Unwilling to give up health care reform entirely, the Clinton administration is setting its 1995 health care strategy. The White House will focus on a less comprehensive, more politically palatable initiative. The proposal will be formulated by a new health care team led jointly by National Economic Council Chairman Robert Rubin and Domestic Policy Council Chair Carol Rasco. Rubin and Rasco will seek more input from cabinet officials and less advice, at least publicly, from Ira Magaziner and Hillary Rodham Clinton. The White House may include expanded insurance coverage for the working poor in its 1996 budget request. Options include extending Medicaid coverage and accelerating the existing timetable for expanding Medicaid to children of the working poor. Expanded coverage would be financed by Medicare savings, cigarette taxes, and Medicaid reform. Employer mandates are not under consideration. President Clinton is expected to make final budget decisions by mid-December.

Among the legislative victims of Congress's adjournment—Super fund reform. House and Senate leaders were unable to overcome disagreement on a number of controversial Superfund bill amendments and so abandoned the reform effort until the 104th Congress. The bill would have established a fund—financed by a 10-year, $8.1 billion tax on property and casualty insurers—to settle lawsuits over Superfund cleanup costs brought by polluting companies against their insurers. Proponents of the plan, which has broad support from business and environmental groups, vow to push the measure again next year.

The 103d Congress did manage to pass several measures in the final weeks of its session, including various bills pertaining to pension issues. On October 3, the House passed S. 1312, the Pension Annuitants Protection Act of 1994, which clarifies pensioners' right to sue over annuity-related losses. The legislation, a farewell gift to retiring Sen. Howard Metzenbaum (D-Ohio), would amend ERISA to allow the Department of Labor, a former participant, a beneficiary or a fiduciary the power to sue for "appropriate relief" if a plan fiduciary's purchase of an annuity violates ERISA.

Congress also passed H.R. 5116, the Bankruptcy Reform Act of 1994, clearing the measure for President Clinton's signature. Included in the bill is a section that authorizes the PBGC to serve on Chapter 11 committees.

A vote on legislation that contains a package of PBGC reforms, though, has been postponed until early December. Opposition from Senate Commerce Committee Chairman Ernest Hollings (D-S.C.) and Republican members forced a delay on legislation to implement the Uruguay Round of the General Agreement on Tariffs and Trade. The PBGC reform package was included in the trade bill's financing provisions to offset expected losses in tariff revenue. Despite the postponement, House and Senate leaders are confident the measure will be approved with broad bipartisan support at a lame-duck congressional session after the November 8 elections. However, the delay will provide opponents of the measure—led by Ralph Nader, Ross Perot, and Patrick Buchanan—with additional time to mount a negative campaign against the pact.

Rep. John Dingell (D-Mich.) has introduced legislation that would require all interstate sellers of insurance and insurance products, including banks, to comply with state regulations imposed on insurance companies. The bill, H.R. 5075, would require insurance providers to comply with the law of states where their products are sold and would authorize injunctions and fines by the Justice Department for violations. The bill would also strive to preserve state insurance regulators as the primary overseers of the insurance industry and mandate that the federal government assume only a back-up role in order to avoid dual regulation. Dingell's legislation is specifically aimed at a new bank deposit product with features of an annuity contract. The new type of certificate of deposit, known as the Retirement CD, combines the federally insured status of normal bank deposits with some of the tax advantages and payout features of annuity contracts.