

**KAREN IGNAGNI**

<http://www.kaiserhealthnews.org/general-pages/players/ignagni.aspx>

Démocrate

### The PLAYers

**KAREN IGNAGNI** PRESIDENT AND CEO OF AMERICA'S HEALTH INSURANCE PLANS (AHIP)

**DATE OF BIRTH:** Dec. 1953

**EDUCATION:** B.A., Providence College; M.B.A., Loyola College.

**Career Path:** Ignagni's *early career included positions at the Department of Health and Human Services and the Senate Labor and Human Resources Committee* and as director of the AFL-CIO's department of employee benefits.

In 1993, Ignagni became president and CEO of the American Association of Health Plans (AAHP), which merged with the Health Insurance Association of America (HIAA) in 2003 to become AHIP.

**Role in Health Care Reform, 1993-1994:** Initially at AFL-CIO, Ignagni became head of AAHP in September of 1993 and coordinated the organization's opposition to President Bill Clinton's legislation.

**Why She's a Player Now:** AHIP represents insurance companies that cover over 200 million Americans. The organization spent \$7.1 million lobbying the federal government in 2006 and has released its own health reform proposal. *It has also stated its willingness to drop preexisting condition exclusions and make other changes in exchange for a requirement that everyone has insurance.*

**Quote:** "Not only are we very receptive [to reform], but we've already offered some very specific reform proposals. *And the reason for that is more than three years ago our board had conversations about this year, 2009, being the year for health care reform.* And they wanted to take a leadership role and make sure that we were not reacting to other proposals, that we did our due diligence, we understood the problems and offered solutions and took some leadership." (*Kaiser Health News*, Jan. 8, 2009)

[http://en.wikipedia.org/wiki/Karen\\_Ignagni](http://en.wikipedia.org/wiki/Karen_Ignagni)

### Background :

Ignagni grew up in [Providence](#), where her father was a [fireman](#) and mother worked at the city hall. She graduated from the [Providence College](#), *where she majored in [political science](#)*, and from [Loyola College Executive MBA](#) program

Ignagni led the [American Association of Health Plans](#) (AAHP) from 1993 until 2003 when it merged with the [Health Insurance Association of America](#).

Before joining AAHP, she was a director of the [AFL-CIO's](#) Department of Employee Benefits.

Previously she worked in the [U.S. Senate Labor and Human Resources Committee](#), the [U.S. Department of Health and Human Services](#), *and as a staffer for [Senator Claiborne Pell](#)*.

Ignagni wrote a large number of articles on various aspects of health care policy issues, that were published in [The New York Times](#), [USA Today](#), the [New York Daily News](#), and [New England Journal of Medicine](#), among others. She sits on a number of advisory groups and boards, including the Board of the National Academy of Social Insurance, the Partnership for Prevention, and the Bryce Harlow Foundation

## Recognition

Karen Ignagni received the Second Century Award for Excellence in Health Care.[5] *George Magazine* listed her among 50 Most Powerful People in Politics. *The New York Times* wrote about her in 1999 that "in a city teeming with health care lobbyists, Ms. Ignagni is widely considered one of the most effective. She blends a detailed knowledge of health policy with an intuitive feel for politics." *The Hill* newspaper included Karen Ignagni among Washington's most effective lobbyists in 2004.[6] She is also an occasional object of derision, such as when *Health Care for America Now* group awarded Ignagni a "protector of profits" award

## Health Care reform 2009 :

***In June 2009, Ignagni addressed President Barack Obama: "You have our commitment to play, to contribute and to help pass health care reform this year".***

In October 2009, AHIP issued a report projecting sharply rising costs with or without reform. The study was conducted by *PricewaterhouseCoopers*. ***As described by Ignagni, "The report makes clear that several major provisions in the current legislative proposal will cause healthcare costs to increase far faster and higher than they would under the current system".***

***Ignagni defended the report on PBS Newshour against the accusation by Nancy-Ann DeParle, the director of the White House Office of Health Reform, that the "industry puts their special interest ahead of the national interests here".***

<http://healthcare.nationaljournal.com/contributors/karen-ignagni.php>

## K. Ignagni

*Biography provided by participant*

As President and Chief Executive Officer of America's Health Insurance Plans (AHIP), Karen Ignagni is the voice of health insurance plans, representing members that provide health care, long-term care, dental and disability benefits to more than 200 million Americans. AHIP was formed in late 2003 as a result of a merger between the American Association of Health Plans (AAHP) and Health Insurance Association of America (HIAA).

Ms. Ignagni led AAHP and, since joining the organization in 1993, she has won many accolades for her leadership. *Washingtonian* named her one of the Top Three "Top Guns" of all trade association heads. *Modern Healthcare* magazine routinely ranks her among the 100 Most Powerful People in Healthcare. *The New York Times* wrote, "In a city teeming with health care lobbyists, Ms. Ignagni is widely considered one of the most effective. She blends a detailed knowledge of health policy with an intuitive feel for politics." *Fortune* described the political program Ms. Ignagni spearheaded at AAHP as "worthy of a presidential election bid."

For the past several years, *the Hill Newspaper* has consistently ranked Ms. Ignagni among *Washington's most effective lobbyists*. Ms. Ignagni regularly testifies before Congress on key federal legislation.

***In recent years, she has appeared before Senate and House committees on matters ranging from health insurance plans' role in homeland security to Medicare reform to patient protection issues and access to health care coverage issues.***

***Ms. Ignagni has authored more than 90 articles on a wide range of health care policy issues, including pieces published in The New York Times, USA Today, New York Daily News, The Washington Times, Institutional Investor, New England Journal of Medicine, Health Affairs, Modern Healthcare and Physician's Weekly. A recognized industry spokesperson, Ms. Ignagni appeared on the national network newscasts on ABC, CBS, NBC, and FOX.***

Ms. Ignagni has also shared her insights on leading cable shows such as CNN's Inside Politics,

MSNBC's Hardball, C-SPAN's Washington Journal, and CNBC's Power Lunch and Capital Report. Most recently, Ms. Ignagni was honored by the Sons of Italy Foundation with their 2005 Lifetime Achievement Award for Excellence in Association Management. In recognition of her leadership on health care issues, Ms. Ignagni has been invited to serve on several boards, including the Board of Columbia University's School of Nursing and the Advisory Board for The Health Industry Forum - a meeting of thought leaders designed to inform innovative health care policy and practice.

Prior to joining AAHP in 1993, Ms. Ignagni directed the AFL-CIO's Department of Employee Benefits. *In the 1980s, she was a Professional Staff Member on the U.S. Senate Labor and Human Resources Committee*, preceded by work *at the Committee for National Health Insurance and the U.S. Department of Health and Human Services.*

<http://www.washingtonpost.com/wp-dyn/content/article/2009/10/19/AR2009101902936.html>

**THE Washington post**

## **Defending the insurance industry's report on health reform's cost impact**

**By Karen Ignagni 20/10/2009**

It has been alleged that health insurers commissioned [a report](#) recently from PricewaterhouseCoopers as part of a [last-ditch effort](#) to kill health-care reform. A relentless public relations campaign has attacked the messengers -- our association, America's Health Insurance Plans (AHIP), and PricewaterhouseCoopers -- as a way of discrediting the findings that major provisions in the Senate Finance Committee proposal will have the unintended effect of [increasing the cost](#) of health-care coverage.

Let me be clear and direct: Health plans continue to strongly support reform. In fact, last year we proposed new insurance market rules and consumer protections to achieve universal coverage, remove restrictions on preexisting conditions and end the practice of basing premiums on health status or gender. We firmly believe that all the cost concerns the report raised can be resolved.

Some have questioned the timing of the report's release. AHIP commissioned the report Sept. 29, as it became clear that the Finance Committee would gut the requirement that all individuals obtain coverage. We received the study on Saturday, Oct. 10, and shared it with our members the next day.

The report's central finding has long been noncontroversial in health policy and economic circles: namely, that implementing reforms of the insurance market without a strong requirement that everyone participate will cause adverse selection and significantly increase costs for individuals and small businesses. This finding echoes the message President Obama delivered in his [address to Congress](#) last month. "And unless everybody does their part, many of the insurance reforms we seek -- especially requiring insurance companies to cover preexisting conditions -- just can't be achieved. And that's why under my plan, individuals will be required to carry basic health insurance," he said.

The report concluded that the proposed new taxes on health plans, pharmaceutical manufacturers and medical-device makers will increase the cost of coverage. These findings are entirely consistent with the judgment expressed by the director of the nonpartisan Congressional Budget Office, who recently told the Senate "that piece of the legislation would raise insurance premiums by roughly the amount of the revenue collected."

The study also found that Medicare cuts enacted in the absence of systemic reforms in the way care is delivered will simply result in more costs being shifted to individuals and employers who purchase private coverage.

The combination of these three inflationary factors would mean that in a few years, far more employees' health plans would be subject to the new tax on comprehensive benefit packages than is

currently projected, quickly turning the so-called Cadillac tax into a Chevrolet tax.

The study clearly states that its analysis covers only these provisions and specifically notes that it did not factor in the impact of proposed premium subsidies. Nevertheless, critics have charged that the study nefariously hid the fact that it omitted provisions designed to enhance affordability, such as the subsidies and a grandfathering clause.

Subsidies have broad bipartisan support and will clearly help many moderate-income families pay for health coverage. But subsidies will do nothing to bring down the actual cost of that coverage. Suggesting that they will is comparable to saying that Pell Grants reduce the cost of college tuition. Pell Grants provide families enormous help with the high cost of education, but they do not lower tuition levels. Meanwhile, tuition prices soar.

The alarming implication of the study is that the proposed subsidies would not be adequate and would have to be increased as costs escalate.

The provision that supposedly "grandfathers" people into their current plans offers limited protection against higher costs because one-third of Americans change their coverage each year. Anyone who changes jobs, gets married or divorced, has a child or moves to another state would not be protected by the grandfather clause.

Costs are the critical issue because their projected growth threatens the sustainability of the entire health-care system. The CBO projects that health-care spending will rise at an annual rate of 6.2 percent for the next decade. With another decade of soaring health spending, wages will stagnate; employers will struggle to maintain coverage; health spending will crowd out other critical national priorities such as education, the environment and national security. Medicare itself will become insolvent.

We believe the nation can bend the cost curve by 1.5 percentage points annually if reform includes systemwide efforts to reward best practices, shrink the wide variation in care, expand care coordination, and equip doctors and patients to make decisions based on what works.

The shared promise of health-care reform is guaranteeing access to affordable coverage for those outside of the system while ensuring that those who have coverage can keep what they like. That promise can be kept only if Congress puts the nation on a path to universal coverage and confronts what lawmakers have thus far been unwilling to address: the need for tangible, effective steps to reduce the growth in health-care costs and make the system sustainable for generations to come.

*The writer is president and chief executive of America's Health Insurance Plans.*

<http://www.nytimes.com/1993/05/08/us/health-care-plan-may-cover-injuries-on-job-and-roads.html>

THE NEW YORK TIMES

HEALTH-CARE PLAN MAY COVER INJURIES ON JOB AND ROADS

BY ROBERT PEAR,

PUBLISHED: MAY 8, 1993

President Clinton's health-care plan will cover the cost of treating people injured on the job or in automobile accidents, merging workers' compensation and the medical portion of auto insurance with standard health insurance in one big system, Hillary Rodham Clinton said today.

The plan would move toward eliminating the sprawling workers' compensation system, which has become a particular headache for employers. Medical costs paid by workers' compensation and auto insurance have risen faster than health-care expenses in general, as have the mandatory workers' compensation premiums paid by employers.

Health care provided under the newly unified system would include the same strong incentives for cost control that the President hopes to introduce throughout the health-care system. Sharp Controversy Likely

But the proposed changes, if they are included in the final plan and approved by Congress, would greatly affect the interests of lawyers, doctors, labor unions and insurers involved in the workers' compensation and auto insurance systems, and the details of such a shift are certain to provoke intense controversy

Congressional action on this issue would also move the Federal Government into an arena now regulated by the states.

Mrs. Clinton's brief remarks today left many questions unanswered. It is not clear, for example, how fast the changes would take effect or whether the new system would retain incentives for motorists to drive safely and for employers to eliminate occupational hazards. Nor is it clear how the proposal will affect liability for injuries in auto accidents. Simplifying the System

Some advisers to Mrs. Clinton's Task Force on National Health Care Reform had previously raised the possibility of incorporating these historically separate forms of medical insurance into the new system they are proposing for medical care generally.

Mrs. Clinton's comments today, at a conference of business executives in Williamsburg, Va., were the clearest signal yet that the President would propose such changes as part of his health-care plan, to be sent to Congress next month.

Administration officials said it would greatly simplify life for consumers if the standard medical insurance policies contemplated under the Clinton health-care plan covered injuries suffered on the road and on the job. Consumers would then have the same protection against illness and injury, whether they were working, driving or simply spending time at home, the officials said.

But efforts to fold workers' compensation into a national health-care program will complicate the Clinton plan, create new political problems and increase the difficulty of pushing legislation through Congress.

Mrs. Clinton's audience today consisted of business executives, many of whom are wary of the emerging health-care plan because they fear it will include new taxes. Mr. Clinton is expected to propose a Federal law requiring all employers to provide or arrange health insurance coverage for their workers. Owners of small businesses oppose such a requirement.

Mrs. Clinton addressed these fears after meeting with members of the Business Council in Williamsburg today, declaring: "We believe, based on everything we know, that for the vast majority of businesses health-care reform will be a net winner. Their costs will stabilize and go down."

Moreover, she said, "for many small businesses, the same will be true because we intend to move to incorporate workers' compensation and auto insurance in health-care coverage and comprehensive health-care reform." Saving Money and Paperwork

Workers' compensation and automobile insurance pay more than \$40 billion in health-care bills each year. Workers' compensation helps cover the cost of medical care, lost wages and rehabilitative services for people who suffer work-related injuries or illnesses.

Robert O. Boorstin, a spokesman for the task force, said the goal of this proposal was to "reduce duplicative insurance policies, reduce administrative paperwork and save money in the health-care system overall."

But Amy J. Biderman, a spokeswoman for the American Insurance Association, a trade group for 250 property and casualty insurers who could lose substantial business if the new plan is adopted, said: "This is not an approach that we favor. We have suggested an alternative that is more cost-effective, coordinating rather than merging these programs."

Ms. Biderman said the President's proposal could lead to an increase in health costs because health maintenance organizations and other health plans providing managed care did not have "the capability to effectively treat occupational illnesses and injuries."

By contrast, she said, insurers that specialize in workers' compensation "help employers hold down costs by providing appropriate care to get the workers back to work." Aiming for Cost

## Controls

The President is expected to propose that most people, including individuals and employees of smaller companies, buy health coverage through new, large purchasing cooperatives. These purchasing groups would bargain with competing providers and offer a selection of prepaid health plans, many resembling health maintenance organizations that strive to hold down unneeded medical care. One longtime complaint about workers' compensation and automobile insurance systems is that they lack such cost controls.

Apart from that, from the employees' point of view, workers' compensation is also more generous than standard health insurance policies. It provides broader benefits, including rehabilitation and occupational therapy to help employees return to work. The worker does not pay premiums or any part of medical bills for the treatment of work-related illnesses and injuries.

Karen M. Ignagni, director of employee benefits at the A.F.L.-C.I.O., said tonight: "We support the integration of workers' compensation with overall health-care reform. It does not make any sense to have two separate systems, one for people injured on the job and one for people who suffer from other health conditions."

But labor officials say their members must not be forced to give up any of the advantages and benefits they have under workers' compensation.

"Workers injured on the job should not be required to bear the cost of treating those injuries through co-payments and deductibles, if such cost-sharing is in the new health-care system," Ms. Ignagni said.

Spokesmen for the property and casualty insurance industry, which sells workers' compensation and auto insurance, said they needed more details of Mr. Clinton's proposal before they could fully assess it. Need for Incentives Seen

Sean Mooney, a spokesman for the Insurance Information Institute, said the new system must retain incentives now built into the workers' compensation and auto insurance systems for employers to operate safe work places and for motorists to drive safely.

Currently, when a factory has many accidents, its premiums for workers' compensation rise, just as a driver who gets into accidents pays higher auto insurance premiums.

The Clinton proposal closely resembles one made last year in California by the State Insurance Commissioner, John Garamendi. Walter A. Zelman, a top aide to Mr. Garamendi, has emerged as an influential adviser to Mrs. Clinton.

Mr. Zelman was executive director of California Common Cause from 1978 to 1989. He and Mr. Garamendi proposed a "payroll premium" like the one now contemplated by the Clinton Administration. Under this proposal, all employers would pay a percentage of their payrolls, perhaps 7 percent, in premiums to help finance health care.