

# LOBBY WATCH

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A Great Medical Sucking Sound

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## Is Mike McKinney Salve Or Salt In Wound Perry Dealt Docs?

- **This HMO Lobbyist Just Tried To Gut Protections for Patients Near the Border**

Gov. Perry's recent appointment of Michael D. McKinney as chief of staff has been presented as an effort to mend Perry's relationship with doctors, who are angry with Perry for vetoing a bill that would have forced insurers to pay medical bills promptly.

Although McKinney is an M.D. who once practiced medicine, he makes an odd liaison given that he has wielded his revolving-door influence over the past five years to aid insurers at the expense of doctors.

During his three-year stint as Health and Human Services Commissioner, McKinney angered some doctors by implementing a Medicaid HMO system in Texas. In 1998, McKinney left that post to be a vice president of Centene Corp. Working in conjunction with the Texas Association of Community Health Centers, Centene's Superior HealthPlan won a contract that same year to provide Texas' HMO Medicaid services in the El Paso region.<sup>1</sup>

McKinney has been a registered Centene lobbyist since 1999. The company has shot from just three lobbyists who billed up to \$150,000 in the 1997 session (including Perry's current Legislative Director Patricia Shipton) to 24 lobbyists who billed up to \$575,000 in 2001. This year's Centene lobbyists include numerous revolvers, including: ex-Insurance Commissioners Woody Pogue and Thomas Bond; ex-legislators Stan Schlueter, William Siebert and McKinney (who served in the House before becoming HHS Commissioner); and Kelley Jones, who was a health aide to ex-Lieutenant Governor Bob Bullock.

Centene named McKinney President of its Texas operation this year, directing him to expand the company's Medicaid business. McKinney was the point man this session for Centene's efforts to pass legislation opposed by the Texas Medical Association and consumer groups. As first drafted, H.B. 2498 would have let HMOs send some patients who live or work near the border into Mexico for their health care. The bill said that these health care services in Mexico "must be based on and determined by the prevailing community standards in the United Mexican States" and that the physicians and providers there need not be "licensed in this state." Consumers covered by this HMO plan would not enjoy protections available to other HMO customers in Texas, including the right to sue an HMO that interferes with medically necessary care.

Given that McKinney was the only person to testify in favor of H.B. 2498 in House committee hearings, consumer advocates say they were surprised that the bill did not die a sudden death. Instead, the bill was amended to create an interim committee to study this model of border health care. The cash-strapped Legislature then appropriated

<sup>1</sup> In December 2000, Centene took on another 30,000 Medicaid patients in Austin and San Antonio.

\$767,931 for the study. To put this hefty special interest appropriation into perspective, consider that another HMO-related appropriation, one to give consumers more bargaining power by creating a consumer health insurance ombudsman, would have cost only \$200,000—if Perry had not vetoed it.

### Centene Texas Lobby Contracts, July 2001

Lobbyist	Max. Value	Min. Value
Kelley Jones	\$100,000	\$50,000
Stan Schlueter	\$50,000	\$25,000
Randy Schlueter	\$50,000	\$25,000
J. Kyle Frazier	\$50,000	\$25,000
Jerry B. Donaldson	\$25,000	\$10,000
Thomas J. Bond	\$20,000	\$0
A. W. Pogue	\$20,000	\$0
Karen S. Haywood	\$20,000	\$0
Lee Ann Alexander	\$20,000	\$0
Melissa Irion	\$20,000	\$0
Kimberly A. Yelkin	\$20,000	\$0
Susan Marin	\$20,000	\$0
Melissa Eason	\$20,000	\$0
Brandi Putnam	\$20,000	\$0
Barry Senterfitt	\$20,000	\$0
Mark Vane	\$20,000	\$0
Keith G. Hopkinson	\$20,000	\$0
<b>Michael D. McKinney</b>	\$10,000	\$0
Michael F. Neidorff	\$10,000	\$0
William E. Siebert	\$10,000	\$0
Joe A. Garcia	\$10,000	\$0
Carolyn Donaldson	\$10,000	\$0
Donaldson Family State Issue Mgmt	\$10,000	\$0
Holli M. Hill	\$0	\$0
<b>TOTAL:</b>	<b>\$575,000</b>	<b>\$135,000</b>

Includes Centene and Superior HealthPlan contracts (many lobbyists reported contracts with both).



