



Health Care Reform Alert

A REPORT FROM THE EXECUTIVE VICE PRESIDENT

In an extraordinary step, Vice President and Mrs. Gore summoned field leaders

to a mid-April reception at their home to discuss the fate of the addiction and mental health benefit in health care reform. ASAM was represented by EVP Dr. James F. Callahan and ASAM Public Policy Committee member David C. Lewis, M.D. The Vice President and Mrs. Gore urged their guests toward a renewed commitment to inclusion of addiction and mental health benefits in health reform legislation. Recounting her lifelong, passionate commitment to the field, Mrs. Gore said she recognizes that addiction and mental health problems had touched the lives of many of those present, as well as the lives of their families and friends, and thanked them for turning such suffering into the positive energy needed to work for enactment of an addiction and mental health benefit.

Summing up what is at stake, Vice President Gore acknowledged that many in the group had worked for 15, 20 or even 25 years for the cause of addiction and mental health. Yet all their hard work would come down to events of the next 5, 6 or 7 months, he told them, as the current debate culminates in enactment of health reform legislation -- with or without an addiction and mental health benefit. "You should know that in politics, timing is everything," he added, "and the time for passage of a comprehensive mental health and substance abuse benefit is now."

Both Drs. Callahan and Lewis spoke with Mrs. Gore about ASAM's work for a comprehensive benefit and parity with other medical disorders, as a cost-saving measure and a clinical necessity. The gathering struck both Dr. Callahan and Dr. Lewis as historic; over their 25 years' work in Washington, neither can remember ever attending a social gathering hosted by a Vice President and his wife for the leaders of the mental health and addiction field. They concluded that the significance of the gathering is that it underscores the Gore's personal commitment to adoption of a comprehensive addiction and mental health benefit, and emphasizes the urgency of continued work toward that achievement.

ASAM's Public Policy Forum on Health Care Reform

at the annual Medical-Scientific conference heard startling new data on the cost-effectiveness of addiction treatment. Citing a new study commissioned by a coalition of field groups, David C. Lewis, M.D., told the audience that every dollar spent on addiction treatment saves \$11.54 in related medical and social costs. David Mee-Lee, M.D., discussed the activities of ASAM's Patient Placement Criteria and the work of the National Coalition of Managed Care Medical Directors and the Coalition on National Clinical Criteria; and Anne Geller, M.D. and Dr. James F. Callahan, reported on ASAM's work with the American Medical Association to assure that AMA's model benefit incorporates unlimited access to medical detoxification and outpatient care, as well as an inpatient benefit based on medical necessity rather than predetermined caps governing costs and length of stay.

Tobacco tax increase proposals reached a critical point

in May, as the Health Subcommittee of the House Ways & Means Committee passed along to the full committee a health care reform bill with a \$1.25 cigaret tax increase. While many members of the full committee favor a \$2 tax instead, there will be heavy pressure from the tobacco industry to enact a much smaller tax. The full Ways & Means Committee, the House Committees on Energy & Commerce and on Education & Labor, as well as the Senate Committees on Finance and Labor & Human Resources, are beginning hearings on health care reform that will determine whether the tobacco tax will increase or be scaled back. The Coalition on Smoking or Health, together with 100 other nonprofit organizations, has launched the "Campaign for a Million Lives" to help generate grassroots support for a \$2-a-pack increase. The Campaign takes its name from the fact that a \$2 tax increase would save one million more lives than the smaller increase proposed by President Clinton.

It is critical that Congress, and particularly the key committees, hear from as many tobacco tax supporters as possible. See page 4 for three ways you can let Congress know you support this important health measure.

Health Care Reform:

January 1994:

Major Bills Introduced ▶▶▶▶▶

The prospect for significant change in the nation's health care system is stronger than ever, thanks to the Clinton administration's attention to the issue. Yet the Clinton plan, per se, no longer is the center of attention. Instead, lawmakers are drafting their own proposals in an effort to deal with four key questions: (1) how to pay for health care for all Americans; (2) how to slow the rate of growth in the Medicare and Medicaid programs; (3) how to regulate health insurers so that they cannot deny coverage to sick people or charge them high rates; and (4) how to guarantee Americans some autonomy in choosing physicians. Proposals currently on the table are:

- President Clinton's bill, the Health Security Act, introduced by Rep. Richard Gephardt (D-MO) and Sen. George Mitchell (D-ME)
- Single-payer bill, sponsored by Rep. Jim McDermott (D-WA) and Sen. Paul Wellstone (D-MN).
- Managed competition bill, sponsored by Rep. Jim Cooper (D-TN) and Sen. John Breaux (D-LA).
- Moderate Republican, individual mandate bill, sponsored by Rep. Bill Thomas (R-CA) and Sen. John Chafee (R-RI).
- Main House Republican alternative, an incremental reform plan, sponsored by Rep. Bob Michel (R-IL) and Sen. Trent Lott (R-MI).
- Another incremental bill sponsored by Rep. Clifford Stearns (R-FL) and Sen. Don Nickles (R-OK).

February-May:

Committee Bills ▶▶▶▶▶▶▶▶▶

For the next six weeks or so, the action takes place in Congressional committees, which are beginning to write their own bills. "Forget which plan is up or down, forget whether it's the Clinton plan or something else," says Sen. Harris Wofford (D-PA), "we're getting down to the building blocks and starting to move them around to get the results we want." Strong leadership will be needed to pull members together and make the deals necessary to garner support for legislation.

House Ways & Means: Chairman Dan Rostenkowski (D-IL) has publicly pledged to get a bill out with universal coverage; personally favors expanding Medicare to cover the poor and uninsured.

House Energy & Commerce: Chairman John Dingell (D-MI) has introduced his father's (also a Congress member) tax-financed health bill every year since 1955.

House Education & Labor: Chairman William Ford (D-MI) expects to pass both a Clinton-style bill and a Canadian style, single-payer one.

Senate Finance: Chairman Pat Moynihan (D-NY) heads one of the most unpredictable committees. Three Democratic and three Republican members are planning to retire and may feel unpressured by reelection concerns.

Senate Labor & Human Resources: Chair Ted Kennedy (D-MA) has favored a national health plan for many years. He is expected to play a major role in melding the Senate bills and, later, in conference in shaping the final proposal.

June:

Melding the Bills ▶▶▶▶▶▶▶▶▶

Leading Democrats, including committee chairs and subcommittee members, meet in private to forge a single proposal in each chamber. This is the time of real deal-making to honor promises made by committee chairs. Fights are expected over which committees will have control over the health plan that emerges.

House Speaker Tom Foley (D-WA) is committed to the President's health care goals.

House Majority Leader Dick Gephardt (D-MO) tried for several years to unite Democrats behind a bill that would guarantee insurance to all Americans.

Committees (in addition to those listed at left) that will be influential in shaping House action include the Armed Services, Veterans' Affairs, Post Office, Judiciary, Government Operations, and Natural Resources.

Senate Majority Leader George Mitchell (D-ME) is a firm believer in Clinton-style reform. He plays a crucial role in shepherding legislation through Congress.

Senate Minority Leader Bob Dole (R-KS) is trying to craft a compromise between Republican moderates and conservatives.

Senate committees expected to have a hand in shaping the final package (in addition to those listed at left) include Armed Services, Veterans' Affairs, Governmental Affairs, Judiciary, and Indian Affairs.

What's Happening in Congress?

Late June/Early July:

Floor Vote >>>>>>>>>>>

After the Memorial Day recess (the very unofficial deadline for passing committee bills--the leadership in each house will try to combine its committee bills into a single proposal. Over the summer, members of the House and Senate will debate these compromise plans and eventually vote on them.

To pass a bill, the White House believes it must get 60 votes in the Senate (the number needed to break a filibuster) and 218 votes in the House.

July:

Conferecing >>>>>>>>>>>

If bills pass in both the House and Senate, a conference committee composed of Democratic and Republican leaders from each chamber will tie the two versions together and the separate houses will vote on the compromise plan once again.

As with the committees' work, much of this process takes place in private, as members struggle to fold all essential promises into the final legislative package.

August/September/October:

Congress Votes >>>>>>>

The Senate and House each vote on a final "conference report" bill. A simple majority is needed for adoption.

The October deadline to pass a bill falls a month short of the November elections. Unless there is a major shift in public opinion, most lawmakers say that failure to enact health care legislation by that time would greatly fuel the voters' anti-incumbent feeling that Congress is stalled by gridlock.

Where does Congress stand on addiction coverage?

In the Senate Finance Committee, members said to favor including an addiction benefit include Chairman Moynihan and members Tom Daschle (D-SD) and Jay Rockefeller (D-WV). Opponents are Orrin Hatch (R-UT), Malcolm Wallop (R-WY) and other conservative Republicans. In the "undecided" camp are Max Baucus (D-MT), David Boren (D-OK), John Breaux (D-LA), John Chafee (R-RI), Kent Conrad (D-ND), Bob Dole (R-KS), John Danforth (R-MO) and David Durenberger (R-MN).

In the House, Pete Stark's (D-CA) Health Subcommittee was first to report out a bill, in early April. Known as a "Chairman's mark," Rep. Stark's "Medicare Part C" plan is widely understood to be a first draft and subject to extensive modification. Nonetheless, it is significant that the subcommittee's version did include addiction coverage -- albeit not coverage so comprehensive as the field would like.

On the House Energy & Commerce Committee, members thought to support inclusion of an addiction benefit are Bill Richardson (D-NM), Gerry Studds (D-MA), Ed Towns (D-NY), Henry Waxman (D-CA) and Ron Wyden (D-OR). Expected opponents include Mike Bilirakis (R-FL), Rick Boucher (D-VT), Ralph Hall (D-TX), Blanche Lambert (D-AR), Frank Pallone (D-NJ), Roy Rowland (D-GA), Phil Sharp (D-IN), Billy Tauzin (D-LA), and conservative Republicans and Democrats. "Swing votes" are Chairman Dingell and the moderate Republicans and Democrats.

Each step of the Congressional process is an opportunity to influence the debate. Representatives of ASAM and allied groups in the addiction field have made repeated visits to key Committee members and chairs over the past several months to argue for parity for addiction coverage, on the basis that alcohol, nicotine and other drug dependencies are primary diseases and should be covered on the same basis as any other medical disorder. Now this leadership initiative needs to be backed up with broad-based support. Call or write your Congress member today!

>>>>> Bill Sent to President

The President signs or vetoes the bill. If all goes as President Clinton hopes, the country will have a health reform plan enacted this year. But will he be able to claim victory or will the Health Security Act of 1994 fall short of his promises? Just how comprehensive it may be--or whether it will pass--is not yet clear.

The President has warned Congress members, "If you send me legislation that does not guarantee every American private health insurance that can never be taken away, you will force me to take this pen, veto the legislation, and we'll come right back here and start all over again."

Whatever happens, the President can claim credit (or blame) for putting health care on the political agenda. The ability of the President to take his message to the people is one of the most powerful tools of his office. In the past year, the Clintons have attended more than 90 health care events.

Let Congress know you support the tobacco tax increase

by writing, calling or using a new "800" number established by the Coalition on Smoking or Health. Urge your colleagues to write their Representative and Senators, asking them to support a \$2-a-pack increase in the cigaret tax. Letters can be handwritten, short and to the point: all your Congress member needs to know is that you care about this issue.

SAMPLE TOBACCO TAX LETTER

Dear Representative/Senator _____:

I write to urge your support for a \$2-a-pack increase in the federal cigaret excise tax. Tobacco taxes have an enormous potential to rapidly and significantly reduce tobacco use by discouraging young people from beginning to smoke and by encouraging many current smokers to quit.

Tobacco use is the most important preventable cause of death in the United States, each year killing more Americans than traffic crashes, AIDS, violent crime, alcohol, cocaine, heroin and crack combined. This year, one out of five Americans who die will die from tobacco use. While the 75-cent-a-pack increase proposed by the President would save an estimated 900,000 lives, a \$2 increase would save 1,900,000 lives. In other words, this is not a matter of nickels and dimes; it's a matter of one million lives.

Significant health tax increases on tobacco products are needed. Please let me know if you support a \$2-a-pack increase in the federal cigaret excise tax and an equivalent tax increase on all other tobacco products.

Sincerely,
Your name and address

The addresses of your Senators and Representative are:

*U.S. Senator _____
United States Senate
Washington, D.C. 20510*

*U.S. Representative _____
United States House of Representatives
Washington, D.C. 20515*

For the names of your Senators/Representative, call the Capitol switchboard at (202) 224-3121.

If you don't have time to write a personal letter, you can call the Coalition on Smoking or Health's new **\$2 Tobacco Tax Action Hotline at 1-800-554-6333** to arrange for a Western Union Mailgram to be sent to your Representative and Senators. After obtaining approval, Western Union will bill \$7.70 to your phone bill, Visa or Mastercard.

From James F. Callahan, D.P.A., ASAM Executive Vice President and CEO

For more information, phone ASAM at (202) 244-8948 or FAX (202) 537-7252

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