

Ensuring Accurate Perceptions of the Health Insurance Industry

June 1, 2007

Principles Governing Communications to and from Member Companies

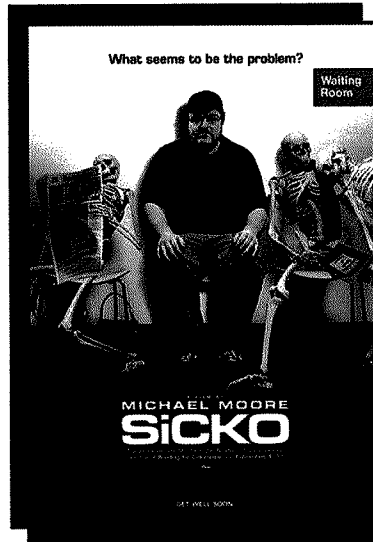
- **Strategy and tactics documents will not be distributed.**
- **Publicly available, factual information (i.e., scheduled events, premieres, information about the film) will be distributed.**
- **Recommended responses and messages will be shared in hard copy with companies' senior communications executives.**
- **Meetings will be held in person, when possible, or via secure conference call lines and password-protected online meetings.**
- **Please assume that any communications that your company prepares and widely shares on this subject will end up on Moore's Web site.**

Setting the Stage: Operating Principles

We have agreed that the industry is under attack and must:

- ✓ Continue engaging strategically (do not “take the bait”)
- ✓ Demonstrate the industry’s commitment to positive reforms
- ✓ Focus on how we add value to the system
- ✓ Strengthen relationships with stakeholders and build trust

Situation Analysis: Background



- ***SiCKO***: To be released in the U.S. on June 29, 2007 (pre-launch in MI on June 16, 2007)
- Run time: 113 minutes
- Rating: PG-13
- High Profile Debut: Cannes Film Festival
- Significant Hollywood and Washington Resources
 - Marketed and distributed by: Harvey Weinstein (former CEO of Miramax)
 - Movie's spokesman: Chris Lehane, a former political adviser in the Clinton White House and the 2000 Gore Presidential Campaign

Situation Analysis: Quantifying the Media We're Up Against



**Moviegoers paying to hear Moore's story:
\$30-\$200 million**



**Moore's promotional budget:
\$15-\$25 million**



**Promotion via Newspaper Coverage:
equivalent to ~\$150-\$250 million***



**Promotion via broadcast news and talk shows:
equivalent to ~\$150-\$250 million***

Total Media: \$345-\$725 million

*This is a rough forward-looking and conservative estimate of what it would cost to purchase equivalent paid media attention.

Situation Analysis: Media Coverage

The New York Times

May 22, 2007

**Film Offers New Talking
Points in Health Care Debate**

Los Angeles Times

May 21, 2007

**Michael Moore's SiCKO
Confronts American Public**

Bloomberg

May 19, 2007

**Michael Moore's
SiCKO Slams U.S.
Health Systems;
Cannes Claps**

AP Associated Press

May 21, 2007

**Michael Moore
Frenzy in Cannes**

- **Coverage has been largely “cinematic” – 1,200 clips to date**
 - Majority of the coverage is by movie and entertainment reporters, and reviews have been positive, urging people to see it; “better than Fahrenheit 9/11”
- **Political reporters are beginning to cover the fallout from the movie**
 - e.g., Moore's investigation by Dept of Treasury for taking people to Cuba
- **The film's vignettes are getting independent coverage**
 - e.g., 60 Minutes covered the LA case on Sunday, May 20th that resulted in a Kaiser Permanente settlement
- **SiCKO is a hit with bloggers**
 - More than 1,000 bloggers have written about the movie since Moore released the trailers; most reviews are positive

Review: 5 Strategies We Reached Consensus On

1. Debate the System, Not the Anecdotes:

Set record straight then get off Moore's turf and on to ours

2. Reframe the Debate:

Mount Campaign against a Government-run Health Care System

3. Define the Health Insurance Industry as Part of the *Solution*

4. Caution Democrats Against Aligning with Moore's Extremist Agenda

5. Game Plan for Various Potential Scenarios

Review: Our Target Audiences

- **Federal and state policymakers**
- **National media and media in key markets**
- **Political and health policy influencers**
- **Industry employees**

Strategy 1: Overview of Work Streams

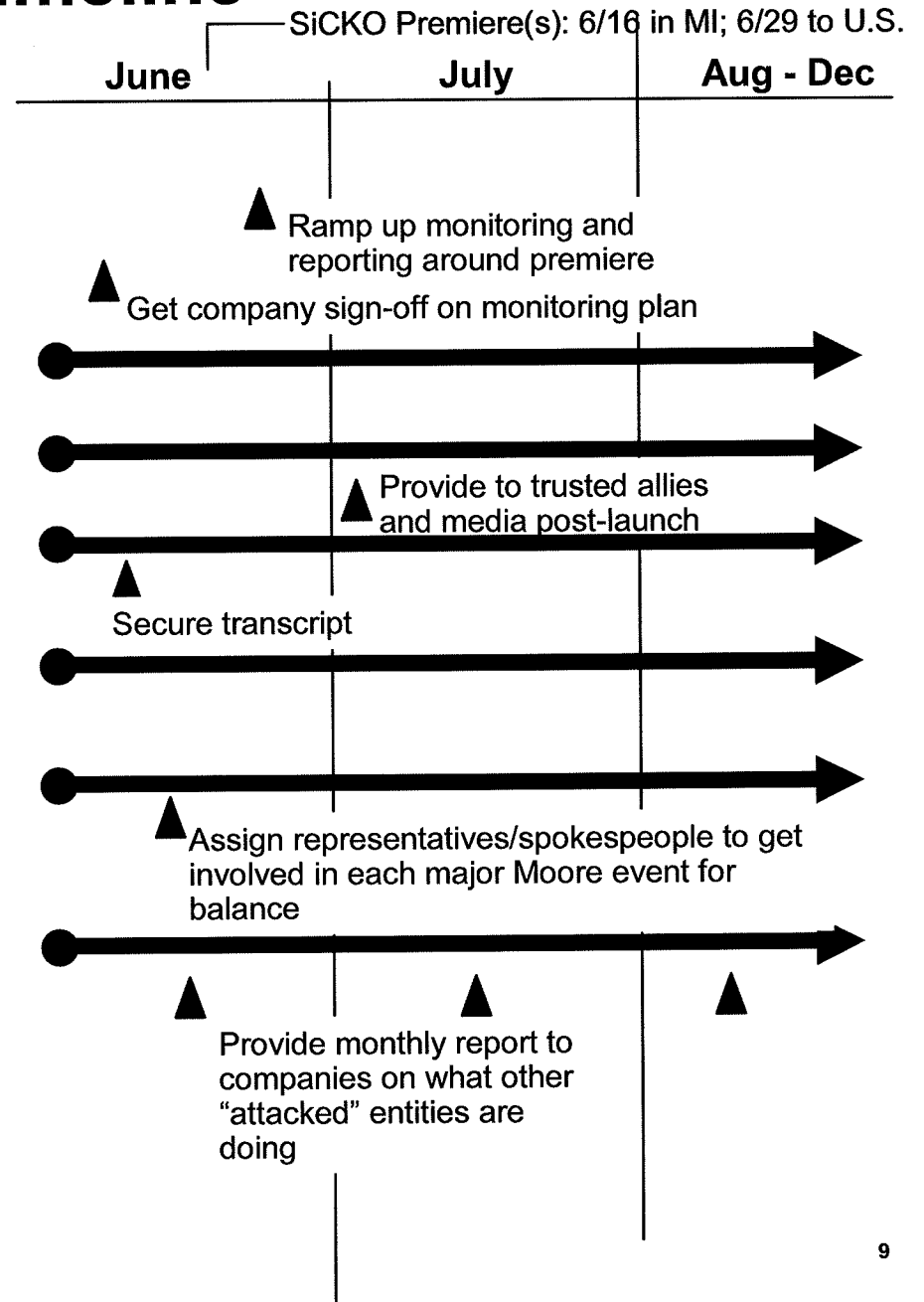
Debate the System, Not the Anecdotes

- **Work Stream 1: Provide ongoing monitoring and a complete resource library around the movie and facts in the movie**
- **Work Stream 2: Compile facts (as possible) on specific allegations in the movie**
- **Work Stream 3: Get out front of national coverage around the premiere of the movie**

Strategy 1: Tactics and Timeline

Provide ongoing monitoring and a complete resource library around the movie and facts in the movie

- Create an up-to-the-minute media and Web monitoring system around the movie
- Catalog all media to date around SiCKO
- Highlight most outrageous quotes from Moore, document his positions in key issues
- Log all known cases, attacks on industry, people in film
- Track events, screenings, *etc.* related to the movie. Develop a master calendar that can be shared with the companies
- Evaluate how other industries and entities are responding



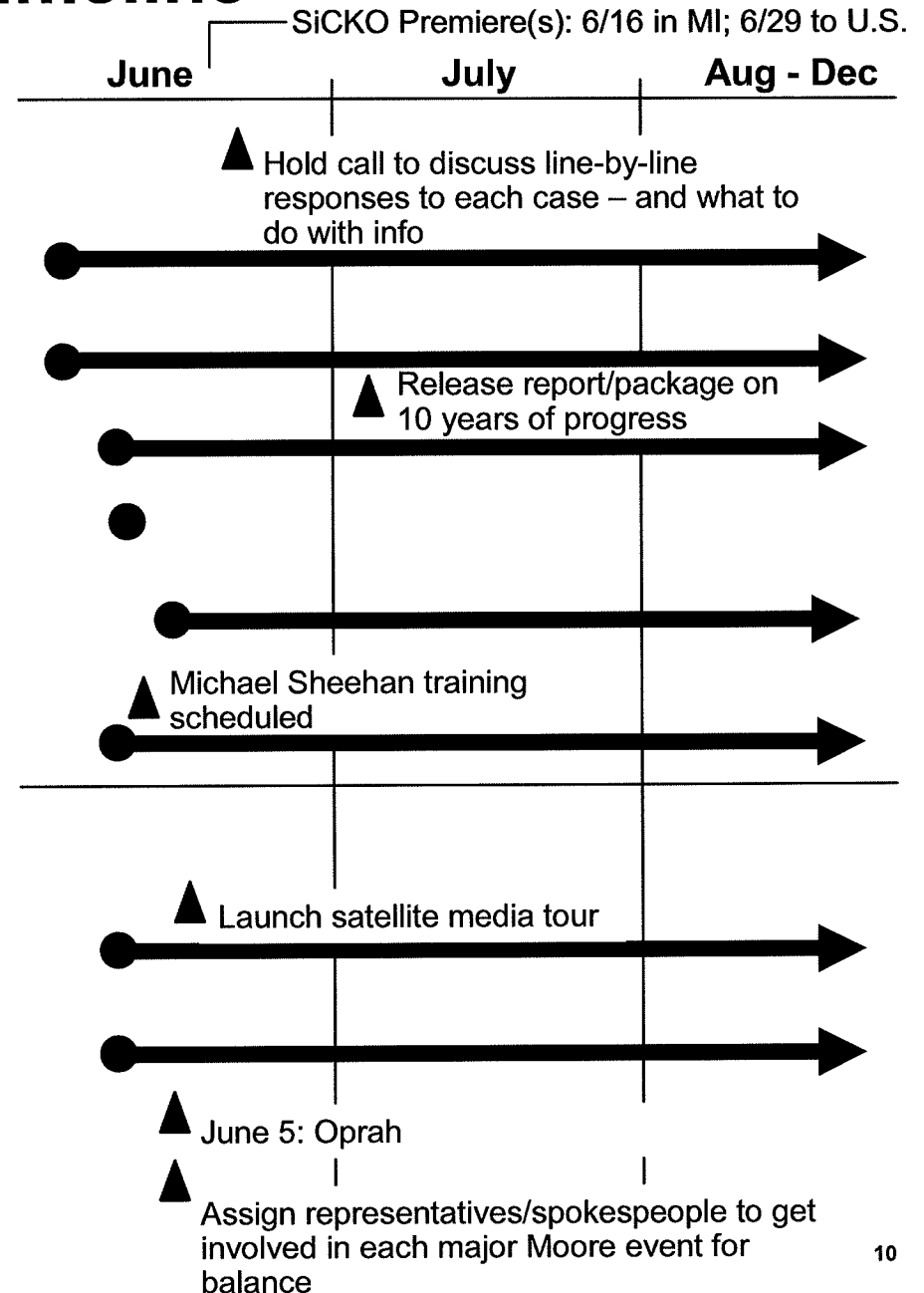
Strategy 1: Tactics and Timeline

Compile facts (as possible) on specific allegations in the movie

- Work with companies, as appropriate, to fact-check allegations
- Annotate the complete script of the movie to correct inaccuracies
- Document where industry practices have evolved
- Provide responses and/or guidelines for responding to member companies
- Develop talking points for companies to use to “acknowledge” stories in human terms and to “correct the record” if appropriate
- Media train industry spokespeople

Get out front of national coverage around the premiere of the movie

- Offer industry spokespeople to major national outlets
- Monitor media to try to identify shows where Moore will be featured, actively seek to place an industry spokesperson



Strategy 2: Overview of Work Streams

Reframe the Debate

- **Work Stream 1: Build an arsenal of facts about government-run health care**
- **Work Stream 2: Recruit and mobilize allies**
- **Work Stream 3: Highlight horror stories of government-run systems**
- **Work Stream 4: Put Moore on defensive regarding Cuba**

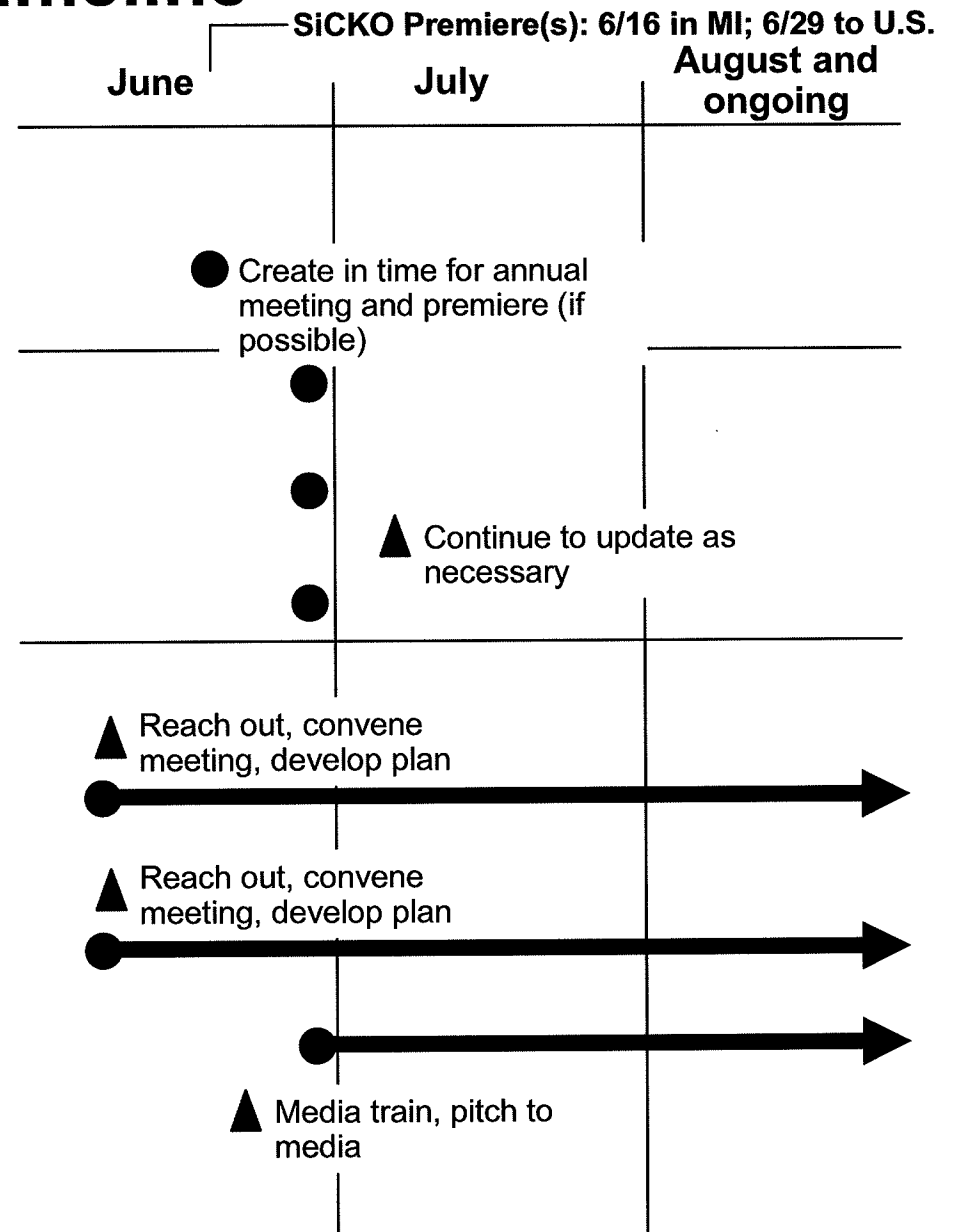
Strategy 2: Tactics and Timeline

Build an arsenal of the facts about government-run health care

- Develop myth/fact sheet for allies to disseminate strategically
- Use survey research to validate the perceived shortcomings of single-payer system
- Compile quantitative data and “best of” research on problems with govt-run health care system (rationing, wait times etc.)
- Compile all materials into user-friendly formats for distribution

Recruit and mobilize allies

- Identify free-market allies (Health Care America, AEI, Heritage, CATO, Pacific Research Institute, Galen, etc.) who will have a vested interest in critiquing single payer health care
- Identify Cuban-American organizations that will be outraged by Moore’s portrayal of the Cuban health care system
- Identify “unlikely” allies – medical specialty organizations, patient groups, and others that may oppose government-run health care



Strategy 2: Tactics and Timeline

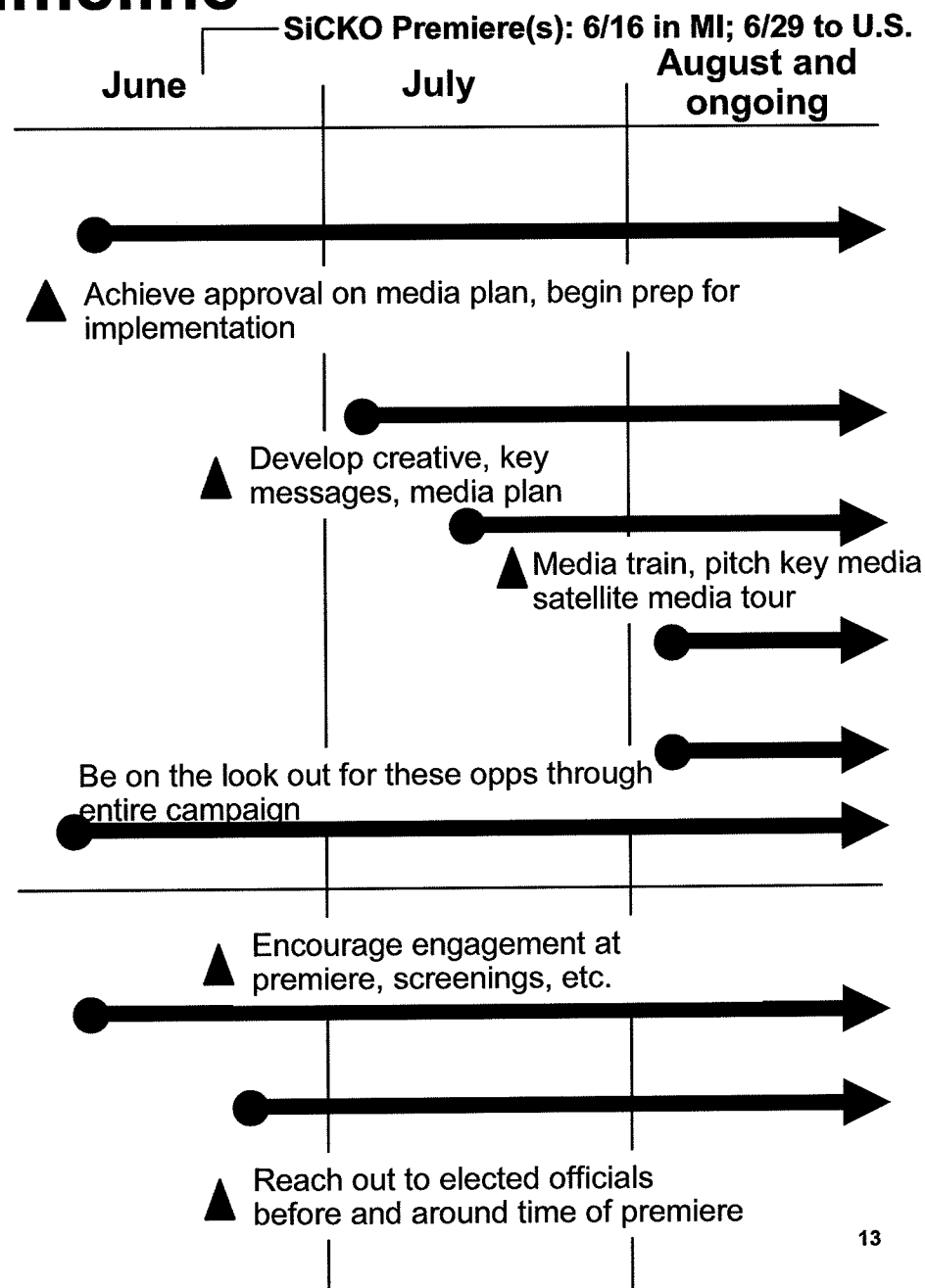
Highlight horror stories of govt.-run systems

- Conduct aggressive national and regional media outreach to ensure that allies are inserted into the coverage around the policy debate so that an alternative view is represented in the article
- Create an ad that would show Democrats the likely response to a single-payer proposal. Float the ad on the Internet and encourage conservatives to donate money to the allied organization to support running the ad.
- Produce vignettes featuring victims of single payer-systems. Distribute on web sites, via conservative bloggers and YouTube
- Bring victims of single-payer systems to the US for a media tour
- Interview doctors who work in clinics on the US-Canada border about why Canadians come to the US for care
- Seek opportunities to tell the Single Payer story with national media (WSJ, John Stossel, etc.)

Put Moore on Defensive regarding Cuba

- Encourage Cuban groups to engage with media and directly with Moore
- Encourage elected officials who are sympathetic to Cuban-Americans to criticize Moore for his portrayal of Cuba

(continued)



Strategy 3: Overview of Work Streams

Define the Health Insurance Industry as Part of the Solution

- **Work Stream 1: Spread the word about “proactive solutions” for health care**
- **Work Stream 2: Conduct fact-based industry value campaign in Beltway and key markets**
- **Work Stream 3: Raise awareness of the industry’s independent external appeals process**
- **Work Stream 4: Provide guidance on internal communications**

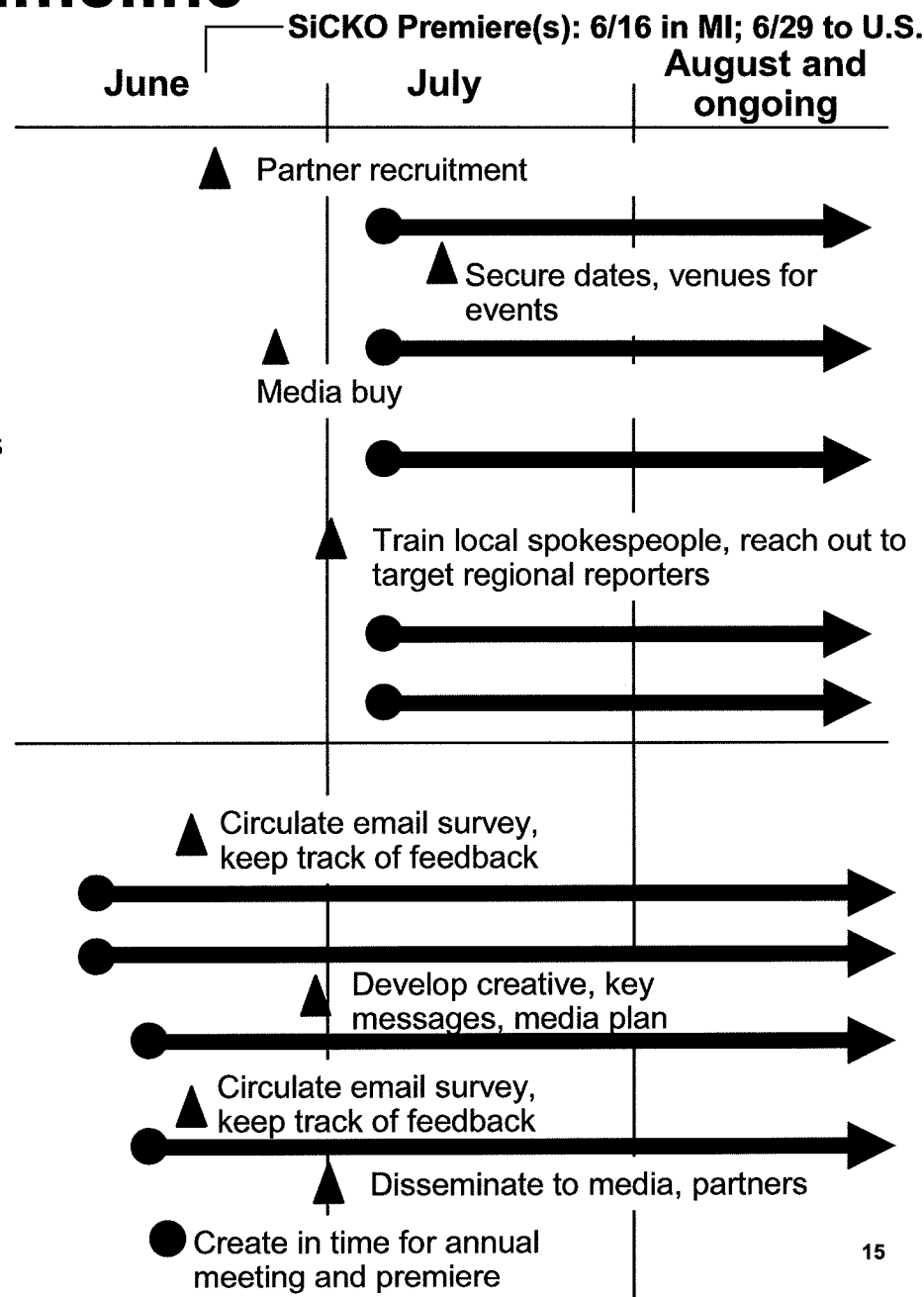
Strategy 3: Tactics and Timeline

Spread the word about reform proposals

- Host forums in IA, SC, and NH with local partners to push the need for universal coverage that covers all Americans
- Increase Beltway advertising around industry support for universal coverage
- Conduct ed boards, desksides and conference calls on health reform, policy positions with targeted regional media
- Pitch “positive story” via toolkits and reports to key media outlets (e.g., Larry King, News Hour)
- Distribute media packets on industry and its positions broadly

Conduct fact-based industry value campaign in Beltway and key markets

- Survey the companies for compelling case studies
- Ramp up PR around patient-focused stories
- Develop sustained earned and limited paid media effort to showcase the human side of the industry’s contributions
- Collect data on industry progress, customer sat., outcomes, claims approvals, prompt payments, etc.
- Create media tool kit on industry’s positions, strong track records, etc.



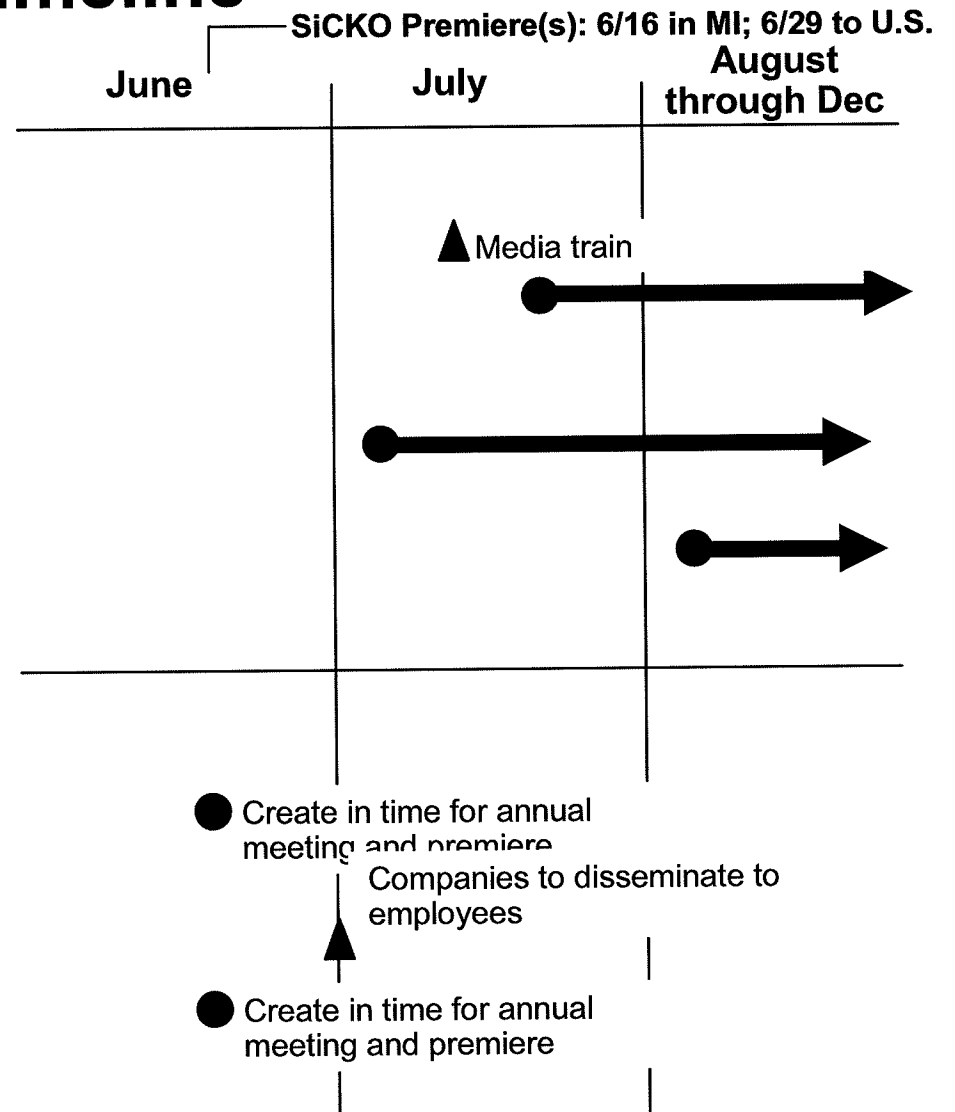
Strategy 3: Tactics and Timeline

Raise awareness of the industry's independent external appeals process

- Identify independent spokespeople from appeal boards who can speak to the media
- Prepare materials for policymakers and the press that document the appeals process and typical time frames
- Consider consumer-friendly changes that could be made to make the appeals process easier to access

Provide guidance on internal communication

- Prepare “distilled” materials that each company can use or tailor to communicate with employees
- Equip company employees with “facts and priorities” sheet to address questions and concerns



(continued)

Strategy 4: Overview of Work Streams

Caution Democrats Against Aligning with Moore's Extremist Agenda

- **Work Stream 1: Encourage centrist Democrats to warn the party about the risk of an association with Moore**
- **Work Stream 2: Encourage Republicans to raise Moore as a political liability for Democrats**

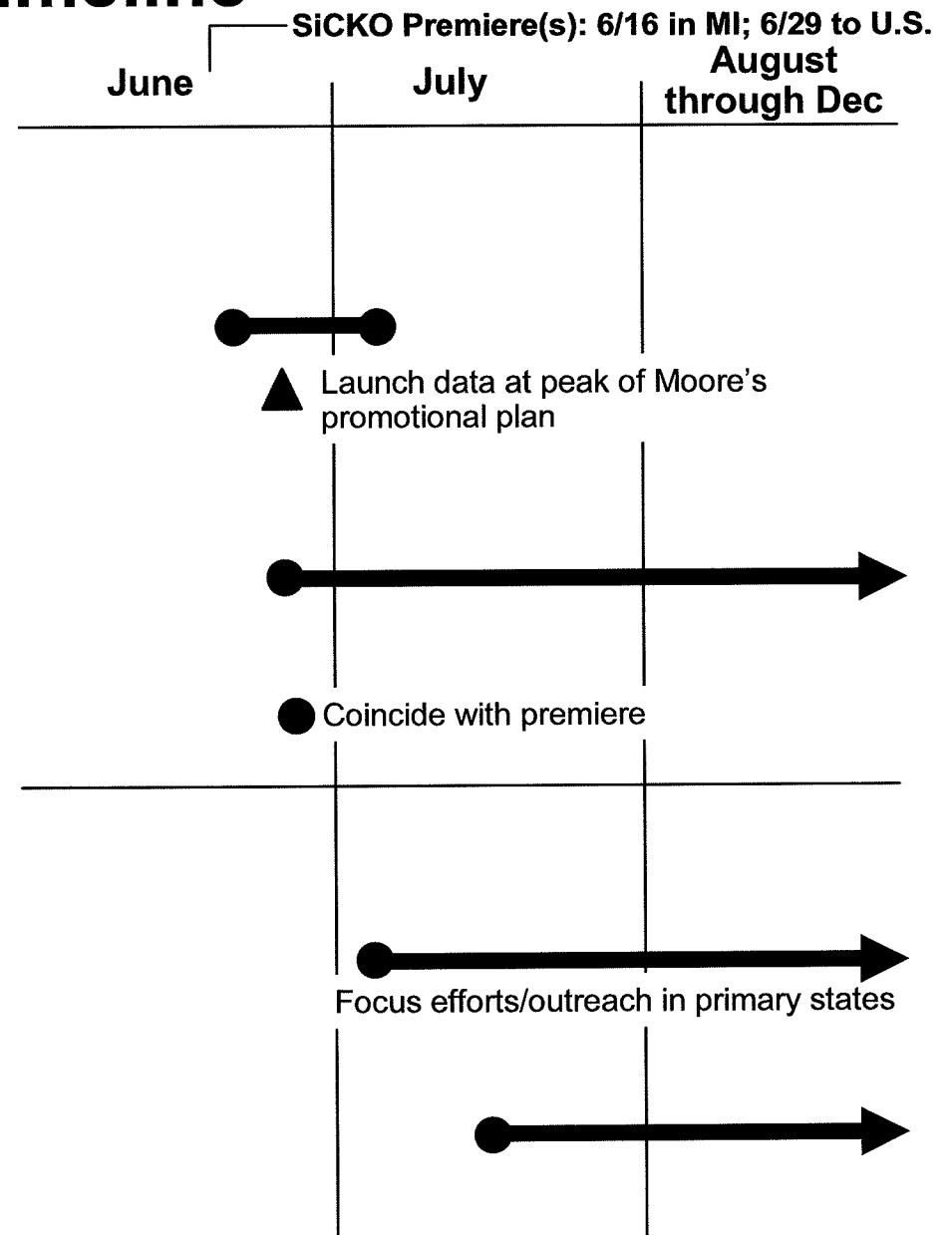
Strategy 4: Tactics and Timeline

Encourage centrist Democrats to warn the party about the risk of an association with Moore

- Conduct research with a Democratic polling firm to show that, regardless of positive movie reviews, Moore's views are out of sync with most American voters
- Encourage Democratic pundits to speak to media, candidates, congressional leaders, etc. about the potential harms of being linked to Moore
- Seek to place an oped from a prominent Democrat warning about too close an affiliation with Moore

Encourage Republicans to raise Moore as a political liability for Democrats

- Encourage Republican media strategists to cut an ad that shows the way for Republicans to attack Democrats who are too close to Moore
- Distribute the ad to political columnists and via conservative bloggers



Strategy 5: Overview of Work Streams

Plan for Various Potential Scenarios

- **Work Stream 1: Events by Moore or allies targeting company locations**
- **Work Stream 2: Significant political events rallying around Moore and/or the movie**
- **Work Stream 3: Fundamental shift in the health care “center of gravity”**

Strategy 5: Tactics and Timeline

Events by Moore or allies targeting company locations

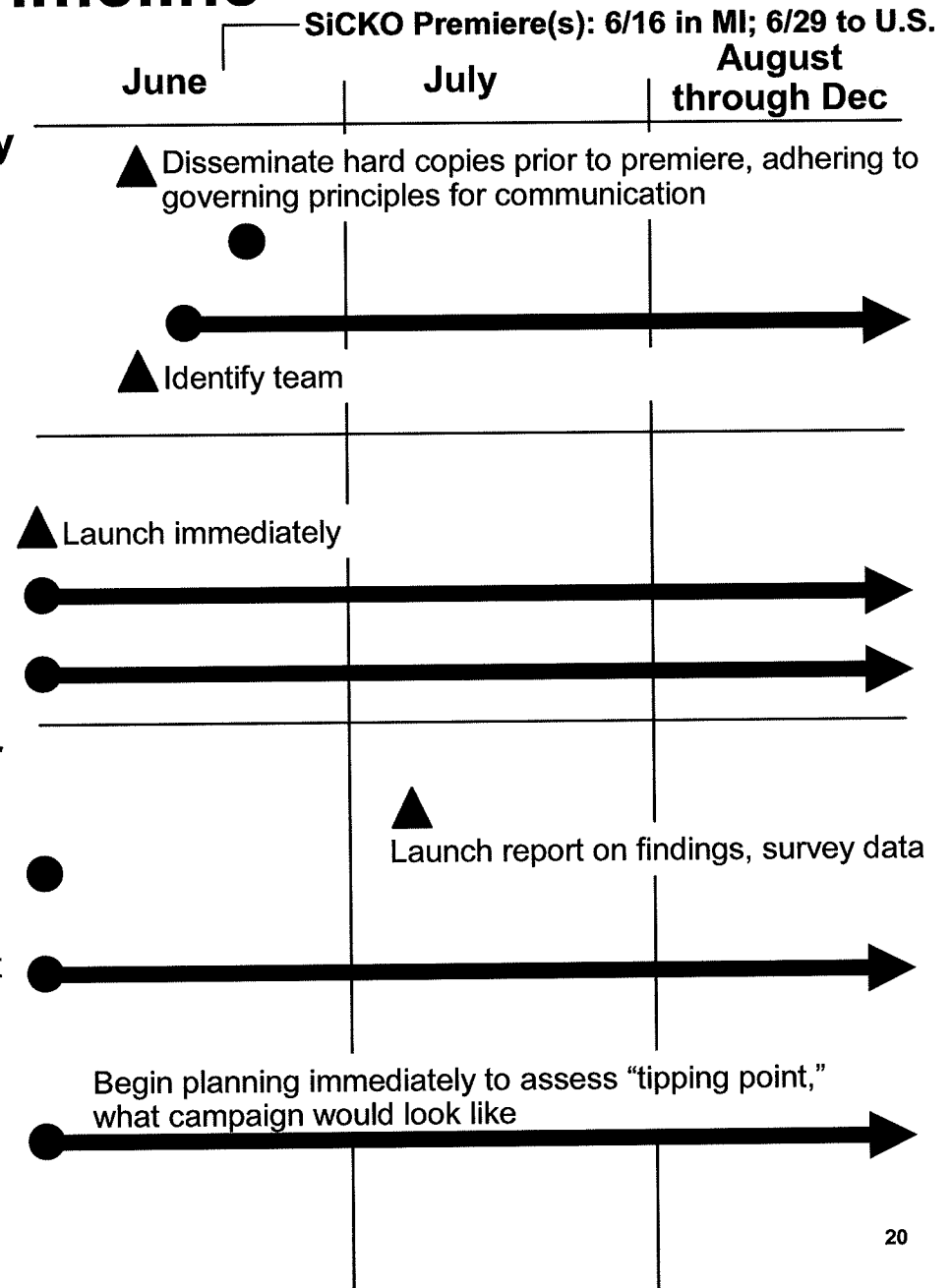
- Suggested action plan for companies with talking points
- Industry “crisis-team” ready to be deployed to hot spots

Significant political events rallying around Moore and/or the movie

- Early warning system via monitoring
- Active campaign to insert industry and ally viewpoints into media coverage

Fundamental shift in the health care “center of gravity”

- Ongoing tracking of public attitudes about single-payer health care
- ★ — Ongoing monitoring of public policy proposals put forward to candidates and shifts in rhetoric
- Research and message development for an aggressive national paid and earned media campaign to **disqualify** government-run health care as a politically viable solution.



Endgames

Best Case

- ✓ The movie is a major public relations and reputation challenge for a number of months – but does not fundamentally alter the politics of health care
- ✓ Media coverage reflects the industry's position, positive initiatives and eagerness to engage in a substantive dialogue

Worst Case

- ✓ Movie changes the political center of gravity on health care
- ✓ The movie sparks a long-term public relations and reputation challenge for the industry

Discussion

High-Level Timeline for Implementation of Strategic Plan

Strategies

Timeline

