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Insurers' go-to guy

By Julian Pecquet

Health insurers are not thrilled with Democrats for overhauling their business model with healthcare reform, but they also have major disagreements with the other side of the aisle.

Republicans have targeted the individual mandate — the one element of reform that insurers enthusiastically support — for repeal.

Rep. Paul Gosar (R-Ariz) wants to strip insurers of their antitrust exemption, which the industry has operated under since 1945.

And just this past week, House Budget Committee Chairman Paul Ryan (R-Wis.) unveiled a 2012 budget proposal that repeals the reform law's coverage expansion — but not the \$500 billion in Medicare cuts that pays for it, including some \$200 billion private insurers get paid for administering Medicare Advantage plans.

Luckily for insurers, they have an ace in the hole: Behrends Foster.

The well-connected Republican lobbyist recently launched a two-man partnership, Bluestone Strategies, after a decade with the main health insurance lobby, America's Health Insurance Plans.

Interviewed at his new firm's digs — a C Street basement just a stone's throw from the Capitol — Foster described his role as informing decisionmakers about the issues facing health plans and their customers as the Obama administration rolls out the reform law.

"Despite what may be going on in the Republican Party with the decision about 'repeal and replace,' folks still need to understand what the impact of the Affordable Care Act and specific provisions will be," Foster said. "There's a lot of education that has yet to be done."

Foster first moved to the nation's capital — "the mecca of politics," in his view — in 1994 after earning a political science degree from the University of Michigan.

That March, he joined the staff of Rep. Dave Camp (R-Mich.) after a short stint as an unpaid intern with the now-defunct Congressional Sunbelt Caucus. As Camp rose through the ranks of the GOP and the Ways and Means Committee, Foster rose with him, eventually becoming his chief of staff.

During that time, Foster worked on an alphabet soup of healthcare laws — BIPA, HIPAA, BBA — while learning tax and health policy.

"You name it, it went through Ways and Means," Foster said. "So that provides you with a pretty good base of knowledge."

In 2001, Foster left Camp's office for the American Association of Health Plans. That group merged with the Health Insurance Association of America in 2003, leading to the creation of America's Health Insurance Plans (AHIP).

Foster said going from Capitol Hill to AHIP was a big adjustment.

"Once you get into a trade association or a company that's actually working on this stuff," Foster said, "you realize how little you actually know. There are people who are far, far deeper into the weeds on these things."

When he decided to venture out on his own, Foster said he knew the perfect partner: Democrat Chris Long, a longtime family friend with whom he used to vacation at Bluestone State Park in West Virginia.

"It was one of those things where, if you're going to do a partnership, you want to do it with someone you're comfortable with," Foster said.

Long, formerly with the U.S. Chamber of Commerce, is closer to Blue Dogs and New Democrats, while Foster gravitates toward Republicans on Capitol Hill. But Foster said the pair work on the same issues so that "everybody does everything."

"We don't think the client stuff stops at the Democrat door or the Republican door," Foster said. "You've got to contact both sides. For now, maybe that will change in 2012," he joked.

The duo plan to focus on taxes, trade, healthcare and entitlements, especially before the Senate Finance and HELP committees and the House Ways and Means panel. So far, they've signed up four healthcare clients: AHIP, Kaiser Permanente, the Pharmaceutical Care Management Association and CareCore, a specialty benefit manager.

Foster made it clear, though, that Bluestone Strategies doesn't want to specialize only in healthcare issues.

"We'd very much like to get into some of the other areas," he said, "and we're working on that as well."

Already, the company has one non-lob-

bying, non-healthcare client: the Hilton Head Visitors and Convention Bureau, which is looking for guidance in the ways of Washington.

The firm got its biggest boost when AHIP President and CEO Karen Ignagni parted with Foster on good terms and told him she wanted him to continue working for the association on issues such as consumer-directed health products (HSAs and FSAs) and Medicare Advantage.

"Behrends's insights about healthcare



GREG NASH

Behrends Foster spent years sorting through the alphabet soup of healthcare issues during his time as an aide to Rep. Dave Camp (R-Mich.).

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policy and politics are top-notch," Ignagni told The Hill, "and he continues to be a valuable and important part of the AHIP team."

Foster said Bluestone Strategies is already exceeding its expectations. It helps that Camp, Foster's old boss, is now chairman of

Republicans pick out provisions of the massive reform law that could conceivably be repealed in the Democratic Senate.

One issue Foster said he's working on is the effort to repeal a healthcare reform provision that prevents people from using their health savings accounts to buy over-the-counter medications. Reps. Dave Reichert (R-Wash.) and Erik Paulsen (R-Minn.) have already introduced legislation in the House, and Sen. Kay Bailey Hutchison (R-Texas) has sponsored a companion bill in the Senate.

"If we can get enough folks to generate interest in this and if enough members co-sponsor the legislation and enough members really push for it, then maybe something happens," Foster said.

Foster says his firm's role is to help fill clients' weaknesses so they can "cover all the bases."

"What you want to do is help [clients] cast that net of information and spread the word about what they're trying to do," he said. "I like to think of it as the wide net. If you have holes in your net you've got to fill them, because you're not going to catch any fish [otherwise]."

the powerful Ways and Means Committee, though Foster stresses that his relationships span the healthcare industry.

"You develop a very wide network, and I think that's what folks are interested in," he said. "A lot of work happens downtown, before you see stuff happen on Capitol Hill — coalitions develop, people get together. Helping folks identify those opportunities and making them happen is an important part of what goes on around here."

Chief among those priorities is helping