

Industry-Bound Staffer Has Role in Medicare Talks

By Ann Devroy
Washington Post Staff Writer

When President Clinton and top congressional leaders gathered at the White House last week to discuss Medicare, one of the staff aides at the table was David S. Abernathy. And he was about to switch hats.

Abernathy, acknowledged by Republicans and Democrats as a top congressional expert on health care issues, is the Democratic staff director of the House Ways and Means health care subcommittee.

He is also about to become an executive at the Health Insurance Plan

of Greater New York, one of the country's large managed care providers and a member of an industry that will be significantly affected by dozens of decisions Washington will make on health care cost controls, particularly in Medicare and Medicaid.

Abernathy bristles at the suggestion he might have a conflict of interest in working on health care issues whose conclusions will have a large economic impact on his new employer.

"I would have loved not having to attend those meetings," he said in an interview, "but my employer is the House Ways and Means Committee, and the people I work for told me to be there. You are suggesting that I am not capable of being an honorable person" and separating future employment from current responsibilities.

Abernathy said that his participation has been primarily in offering "factual statements" and that he had presented the issue to House ethics officials, who determined that his

participation in such sessions did not constitute a violation of any House rules. Abernathy said his participation in Medicare policy discussions was also approved by House Democratic leaders.

Executive branch rules are more stringent. A staff member who is contemplating future private employment must inform the White House counsel's office of job negotiations and must recuse himself from any policy meetings relating to the business of a future employer.

A senior administration official said congressional staff members "are not policymakers" and thus cannot have a conflict because they do not make the policy. Besides, this aide said, "virtually anyone in Congress who knows anything about these issues and has some experience goes in and out of private and public employment. It's just a way of life."

Some Republicans and one Democratic source involved in the White House talks asserted, nonetheless, that his mere participation in the talks gives the appearance of conflict

and undermines confidence in unbiased decision-making.

Some sources cited, for example, a moment in the talks when Republicans were arguing that the 10 percent increase in the reimbursement rate to health maintenance organizations for health care costs in the Medicare program should be reduced to 8 percent this year. Sources said Abernathy argued such a reduction was not technically possible because HMOs already had estimated their costs and benefit payouts and had signed contracts based on the 10 percent increase.

The increase is Democratic policy—and is clearly supported by Abernathy's new employer, which would receive millions of dollars more as a result.

Abernathy said what he was doing in that case was factually stating the situation—which also happens to coincide with the goals of the Democrats, for whom he now works, and the private employer, for whom he is scheduled to begin working in mid-January.

TODAY IN CONGRESS

SENATE

Meets at noon.
Committees: None.

HOUSE

In recess subject to the call of the chair.
Committees: None.

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