductible insurance policy. Do you know what that is?

Yes.

A high-deductible insurance policy within a tax-free savings account in which you could deposit money to use to pay your deductible, and we were getting a lot of advice at that time that if these things were put into effect and they were widely taken up, it could really destroy the conventional insurance market, because there would be so much adverse selection against conventional insurance, all those good risks would go into this.

I think the concern was much overblown, but, you know, we were concerned about it. So, Dole decided this was going to be his (inaudible) to the Republican right wing and the insurance industry was, he was going to offer this amendment to the bill-- you know, these medical health savings accounts, or medical savings accounts, and we said that was

unacceptable, we were going to oppose it, and Nancy Kassebaum agreed with us that this was a potential bill-killer, because we were-- so we wouldn't support the bill if this got into it.

I don't really know what we would have done if we had lost, but-- in any event, there was great drama on the floor. Dole, rather foolishly, had not-- didn't really know where his votes were when he made this statement that he was going to make sure that this was going to be in the bill, and when the vote came, we actually lost the vote. We defeated the amendment by five or six votes.

I'm sorry, I--

So, that was kind of humiliating for Dole, I mean, particularly as the guy was leaving-- running for-- I don't know why he got in that position where he made such a firm statement that he was going to pass the thing.

And then he said, "Well," he was interviewed afterwards, wasn't this a big defeat for you, and he said, "Well, I'm going to appoint to conferees and I'm going to make sure that it gets in, in conference." So, then, immediately, we decided-- we blocked his appointed conferees, and the whole thing was in slow motion for a while. We were up on the floor-- Senator Kennedy went on the floor every day, flailing at the Republican as to why they were insisting on putting this terrible thing in to destroy the American healthcare system when all that was at issue was getting people a fair shake from insurance, and we had speeches about the Golden Rule Insurance Company and Pat Rooney, and all that.

So, this went on for quite some time. In the meantime, Senator Kassebaum's people started to negotiate with the House on most of-- got most of the other aspects of the bill negotiated out. A few that were still outstanding were important, and the thing that still held out-- and Kennedy then started talking-- I think Lott may have been helpful in arranging this. Kennedy-- we started talking to the Republican leadership in the House, because that was the key to getting the thing to go, and we talked to Congressman-- shoot, what was his name. Congressman Hastert, for some time, he was Chairman--

Hastert?

Yeah, Hastert.

Hastert.

Who was Chairman, or at that time, was sort of the head of the Republican health task force or something like that, and we had these very nice meetings with him, but it turned out that, basically, he didn't control anything. The guy who was really calling the shots was Bill Archer, who was a very conservative chairman of the Ways and Means Committee, and he really wanted these health savings accounts.

So we ended up-- finally, there was kind of a summit meeting between Kennedy and Archer, and Kennedy prepared for him, and Kennedy's very-- I mean, I don't think it really had very much impact on Archer, but he's very good about trying to really work out sort of a personal relationship, so he researched this guy, Archer, and Archer, it turned out, had been involved in getting a bunch of Olympic gymnasts out of-- from behind the Iron Curtain countries into

Texas, into his district, where there's a very famous former Romanian tennis coach-- I mean, gymnastics coach, whose name I've forgotten.

So, Kennedy went in and talked to him about gymnastics and that sort of thing, and it also turned out that Archer had a very elderly mother to whom he was quite devoted, so Kennedy brought a book of Rose Kennedy's-- a book of reminiscences, you know, signed, you know, dedication, so, it's a very nice kind of a thing.

And we worked out a compromise on the bill, you know, basically where there was to be a test of the health savings account idea that was limited in several ways, and as it turned out, nobody took it up. The health savings accounts were kind of a flop, people didn't sign up for it, but (inaudible) Republicans, years later, managed to basically get all the limitations that we put on these things taken off, and they have grown a bit since then, although they're still not very big.

I think Americans are generally kind of risk-averse, and they don't really want a high-deductible health insurance plan. But, anyway, that's how it came out, and the-- when Kennedy and Archer made the agreement, I mean, there were several steps after that, but basically that broke the logjam and the bill got passed.

Okay. Oh, and what-- when was, exactly, the fact that you described before, for example, the scandal in the Washington Post, do you remember when the articles from the Washington Post passed? Because I would like to find them.

It would have been-- let's see, we introduced the bill in '95, got them to the floor in '96, so it would have been the early part of '96, like, January, February, March of '96.

Okay, I will. And at that time, I read some books, and a lot of people say that the Congress is becoming increasingly polarized. There is a lot of polarization between the two parties, and do you-- you said that you worked on the compromise, but how is it different from the past, and was it more difficult?

Well, I think it's gotten harder over the years to do compromises, because the parties are more polarized and more ideological on both sides. So, Senator Kennedy has always been very good at reaching across the aisle to find Republicans to work with on issues, and in the case of Kassebaum-Kennedy, with Senator Kassebaum, was kind of the lead person, was kind of a moderate Republican from Kansas, no longer in the Senate. In the case of the CHIP bill, it was Senator Hatch, who is a conservative Republican.

But it's gotten harder. I mean, there's no question about it, over the time that I've been there.

And was it the same in the Senate or in the House?

Well, in the Senate, there's always been more of a tradition of working across party lines because of the rules of the Senate, first of all, having to do things by-- most things by (inaudible) in the Senate, you have to work together to get anything done, and second, even where it's something contentious, you can't do it-- in almost every case, with a few exceptions, under the rules, you can't do it unless you have 60 votes, so you can't-- there are very few things you can pass with only Democrats or only Republicans.

So, there is strong pressure to try and find some bipartisanship. Now, on these big, contentious things, it's not like the-- usually, it's not like the Democrat leadership and the Republican leadership get together and they find a bipartisan bill that everybody can support. More typically, you know, our strategy was, you try and get the Democrats unified, at the same time, you've made enough concessions that you're able to get some Republicans, you get somebody, some Republicans on the bill with you. You make enough concessions to him that you can attract some Republicans, but usually, it's-- and the (inaudible) on the other side, too.

It's most typically in the Senate, when you pass something big and controversial, it's typically passed primarily by the Republican Party or primarily by the Democratic Party, with some Republicans or some Democrats joining enough to give you the 60 plus votes you need to pass, rather than something that's like 100 votes, yeah?

And was it difficult to get-- to get the Democrats unified?

On Kassebaum-Kennedy, it was not very difficult. We had some hard parts, a little bit, on this amendment on the-- you know, the health savings accounts, there were a couple of Democrats that were a little shaky. I think, if I remember correctly, Senator Lieberman might have been a problem, and I know Senator-- we had to talk to Senator-- what's his name, Paul Simon, from Illinois, who is a wonderful guy, but he had a sort of a soft spot in his heart for these medical savings accounts. This is from memory, I may not have these names right.

But Kassebaum-Kennedy was kind of unusual, because we ended up passing it like 90 to nothing, or 95 to five, it was a big vote, so the problem there was really getting it up because of this issue of the holds and the-- nobody wanted to be publicly against it, but there were a lot of people who were following the insurance company's bidding to try and keep it from coming to a vote, and since they had the leader working with them, it was hard to get it up.

I see. And the leadership of Senator Kennedy was very, very strong, and was there some people maybe on the Ways and Means or in the House that had such a strong leadership and such a--

Well, the House tends to be more partisan-- historically, more partisan than the Senate. I mean, in the sense that you can pass with just Republicans or just Democrats there, and they do it all the time. In this case, there wasn't really-- the Republicans we were dealing with weren't really negotiating or talking to the House Democrats, they didn't need to deal with them, they could pass anything they wanted. What they had to do was to get something to get through the Senate, and to do that, they had to deal with Senator Kennedy.

I would say that the dominant guy on that particular one was Bill Armstrong, the Chairman of the Ways and Means Committee, but he was also getting pressure from his leadership and other members of the caucus who really wanted to pass that bill. They were worried that they were getting tagged as the-- the '96 elections were coming up, they were getting tagged as the "do-nothing" Congress, the polls were looking bad for them, and they were in danger of losing their majority, and so they had-- there was tremendous pressure on Archer, who may have just as soon not done anything, to get a bill-- because they wanted, they needed a bill.

Conversely, there were some of the Republican/Democratic leadership that really didn't want the bill to pass, because they thought it would help the Republicans, and they talked to Kennedy in kind of a gentle way about, you know, can't you postpone it, kind of thing. And then Clinton wanted it badly. For his own Presidential election, he wanted to show a bipartisan accomplishment.

So, all of those factors were kind of in play.

Okay, thank you. That's really interesting. And you take-- you take a lot of part in this reform, personally. Do you-- what kind of expertise were you-- did you bring to Senator Kennedy?

Well, when I came-- you know, it's funny. When I went to OMB, I didn't know anything about healthcare, it was sort of an accident that I wound up in the health branch. And so I learned about health policy there. I was in charge of the Medicare and Medicaid programs within OMB, so I had a really big charter. I mean, now they have a whole branch doing that, Medicare and Medicaid.

I did not know the public health programs or know very much about private insurance, but at the point where you get to Kassebaum-Kennedy, I had been working for the Senator for 13 years, I think. So, I mean, one of the things about being in the staff and the Senate is that people are always delighted to share information with you, both to give you just factual stuff, and also to share their viewpoints, so if you want to learn about a subject, it's a very easy place to learn about it, because everybody-- all of the experts are (inaudible) happy to come in and spend some time giving you their views on it.

So, you know, over the years, you know, I've worked an awful lot in the insurance field as we developed our various attempts to get universal healthcare, you know, so I knew a lot going into the Kassebaum-Kennedy. As I said, it was kind of a spinoff from the failure of the Health Security Act, but you also, whether it's me or anybody else, I mean, if you're-- you know, have got some knowledge base and are a reasonably quick study, you can learn a lot about anything in the Senate much more easily than lots of other places, because there's so many experts that are willing to share their knowledge with you.

Did you bring some solution? You--

Well, we thought up-- I mean, we came up with the Kassebaum-Kennedy solution?

I mean, that Senator Kennedy must have a very strong expertise--

Yeah, I mean, Kennedy-- Senator Kennedy himself has a very long history on health issues. Senator Kennedy is interesting. He's a very knowledgeable guy, and he's extremely smart. He's also very effective-- he's an extremely effective legislator, and part of what makes him so effective is that he's a very good delegator, so he wants his staff to do the things that his staff can do for him, but he doesn't want to do anything that a staff person can do for him. He just wants to do the things that a Senator can do, and that takes-- that makes him busier than anybody I've ever seen, or work harder than anybody I've seen.

So, in terms of the details of insurance reform, I mean he didn't need to know that until we were actually debating on the floor, until there was an amendment that he had to deal with. You know, what we went over with him was sort of the general approach, and then he had us work on the details. (inaudible) there was a big political decision or he needed to go argue with a point or discuss it with another member or debate it on the floor, in which case he would learn whatever he needed to know to do that effectively, and so he went into the meeting with Archer, and he was very prepared, he knew all the arguments on MSAs, he knew what the potential compromises were, but he didn't know that, really, until the-- until it became an issue.

He didn't know much about it-- there was no reason for him to learn about it until he needed to know about it.

Okay. And can you describe to me the process of the reform for children's benefits?

The children's health insurance program? Well, that was sort of the-- remember, when we couldn't-- when we came out of the health insurance, the failure of the Clinton bill, the first thing we tried to do is to do this children's health bill, and, you know, we couldn't get any takers then, so in '97, we went back to it, and Senator Hatch and Senator Kennedy had had kind of a long friendship, and they had done some stuff together.

So, we developed this-- we thought, well, okay, what's next? We've done Kassebaum-Kennedy, how about let's try children's health again? You know, it's been a while since, you know, since nobody was interested in doing it, and this time, Senator Hatch was very interested, and we had a very long, arduous negotiation process with Senator Hatch and his staff.

Can I-- Senator--?

I'm sorry. Hatch, H-a-t-c-h, Orrin Hatch, from Utah.

Hatch. Thank you.

So, we had a long and arduous negotiation with Senator Hatch and his staff to agree on a bill that would expand health insurance coverage for children.

Okay.

We announced it with great fanfare, I think in March, either February or March, and ultimately got (inaudible) in the law, by August, as part of the Balanced Budget Act. I mean, it's extraordinarily rare for something that big to get by that quickly. I mean, it's such a long story, I can't really sort of go through the whole thing, but the key breakthrough was getting that agreement with Senator Hatch.

And the structure of the bill was that we had a-- basically grants the states to establish health insurance coverage for children who were of low and moderate incomes, but not poor enough to qualify for Medicaid, and the-- where we funded it was through an increase in the tobacco tax, which was sort of the-- the political idea was, you combine the children's advocates and the anti-smoking advocates into kind of a force that would be advocates for it. At the same

time, you would provide financing which you had to have to pay for the program, and that was sort of the central idea behind it.

And it went through lots of ups and downs during that four of five month period, but we were able to successfully get it.

And who were the main actors of this?

Kennedy-- initially, Kennedy and Hatch, and then, I would say, in the finance committee, Rockefeller and Chafee, and the President, after sort of wavering, initially, ultimately came and his-- whatever he had to try and get the thing done.

Well, he was important, actually, on the Kassebaum-Kennedy bill, and I think it may have been the State of the Union, but one of his major speeches, he called on the Congress to pass the Kassebaum-Kennedy Insurance Bill, and that helped bring increasing pressure on Dole to get the bill done.

Excuse me. So, those are-- in the Senate, there were those actors, and then in the House, you know, they were kind of resentful because they thought, you know, why is the Senate getting all the glory, but I would say it was really the Energy and Commerce Committee that was most active on it, and that would have been Congressman Dingell on the Democratic side and, gosh, who was the chair. I think the chair at that point was a fellow from Virginia whose name I'm blanking on, and his staff.

His staff guy was a guy named Rich Cohen. Not Rich-- Howard. Howard Cohen.

Howard Cohen.

Yeah, who was actually pretty involved in the Kassebaum-Kennedy, too.

Okay, and the first representative from Virginia--

Sorry?

The representative from Virginia, how was her or his--

Well, he was Chairman of the Energy and Commerce Committee, which had jurisdiction over the program, so his staff worked on it.

Dingell?

Dingell was the ranking minority member. He was the equivalent of Kennedy on that committee.

(inaudible)

Sorry?

Was it (inaudible), the name of-- I didn't have the name you said of the Chairman.

W. Genieys, Operationalizing Programmatic Elite Research in America, OPERA : ANR-08-BLAN-0032.

I can't remember the name of the Chairman. He was the Congressman from Virginia, and I'm blanking on what his name was.

Okay, I will look. Chairman of Energy--

I think there have been some articles published on how the CHIP program got passed.

Yes, yeah, I can find whatever.

Yeah.

And would you say that the Senate had the dominant role in this reform, and more generally, what do you-- would you say about the relationship from the Senate and--

To the House?

Who leads the movement of reform?

Well, it really depends on the issue, realistically. I mean, I think on bipartisan legislation, like Kennedy-Kassebaum and CHIP, the Senate is more likely to take the lead, because the House doesn't do as much bipartisan stuff. They do stuff that's much more driven by the majority party. Other issues, the House may act first. It's hard to really generalize.

But the rule, I think, is that if you can't get it through the Senate, obviously you can't pass it, and generally, something that can go through the Senate will go through the House, but the reverse isn't true.

The real challenge is to pass in the Senate first?

Yeah, or to get the momentum for it in the Senate, or something. The bill doesn't actually have to formally originate in the Senate, but--

Yes, okay. And, so, in the context of more bipartisanship--

More what?

More-- polarization, the Senate is maybe more able to pass laws now, today, because--

Well, this House can pass-- as I said, the majority of the House can pass practically anything, and so the issue is, can it get through the Senate. And the place where the bipartisan deals tend to get done, not always, but often, are in the Senate.

And so you'll-- the House, the House people, whether they're Democrats or Republicans, they're always frustrated. They pass all these bills, and then they never get through the Senate, because they're partisan bills.

I see. So, the Senate is also increasingly polarized, but not so much?

Not as much as the House, and I think it's not quite as polarized as the House, I mean, partly because Senators have bigger constituencies, so they're more likely to be mixed constituencies, as opposed to being very conservative or very liberal, which has been true more and more in House districts, and partly because you just can't get stuff done in the Senate unless there's some bipartisanship, so, in the end, people who want to get something done, you know, realize that they have to compromise, whereas in the House, you don't necessarily have to compromise to get something passed.

I see. Can you tell me a little bit more about the Senate Finance-- Energy and Health Commission? What was its line or its position? Do you have a very, very unique position? Because I think--

Well, the health committee has jurisdiction over all the public health service programs and the regulation of private insurance. It doesn't have jurisdiction over Medicare and Medicaid and health-- I mean, it's got broad jurisdiction in non-health, as well. It's the most-- probably the most-- the Democrats are probably the most liberal group of Democrats in the Senate, in part because Senator Kennedy has been Chairman for so long, that he has been careful to get people who support his viewpoint on the committee. He has not let anybody on who is not a liberal or in support of liberal positions.

Let me-- excuse me just one sec.

Mark, does that thing have to go out today?

Unidentified Participant: Yes, it has to go out at five.

(inaudible)

Unidentified Participant:(inaudible)

I have a 4:00 meeting, don't I?

Unidentified Participant:(inaudible)

What time is my next meeting?

Unidentified Participant:(inaudible)

Sorry?

Unidentified Participant:(inaudible)

(inaudible)

I'm sorry.

It's really okay.

Okay, so, we were talking about the health committee. So, the Democrats are more liberal in the Senate, and the Republicans are more-- and it's probably also because Democrats who are liberal are attracted by working on health and education and labor and pension policy, whereas guys who are more conservative, they want to work on economic development or tax policy or military or something.

The Republicans are more mixed. You have some of the most conservative Republicans in the Senate on the committee, and you also usually have a couple of moderate Republicans, and with-- during the time I was there, with one exception, Kennedy always had a good, working relationship with the Chairman or the ranking Republican member so that he could get things done.

Does that answer your question?

Yes, sure. I have one more question about this-- what you said before. You said that Senator Kennedy tried to choose the Senators-- the Democratic Senators that come into these committees. Is it-- how is it--

Generally-- to get assigned to a committee, there is a committee on committees-- you know, within the Democratic Party, (inaudible) the Democratic Policy Committee that formally does committee assignments, and Senators make requests to be on various committees, and those are screened by this committee, really by the majority leader.

But the majority leader is not going to appoint somebody to the committee that Senator Kennedy doesn't want on it, so that Kennedy is able to exercise basically a veto power over who gets appointed to the committee.

So, there have been cases where some people, Democrats have wanted to be on the committee, and they've had enough seniority, but Senator Kennedy has said, no, they're too-- they're not liberal enough, I can't count on their vote, I don't want them on the committee, and they haven't gotten the position when that's happened.

That's interesting. And the Senate Finance Committee, is its position different, or maybe there is more--

The Senate Finance Committee is the most powerful committee in the Senate, and they have jurisdiction over Medicare and Medicaid, and when it's an issue of sort of universal health care, there's usually a -- there has been kind of a tug of war over which committee gets jurisdiction or regulation on private insurance.

Senate Finance Committee-- it used to have many conservative Democrats on it. It's gotten more liberal over time, but it's not as liberal a committee as-- the Democrats are not as liberal as the health committee.

Because of its budgetary concerns?

Well, I think-- Russell Long, who was the Chairman-- there have been a series of Chairmen on the committee who are basically representing oil and gas interests, so first you had Russell Long, and then Lloyd Bentsen. Long was from Louisiana, Bentsen from Texas, both were

relatively conservative Democrats themselves, and both relatively intent on protecting the gas industry, so they were not able to exercise quite as tight a screen as Senator Kennedy did, but they made sure that they had members on their committee who were also responsive to the needs of the oil and gas industry, and to business generally, so that they had a much less liberal profile of their members.

So, they used to have many of the-- some of the most conservative members of the-- Democratic members of the Senate used to be on that committee.

Now, they say, over time, that's changed a bit, so I would say many more, you know, there aren't-- I can't think of anybody who is a true conservative on the committee. Probably, the most conservative guy on it actually is the Chairman, Senator Baucus, and he is not what I would describe as a conservative Democrat, he's more of a moderate Democrat, although he's from a conservative state.

The committee is very loaded with people from rural areas, Democrats from rural areas, rural states, but it's not-- so it's not as conservative as it used to be, but it's not as liberal as the health committee.

I see. And, as a very, very liberal committee, does the health committee-- can count on the help of very liberal committee in the House, for example, the Ways and Means--

Well, neither the Ways and Means nor Energy and Commerce are quite as-- I wouldn't say-- for different reasons, they're not quite as liberal as Health. Maybe Ways and Means these days is. It didn't use to be, but it's much more so now. I'm-- again, I'm only talking about the Democratic side. It's different on the Republican side. The Energy and Commerce Committee has been kind of mixed. Congressman Dingell, the Chairman of the Committee-- long-- he has been Chairman of that committee for many, many years, and he himself is quite liberal, but he's also from Michigan, and very concerned about defending the auto industry.

So, he's put some more conservative Democrats on-- and he doesn't have the same kind of control-- neither of those chairmen have the same kind of control that Kennedy has had over the health committee membership. He's had more leadership and more influential, and Dingell has put conservatives on the committee really to protect the auto industry, even though he himself is quite liberal.

So, that committee is-- again, I mean, all the Democrats, you know, the House Democratic Party is quite liberal these days, but the committee is probably not --again, neither the Health nor Ways and Means Democrats are quite as liberal as the Health Democrats, sort of man-for-man, but they're both pretty liberal. I mean, all the Democrats in the House these days, most of the Democrats in the House these days are pretty liberal.

Okay. Thank you very much. Are you-- maybe you have no time?

I've got just a minute or two more.

I just wanted that you-- you speak about the Congressional Budget-- not the--

The process? The budget process?

Oh, I'm sorry, no. Because you-- I saw that you worked in the--

The Office of Management and Budget?

Yes, and so I just wondered if you could tell me of your opinions.

What it does?

Yes.

Well, it's probably the equivalent of-- I don't know what the equivalent would be in France. It's equivalent to the sort of the Chancellor of the Exchequer in Britain. It's-- as you know, our budget is kind of policy, it really shapes what happens in the government, and the President puts out a budget every year which really represents his policy priorities, and the Office of Management and Budget, which used to be the Bureau of the Budget, in the old days, is an office within the White House, within the Executive Office, the President-- it's not physically in the White House, that's in charge of preparing the President's budget, and basically deciding whether new initiatives-- really any initiatives, new ones or ones to be continued, that any of the departments want to do, are part of the President's program.

So, they're tremendously powerful in shaping the position of the President. They also have to clear all legislation, decide what the President is going to be supporting, what its position is, review any legislative initiatives the Department has to do, and say yes or no, or make a recommendation to the President. The President ultimately decides.

Okay.

So, they're sort of-- through their control of the budget, their influence on the budget, they're a very important agency, and I-- you know, when I started to work there, actually relatively young, at least compared to the way I am now, and it's a great place to work as a young person, because, you know, you have such a span of responsibility that-- you don't have the authority of a head of an agency, but you're looking at issues almost from the same, you know, high-level viewpoint, so it's a great place to work.

Okay. Okay. I just want to stop here, because you don't have enough time. Just two questions. Do you have suggestions about people I can meet for my research? And my second question is, just because I'm looking for doing something like an internship in the Congress, just to understand the procedure, and so I have my own revenue from my university, but maybe you have just advice--

Yes. I would go talk to David Bowen, B-o-w-e-n, you can suggest-- tell him I suggested you call him, both to get his advice and to see if they might have a place for you on the Health Committee Staff, if you're interested in working there.

Yes, very, very interested, thank you.

The second place I would go, I would go talk to Liz Fowler, F-o-w-l-e-r, who is the-- she is the staff director for health of the Finance Committee, and, again, I would talk to her both

about the possibility of an internship, and just sort of your general questions about the role of Congress.

Yes, thank you.

The other two places that you might talk to people are Cybele Bjorklund, B-j-o-r-k-l-u-n-d, at Ways and Means. She used to be one of my deputies, and now she's the health staff director for the Ways and Means Committee, and Bridgett Taylor. Actually, Bridgett Taylor or-- Bridgett's very hard to get a hold of. You might try Amy Hall, H-a-l-l. Oh, Amy just had a baby. She's probably not up there, but try Bridgett Taylor with the Energy and Commerce Committee.

And all those people might have internship opportunities, as well as giving you information for your thesis. You might also talk to Karen Nelson, with Congressman Waxman, for the same two ideas. Then, in terms of interviews for the thesis, you might get-- you might want to go in and see Norman Ornstein. Norman is an expert on Congress generally. He's at the American Enterprise Institute.

Sorry, in which institute?

The American Enterprise Institute, here in town. He's written a number of books about the Congress.

That could be very interesting, and also because I heard about the American Enterprise Institute.

Yes, it's a-- I would talk to Chris Jennings, who's also here in town. He was President Clinton's top health policy advisor in the White House, and he'll have a view on the role of Congress versus the role of the President that would be interesting. He's very knowledgeable. He worked in the Senate for a while, too, before going to work for President Clinton.

Okay, thank you. That's very, very interesting. Maybe-- I was just thinking about--

What period would your internship be for?

I just come back this winter or spring, and I just, will arrange myself.

Oh, yeah. Oh, well, that would be a great time to be there, because I think, particularly, if Senator Obama gets in, they'll be an attempt to do health reform again. You might talk to Senator Clinton's office, too. Andrea Palm, P-a-l-m, is the Health LA there. Andrea is-- she hasn't been around as much as these other people, but I think she'd be interesting to talk to, and that would be a good place to do an internship, I think, if they've got a space.

Sure. Thank you.

The other way Congress exerts influence on health policy is through the appropriations process. I would go talk to Brian-- let me get the yellow book and check out his last name. He's with Senator Harkin.

Okay, thank you very much.

(inaudible).

It's the yellow book. I don't (inaudible) in the library.

Yeah, I'm sure there's a library. It costs a fortune. You don't want to buy it, it's basically just a phone book. So, you want to see-- let's see. Brian Ahlberg, A-h-l-b-e-r-g.

A-h-l--

A-- right here. He's a friend, so you can use-- I mean, you can use my name with any of these people. They're all friends. 202-224-3254.

2-- I'm sorry.

I'm sorry, I'm talking too fast.

202-224-3254.

And I would talk to Brian about the questions that you've posed to me, but with a focus on the appropriations process, because Senator Harkin is the Chairman of the subcommittee that has jurisdiction over health appropriations.

And that also might be a place to do-- with Senator Harkin, might be a place to do an internship, since his office is pretty active on health policy. I would try to get on one of the committee offices if you can. I think Kennedy or-- sorry, Kennedy's office or the Senate Finance Office would be the best, if they have a place for you. But if not, you know, I think these other places are possible, too.

Sure. And maybe I was just wondering, maybe, to meet someone from the CBO?

Hoping to interview somebody at CBO?

Yeah, because I maybe-- maybe, what do you think? It can be very interesting.

Yeah, I don't know. I'm trying to think who would be the best person. I mean, the guy who is head of the health estimating branch is not somebody who is very easy to talk to or very forthcoming. I don't have a good suggestion for you over there, but some of the people that you're talking to might be able to suggest people.

But it's a very big list of people, so thank you very much.

Oh, you're welcome, and good luck with your project. I think if you have an internship I think it will be very enjoyable for you, very (inaudible). Particularly next year.

Yeah, I hope so, and thank you very much.