Heininger: This is an interview with Bill Gradison on September 11, 2007.

Gradison: I’d like to make just two general points. First of all, my only direct, substantive contact with Senator Kennedy on health care issues was at the time of the [Claude] Pepper Commission. There were 15 of us. Pete [Stark] was on that as well. Jay Rockefeller succeeded as Chairman after Claude Pepper died. I guess I was the Vice Chairman of it. I don’t have a very clear recollection anymore about the way the discussions went, except in this regard. I didn’t know much about Senator Kennedy, except the public persona, so to speak, the public image.

When we got into our discussions in that group, and there were only 15 of us, I was very much struck by his—it wouldn’t be accurate to say his willingness to compromise, but his willingness to take a step at a time. That is to say, in my mind’s eye, perhaps inaccurately, but nonetheless, I think of him as the espouser of objectives and broad programs, things that might take a while to get to. But my sense in those meetings was that he was totally pragmatic: OK, what can we get done maybe not in the next day or two, but in the short time frame, not losing sight of a longer-term objective. So the objective of that group, I think, was well intended. There were five House members, five Senate members, and five general public, I think appointed by [Ronald] Reagan at the time.

Nothing came of it, but that’s not the first major study that has since gathered dust. I really enjoyed being a part of that, and in particular, as I say, just trying to get a sense of how his mind worked. I had no way of knowing how he relates to his colleagues in small groups, where they’re making strategy decisions, but he was a pragmatist with us. He may well be a pragmatist with them, a part of him the public may not see all that clearly. In fact, and now I’m speaking as a politician myself, with over 30 years in elective office—he may not even want the public to see. I don’t know.

I’m not trying to say he doesn’t, but I could understand if he really didn’t want to emphasize the pragmatic streak in the public view of him, because that does not necessarily fit in with perhaps a longer term objective of setting major goals, recognizing you can’t get to them right away. That’s my first point, that one contact.
This book, by the way, in the back has references to Senator Kennedy. If you haven’t looked at them, I would encourage you to do so, because I think you’d find it helpful. Once the work began on the [William] Clinton health care plan, Haynes Johnson and David Broder contacted a group of folks. I was one. I didn’t know until the book came out who the others were. They came in and they said, “We’d like you to participate in this. We’re not going to publish anything until this legislation is dealt with one way or the other. What we’d like to do is come in maybe every two weeks. We will record all of our discussions with you.”

The two of them came over with a very able woman named Elise Farron, who is their principal researcher. I know I gave them everything, because of the ground rules—when we were doing the Harry and Louise commercials and all that stuff—I would tell them the amount of our buys, which markets we were going into and which sequence, which themes we were going to use—it’s all in here—because I had total confidence that they would respect. They could use it, but I just didn’t want them to use it right then.

The reason I mention that is that I know this book has been used. It may be out of date now, but it certainly was being used on a lot of campuses, as kind of a case study. Not necessarily all legislation is handled this way, but it does give an insight into how difficult it is to enact legislation. I consider it a very fair statement of who was doing what when, which would include the Kennedy part. I didn’t look to see—I didn’t know you were coming in—except just to flip through and make sure that there were some, not a lot, of references to him. So I just don’t remember whether he was one of their sources or not, but it’s probably on 20 pages here.

Heininger: Do they list who their principal sources were?

Gradison: He might have. It’s been a while since I’ve looked at this thing. [Flips through book.] “Sources. Whenever possible, the players were identified and quoted directly. In some cases, at their request, we granted the privilege of anonymity.” It lists players. Ted Kennedy is listed as a player in the Senate. Lobbyists, House members. I think the answer is no. My only disagreement with the book—I wrote him a letter after it came out and I said, because they were going to do another edition—“I’m not suggesting you change anything, but I just want you to know that I don’t agree with your principal conclusion, which is that this whole process indicated how the will of the people could be thwarted by lobbyists and by special interest groups.” I said I just didn’t happen to see it that way.

I don’t remember the exact wording. I probably have my letters that I wrote them somewhere, but my basic point was that I felt that there were public concerns about such a dramatic change taking place at one time, and in a sense, I thought that’s what brought it down. Earlier, at the outset, I thought there was going to be legislation. I thought it was inevitable. But as it moved on, it just—a 1,300-page bill is kind of hard to move, and I thought it was attempting to do too much.

Interestingly, within a year or two, the whole framework changed about discussing insurance coverage, to the point when Senator [William] Bradley and Vice President [Albert] Gore ran against each other in the primary, Bradley came out with a very comprehensive plan and Gore savaged him. I’m Republican. My wife said, “Oh, my God. Here’s Bradley with some pretty
good ideas, and he’s laying out the whole plan, and Gore’s saying, ‘You’re trying to do too much. It’s got to be incremental.’” When this book was written, incremental was a dirty word and comprehensive was the way to go. Now I don’t know exactly where we are. I’m not in that field at all anymore, but my ear is tuned as I listen to the debates. Senator [Hillary] Clinton is very careful about this. She hasn’t exactly followed what she did before.

**Heininger:** No, she hasn’t.

**Gradison:** And after her experience, I can understand that. I suppose—well I guess she’s already been criticized by Dennis Kucinich, and maybe some others, for maybe not laying more out, but it’s pretty risky to do so. Anyway, I had no direct contact on any health issue with Senator Kennedy, except during the work of that commission. The reason for that is I was working mostly, when I was in the House of course, on the Ways and Means Committee, and that means Senate Finance, which he wasn’t on. I don’t think he’s ever been on Finance.

**Heininger:** Right.

**Gradison:** Then when I was on the outside, doing lobbying, I actually did very little direct lobbying. I was subject, for my first year, to the one-year provision, and we had lobbyists on our staff at the Health Insurance Association. My feeling about lobbying is that the most effective lobbying is done by people directly involved. So most of what I did, even when I was at Patton Boggs, was working with clients to help them be effective lobbyists.

For example, I worked for some years, eventually successfully, to change a provision of tax law that seemed to be very unfair in the taxation of mutual life insurance companies versus stock, shareholder life insurance companies. One of the companies we worked with was New York Life, which is one of only four or five large life insurance companies in the country that have decided to retain the mutual form. They would have these fly-ins where they would bring in their best agents from a given state. This was amazing. These are some of the most successful businessmen in their towns. Iowa, that was one, or Montana. Naturally, we went to places that had representation in key spots in the Congress. Many of these people had never even been in Washington, D.C.

**Heininger:** It’s not easy to understand it from the outside, either.

**Gradison:** Well no, but we weren’t telling them what to say. You’re a successful life insurance salesman; you’re used to developing relationships. These people in the Congress, in public office, they’re relational types, they’re joiners. They’re used to dealing with people. Tell them what’s on your mind. Tell them what you think. It was not very complicated. But anyway, when I was with the Health Insurance Association, we had teams of lobbyists retained and then staff. So I didn’t do much direct lobbying.

One small story, which has very little to do with what you’re doing. One year to the day after I resigned from the House of Representatives, I was called before the Senate Finance Committee, and I must say, given a rather rough time about Harry and Louise and all that. Senator [Thomas] Daschle and Senator Rockefeller were particularly rough. Senator Daschle started off something
like, “You’re not the Bill Gradison I used to serve with in the House of Representatives.” I handled it fine, but I walk out in the hall and there is one of the television stations. I wish they had used this; it was a great line. They held this microphone up and started by saying, “Congressman, how do you feel about the rule that prohibits you from lobbying members of Congress for one year after you left the Congress?” And I said, “I wish it were five.”

**Heininger:** Well, now it’s two.

**Gradison:** Now, yes. I wish it had been five. So I don’t really have a lot. I’d be glad to answer questions, but I didn’t have a lot of direct contact with him. I did have some correspondence a while back, which was sort of fun. He said something in a floor speech that used my name—this is way after I left—and he referred to me as Willis. Willis is my father’s name. I’ve always been Bill or something like that—Billy, Willy. So I wrote him a tongue-in-cheek note, saying something like, “Well, I’m no longer a colleague, and therefore, cannot raise a point of personal privilege, and I always appreciate your mentioning me. I’m very flattered, but nobody even knows me as Willis. Willy, Bill, Billy would be much more appropriate.”

I got this letter back. I’ve got in the file somewhere. It says, “Dear Bill, Bill, Bill,” and it went on from there. Maybe he didn’t write it himself and got somebody on his staff with a good sense of humor, because it was very personal and it was very funny.

**Heininger:** Don’t assume he didn’t write it himself.

**Gradison:** I’m not assuming that at all.

**Heininger:** Because he probably did. I mean, we’ve heard tales like this all over the place.

**Gradison:** It was so funny.

**Heininger:** Only he would have come up with a Dear Bill, Bill, Bill.

**Gradison:** Yes. It was just a great letter.

**Heininger:** Actually, let’s go back a little bit. He worked with Pete Stark on COBRA [Consolidated Omnibus Reconciliation Act of 1965].

**Gradison:** Yes.

**Heininger:** Tell me a little bit about the debate over health reform from the time of COBRA until the Clinton era.

**Gradison:** I remember COBRA. I remember the conference. I remember John Heinz being there. He was on Finance, wasn’t he? Yes.

**Heininger:** It was a conference for Ways and Means and Finance, but he and Pete—
Gradison: Yes, I didn’t remember Senator Kennedy being part of COBRA. It doesn’t mean he wasn’t involved, but it wasn’t that formal. We got together once or twice and didn’t have much trouble working things out.

Heininger: But COBRA was actually a major change, when there hadn’t been any action on anything.

Gradison: There’s no question about it. It had some interesting unexpected effects. I think the principal one was that we required that the former employee pay 100 percent, that is, the average cost to the employer with a group, plus 2 percent thrown in for administrative costs. What actually happened—I don’t have exact numbers on this, but I used to, and I don’t think it’s changed that much. The actual cost to those former employers for those who signed up was close to 150 percent because it was expensive to buy into these plans. So people who bought in tended to anticipate they were going to have heavy medical expenses, and people who didn’t were less inclined to purchase it. So you had adverse selection.

This is neither here nor there. The companies had to eat it. That’s the law. I’d say it varied from 125 to 175 percent of the average. The theory we were acting on was that this would simply permit the former employee to retain the advantages of the group, and from the employer point of view, you had to hire some bookkeeping and keep track of where these folks are.

We didn’t anticipate the cost. The action might have been identical. That’s hard to read. But I think that the intention was that the full cost would be borne by the former employee. I think it’s a great culture shock to a lot of former employees to find out just how much the employer was paying. That’s one of the problems in the current system. Talk about things being opaque. I’d say the average was $8,000 to $10,000 per family. When they were told they’d say, “What?” They just didn’t believe.

Heininger: Tell me about the whole evolution of managed care. Where did it come from? What were the pressures driving the development of managed care?

Gradison: I think you have to go back at least to the [Richard] Nixon administration and to Kaiser to see that. There was a great concern about health coverage and particularly health costs during that time. Nixon had become convinced, and by whom, Paul Ellwood? I don’t remember, probably Paul Ellwood, and maybe others, that managed care was the wave of the future. The law was changed, as I recall it, to require employers of a certain size that offered health insurance—I’m very vague on these things now—to offer an HMO [Health Maintenance Organization] type alternative.

Heininger: Right.

Gradison: And so there was, if not a government sanction, at least they were leading the horse to water and encouraging people to take a look at it. Beyond that, I know there was a growing interest where I worked, because there was a bipartisan group in the House of Representatives, of which I was a part, that was very keen on this notion of managed care. I don’t say necessarily exactly a Kaiser notion, but it truly was a gatekeeper concept, and the idea was that you’d have
better health care, be more integrated, and all that. [Richard] Gephardt was part of it, I was, [Dave] Stockman. It wasn’t a large group.

I mention those names because they took the whole thing pretty seriously. Gephardt and I would put in a health care bill every two years up until the time when he decided to go for the leadership. He said, “Bill, I think we’re working on the right targets. It’s been a pleasure to work with you on these things, but it won’t help me in my move into leadership.” He was trying to move up the ranks. Never mind working with a Republican, introducing health legislation with a Republican. It was kind of amusing. There was some encouragement and some sanction, and a great deal of new HMOs were formed. Kaiser itself, with very minor qualifications, has been unsuccessful outside of California. In other words, their model didn’t transplant.

Heininger: Is it because they own their own facilities?

Gradison: I think that is certainly a handicap. It doesn’t encourage institutions to give them a very attractive rate. I think those efforts were taking place at a time when there was growing resistance to the idea of relatively strict, closed panel, or networks and things like that. I believe that was the key to it. Now in fairness, here in town, we had Group Health. Gosh, Group Health was around when I came here in the ’50s, so it wasn’t new. I believe Kaiser took them over. They had a big problem because they didn’t follow their members to the suburbs particularly, so they ended up with relatively old members, and therefore, their average costs got high. They were also operating as a co-op, as I recall, and just like the one in Puget Sound.

Heininger: In Seattle, yes.

Gradison: The co-op form has a lot of problems, because your board is made up of your members, and given that if you make a profit in a year, the pressure is enormous to either increase the benefits or reduce the premiums, not to build up reserves. Of course Kaiser—and this is what saved them—built up reserves. I don’t recall which year this was, but it was when I was active in this field. I’m guessing about ten years or so ago. Kaiser came up with some new rates that were too low. That’s just an objective statement of mine. And as a result, they got this huge increase in enrollment out in California and therefore they couldn’t accommodate all their patients in their own hospitals.

The neighborhood hospitals figured these people aren’t going to be coming out to us very long. If Kaiser keeps these members, they’re going to build their own hospitals. So the hospital rates for Kaiser went right through the roof. Kaiser, even though their volume was increasing, was losing. I think one year they lost over $1 billion. Fortunately they had reserves, and they were able to weather it and change their prices, but Kaiser’s had some difficulties, even in their home market. I watched them down in Durham. That didn’t go so well. They’ve withdrawn from a lot of markets.

At the risk of gross oversimplification, I think what really happened with HMOs is that they just ran into consumer resistance on the choice issue. It may sound pretty simplistic, but that’s what I really think was going on there. And then new forms began to develop, which people called managed care, but there were different degrees, and there are PPOs [preferred provider
organization] and things that gave you a sense of greater choice. Interestingly, the premium differential wasn’t all that great in many markets between the HMOs and the PPOs. There was a difference in ultimate cost to the beneficiary, because with the PPOs you usually had higher deductibles and co-pays. So I’m not saying that they were identical in cost, but that initial premium cost to the employer was not dramatically different.

The employers were getting a lot of grief from people. “I can’t go to doctor so and so.” I won’t address qualitative issues, because I don’t believe I have a basis for doing that, but the pendulum swung way the other way, not back to unlimited indemnity at all but to something a little bit closer to what we have now.

Heininger: When you get to the Clinton time, why was that another right moment for health care reform?

Gradison: First of all, on the theoretical side, which was very important. This is an area in which theoreticians—and I don’t mean that as a negative term, because I consider myself an academic who got lost somehow along the way, I really do. Academic thought made a big difference. [Alain] Enthoven’s influence on this thing is very substantial. Enthoven was on, and maybe was chairman of, the committee—I don’t know what they were called, the employee benefit committee or whatever it was, out at Stanford. He was involved in the practice as well as on the theory of managed care. So there was a lot of serious thought being given to the direction in which these things should go.

The way I figured it is that people have been saying for years—a lot of well meaning people—that we’ve got too many uninsured and costs are rising too fast. The [Jimmy] Carter cost containment program was an interesting experience, because I think it set things back quite a few years. The Carter plan was a hospital cost-containment plan.

Heininger: Right.

Gradison: It didn’t really go anywhere.

Heininger: It didn’t even get enacted.

Gradison: Yes, but I remember, because I was speaking against it on the floor of the House of Representatives. So was Dick Gephardt. He and I were opposing this on the floor. So it wasn’t universally agreed. I do have a feeling that a major failure in trying to pass legislation of this kind, as in the Clinton plan, causes a lot of people to go back in a hole, stay out of their way. Let me pursue that point before I forget it, because it’s very important in understanding Senator Kennedy’s role. In my opinion, the number of members of the House or the Senate who really were, in a major way, knowledgeable and involved in health care legislation, plummeted after the failure of the Clinton health plan.

Let me stick to Republicans, because I know something more about that. Back in those days, there were a number of people no longer on the scene that were not only knowledgeable, they
cared. They were involved, they were effective in the right committees. I’m talking about [Robert] Dole, [Robert] Packwood, [John] Danforth, [David] Durenberger.

**Heininger:** [John] Chafee.

**Gradison:** Chafee. I may have missed a few. And they just passed on to other—

**Heininger:** [Lowell] Weicker, but he was previous to that.

**Gradison:** Yes, earlier. I didn’t have much direct contact with him, but yes, earlier. Then who came along? [William] Frist. He left. It’s probably inappropriate to speak about the Democratic side, but I can assure you, on the Republican side, the number that were really involved were diminished, and Senator Kennedy stayed with it. I have asked myself often, why did this number drop off? And I think the reason is that it wasn’t going anywhere. These are busy people and they want to accomplish things. Why focus your effort on something that is just frustration? That’s the way I figured it. It isn’t that any of those folks said that to me, but that was my interpretation of what was going on at that time.

**Heininger:** [Nancy] Kassebaum.

**Gradison:** So we come along, we turn the clock forward, and the surveys show health care is an emerging issue. It’s in the top three, four, five. It probably still is. I stay in pretty close touch with pollsters on both sides of the aisle. I still do, because I help put together a week in Washington every year for a group of health sector management students at the business school at Duke. I’ve had the good fortune that Bill McInturff and Geoff Garin come over and participate with me, and they work well together.

It keeps being on the list. OK, so Clinton gets elected. He made health care a major issue. He committed to do something a lot of people for years were saying we would be able to accomplish if we had Presidential leadership. Oh, how often that phrase was used. So we had Presidential leadership. I remember at the time, because I have read a little history of this, that one doesn’t have to go back to the Founding Fathers to find other Presidents who had attempted to show leadership in health care issues. This may push a little, but probably starting with Theodore Roosevelt, certainly Franklin Roosevelt, certainly Harry Truman.

**Heininger:** Yes.

**Gradison:** And while a lot of my Democratic friends don’t like me to mention it, Richard Nixon really was trying to do this.

**Heininger:** Absolutely.

**Gradison:** I had a lot of Democrats I know say, “If we had only passed the Nixon plan.” Because he had a relatively comprehensive plan, but who’s going to vote for something with Richard Nixon’s name on it? It was that kind of thing.
Heininger: Well, it’s a complicated story. It was attacked by both the physicians who opposed it at that point, but it was also attacked by Labor, who felt and put a lot of pressure on Kennedy as well, who felt that if they just wait until they got through Watergate, they would get a more Democratic Congress and they’d get through what they wanted.

Gradison: Certainly, right. OK, so we come along. Clinton was committed to do something in this. The First Lady had shown great leadership, and from all I can read, great success in Arkansas in education. A rather brilliant person, and he turned that over to her. I thought at the time that was a great move on his part, but I was wrong for a lot of reasons. To me it showed a commitment on the part of the White House that this wasn’t just something the Secretary of the Department was going to—ironically, the Secretary of the Department had damn little to do with it, and so did the Treasury. One of the ways I stayed in touch was through some of the senior people I knew around Lloyd Bentsen when he was Secretary, and they felt as let down as some of us who were on the outside.

Heininger: Do you think it would have made a difference if Bentsen had stayed in Finance, not moved to the Treasury, instead of [Daniel Patrick] Moynihan?

Gradison: Yes. I think he would have been more involved. Moynihan, who is a great favorite of mine, health wasn’t his thing. I think that’s just an honest statement. But Moynihan probably did as much damage as anybody in this whole thing when he was talking about the financing. I don’t remember—his choice of words, as usual, was so great—but he was, I think, building upon [Robert] Reischauer’s conclusion it was a tax. But basically, and these weren’t his exact words, Moynihan was talking about the financing of it. The White House wasn’t getting a lot of support up there. Yes, I think Bentsen would have steered them probably in a more measured way on this thing.

Heininger: And Ways and Means lost [Daniel] Rostenkowski at the same time.

Gradison: Danny and I are still good friends. We worked very well together. He really wanted something to happen, and then of course he was left out. Pete was really irritated, as you may recall, about being left out. That day when they let him go in and read the plan and then wouldn’t let him make copies or make notes—that was not the way you deal with somebody who’s going to have to process your legislation. The whole thing was not well conceived, and then ultimately, to have the plan not even come to a vote in either House. The Democrats had quite a few votes in both Houses. It was just a bad scene.

[John] Dingell [Jr.], God bless him, was still introducing about every two years his father’s bill, the [Robert] Wagner-[James] Murray-[John] Dingell bill from 1948, I believe. That’s fine, but the bill he could have gotten out of committee wasn’t what he wanted. Then Rosty—this is so sad. Rosty probably could have brought out a bill. It wouldn’t have been what the White House exactly wanted, and Rostenkowski’s whole approach to legislating was to bring bills to the floor of the House of Representatives that would pass. Not just get out of committee, but would pass. It was a very strongly held conviction. He gets involved in these difficulties, has to step down as Chairman.
Sam Gibbons comes in. Sam is a nice guy but very impulsive, and he didn’t really care about the second part. He just wanted to get something out of committee. So he gets something out of committee that wasn’t going to pass, and Dingell won’t bring anything to the floor because what he can get out of committee, he didn’t like.

The leadership, quite different from today in both parties, wasn’t cracking the whip on committee chairmen the way a Newt Gingrich would or a Nancy Pelosi. I mean there’s not a lot of difference in their leadership styles. One may be polished more than the other, but I have to believe that the current Speaker at least gave some thought to these different styles in deciding what her own should be, and it’s not a Tom Foley style. I thought Tom Foley walked on water. I think he’s just a super human being. I also thought he’d be better suited to be a judge, as his father was. That’s gratuitous, but that’s just my personal opinion.

So the thing languished. Why did it move forward? I think because there was a sense the time was right. Presidential leadership was called for; the President had made a commitment. The process that was used, which is what people usually fault, was—well, they paid a hell of a price for the way in which they went about it. OK, they had 500 people or whatever, and they had these mileposts. I met with Ira [Magaziner] and I know all that, but it was really quite a closed circle.

I’ll tell you a story. This is a true story, and it just gives you a small inkling. I’m with my family up on Cape Cod and we’re renting a house from an old friend. He’s got a house that looks out on Buzzards Bay, and I’m just taking a walk because I had been driving and I was tired. I was walking down this little lane, no traffic, and there was a car in the driveway, a station wagon. The back end is open, and I could see the front. It had a Maryland license plate, and this lady is loading up the suitcases. I said hi and we started to chat. It turns out her husband was with Johns Hopkins somewhere and was on the task force. She said, “Oh, I know he’d like to meet you and say hello, but he’s on the phone with Ira. They’re trying to figure out how to take the money the states are now spending on mental health and move it into the financing of this program.”

I thought to myself, Oh, my God. It was just a little vignette, but that’s the sort of thing that was going on. Ira just unfortunately had a political tin ear. Also, in fairness to him, because he’s a very bright fellow, his plan, in my professional opinion—what everyone thinks about it—it was a little bit like a very fine Swiss watch. If somebody has a delicate mechanism with a lot of moving parts, and they’ve got to work well together to achieve the objective, it doesn’t really help to have somebody come along and say, “I’d like to change the main spring,” or “I’d like to do this or that,” because it throws the whole thing off.

I really felt that that was part of the mindset. I was representing health insurers at the time. I think we probably would have been quite satisfied if the system that was being set up for these health co-ops, the health alliances, hadn’t been so exclusive in terms of what it took to qualify. As an example, they would only pick one traditional indemnity plan in each geographic area. Well, if you’ve seen one plan, you’ve seen one plan. Even if they have identical premiums, they have different levels of service. They may have different levels of responsiveness. There are all different levels of financial stability and capital, all kinds of things out there. That was just a small example.
I’m not saying that would have satisfied our guys, but what really got to my folks, and this is kind of an interesting sideline—the chairman of the Health Insurance Association of America at the time was a fellow named Dave Hurd. Down-the-line Democrat, strong supporter of the Clintons, and he ran, in Des Moines, Iowa, the Principal, which is big, big, big: Health, Life, Annuity, Pensions, and he couldn’t get in to talk to them about it. Granted, I couldn’t either. In fact at one point, Danny basically said to me, “I really think if you and the First Lady could sit down, you probably could work some of these things out.” I said, “I’d love to.”

He said, “Well, here’s what I’d like you to do. I’d like you to stop your ads and let me go and talk to them.” I said, “I’ll be glad to stop the ads. A tender of good faith—we’ll stop.” I said, “We’re probably going to have to eat some money too, because we prepay, and you have to pay unless they can sell the time to somebody else.” Danny Rostenkowski goes in there and says, “All he’s asking for is a meeting.” And they turned down a meeting with us.

Then Dick Celeste, who’s an old friend of mine, the former Governor of my state and President of Colorado College, he and I went through the same dance. The President gave a speech. I think this is all in the book. A top-notch speech about his health plan, when he finally presented it, and Dick said he was trying to bring people together. He asked if we’d stop the ads, because he thought that was standing in the way of dialogue. Absolutely. We stopped them, and he went back to, couldn’t get—we weren’t saying, “Here’s our price.” We just wanted to talk. absolutely we wanted to talk. Ultimately he quit.

What actually happened is he was brought in by the DNC [Democratic National Committee] to push the Clinton health plan. I don’t know this for a fact, but what I was told at the time was that there was an increased feeling among some Democratic incumbents that the DNC was spending too much money on this effort because some of them weren’t in support of the plan and weren’t thrilled to have monies that could be spent on their campaigns being spent to support a plan they didn’t agree with.

Heininger: So Clinton comes in and immediately appoints this task force.

Gradison: Yes.

Heininger: Headed by his wife, with Ira Magaziner in charge, and does not bring forth the plan that his own transition team had been working on, that Judy Feder had been working on. Talk to me a little bit about those first few months of the Clinton administration.

Gradison: Sure.

Heininger: What affect did timing have, ultimately?

Gradison: It was very bad for them. When they said they’d have a plan within 100 days, I want to explain why I thought that really hurt them, and I want to focus on the media. There were, at the time they came into office, so few people in any part of the media that really knew much
about health care that I honestly don’t think I could count them on the fingers of one hand. In fact, once you get past Robert Pear and maybe Julie Rovner, a few others, it just wasn’t there.

What happened was interesting. The television networks really never did get with it, in the sense that to the best of my knowledge, no television network, throughout that entire period, assigned as many as one person to focus on health care during that period. The print media did, and so we started to see Hilary Stout at the Wall Street Journal—very bright then, very young reporter. It was new to her, but she got started. Henry Chu at the L.A. Times. Somebody out at the Chicago Tribune.

It wasn’t a long list, but they needed it, and I think they would agree if they were in this room, they needed more than 100 days. They got more than 100 days. So by the time the plan actually came out, it wasn’t that they were against the plan, but they knew which questions to ask. And so the reporting was actually pretty balanced.

I think if the plan had come out earlier, it might have been easier to run it through without a lot of, or as much, organized opposition. When the television got hold of it—I’m the world’s worst person to talk about television. I don’t like it, I don’t watch it, I deplore how much time my own children watch it, but I know it’s a powerful medium. And in fairness, I think—I don’t necessarily, but the organization that I headed, used it to pretty good effect. How we decided to do that is an interesting story in itself.

We’re running these ads, and our budget was relatively modest. I’m from Cincinnati. Procter & Gamble is there. In those days, to launch a new product, Procter & Gamble probably had on the average a budget of $200 million for a new product. God knows what it is now, because that was 15 years ago. I think we had $30 million for this little venture. We developed the ads and we’d run them in selected districts, usually just a week or two before a committee on which that member from that district served was going to take things up. It was very selective.

What this actually meant is that most of our ads ran in the districts of middle-of-the-road Democrats, sort of a vanishing breed after that year. Oklahoma all the way across to Virginia. There were exceptions, but you could practically chart on a map. It wasn’t the geography. We were trying to get people who might be more sympathetic to our message.

At no point did we run national ads. We couldn’t afford it. And once we’d run an ad for some while in Northern Tennessee or something—we might run it for two weeks, not very expensive—then you’d move on to somewhere else with the same ads. The First Lady wasn’t too happy about this and sounded off publicly and was very critical of us. In order for them to explain what she was complaining about, they showed our ads on the news, for which we paid nothing.

It was one of those things you just don’t do in politics. I mean it was very strange. To call attention to the arguments of the other side—I can understand why television did this, to take the excerpts from her speeches, which I’m sure were heartfelt, if not strident, and they had to show what she was complaining about. So all of a sudden our ads were on the national scene and we didn’t pay for them. I guess they did have some effect.
Later on, the President and the First Lady—in frankness, they saw the humor in all this. They did a spoof on it, which was recorded by them and used for the gridiron or something. It showed her in a shawl with granny glasses—or maybe he had the shawl—and they were sitting next to each other. They’re in their old age and they’re turning the pages of this book. They’re reading the Clinton health plan. It’s just the funniest thing you’ve ever seen, and she says, “It says here on page 2,004 that, ‘Even if the Clinton health plan passes, we will all die.’” To which he responds, “Even Leon Panetta?” We sent them some pictures of Harry and Louise, which they autographed and sent back. You know, you can get along in these things, too, but that wasn’t the public picture of what was happening.

In any event, I think that it was an attempt to do too much too soon. I think that if they had been willing, even if they had presented that full plan, to have been able to break it into incremental pieces, I think there would have been a good opportunity to make progress. But it was a real setback to the idea of comprehensive health legislation, and I think that’s where we are today, when you really think about it. People talk about doing something comprehensive, but if PAYGO [Pay As You Go] stays on the books—We have a mini battle right now called SCHIP [State Children’s Health Insurance Program], and it’s fighting all these battles. They’re not unimportant, but it’s not comprehensive health insurance, and it’s really not even comprehensive for kids, when you really get right down to it.

**Heininger:** At the time in which Clinton came in, you had left Congress. What was your expectation, heading the Health Insurance Association of America, of was going to happen, and what would you have said would be the reaction on the Hill, particularly among the Republicans? Was there an expectation that there was going to be some action?

**Gradison:** My feeling was there was going to be comprehensive health legislation. I thought that the public support was there, the Presidential leadership was there, that the commitment of the President and the First Lady was strong. There were members of Congress on the Democratic side, because they were running things, who had for years been talking about this. Dingell and Kennedy come particularly to mind, just to pick the two Houses, but there were others. So from a point of view of the health plans and health insurers, I think fundamentally they were concerned that the way the bill was written it would legislate them out of business. That may sound simplistic, but I think they were willing to give it a shot in competing for the business. But they weren’t too happy to have some governmental entity make a decision of who could play.

The night of the President’s speech there was a panel on one of the networks and again, showing my ignorance of these things, I don’t remember which network it was, but they had eight or ten of us just sitting there answering questions, and Judy was there. I had known Judy. I had promoted Judy, with Claude Pepper, to be the head of the staff of the Pepper Commission, even though he wanted—

**Heininger:** So that’s how Judy Feder became the staff director, with your efforts?

**Gradison:** I went to Claude Pepper. I’m the minority, but I said, “It’s your call.” He wanted Ed Howard. I just said this has nothing to do with politics, Senator or Congressman or whatever I
called him, Mr. Chairman. I said, “These are Democrats, but Judy’s just full of ideas and so much energy. You know she’s the right person for this.” He amazed me. He agreed to do that, and then made Ed a counsel. As far as I know—I see Ed now and then and we seem to get along fine. He’s probably not thrilled to death, but anyway—

We’re on this television program, and the moderator I guess sensed I was provoked a little bit by what Judy was saying. I couldn’t raise my hand or anything. We were on live television. He said something to me like, “Mr. Gradison, you don’t seem to agree with what Ms. Feder had to say.” I said, “I just have one question. If somebody is happy with their current health insurance, and if it meets all the requirements in terms of benefits and so forth that would be required under this plan, can they be assured of keeping their present health insurance?” And she fumbled all over the place about equivalence and this and that. He said to me something like, “You still seem troubled.” I said, “Yes. Ms. Feder knows and I know the answer is no. They don’t have that assurance.”

One other thing I should mention about the Clinton health plan is this was very unusual what we were doing. We were doing national polling on a day-by-day basis. That’s almost never done, except in a Presidential race or a tight Senate race. We were actually doing that and charting support for the Clinton health plan before it was presented, and it was very interesting what happened. I don’t pretend to say that we were responsible. I’m just reporting what we observed, and I think it’s in here.

The numbers kept going up steadily, and the peak was reached just a few days after the President’s speech, which in my personal opinion was one of the best political speeches I’ve ever heard. I’d put it up there with some of FDR’s [Franklin Delano Roosevelt]. Then it just started to go down. It didn’t plummet, it just started steadily down. It was the darnedest line you’ve ever seen. We stopped polling after a while because it was expensive and the trend was so evident. I don’t know what happened out there. My hunch is that the fact that it took so long to get it out there made it possible for folks like us to get better organized in opposition to it, but it also, I think, made it possible for the people in the media, particularly the press, to do a little more comprehensive job of reporting it.

The only thing that I will go down into the record books for was a comment I used to put in speeches when I was in the House of Representatives when I was talking about this subject. It went something like this. In my opinion, health insurance is one of the only issues I can think of that directly affects every American family, and as a result, will not be decided by speeches or by television commercials, but over the kitchen tables of America as families sit down to discuss, “What does it mean to us?” I was in the House when I said that, and that’s why we put Harry and Louise at the kitchen table. There was a roast given to me when I retired after six years as head of the Health Insurance Association.

Heininger: Is that where the idea came from?

Gradison: Not exactly.

Heininger: How did Harry and Louise evolve?
Gradison: We developed first the themes that we wanted to try to get across, and we had the help of Ben Goddard, Goddard/Clausen, a great firm. They had principally in the past done Democratic candidates for public office. Ben Goddard now writes a regular column for The Hill, or Roll Call. As one normally does in a major campaign like this, we decided to test it with focus groups. We knew what our themes were, and we tried three different approaches to the presentation of the ideas. Ross Perot was a big deal back in those days. We couldn’t get Ross Perot, but we were trying to figure out if we could get some well-known personality who would stand there with a flip chart, like Ross Perot used to do, and turn the pages and talk about the issues.

The second was a group of people sitting around a table. You might think of it like a focus group or a board of directors’ group. And then the third was the husband and wife and the kitchen table. It wasn’t loaded. We were trying these different approaches, and the one with the husband and wife at the kitchen table—people could relate to it more. Most people aren’t used to seeing a board of directors. It wasn’t meant to be a business group, but a group of people sitting around discussing seemed a little artificial. The person turning the flip charts—it was almost like somebody lecturing to them. But people could respond to this, particularly women. The role of women in this whole thing is extremely interesting and somewhat difficult to characterize.

Women, more than men, support national comprehensive health insurance—did then and I’m sure they still do. I’m not saying men aren’t for it, but there’s a disproportionate—women play the principal role in most families in health care. They take the kids to the doctor. They’re more likely to miss work to take them to see that they get their shots. And maybe that’s one of the reasons it’s worked this way, but we found a tremendous response of women to that matter of the family sitting down and doing this. So we started to run these ads.

Well, only in America. We started to get phone calls which went like this. “Where do those folks live? What kind of a car do they drive? Where do they work? Do they have any children? What is their name?” We didn’t use their names at first. Well, OK. So all of a sudden we think maybe we’ve got a soap opera going. The numbers are in there and I don’t remember, but we had an 800 number. People could call for more information, and the response rate was in the hundreds of thousands. It was pretty amazing, considering we weren’t running this everywhere.

We started to inject a little more information, where they worked. One shot showed him with the son shooting baskets. But the names are a story in themselves. Those are their real names. Harry Johnston and Louise Care Clark. Neither of them had ever met each other until they were selected by Goddard from auditions in California. They didn’t get along at all well.

Harry’s view was that this is just a job and he was glad to have a job. Louise took it in a very different way. After the first ad was run, her son, then in high school, said “Mom, are we so hard up you’ve got to do this sort of thing?” And she got in touch with Ben and said, “I’m going to stop this until I learn more about it.” So she went down to the L.A. Public Library. They’re both Democrats, which is neither here nor there, but she’s a Democrat. And they later got married, which is another story.
Heininger: [laughs]

Gradison: Ben Goddard later married Louise. She was divorced at the time, a single mom. She went down to the L.A. library, and I don’t know what she studied, but she came out a true believer. For Harry it was a job, and he didn’t really care about it. One other thing about Louise—if you’re a history buff at all, her grandfather was General Mark Clark, who was the supreme commander or whatever they call it of the Allied Forces in Northern Italy during the Second World War. Neither here nor there, but you know, she took these things seriously. So that’s where the names Harry and Louise came from; they were their actual names.

I have mixed feelings about that Harry and Louise thing, because it really upped the ante for playing in national issues, by which I mean it was expensive. Obviously not every organization could come up with that kind of money. It, like a lot of things in our society, tilts the scales toward those who can. And in a sense, it raised the bar for issue advocacy, because it was not the first such effort, but I think most people would say it was probably the most successful effort up until that time. And it’s been followed by others.

I remember the AFL/CIO [American Federation of Labor-Congress of Industrial Organizations], right down the street, had something a few years ago, and they had people sitting at the kitchen table. I loved it. I don’t remember the issue—trade with probably China or something. But that was what was going on in those days. I was just working with the health insurers. We did not have a budget for this at all. We just had our regular activities going on.

I mentioned Dave Hurd earlier—I’m president of this organization, he’s chairman. He came into a board meeting, and I knew nothing about what was going to happen. He sits down. He had just flown in from Des Moines. He was obviously pretty irritated with the way things were going, and when I say a lack of access, it’s just the ability to sit down and talk to these folks about this thing. He took out of his pocket an envelope on which he had made some notes, and basically said to our board, “We’ve got to dig deep and come up with money to run an effective campaign here, over and above what we’ve been doing, and we need everyone’s participation.”

He did not argue that people who didn’t fork up the money should be thrown out of the association. But I think his final thing was that he said, “Just to show you our commitment to this, I am now committing $6 million.” I think that was the number.

Heininger: Wow.

Gradison: Well, that sort of shook the trees. We had some people quit. Prudential withdrew. The big companies at the time felt that we were too strident, among other things. So CIGNA, Aetna, Metropolitan, Travelers, and Prudential, who were big players at the time, some of them failed in the health insurance business. They lost fortunes in this business, and they withdrew. All but a couple were left with their tails dragging behind them. They didn’t run very successful health insurance companies, including Prudential, but they didn’t want to be associated with the likes of us.
I used to say, at least privately, and I still believe—I’m not pointing at any individual—there were people in the insurance industry at that time who were more concerned to be at the signing ceremony than they were with what was signed. I know that’s an unfair comment and glib, but my view was I really didn’t care. I just wanted to do what I thought was the right thing in terms of the values that I happen to espouse, which, if they hadn’t been consistent with my members, I wouldn’t have had the job. I wasn’t trying to sway them, nor were they trying to sway me. So the fact that there was some criticism from people I certainly respect, like Daschle and Rockefeller or the First Lady, was regrettable.

It was never anything personal as far as I was concerned, and I think Pete would agree with this, that over the years I was raised to learn that you can disagree without being disagreeable. I think that’s a lesson that needs to be relearned up there right now, but there was such an era. Just to make a point and drive it home. I’m a founding member of the oversight board that was set up by the [Paul] Sarbanes-[Michael] Oxley Act. The two committees that we deal with are the Banking Committee of the Senate and the Financial Services Committee of the House. The gavel has passed between the two parties in both committees in the years that we’ve existed. Those committees are islands of bi-partisanship, reasonableness, you name it. So I know that exists. We used to have more of it in some other places.

I certainly believed in that when I was on the committee. There were times on major legislation when only a couple of us on the Republican side voted with Danny. I didn’t take the view that because the Democrats wanted something it was a bad idea. I wanted to know what it was, and I didn’t always agree with them, but Pete and I wrote a lot of legislation together.

**Heininger:** When did you have a sense that this was all going to come to naught?

**Gradison:** Sometimes it isn’t over until it’s over, but it took a lot to convince me of that. I really don’t think it was until they just couldn’t get a bill to the floor that I really started to think, *Maybe it won’t happen.* Because I had been convinced all along that there would be legislation. I’d been around long enough to know that it’s darkest before the dawn; that sometimes when it looks like there’s no possible way, something happens.

Let’s say the same thing happened today. What would happen? The Speaker would call the committee chairmen in, two of them, maybe a few others, the leadership, and they’d say, “We’re going to work something out, guys. We just can’t have it all your way, Tom, or all your way, Charlie. We’ve got to work something out.” And they’d work something out. The Senate can’t operate that way very well, but there it’s a little bit different. If there’s a really controversial bill, they don’t bring it up until they can work it out off the floor, and then they whip it through without any serious debate. Sometimes I’m not sure they have written it by the time they pass it. It’s another world.

**Heininger:** If you look at what Kennedy’s role was—when Clinton came in, did he have a legislative strategy for how to get health care through the Congress?

**Gradison:** Did the President?
Heininger: Did the President?

Gradison: That’s a really good question, and I’m not sure. Certainly he had a plan on how to develop a plan, but in terms of how to get it through the Congress, I think they were feeling pretty cocky. I’m going to give you an example of why I say that. I don’t think this has ever been reported, but I have reason to believe it’s correct.

Something very unusual happened. The President gets elected. About that same time, our committees are going through their normal reorganization, and there were some vacancies on the Ways and Means Committee on the Democratic side. Danny’s view, a very sound view over the years I think, was that he didn’t want freshmen on the Ways and Means Committee. He wanted them to show, at least for one term, that they could cast tough votes—tough in terms of being unpopular—because often that’s what you had to do to do that job. Tough in terms of being unpopular.

There were a few exceptions. The only Republican—certainly before I served there—who had served as a freshman member on the Ways and Means Committee within memory was George H.W. Bush. This is kind of interesting. And on the Democratic side it was Dick Gephardt, because he was a protégé of Dick Bolling, who was Chairman of the Rules Committee. It was an excellent choice.

While Danny and Dick never got along all that well, nonetheless Danny wanted people with experience. Also he wanted certain ratios. Of course he wanted to have a big enough ratio and he didn’t have to worry, as the Finance Committee does, where you lose one vote and you lose, because it’s 11 to 10, or it has been for years. He gets the slate of members all worked out. It’s an inside thing. The House does it. It’s no big deal; it gets approved by the caucus.

Bill Clinton got in touch with Danny Rostenkowski and said, “I want Bill Jefferson on the Ways and Means Committee.” I think Danny protested gently, but Clinton made it clear he wanted Bill Jefferson on the Ways and Means Committee, and Bill Jefferson went on the Ways and Means Committee. The only reason I cite that, it has nothing to do with what’s happened or will happen with Bill Jefferson. It was an attitude toward the legislative branch that is a little unusual and probably a little unrealistic. It didn’t have to do with legislation, but it had to do with—maybe I’m too big on division.

Heininger: I don’t think so.

Gradison: That’s why I cite that. The way the plan was developed—maybe that’s how the legislature works in Arkansas, I don’t know. It’s sort of a one-party state there or was in those days. Maybe once the Governor came up with something, it was not always, but likely, to go through. I don’t know that for a fact. He had been Governor for a long time, and presumably he had developed certain attitudes.

Those are two very bright people. They read history and they understand things, but I think they really misjudged the way in which the legislative process works in the Congress of the United
States. And maybe also that there were people there who had their own ideas, which had been refined over decades, probably before Bill Clinton ever ran for public office.

There were people—John Dingell and others—who were thinking about these things and coming up with their own ideas about how to do things, and weren’t necessarily going to step aside for the views of someone else. It wasn’t that they wouldn’t consider them, but they weren’t necessarily just going to fold and say, “Oh yes, sure, I’ll forget what I’ve been talking about the last 25 years.” I have no idea where Kennedy fit into that. I absolutely have no idea. Otherwise, I say you’ll find a dozen references in here, and I have sufficient confidence in these writers to believe that if it’s in there, it’s probably correct. I haven’t reread that part.

Heininger: In watching from the outside, what did you see Kennedy’s role as being?

Gradison: I didn’t focus on it. I was focused more on the Finance Committee.

Heininger: Because after all, this was his issue. This is what he’d devoted his life to.

Gradison: I will raise this question, because I don’t understand it. I have a great respect for the committees on which he serves, believe me, but it never was quite clear to me why he didn’t get on Finance. And the reason I say that is—gosh, how can I avoid overstating? In health care, the key issue almost always comes down to the money. I grant it isn’t always easy to decide how to spend it, SCHIP being an example, but the agonies they’re going through with SCHIP as much as anything have to do with the funding.

Why did Pete and I write all that stuff? Why did some of the Democratic members in the committee not want to support what we did? It’s because it was forced by the budget process. We were responding to an amount of money we had to hit each year. So we’d go back mostly to Medicare and we’d hit it, and Danny was committed. We all were committed to meet our obligations under the Budget Act, and the Ways and Means Committee has five seats on the House Budget Committee—three majority, two minority. It wasn’t as if we weren’t involved in the process.

I do some lecturing to students on this subject, and I say over and over that often the real issue is the money as much as anything else. Why did they pass a prescription drug bill at that time? It wasn’t a new idea. You can say it’s a good idea or bad idea, or a good plan or a bad plan, but why did it happen then? It’s because the stars were lined up. There was all this money on the table, and every year they waited there was, in a sense, less money, because of the roll forward. If you’re doing a ten-year estimate of the cost of something that’s going up every year, each year that you wait it costs more because you’ve lost the low-cost year one, and you’ve added a year ten or eleven, which is a high-cost year.

So the money was on the table. There’s no way in the world that thing would get passed today under PAYGO, I don’t think. Things were just—it was possible to act that way. So I think the money part is really—I don’t mean it’s more important than the policy, and Lord knows, I’ve watched people that I served with break their picks to try to get on the Commerce Committee, and I don’t blame them. It has a huge jurisdiction, including health care. Maybe just because of
my background in finance, I felt Ways and Means and Finance were really where it was going to be. And there’s another little thing. I can’t call it a dirty little secret, it’s pretty well known. We would draft legislation to make sure it didn’t get referred to the Commerce Committee.

**Heininger:** A well-known tactic on the Senate side, too.

**Gradison:** Same thing. So Senator Kennedy’s committee could easily be bypassed if there was a trust fund. What you had to have was a trust fund or something that could be legitimately called a tax. And it doesn’t mean there won’t be joint jurisdiction. I used to say, and this is not all an original line, of course. I used to say, “When people say it’s not the money, it’s the principle, it’s the money.” It’s not a cynical comment, but I think there’s some truth to it.

**Heininger:** If you look back over this span of time, how would you assess Kennedy’s role in health care in general?

**Gradison:** I think he’s shown great leadership, because he does look around the corner and try to anticipate problems that were coming down the line. There are a couple of things he’s been able to do that others haven’t. One, which is perhaps very minor but may be rather important, is he stuck around. He hasn’t lost heart. He hasn’t moved off. He hasn’t stayed and got off of health care. He stuck around, whereas others with this amount of seniority have gone on to do other things. But he’s continued to focus on health care, and that’s very important.

The second thing—the scope of his interest in health care is extremely broad and therefore he has credibility whether he’s talking about FDA [Food and Drug Administration] or NIH [National Institutes of Health] or national health insurance or whatever. And the third thing, which you just have to see from the inside as well as the outside to appreciate, is that by his personality and the things that he’s done and stood for over the years, he’s been able to attract extraordinary people to work with him.

I have been constantly impressed with the quality of his staff, from the senior people down to the folks who come in as interns. For some years, the Robert Wood Johnson Foundation was supporting, and perhaps they still do, fellows who come in to work with members of Congress for a period of time. I’m very focused on academia. I probably do more lecturing to bachelor’s and master’s students in accounting than all my colleagues put together. I really enjoy that sort of thing. Where was I?

**Heininger:** He got huge numbers of fellows.

**Gradison:** Yes. So we get this list every year. They send it around and ask would you be willing to interview them. I said, absolutely. Well, for two or three years running, I interviewed all the candidates, and I was ranking on the Health Subcommittee and all that. None of them ever joined us, and I stopped interviewing, and it was no reflection on the program, but there were a lot of people to interview and it was a busy thing to do. Where did they go? And this is a compliment to Senator Kennedy, as well as a reflection of them being in the majority and a lot of other things, but he was almost always their first choice.
Gephardt was high on the list, once he got engaged. They wanted to go to some place, understandably, where there would be some action, where there would be somebody who maybe could do something. And then the word passes on. Once you develop that reputation, as he did so many years ago, you tend to get really bright people who want to come in. Some of them stay, some of them don’t stay.

I know when I was lobbying I didn’t have a lot of contact with that office. Not much really during that period of time, but I knew that if I went in there to talk about any issues that they would be really well informed. You could get to the heart of the issue. There was no beating around the bush. Here’s the issue, here’s some thoughts we have on it, here’s some information we’d like to share with you. It wasn’t a half-hour meeting, and I was convinced that they would take a look at what we had. What more could we ask of it? Yes, he just keeps going. I’m impressed. I’m older than he is, but I’m not that much older. I forget how old he is now.

Heininger: I think he just turned 75.

Gradison: OK, I’m 78, not that much different.

Heininger: No. Well, this has been very interesting.

Gradison: I’m afraid we diverged or got off track a little bit.

Heininger: No.

Gradison: But I love to talk about this, and you’re great to come in and include me in your venture.

Heininger: It’s very important, because we need the scope of views on the health care that he’s been involved with over the years. It’s very important. So I thank you very much.

Gradison: Not at all.

Heininger: Just for the record, the book is *The System* by Haynes Johnson and David Broder.
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