

System 2009

The Ten Commandments for Presidential Leadership on Health Reform

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During the second half of the 20th century, there have been several efforts at major health care reform at the national level with only limited success – certainly Medicare and Medicaid, Prospective Payment and DRGs can be counted as success, but the major initiative, the 1993-1994 Clinton health reform, ended in failure.

In the 2008 Presidential campaigns, health care has risen once again to near the top of the political agendas of both parties. As the campaigns began to unfold, former U.S. Senator Dave Durenberger considered how to bring the experiences of the past to bear on the future. Having been a witness to the history of the health reform policy changes of the last four decades, including as majority or ranking member in this area on the Senate Finance Committee from 1979-1994, he knew better than most the value of Congressional leadership, bi-partisan collaboration, and presidential commitment.

With this idea in mind, he put together a planning committee including Len Nichols of the New America Foundation, Susan Bartlett Foote, Professor, University of Minnesota, and Lois Quam, Piper Jaffray, * all veterans of the 1993-1994 failed reform efforts. They planned a “reunion” at a retreat center in Minnesota at the end of April 2008.

Forty veterans of 1993-1994 were invited to mine their experiences for insight into the past that would shed light on the future. (see Appendix A). The participants

* Due to a death in the family, Lois Quam was unable to attend the meeting and did not participate in this summary report.

represented all perspectives of the players at that time, including Democrats and Republicans, Senate and House members or staffers, and those who toiled in the White House and administrative agencies, developing proposals and in liaison with Congress. A few worked with key interest groups. Some had experience in health policy going back to the Carter administration; others had held key positions in subsequent administrations.

All were asked to leave their current or past affiliations at the door. The goal was explicitly not to develop a new health reform plan. There were plenty of those floating around. We all agreed that some form of change is essential, but wanted to better understand why major change has not occurred. With the benefit of 15 years of reflection, could we transcend the multitude of individual perspectives among experts who shared the same intense experience from different vantage points?

All shared a common experience of 1993-1994, which was part of a longer and larger historical effort. The group acknowledged the contributions of Republican Senators John Heinz and John Chafee, along with Democratic Senators Pat Moynihan, Lloyd Bentsen, and Paul Wellstone, all of whom are no longer with us. The challenge was to try to accumulate wisdom from our many years of experience in the field of health politics and policy to transfer to the generation that will make possible health reform in 2009 and beyond. This product is the result of these efforts over three days together. Hence, the title – “System 2009.”

With an unexpected late April snow falling outside, we addressed several key questions: 1) What went wrong in 1993-1994? 2) What has changed in the health care delivery system, politics and the policy environment since 1993-1994? and 3) What

recommendations could be made to enhance success for the next President? (see Appendix B).

It seemed fitting to begin our discussion with comments from David Broder, the key health care journalist of the last 30 years and who, together with Haynes Johnson, had written the history of the 1993-1994 effort, The System: The American Way of Politics at the Breaking Point, (Little, Brown: 1996). Broder recounted the politics surrounding health care policy reform in the 1992 presidential campaign, the politics of the Clinton Administration, and the responses of House Speaker Newt Gingrich, the Republicans, and special interest groups. Broder and the veterans pointed out the historic parallels between the 1990s and today, including a weak economy, high and rising health care costs, an anxious middle class, and pressure on states to reduce their expenditures on health. The political climate is more formidable today. Partisanship is intense, the moderate centrists are few in number, and interest groups are more sophisticated and experienced in derailing specific changes.

Saturday, Paul Ginsberg and Chip Kahn took the lead in describing systemic changes and the reactions to change in both practice and policy since 1994. Polling experts Molly Brodie and Larry Jacobs led a conversation about public opinion. Both agreed that public opinion in the last 15 years has changed little and that it may be a weak link in the passage of specific reforms without stronger leadership and clearer consensus on results. Ezra Klein added the dimension of the new media which is changing the way ideas are communicated and consensus built.

Having acknowledged the debt to the past, explored our experiences in the policy environment, and plumbed the changes that have occurred in the last 15 years, the group

focused on the future. Karen Davis, Congressman Jim Cooper, Chris Jennings, Christy Ferguson, and John McDonough led a conversation about national and state health policy proposals. Sheila Burke then asked each participant what advice he or she would give to the leaders in 2009 that would avoid the mistakes of the past, accommodate the changes that have occurred, and ensure a successful effort to bring partisans together around a new health policy agenda.

The results are **The Ten Commandments for Presidential Leadership on Health Care Reform**. This is not a consensus document, as we did not intend to drive toward a consensus. Rather, it represents the collective wisdom contributed by the individuals at the table. In the few instances where there were clear differences of opinion, we have noted them as policy choices that must be made. The commandments are aimed at the next President, because it is clear that presidential leadership is necessary, essential and critical, but not a sufficient condition for success.

THE TEN COMMANDMENTS FOR PRESIDENTIAL LEADERSHIP ON HEALTH CARE REFORM

The Presidential Campaign – Leadership on Health Care Issues

1. **Political Will.** The status quo is unacceptable. Doing nothing is not an option. The impact of health costs on budget deficits, the increasing numbers of uninsured and under insured, the unsustainable cost growth in public and private programs, impact on international competitiveness are a few of the consequences of neglecting this issue. Presidential leadership is critical, now more than ever. Start now on your policy and communication goals and how to achieve them. Identify the consequences if you fail. This will keep the issue at the top of the list, but will also keep reform proposals realistic.
2. **Communication.** Communicate to the public on the level of vision, principles and goals. Avoid getting into the policy weeds. Focus on Main Street not Wall Street. Appeal to our highest values and our better selves. Focus on health care as a key to solving other economic problems. Lack of access is a moral issue. Create a vision for a healthy America that is no. 1 in the world. Work to improve the public's knowledge, understanding and commitment to change. If the public is aligned with your vision, it will be easier to achieve your policy goals. Use new forms of communication to get your message across. Define the message before your opponents do.
3. **Trust and Humility.** Choose advisors and surrogates who you trust and who have the trust of the public. Build a strong inside team to drive/coordinate/discipline the effort, perhaps using the model of the Council of Economic Advisors to keep the issues of health reform central in the White House deliberations. Health reform is rocket science. Solutions will be complex and challenging. Be humble. No one has all the answers.

Getting it Done: Managing the Political Process

4. **Empower the Congress.** The President should delegate to Congress the details of legislation, within broad parameters set by the President and his trusted advisors. The President should focus on keeping the Congress motivated and the public engaged.

5. **Manage Partisanship.** Focus on messages and policies that bring people together. Fertilize the middle. Find servant leaders in Congress on both sides of the aisle. Build on those members who are already knowledgeable and committed to bipartisan reform.
6. **Timing- All Deliberate Speed.** Timing is critical and challenging. While many recognize the value of speed, given the electoral cycles in Washington and the momentum of a new administration, the reality of competing priorities and crisis management works against speed. The President should use all deliberate speed, not in crafting a bill, but in moving the issue to Congress to begin work, keep the pressure on, and the priority high.
7. **Manage Stakeholders.** Interest groups are powerful engines for the status quo, or tools for defeat if mobilized. Their engagement is critical. Keep them in the circle (at the table) but not at the center. Set the parameters within which they can participate. Ask what they are willing to contribute (give up) in order to participate in system reform. Give each a stake in part of the answer. Identify “white hats” in specialty medicine and health leadership early on. Avoid commitments made early that you’ll regret later.
8. **Involve the States.** Recognize the important steps that some states have taken in the areas of access and system reform, while acknowledging both the limitations of all states to muster resources and change policy at the state level. Understand the regional variations in resources, system performance, and commitment to access.
9. **Deciding Scope.** Determining the scope of reform legislation is essential. At one level, coverage, cost and quality are linked. Some feel it is critical to do one big bill. A “big bang” bill that ties reform to economic and fiscal turn-around links the advocates for access with the economic and quality challenges. There are pros and cons to the alternative --a “baby bang” that focuses on access only, or Medicare payment policy, or on other “low hanging fruit” may generate agreement, move in a constructive direction, and be easier to pass. However, the risk is that other essential elements of reform may not follow. There are consequences to each strategy that should be understood and acknowledged as the vision is implemented.
10. **Negotiate Procedural Roadblocks.** Health reform involves multiple congressional committees with strong jurisdictional preferences and traditions. Congressional leadership needs to commit to an agreed upon process before legislative work begins. Work early with Congressional leaders, CBO and OMB to agree on scoring and economic modeling to minimize battles over numbers. Recognize that procedural tactics can trump substance.

Concluding thoughts:

It is impossible to capture in a brief document the gravitas of our shared experience at “System 2009” in April. This was the first time since 1994 that so many veterans had come together to discuss a subject to which they had devoted much of their professional life, and an event which most who participated felt came closest to having hallmark character in long Washington careers. For many, the failure of the 1993-1994 effort seems to have signaled the defeat of bi-partisanship and the failure of the political system to deal with complex, systemic change in health care. What the weekend may have proved, however, is that these interpretations have depended too much on what individuals saw from wherever they sat, rather than a collective view when all these experiences were shared. That effect did not hit home until the veterans could reflect on it together fifteen years later.

It is impossible to capture the strength of commitment of each and every veteran who participated in the meeting to the next such effort by those who will occupy the positions of responsibility in the future. All know that change is essential, that change is possible, and all hope to contribute to a successful effort in 2009, should the next President choose to undertake it.

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