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Folder: National Health Insurance, 11/77

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PERSONAL AND CONFIDENTIAL

DETERMINED TO BE AN ADMINISTRATIVE
MARKING BY

DATE 2-13-80

TO: PRESIDENT CARTER
FROM: HAMILTON JORDAN *HJ*
RE: NATIONAL HEALTH INSURANCE

Dr. Richard Hammonds is, as you know, a good friend of ours and a fine physician. He worked with us to develop and pass the legislation in Georgia creating the Department of Human Resources. He fought the MAG every step of the way.

At the outset of the Administration, Richard came to visit me and asked if he could help. He said that he believed in the need for national health insurance and would like to help us develop a plan that is practical in terms of its utilization of the medical profession and is also based on realistic financial assumptions in

terms of how recipients of governmental services behave.

In response to Richard's desire to help, I asked him to serve on Joe Califano's advisory task force on national health insurance. He told me recently that he has spent more than forty days this year traveling around the country attending meetings of this group and visiting various centers and clinics around the country. Also, you should know that Richard is an "expert" on the delivery of health services and federal programs. Although he does not accept Medicaid or Medicare patients (he treats all such patients for free as he does not want to be stigmatized as a "Medicaid" doctor), he has studied closely the development of these programs and understands their legislative history and their federal budget impact.

Richard admits that it will probably be impossible to develop a program that will have the support of the AMA and the large majority of the medical community in this country. He does think it is possible to develop a program that will work without bankrupting the federal treasury. Also, he says that there is a new generation of

young doctors that are committed to the concept of national health insurance and will support a good plan. He contends that their support will be needed to counter the AMA.

Richard came to see me recently to ask that I convey to you some of his feelings. First, he says that he likes and admires the group of people over at HEW who have been working on the development of the national health insurance plan. But, he is concerned that none of the principals in this effort have had any direct personal experience in the delivery of health care. Richard says that they are a combination of people with experience from the Hill and people from academic medicine who lack a proper understanding of the practical problem of delivering health care services. Also, they do not know or understand the behavior patterns and motivations of the needy people who will be served by such a program.

Well, that is the message that Richard would like for you to have. I have one recommendation. I would suggest

that you ask Richard to sit in on the review meetings with you on national health insurance. That you ask him to make comments and submit written suggestions. He has two commitments: he ~~was~~^{wants} you to succeed and he wants your program to be a good one. Down the road, he can be very helpful trying to sell our program to the medical community if he has been involved in its development.

✓ I approve of Richard Hammonds sitting in on our health insurance meetings.

 I disapprove.

*after this
week
J*
*See me
J*