

NLWJC - Kagan

Counsel - Box 037 - Folder 003

General [1]

WELFARE REFORM IMPLEMENTATION GROUP
Agenda for 12/17/96

I. Immediate Issues

- a) Technicals -- went to Hill on 12/16
- b) HHS 10/23 Q and A: OMB to report on status
- c) SSA notice to Legal immigrants: cleared
- d) Medicaid: Emergency Redetermination Rule
 \$500M distribution
 clearance on the manual (not here yet?)
 100 hour rule change (here?)
- e) HHS IV-D waiver issue: HHS draft plan here; budget implications?
- f) all-or-none: next steps?
- g) prenatal care for illegals
- h) non-covered 40 quarters: DOJ update on timing of opinion

III. January 1 issues

- a) Verification: DOJ Guidance
- b) Disability Reg: INS to issue interim final by late December
- c) Means Tested Benefits: SSA Counsel signoff -- last step before DOJ;
 has OMB done list of programs?
- d) New affidavit from INS -- draft by mid Dec. Statutory deadline: 12/29
- e) Teen Pregnancy Report -- HHS to brief WH this week
- f) Statutory Rape -- DOJ nearly done; briefing this week?
- g) SSBG option on immigrants -- done

IV. Pending Decisions

- a) Medicaid Bucket -- legal interpretation settled?
- b) SSI kids



BENAMI_J @ A1
12/10/96 09:40:00 AM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: RASCO_C @ A1@CD@LNGTWY
Subject: Final Top Ten List

Following is my final top ten list:

Most are now resolved, in the budget discussion, or near completion.

The two that are hanging out there are Means Tested Benefits -- which is only awaiting DOL lawyers signoff before going to Justice and the Disability Reg which is taking a lot longer than we had hoped.

We have an implementation meeting at 3 today and we will be going over some systems issues as well as outstanding implementation issues.

CURRENT TOP TEN LIST OF WELFARE ISSUES

1. Technicals
 - Bill nearly cleared
 - Hopefully send to Hill Tuesday December 10
2. HHS Q/A's from 10/23
 - OMB has approved 70 percent; HHS has new answer
 - Goal: finalize ASAP
3. Means Tested Benefits
 - Counsels are still communicating among themselves; letter to DOJ anticipated
 - DOJ turnaround should be rapid
 - Goal: decision ASAP
4. TANF Plan Issues
 - resolved; see NY Times, p. B6 today!!
5. All or None Issue
 - No resolution
6. Disability Reg
 - Goal: Get reg finalized and out in mid December

Issues now in the budget discussion

7. Medicaid "Bucket" Issue
 - Issue has been deferred into budget discussions
 - OMB/HCFA discussing scoring assumptions with CBO
 - Administrative vs. Legislative route not decided; awaiting budget discussion
 - Goal: decision in budget context on paying for or not; then decision to proceed administratively or legislatively.

8. SSI Children
 - Issue being discussed now in budget context
 - Decision by 12/22

9. Cuban/Haitian
 - Goal: include fix in technicals if not too expensive; otherwise in budget

Message Sent To:

Kenneth S. Apfel
Keith J. Fontenot
Emily Bromberg
Elena Kagan
FORTUNA_D @ A1@CD@LNGTWY
ABERNATHY_P @ A1@CD@LNGTWY



FORTUNA_D @ A1
12/10/96 10:14:00 AM

Record Type: Record

To: BENAMI_J @ A1@CD@LNGTWY

cc: See the distribution list at the bottom of this message

Subject: RE: Agenda for 3:00

Sorry to add to the agenda, Jeremy, since I know you are trying to close it down to zero prior to 12/20, but I would add the following:

1. HHS thinks that there is still a policy decision to be made on how to revise budget neutrality for waivers w/IV-D features. Does this make sense, OMB? Monahan says they'll have a proposal to present soon.
2. HCFA is looking to clear 3 things in the next week or so: emergency reg on extending eligibility redeterminations; revised state Medicaid manual; and something on the 100-hour rule.
3. HCFA \$500m distribution: probably worth a quick update; I think it's getting resolved
4. technical corrections rollout -- with states, advocates; how to make them feel they got an alert
5. mention NCSL roundtable on Friday and just describe for people
6. should talk about prenatal care for illegals/Sen. Kennedy letter to AG; community providers pushing us as they try to find a way to stop Wilson from cutting off state-only program; not clear there is one; Kennedy wrote Reno saying it could be in AG order on emergency programs, but this is means-tested Medical, not subsidized charity care, so not clear what's possible legally. Warnath had meeting on it this morning w/DOJ, HHS, OMB, community providers.
7. Doesn't HHS now have to go back and renegotiate all the cost neutrality provisions in the waivers now that there is a decision rule? Do they have a process for this?

Question to OMB: Is fixing SSI/Medicaid bucket really on OMB options list, or is it getting lost?

Message Copied To: _____

WELFARE REFORM IMPLEMENTATION GROUP
Agenda for 12/10/96

I. **Systems Discussion (OIRA)**

II. **Immediate Issues**

- a) Technicals: Should be cleared today; to Hill tomorrow?
 - Talking points done? Rollout plan?
 - outstanding issue: Cuban/Haitians
- b) HHS 10/23 Q and A: Is it finally cleared?
- c) SSA notice to Legal immigrants: in clearance
- d) TANF State Plan issues: discussion of NY/NJ notifications and reaction
- e) Medicaid: Emergency Redetermination Rule
 - \$500M distribution
 - clearance on the manual
 - 100 hour rule change
- f) HHS IV-D waiver issue: Proposal shortly from HHS?
- g) alert on NCSL roundtable
- h) prenatal care for illegals -- Warnath/DOJ update

III. **January 1 issues**

- a) Verification: DOJ Guidance
- b) Disability Reg: INS to issue interim final by ^{late}mid December
- c) Means Tested Benefits: HHS Counsel to get letter to DOJ
 - Discussion of how to issue - *use guidance memo as vehicle*
- d) Notification to states of SSBG option on immigrants
 - HHS to present today
 - also - each agency should get out word re WMM programs.*
- e) New affidavit from INS -- draft by mid Dec. Statutory deadline: 12/29
- f) Teen Pregnancy Report -- HHS to brief WH next week
- g) Statutory Rape -- DOJ nearly done

IV. **Pending Decisions**

- a) Medicaid Bucket -- is this definitely on the options list?
- b) SSI kids



CRAFT_D @ A1
12/10/96 05:20:00 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc:

Subject: WELFARE IMPLEMENTATION SUBGROUP MEETING

MEMORANDUM TO DISTRIBUTION LIST

FROM: Jeremy D. Ben-Ami
Diana Fortuna
Steve Warnath
Domestic Policy Council

SUBJECT: Welfare Subgroup Meeting: December 17
Interim Guidance Meeting: December 13

Meeting One

We will hold the next Welfare Implementation Subgroup Meeting on Tuesday, December 17 at 3:00pm in OEOB 211. We have decided to meet on December 17 because the next Tuesday is Christmas Eve.

Meeting Two

We will be holding a meeting on the Interim Guidance on verification this Friday, December 13 in OEOB 211 at 11:30am. As you were previously notified by OMB, your agency's comments on the interim guidance draft must be received by DOJ by COB Thursday, December 12. Everyone on this welfare distribution list has been cleared for the meeting. If someone who is not on this list would like to attend the Interim Guidance meeting, please ask that person to call Dorothy K. Craft at (202) 456-5571 to provide clearance information.

PLEASE NOTE: The Tuesday Welfare Implementation Subgroup Meetings will continue to be held bi-weekly into the new year. The next meeting after December 17 will be Tuesday, January 7. Thank you.

Message Sent To: _____



BENAMI_J @ A1
12/02/96 10:46:00 AM

Record Type: Record

To: Kenneth S. Apfel, REED_B @ A1@CD@LNGTWY, GREEN_MG @ A1@CD@LNGTWY
cc: Elena Kagan, Emily Bromberg, FORTUNA_D @ A1@CD@LNGTWY, ABERNATHY_P @ A1@CD@LNGTWY
Subject: 5:00 meeting today

The 5:00 meeting today on welfare reform was set up by Carol and Laura to provide everyone in the White House an update on the various pieces of welfare work going on throughout the White House. The goal is information sharing and coordination!!

The following agenda would allow us to walk through the work of the implementation group, the development of the welfare to work initiative and the budget process. We would also be able to discuss various people's assumptions about what will be moving when in terms of legislation.

BRUCE/KEN/GENE -- Can you guys provide an update on the development of the welfare to work initiative? The status of the development of the more detailed specs? The likely timing of the introduction vis-a-vis the budget?

KEN -- Can you give your brief overview of the budget situation and the choices that are going to be faced?

Let me know if you guys see a problem with any of this?

WELFARE REFORM
White House Staff Meeting
December 2, 1996

- | | |
|---|----------------------------|
| I. Overview | Carol Rasco
Laura Tyson |
| II. Update on Implementation Group | Carol |
| Rasco | |
| a) Technical Corrections Legislation | |
| III. Update on Welfare to Work Initiative | Gene |

Sperling

Bruce Reed

IV. Update on Budget Issues and Process
Gene Sperling

Ken Apfel

V. Discussion of Legislative Timelines and Budget Release

- Technical Corrections: early December
- Welfare to Work Initiative
- Welfare Reform Policy Bill



BENAMI_J @ A1
12/02/96 12:18:00 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc: PIZZUTO_J @ A1@CD@LNGTWY
Subject: Wednesday intergovernmental meeting

Looking ahead to Wednesday's meeting with the intergovernmental groups, here is a rough cut at the agenda and the status of the various items that I know of. Please review (particularly Diana and Emily) and see what needs to be added. Note also the loops that need to be closed by Wednesday.

I. 10/23 Q and A -- The answers to these questions still need final clearance from OMB. I will talk to Keith Fontenot and we will get out as many of the answers as possible.

II. Cost Neutrality and Waivers -- Since we have an answer on this question now, we should spend some time on this on the agenda. EMILY will be talking to Monahan, Yvette Jackson and OMB about what paper we can share and how to present the answer.

III. Means Tested Benefits -- It is possible the decision may be made on this one as well. ELENA -- I have a call into you to discuss how we should be presenting this decision: what paper can be shared?

IV. Food Stamp 18-50 Guidance -- Should be cleared by Wednesday. USDA should be able to hand out and discuss. I am working with OMB to get that done.

Other items from last time:

-- John Monahan and Elaine Ryan agreed to meet to discuss TANF administration issues.

-- Bruce agreed to meet with the groups on welfare-to-work proposal.

-- NGA was having several meetings on employment issues.

-- There were also supposed to be further meetings with HHS on regs.

We agreed to have reports on each of these at 12/4 meeting.
Emily: can you find out from John if the regs and TANF meetings
took place? Bruce: did you meet with them?

We'll add reports from those meetings to the agenda if they took
place!

Look OK??

Message Sent To:

Emily Bromberg
Elena Kagan
RASCO_C @ A1@CD@LNGTWY
REED_B @ A1@CD@LNGTWY
FORTUNA_D @ A1@CD@LNGTWY

**PROJECTED PUBLICATION DATES
FOOD STAMP PROGRAM AND SPECIAL NUTRITION PROGRAM
WELFARE REFORM REGULATIONS**

Title	Proposed Rule	Final Rule
Food Stamp Recipient Claim Establishment and Collection Standards	05/01/97	02/01/98
Nondiscretionary Provisions	05/26/97*	02/26/98
Retailer Integrity, Fraud Reduction and Penalties	06/13/97	03/13/98
Welfare Reform and Regulatory Review/Program Management	06/27/97	03/27/98
Electronic Benefit Transfer (EBT) Welfare Reform Provisions	06/27/97	03/27/98
State Flexibility and Certification Provisions	07/04/97	04/07/98
Personal Responsibility Provisions	07/11/97	04/11/98
Work Provisions	07/11/97	04/11/98
Simplified Program	07/31/97	04/30/98
<i>statutory time frame</i> [Child and Adult Care Food Program	12/31/96	07/01/97

*Interim Rule

WELFARE IMPLEMENTATION SUBGROUP

Agenda for 11/26/96

General Discussion Items

Systems: Postponed till 12/10

Regs: Review Revised Agency Timelines

Reports: Review Revised Lists of Agency Reports

Issues

USDA -- 18-50 guidance: decision made, when does guidance go out?

SSA -- Non covered employment: how handle

Medicaid -- \$500M: how did states react to proposal?

ACF/OMB -- 10/23 Q and A: can HHS release #1,2,3,5? Rest done by 12/4

Technicals --- Should be done by mid-end of next week

Waiver Cost Neutrality -- how get decision out?

Verification -- has draft guidance been circulated?

Disability Reg -- still going to make mid Dec goal? *No. Many substantive comments.*

Means Tested -- DOJ still waiting for agency letters

New affidavit -- is it available for review?

TANF Plan issues -- NJ/NY/Cal -- Emily reviewing with HHS Leg

All or None --- under discussion

SSA naturalization notices -- when, who sending?

SSA Notice to Legal immigrants -- when available for review

SSBG State option -- HHS: how will it work?

Decisions Pending

SSI Kids

SSI/Medicaid Bucket

THE WHITE HOUSE
WASHINGTON

November 26, 1996

MEMORANDUM FOR THE PRESIDENT

From: Carol H. Rasco *CHR*
Subject: Report for November 16 - November 26, 1996

UPDATES ON KEY INITIATIVES

WELFARE REFORM IMPLEMENTATION

Technical Corrections to Welfare Reform -- Next week, HHS expects to send to Capitol Hill a package of technical corrections to the welfare law. The law called for such a package to be completed by last week. We have been fairly strict in drawing the line between technical corrections and policy changes, and have excluded from the package technical items with any significant cost.

Guidance Completed on Waiver of Food Stamp Work Requirements -- We have reached a decision within the Administration on how to define the circumstances under which we will allow waivers of the new food stamp work requirements due to high unemployment in an area. USDA will issue guidance to states shortly.

Continuation of Transitional Medicaid in Welfare Waivers -- We have also decided that the 26 states with existing or pending welfare waivers which include transitional Medicaid for people leaving welfare for work should be permitted to continue those parts of their waivers if they choose. OMB had raised questions about this because of our policy that waivers must be budget neutral. We will notify states of this decision shortly.

State TANF Plans Certified as Complete -- This week, HHS will certify as complete state TANF plans from Mississippi, Texas, and Kansas. Nebraska is expected to be approved shortly.

Problems with New York and New Jersey State Plans -- HHS is concerned New York and New Jersey submitted state TANF plans that appear to make it clear they do not plan to come into compliance with parts of the welfare reform law for a period of months. When HHS certifies a state plan is complete, it allows a state to receive the higher funding levels under TANF and makes the state subject to all the requirements of TANF, such as work participation rates. Therefore, this raises the question of whether these plans should be certified as complete. We will report on this more fully in the coming weeks.

States Objecting to HHS Plan on Medicaid Eligibility Funds -- Governors Voinovich and Miller may send a letter to HHS objecting to the department's plan to distribute \$500 million authorized by the welfare law. The \$500 million fund is intended to assist states in developing separate eligibility systems for Medicaid since it is no longer linked to welfare. The states want all of these funds to be distributed by formula. HHS proposes -- and we have been supportive of -- a plan whereby at least some of the funds would be used to reward states that do a good job on Medicaid outreach. Various compromises could be fashioned in this area.

Notices to Families with Children at Risk of Losing SSI -- Notices began going out this week to 300,000 families with disabled children on SSI that the children must be reevaluated under the new, stricter standard of disability contained in the welfare law. The Administration still has not released its interpretation of the new statutory definition. This regulation was due on November 22, and over 40,000 new applications are pending because of the delay.

IMMIGRATION

Annual Commissioner's Conference -- DPC staff attended several days of workshops and presentations covering many of the INS' activities over the past year and planning for the upcoming year at the annual INS' Commissioner's Conference in San Antonio. DPC staff presented the President's message recognizing the work of the men and women of the INS.

Prenatal Care to Illegal Immigrants - DPC staff organized an interagency meeting with representatives from California health clinics regarding California's provision of prenatal care under welfare reform legislation. (The interagency group decided not to write an Administration letter that could be used in the litigation on prenatal care benefits for undocumented women.)

EXTERNAL ACTIVITIES

MEETINGS AND SPEECHES

In Little Rock last week, I visited Catherine's House-- started about two years ago by the management team of the Sisters of Mercy at St. Mary's Academy. Catherine's House is a resource center which integrates and coordinates essential services to young parents and their children. It offers health care, social and parenting skills, support for completion of high schools, quality day care, career counseling, and technical training at their site near Philander Smith College.

Business people have repeatedly told me, and recently told the Governors, that their most critical need is assistance from states and communities to train clients in basic educational skills and life skills (e.g., conflict resolution, GED or higher education, appropriate attire and language, good work habits, etc.). Such training is needed prior to the client showing up for a job and/or specific skill training. Catherine's House stands as a model for this kind of programming needed in some format in communities across the country.

WELFARE REFORM
White House Staff Meeting
December 2, 1996

I. Overview Carol Rasco
Laura Tyson

II. Update on Implementation Group Carol Rasco
Jeremy Ben-Ami
a) Technical Corrections Legislation

III. Update on Welfare to Work Initiative Gene Sperling *(who own*
Bruce Reed *bill on work*
w/ Cary?
go to mayors in govts.?
how to define "hard to employ"

IV. Update on Budget Issues and Process Ken Apfel
Gene Sperling
(a) Tuesday Deputies meeting *CIL - returns costing \$*
(b) Thursday Principals meeting

V. Discussion of Legislative Timelines and Budget Release

- Technical Corrections: early December
- Welfare to Work Initiative
- Welfare Reform Policy Bill

Justice?? ←
call Randy

Thursday w/ cab budgetaries?

A way to make technical package shorter ~~ACU??~~ ...
cut explanations, e.g.?

65584



BENAMI_J @ A1
11/25/96 12:37:00 PM

Record Type: Record

To: See the distribution list at the bottom of this message
cc:
Subject: revised top ten list

The following is my most current cut at the top ten list. We're down to nine issues!!

I've included Chris/Pauline on this for the first time so you can see where I think some of the Medicaid issues are.

Special Flags:

No request letter yet.

* Elena: as far as I know still no movement on Means Tested, right? Anything we can do?

* Diana: December is here. Will the disability reg on naturalization get out this month?

* Keith: I'll call you about this, but can HHS have go ahead on questions 1,2,3,5 of the 10/23 Q/A?

Thanks. Please email with corrections/updates. Implementation meeting will be tomorrow at 3:00 in room 211.

CURRENT TOP TEN LIST OF WELFARE ISSUES

1. Technicals
 - OMB has passed back revised draft
 - Meeting with Ken tomorrow (time tbd by Ken's office)
 - Goal: bill to Hill week of 12/2
2. Administrative Decisions with Budget Implications -- In Process
 - * SSI Kids; Food Stamps 18-50's; Cost Neutrality Waivers/Transitional Medicaid
 - Meeting with Leon today
 - Goal: decision on FS and Trans Medicaid; defer SSI kids to budget process
3. HHS Q/A's from 10/23
 - OMB reviewing; working with ACF staff
 - Goal: responses to state groups at 12/4 intergovernmental meeting

4. Medicaid "Bucket" Issue
 - Issue has been deferred into budget discussions
 - OMB/HCFA discussing scoring assumptions
 - Administrative vs. Legislative route not decided; awaiting budget discussion
 - Goal: decision in budget context on paying for or not; then decision to proceed administratively or legislatively.
5. Means Tested Benefits
 - Counsels are still communicating among themselves; letter to DOJ anticipated
 - DOJ turnaround should be rapid
 - Goal: decision ASAP; had hoped by Thanksgiving
6. TANF Plan Issues
 - * Cal/NY/NJ issues with TANF plans
 - Emily working with Rich Tarplin to resolve
 - Goal: letters to states week of 11/25
7. All or None Issue
 - No resolution
 - JBA to pursue whether there is a budget impact
 - Goal: Decision as part of budget process?
8. Disability Reg
 - Goal: Get reg finalized and out in mid December.
9. Cuban/Haitian
 - Solution will cost \$

 - Goal: include fix in the budget package if appropriate

Issues Resolved from Last List

Medicaid Manual -- HCFA got clearance to circulate draft to states last week

Medicaid - \$500 million -- HCFA cleared to proceed with targeting approach despite

likely opposition from states

Medicaid Waiver (b)/(d) issue -- HCFA cleared to proceed with Option #3

Message Sent To:

INTERGOVERNMENTAL WELFARE REFORM MEETING

November 12, 1996

- I. Review of Issues/Recommendations from Casey Meeting on Substance Abuse
 - Elaine Ryan, APWA
 - Carol Rasco, DPC

- II. HCFA: Review of New Emergency Reg on Medicaid Redeterminations
 - Sally Richardson, HCFA Ask DP

- III. SSA Review of Regulatory Timeline
 - Carolyn Colvin, SSA

- IV. Questions Still Outstanding
 - John Monahan, HHS
 - HHS answers to 10/23 written questions
 - end of week
 - Cost Neutrality/waivers
 - Means tested benefits

- V. Other Business/New Questions

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

14-Nov-1996 10:36am

TO: (See Below)

FROM: Diana M. Fortuna
 Domestic Policy Council

SUBJECT: Clarification of Friday HHS meeting topics

To clarify the topics for Friday's 12:30 meeting on a variety of welfare reform topics, the agenda items are:

1. "All or none": this is the question, I believe, of whether the law allows states to pick and choose among classes of legal immigrants as they make their Jan. 1 Medicaid/TANF/SSBG decision. (Elena, I'd be interested in your take on this.)
2. \$500 million: this is the HCFA admin money for eligibility. HCFA has promised to share their approach with the states next week (no paper). This is the issue where the states will want a straightforward formula distribution of this money, but HCFA wants to use some of the money to reward states that do a good job on eligibility/outreach. So states may not be happy.
3. 1931 b vs. d waiver issue: This once-major issue has boiled down to having a very minor impact (really just Nebraska) regardless of the legal theory HHS chooses to interpret the law, but there is still a political overlay, in that the states will be mad if they choose one interpretation; and Chafee/advocates will be mad if we choose another.
4. The issue formerly known as "the California issue": they will have a preliminary take on whether they think states can become a TANF state and get the money early, but defer compliance with time limits, etc., until the first Federal dollar is drawn down.

(Note to the Medicaid types: we are getting a copy tomorrow (at the meeting) of their draft manual issuance. They want to share it with states on Wednesday of next week, so are seeking our comments by COB Monday. I don't know what issues are lurking in it. I assume the health division will come to tomorrow's meeting.)

Distribution:

HHS meeting 11/17/96

1. ACF issue - TANF implementation
CA, NY, NT

Proposal -

CA - implement TANF rules.
no Fed funds 1st w/
3-yr timing.

a. Option 2 - 7-6 - give some flexibility as to when to begin comment period. Also, some flex on other end. Accommodates issues of all 4 states other than above - admin process concerns provided this

Then - use state monies.

NY/NT -

They think they need not have auth to implement - need state leg. ←

b. We don't have auth to give ^{TANF} to ~~any~~ any states not implementing. - will allow it to go to CA. - Not NY/NT - not elig for funds.

What they'll do? -
a) ^{probably} use state funds

✓ HCFA issues

1. All-or-none? (qualified ^{alien} categories) - or only certain catgs.
PMI - 14 will cover
intel - 2 will not ^{207 Medicaid elig} indus

Recommendation - should be All-or-None ✓

2. Link between TANF + Medicaid eligibility -
Various diths in program.

how to handle - a) allow states to stipulate diths
b) not ask up-front - both terms

audit procedure afterwards to
make sure the populations match.

Can choose to make prog co-terminus.
Or - make easy to prevent p. from falling thru
cracks.

Medicaid - use Managed Care - means also like this -
But poss of reaction in
states → Hill.
states could do → d. applies only to income + resource side.
states could not do → 4 states have waivers w/ time limits/sacrifices

but there are no
states w/ more restrictive
states of this kind.

This approach essentially establishes a Medicaid eligibility floor.

3. SSOM fund

States will wait formula H. - no incentivizing.

Law-related only to AFDC / not to SSI.

Might be a way of
factoring this in →
into a formula, so
states must object to much

Check out "targeted
activities" - p. 5 -
to ensure people don't
lose Medicaid.



Sully
690-6262 (fax)

EXECUTIVE OFFICE OF THE PRESIDENT

18-Nov-1996 11:01am

TO: (See Below)

FROM: Jeremy D. Benami
Domestic Policy Council

SUBJECT: welfare recap

Here's where I think we are on the various items we need to respond on to HHS this week:

1. Q/A from 10/23 -- KEITH: I just sent over to you some edits from HHS to their draft from last week. I had told John your staff would be working with the ACF and ASMB folks today and tomorrow with the goal of signing off early this week.
2. MEDICAID issues: Please check the following summary:
 - (b)/(d) waiver issue -- I think we are all OK with HHS option #3. I will give them the go-ahead on that this morning
 - all-or-none issue -- I sense a sea change in our view on this issue. I will let HHS know that they do not have the go-ahead to go with the "all" answer. We should regroup by phone on this this morning
 - Medicaid Manual -- we need to let them know by Tues a.m. if there is anything we want them to pull out of the manual before the meetings this week with the states. DIANA: can you check in with OMB and get back directly to Sally
 - Paper on \$500M and on TANF/Medicaid eligibility: same as manual. Need to let HHS know if we have any objections to their approach. DIANA: can you coordinate with OMB and get back to Sally directly?
3. TANF state plan issues
 - Six states with minor timing issues: unless Keith/Elena Diana/Emily get back to me this morning with a significant problem on their proposal, I would like to give them the goahead to proceed on the six states with minor TANF timing issues

- NY/NJ/CAL -- bigger issues; everyone should read this paper closely, and I will schedule a conversation on this for Wednesday.

4. Technicals

I will call Rich this morning. I will tell him our general framework on timing: i.e., won't be done this week; will try to get something out by next week -- LRD in charge, but I will give him a few big comments like drop the bucket, drop the change in penalties, and drop the Title XX transfer. After that, I will tell him, his staff needs to work through LRD. Goal is to have at least a small package up there next week.

PLEASE LET ME KNOW IF THERE ARE ANY PROBLEMS WITH THE TIMETABLES AND ASSIGNMENTS ABOVE.. THANKS, JEREMY

Distribution:

TO: Keith J. Fontenot
TO: Diana M. Fortuna
TO: Barbara E. Washington
TO: Emily Bromberg
TO: Elena Kagan

CC: Kenneth S. Apfel
CC: Pauline M. Abernathy

OUTSTANDING ISSUES (TOP TEN PLUS ONE)

1. HHS Q/A's from 10/23
 - OMB reviewing – commitment to HHS is to get answer Mon or Tues
2. Technicals
 - Report due next week; in OMB circulation
 - WH to review hot issues – Friday meeting – see attached list
3. Administrative Decisions with Budget Implications -- In Process
 - SSI Kids
 - Food Stamps 18–50's
 - Cost Neutrality Waivers/Transitional Medicaid
4. Medicaid Manual
 - HCFA hopes to hand out next week as initial draft and begin consultation
 - WH/OMB to review/decide by Monday whether any issues need to be pulled before circulating draft
5. Medicaid "Bucket" Issue
 - Final options for legal review by WHC and HHS Counsel
 - By early next week, need agreement on whether should be in legislative package
6. Means Tested Benefits
 - Counsels are still communicating among themselves; letter to DOJ anticipated
 - DOJ turnaround should be rapid
 - Decision could be by Thanksgiving; could be wrapped into broader verification
7. TANF Plan Issues
 - 6 states with one month cushion on front end; two months on back end
 - California – assurances acceptable on state spending??
 - NY/NJ problems – are we OK with their approach
8. Medicaid – \$500 million
 - HCFA paper circulated
 - are we comfortable with their targeting approach rather than straight formula?

9. Medicaid Waiver (b)/(d) issue

- are we OK with option #3?
- WH, OMB to confer, answer needed on Monday a.m.

10. "All or None" Issue

- are we OK with "all"?
- WH, OMB to confer, answer needed on Monday a.m.

11. Medicaid - TANF eligibility linkages

- WH/OMB to review HHS paper on general approach
- get back to HHS on comfort level

Other

Disability Reg

Cuban/Haitians

TECHNICALS

1. Strategy

- generally need to consider release strategy, timing, format, etc.

2. Issues

- Move administering agency for contingency fund from Treasury to HHS
- Title XX transfer - eliminates 2 for 1 CCDBG requirement (p.4) drop
- drops 20% voc. ed clarification *put in to make sure HHS doesn't adopt its policy??*
- allows penalties to be less than 5 percent (p.9) drop
- including spending on aliens in MOE (p. 10-11) *??? need paper.*
- no state child poverty reports until three months after regs (p. 20) - *OK, probably*
- reporting requirements between January and July (p.25) *OK*
- add Medicare to programs even non-qualified alien can get (p.41) ~~OK~~ *(OK)*
- fixing the "bucket issue" by technical amendment (pp 42-43) drop
- Cuban/Haitian fix (pp 43-44) - *costs 1 - drop - maybe not - check*
- add 40 quarters exception to Federal means tested benefits (SSA p. 34) *OK*
- SSA: no technical on non-covered quarters (is that OK?) - discuss
- limit deeming of spouses to when living together (SSA p. 36) - drop
- privacy issue: allows SSA to reveal spouse/parent quarters (p. 42) - *OK*
- religiously affiliated organizations (DOJ 1-6)
- interstate immigrants - add constitutionality (DOJ 6-8)
- limit Gramm to crimes post enactment (DOJ 8-10) *- crime or conviction - after date? says it's the crime.*

I have to check

pub OK



Greenberg mts 11/18/90

1. Technicals

- immigrants / maintenance of effort
centrable as MOE?
poss to do over new
states would like new
not likely controversial

- transferability to Title XX §

- 20% voc ed training
pretty clear what they intended (^{advocate's} ~~their~~ way)
old result otherwise - creates class in b/w waiver + non-waiver
states.
best way to go middle ground - can fix later.
but you now - do broad -
then people will have reason to negotiate.

2. Waivers

1/2 states asserted circumstances
if states continue w/ waiver, any risk of
liability?

Just say this -
no liability?
how much time?

Do A + B →

3. Clarify from ITAA that

MOE can be satisfied by state follows
(non-TANF)

Another 2 + a?
Clarify to states

4. Should be more specific re-plan reqs
can't tell anything from the ones just filed

5. Could support work-reqs - process protection - applicable?

Built in dem. vid protection in his -
thru DP protection
also thru inhuman people abt good cause
work

WELFARE REFORM IMPLEMENTATION ISSUES LIST

11/12/96

ISSUE	PRODUCT	WHO	NEXT STEP
USDA			
1. 18-50 Waiver guidance	Draft waiver guidance	USDA	Pending Decision
SSA			
1. Children issue	Guidance to field on new definition	SSA, OMB, DPC	Pending Decision
2. SSI POMS including 40 quarters	Send new POMS to the field	SSA	DONE. Thank you.
3. Letter to SSI kids			Changes made. Mailed?
4. "Non-covered employment"			SSA Counsel was to consult with DOJ. Status?
5. Who does disability determinations for Medicaid purposes?			Issue flagged last time by SSA. Next step?
HHS Medicaid			
1. Medicaid waiver issue (section 1931)-- (b)/(d) issue	Guidance to states	HCFA, DPC, OMB	
2. Medicaid state options for legal immigrants losing SSI	Guidance to states	Elena, HHS, DPC	Elena, HHS held meeting: need update

3. Medicaid: Eligibility for children losing SSI	Advise states, advocates about our process for assuring coverage wherever possible	SSA, HCFA, DPC	HCFA TO REPORT ON 11/12 on plans for outreach to groups/states
4. Medicaid: Use of \$500m enhanced match	Manual issuance in December	HCFA	Draft notice for comment to states in mid-November?
Monitor TANF vs. Medicaid eligibility systems: fast track options?	Guidance to states	HCFA	Is HCFA working on this?
HHS - ACE			
1. State questions for Wednesday meeting	Written answers to questions	HHS	HHS was to have provided written answers by 11/7. Status?
2. Technical amendments	Report from Secretary to Congress on 11/22	HHS coordinating	Briefing upcoming. All agencies have their comments in?
3. Mechanics of 1/97 state option on SSBG	Guidance memo?	HHS to identify options	HHS to report 11/12
4. Cost neutrality for existing waivers	New agreements with states		Decision pending
5. Timing of cash flow to states for TANF ("Circulars question") and apportionment		HHS, OMB	Did HHS, OMB, states meet on this?

6. Timing question -- Of \$ and time limits	HHS answer		HHS looking at issue - to brief WH on options. When?
Monitor Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process
IMMIGRATION			
1. Verification: Veterans exemption	VA guidance on verifying vet status/DOD guidance on verifying active duty	Molly Brostrom/VA/DOD	Final comments by 11/13. Final version at 11/19 meeting.
2. Verification: Refugee/Asylee guidance	INS guidance to field on verifying status	INS	Paper by first week of Nov. for SSI and FS to use?
3. Verification: Guidance to other programs	Directive/Guidance memo from AG on verification		Once above steps done - by end of year have memo from AG; draft by mid-November
4. Disability Regulation	Final rule in December	INS working with OIRA, agencies	
5. Nursing Home Response Team			INS AND SSA AND HCFA AND HUD TO REPORT ON IDEAS AT NOV. 12 MTG. Then meeting with imm and serv provider advocates to brainstorm

6. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination TBD		Discussions among general counsels ongoing -- status?
7. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	Draft available for review in early Nov?
8. Applicability to Cuban/Haitian entrants		NSC	Status report?
Monitor Treaty issues	Draft AG determination by end of year	INS and DOJ/OPD	
Monitor Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Needs till November.
Exemptions for battered spouses	Analysis of possible Administration actions	DOJ/HHS	Two agencies to report on policy issues raised by new language

**THE WHITE HOUSE
WELFARE REFORM WEB PAGE**

These pages were developed to provide national information about welfare reform to all interested parties. These pages will serve as a gateway to all the federal agencies involved in the implementation of the new welfare law.

WHAT'S NEW!

☛ **The latest Child Support Report Issue concentrated on Welfare Reform**
(<http://www.acf.dhhs.gov/ACFPrograms/CSE/new/csr9610.html>)

☛ **Search the White House Database for the most recent speeches and press releases**
(<http://library.whitehouse.gov/library.cgi?phrase=welfare+reform&sm=08&sd=22&sy=1996&em=12&ed=26&ey=1996&items=10&type=recency&status=Submit+this+search+form&status=SUBMIT&request=all>)

☛ **New Definition of Childhood Disability**
(<http://www.ssa.gov/welfare/11053.html>)

INFORMATION ON BILL PROVISIONS

SPEECHES AND TESTIMONY

**ADMINISTRATION GUIDANCE ON TANF, IMMIGRATION, FOOD STAMPS
FAMILY VIOLENCE, SOCIAL SECURITY AND MEDICAID**

? FREQUENTLY ASKED QUESTIONS

ADDITIONAL RESOURCES

SEND YOUR COMMENTS TO _____

INFORMATION ON BILL PROVISIONS

- **Text of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Links to Specific Sections)**
(<http://thomas.loc.gov/cgi-bin/query/z?c104:H.R.3734.ENR:>)
- **The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (HHS Fact Sheet)**
(<http://www.os.dhhs.gov/news/press/1996pres/960822a.html>)
- **Summary of Food Stamp Provisions**
(<http://www.usda.gov/fcs/stamps/welfare.htm>)
- **Medicaid - Summary of Provisions**
(<http://www.hcfa.gov/medicaid/welrefrm.htm>)
- **Social Security Summary**
(http://www.ssa.gov/welfare/legis_bu.html)
- **Child Care Summary**

SPEECHES AND TESTIMONY

- **President's Remarks at the Bill Signing—August 22, 1996**
(<http://www.acf.dhhs.gov/news/welfare/wr/822potus.htm>)
- **President's Remarks Endorsing the WR Bill – July 31, 1996**
(<http://www.acf.dhhs.gov/news/welfare/wr/731potus.htm>)
- **White House Press Secretary's Statement on Immigrants**
(<http://www.acf.dhhs.gov/news/welfare/wr/823potus.htm>)
- **HHS Testimony on Child Support Enforcement (Sept. 19, 1996)**
by David Ross, Deputy Director of Child Support Enforcement
(<http://www.acf.dhhs.gov/ACFPrograms/CSE/new/csetest.html>)
- **SSA Testimony on SSI and welfare reform implementation (October 10, 1996)**
by Carolyn Colvin, Deputy Commissioner for Programs and Policy
(<http://www.ssa.gov/welfare/colvin.html>)
- **HHS Testimony on Welfare Reform (September 17, 1996)**
by Olivia Golden, Acting Assistant Secretary for Children and Families
- **Welfare to Work Challenge Document**

ADMINISTRATION GUIDANCE

Temporary Assistance for Needy Families Program

- **State Guidance**
(<http://www.acf.dhhs.gov/news/welfare/guide.htm>)
- **State Allocation Tables**
(<http://www.acf.dhhs.gov/news/welfare/staloc>)

Immigration

- **Directive on Improving Naturalization Process**
(<http://docs.whitehouse.gov/white-house-publications/1996/08/1996-08-22-directive-on-improving-naturalization-process.text>)
- **Directive on Certifying Aliens Food Stamp Eligibility**
(<http://docs.whitehouse.gov/white-house-publications/1996/08/1996-08-22-directive-on-certifying-aliens-food-stamp-eligibility.text>)
- **Guidance** on naturalizing citizens with disabilities
- **Guidance** on three categories of exemption

Food Stamps

- **Directive on Certifying Aliens Food Stamp Eligibility**
(<http://docs.whitehouse.gov/white-house-publications/1996/08/1996-08-22-directive-on-certifying-aliens-food-stamp-eligibility.text>)
- USDA letter to states clarifying timetable for bill provisions
- USDA guidance on waivers for 18 - 50 year olds
- USDA guidance on the 40 quarter rule

Family Violence

- **President's Memorandum to Secretary of Health and Human Services and the Attorney General on Guidelines to States Implementing the Family Violence Provisions**
(<http://www.whitehouse.gov/white-house-publications/1996/10/1996-10-03-directive-for-implementing-family-violence-provisions.text>)
- Attorney General's Memorandum on Exempted Programs

Social Security

- Timeline Document (they have an internal one already)
- Fact Sheet on 40 quarter determination
- Letter to advocates explaining timetables for SSI immigrants

Medicaid

- **Link Between Medicaid and Temporary Assistance for Needy Families (TANF)**
(<http://www.hcfa.gov/medicaid/wrfs1.htm>)
- **Link Between Medicaid and SSI Coverage of Children**
(<http://www.hcfa.gov/medicaid/wrfs2.htm>)
- **Link Between Medicaid and the Immigration Provisions**
(<http://www.hcfa.gov/medicaid/wrfs3.htm>)
- **Increased Federal Matching Rates for Extra Administrative Cost of Eligibility Determination**
(<http://www.hcfa.gov/medicaid/wrfs4.htm>)

? FREQUENTLY ASKED QUESTIONS

- Definition of means-tested program
- HHS/ACF Q/A provided to state directors (?)

ADDITIONAL RESOURCES

Departmental Pages on Welfare Reform

- **U.S. Department of Health and Human Services**
(<http://www.acf.dhhs.gov/news/welfare/>)
- **U.S. Social Security Administration**
(<http://www.ssa.gov/welfare/>)
- **U.S. Department of Agriculture**
(<http://www.usda.gov/fcs/whatsnew.htm>)

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

25-Oct-1996 09:25am

TO: Kenneth S. Apfel
TO: Emily Bromberg
TO: Diana M. Fortuna
TO: Elena Kagan
TO: Stephen C. Warnath

FROM: Jeremy D. Benami
 Domestic Policy Council

SUBJECT: Top Ten List

Good morning everyone.

I have run this top ten list past a couple of you - a couple haven't seen it. This is my best count of the hot issues of the week - and where I think we are. Can you guys all look at the list and in particular items with your name and provide us all any updates if appropriate.

No particular order:

1. SSI Imms - POMS/40 Qs/Refs/etc. - SSA had a key meeting yesterday to resolve remaining issues. They hope to get their guidance out Monday. Steve/Diana -- can one of you check in with SSA to see how yesterday went?
2. SSI Kids - decision - memo in process
3. USDA 18-50s - decision - memo in process
4. Means Tested - as of late Wed, next step was conversation Ken with Kevin - then possible WH/HHS conf call. Ken/Elena -- any update?
5. Cost Neutrality - Meeting Friday 11:00
6. Medicaid Waiver - (b)/(d) issue - HCFA mtg Wed eve. Diana -- are they coming to brief us on which states, etc.
7. Medicaid bucket - Elena -- did you talk further to Anna? To Cindy? What's next step?
8. Disability Reg - Diana calling meeting Fri/Mon. Is it set?
9. Cuban/Haitians - Further meetings required. Emily -- what's

new?

10. TANF timing question (\$ flowing vs. time limit in effect) -- HHS to look at more closely. I will talk to Monahan about this one.

Just making sure we're on top of all these things. Please email to all of us with updates.

Thanks.

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☛ **New Definition of Childhood Disability (SSA)**

SUMMARY OF BILL PROVISIONS

SPEECHES AND TESTIMONY

**ADMINISTRATION GUIDANCE ON
IMMIGRATION, MEDICAID, FAMILY VIOLENCE AND MORE**

? FREQUENTLY ASKED QUESTIONS

SEND YOUR COMMENTS TO _____

SUMMARY OF BILL PROVISIONS

- **Summary of Provisions in P.L.104-193: Comparison of Prior Law and the New Law**
(<http://aspe.os.dhhs.gov/hsp/isp/wreform.htm>)
- **Summary of Food Stamp Provisions**
(<http://www.usda.gov/fcs/stamps/welfare.htm>)
- **Medicaid - Summary of Provisions**
(<http://www.hcfa.gov/medicaid/welreform.htm>)
- **Medicaid - Summary of Provisions Impacting Non-Citizens**
(<http://www.hcfa.gov/immigrfm.htm>)
- Social Security Summary
- Child Support Summary
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- **Welfare to Work Challenge Document**
- **SSA Testimony (Carolyn Colvin)**
- **HHS Testimony (Olivia Golden?)**

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- **State Allocation Tables**
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- USDA guidance on waivers for 18 - 50 year olds
- USDA guidance on the 40 quarter rule

Family Violence

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(<http://www.whitehouse.gov/white-house-publications/1996/10/1996-10-03-directive-for-implementing-family-violence-provisions.text>)
- Attorney General's Memorandum on Exempted Programs

Social Security

- Timeline Document (they have an internal one already)
- Fact Sheet on 40 quarter determination
- Letter to advocates explaining timetables for SSI immigrants

Medicaid

- 4 fact sheets

? FREQUENTLY ASKED QUESTIONS

- Definition of means-tested program
- HHS/ACF Q/A provided to state directors (?)

WELFARE REFORM IMPLEMENTATION ISSUES LIST

10/22/96

ISSUE	PRODUCT	WHO	NEXT STEP
<u>USDA</u>			
1. 18-50 Waiver guidance	Draft waiver guidance	USDA	DONE. Thank you. ↗
2. Interim 40 quarters guidance	Policy memo to states	USDA drafting	Under review. ↘
3. Clarification letter	Letter	USDA draft	Rewrite.
<u>SSA</u>			
1. Children issue	Guidance to field on new definition	SSA, OMB, DPC	Awaiting decision memo
2. SSI 40 quarters guidance	Revised POMS		Expecting SSA to set meeting to brief on key decisions/issues (M/T this week?); Refugees/asylees waiting
3. Advocate letter on timing of SSI cuts; state groups want letter to states, with children added	Letter to advocates	SSA, DPC, Emily	Done? Cover letter to states?
4. "Non-covered employment"	<i>Letter from Congress. Problem w/ language? Who's asking for opinion?</i>		With letter now in, how to include in process?

ME

What process are we following?

<u>HHS - Medicaid</u>			
1. Medicaid waiver issue (section 1931)	Guidance to states	HCFA, DPC, OMB	Status update on waiver coverage issue
2. Medicaid state options for legal immigrants losing SSI	Guidance to states	Elena, HHS, DPC	Update on bucket issue
3. Medicaid: Eligibility for children losing SSI	Advise states, advocates about our process for assuring coverage wherever possible	SSA, HCFA, DPC	HCFA TO REPORT ON 11/5 on plans for outreach to groups/states
<u>Monitor</u> Medicaid: Use of \$500m enhanced match	Reg in December	HCFA	No news today
TANF vs. Medicaid eligibility systems: fast track options?	Guidance to states	HCFA	HCFA to discuss w/OMB, DPC - considering legal options/ need to monitor
<u>HHS - ACF</u>			
1. State questions for Wednesday meeting	Written answers to questions	HHS	In clearance; hope for response T 10/22
2. Technical amendments	Report from Secretary to Congress on 11/22	HHS beginning to coordinate?	All agencies should be contacting HHS; Brief report on progress?
3. Mechanics of 1/97 state option on SSBG	Guidance memo?	HHS to identify options	HHS TO REPORT AT 10/22 MEETING?
4. Cost neutrality for existing waivers	New agreements with states		OMB driving this process. Consulting with agencies.

ME
Anna D. ↙

5. Adoption/foster care link to SSI			HHS to report on issues actually underlying bill for child welfare at 10/22 mtg
6. Timing of cash flow to states for TANF ("Circulars question") and apportionment		HHS, OMB	Still outstanding - still need OMB clarification
7. California timing question	HHS answer		Initial thoughts from HHS were promised last time; based on meeting yesterday HHS lawyers to review issue
<u>Monitor</u> Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process
<u>IMMIGRATION</u>			
1. Verification: Veterans exemption	VA guidance on verifying vet status/DOD guidance on verifying active duty	Molly Brostrom/VA/DOD	Report from VA and DOD at 10.22 meeting
2. Verification: Refugee/Asylee guidance	INS guidance to field on verifying status	INS	paper by end of October for SSI and FS to use?
3. Verification: Guidance to other programs	Directive/Guidance memo from AG on verification		Once above steps done - by end of year have memo from AG (may need sooner)

Check

Support to check

4. Disability Regulation	Final rule (December?)	INS working with OIRA	Comment period ends 10/11? INS commitment to work toward final rule sooner if possible than mid December
5 Nursing Home Response Team			INS AND SSA AND HCFA TO REPORT ON IDEAS AT EARLY NOV MTG. Then meeting with imm and serv provider advocates to brainstorm
6. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination TBD		Discussions among general counsels ongoing -- status?
7. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment - ends 11/6/96
8. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	Draft available for review in early Nov
9. Applicability to Cuban/Haitian entrants	Sec 1 - 403.	NSC	Status report?
10. Nonprofit exemption from verification			Anything to do?
Monitor Treaty issues	Draft AG determination by end of year	INS and DOJ/OPD	INS and DOJ/OPD looking at issues; mtg with State on 10/11

Molly Prostra - assignment.

<u>Monitor</u> Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Needs till November.
<u>Monitor</u> Exemptions for battered women			Irene setting meeting with Justice
Letter from California re timing on legal immigrants?	Response?		DOJ to track down; report?
<u>Monitor</u> Other issues	Steve looking into the following issues: "federal public benefit," "state and local public benefit," "housing and community development programs," and U.S. Nationals	Steve Warnath	Steve will explore what flexibility there might be in these areas in conjunction with DOJ, HUD, etc. Any report?

WELFARE REFORM IMPLEMENTATION ISSUES LIST

10/29/96

ISSUE	PRODUCT	WHO	NEXT STEP
<u>USDA</u>			
1. 18-50 Waiver guidance	Draft waiver guidance	USDA	Pending Decision
<u>SSA</u>			
1. Children issue	Guidance to field on new definition	SSA, OMB, DPC	Pending Decision
2. SSI POMS including 40 quarters	Send new POMS to the field	SSA	Imminent -- a late issue arose.
3. Letters to advocates and state directors on SSI for immigrants		SSA	DONE. Thank you.
4. Letter to SSI kids			Is it at printer? Can changes be made. Need to review such notices.
5. "Non-covered employment"			SSA Counsel reviewing; discuss today next steps
<u>HHS Medicaid</u>			
1. Medicaid waiver issue (section 1931)-- (b)/(d) issue.	Guidance to states	HCFA, DPC, OMB	Limited number of states affected. What is next step?
2. Medicaid state options for legal immigrants losing SSI	Guidance to states	Elena, HHS, DPC	Elena talking to HHS Counsel: need update

*
 Counsel had w/ of 10/29/96
 SSA
 DPC

*

3. Medicaid: Eligibility for children losing SSI	Advise states, advocates about our process for assuring coverage wherever possible	SSA, HCFA, DPC	HCFA TO REPORT ON 11/12 on plans for outreach to groups/states
<u>Monitor</u> Medicaid: Use of \$500m enhanced match	Manual issuance in December	HCFA	No news today
<u>Monitor</u> TANF vs. Medicaid eligibility systems: fast track options?	Guidance to states [840d]	HCFA	HCFA to discuss w/OMB, DPC - considering legal options; what is next step?
<u>HHS - ACF</u>			
1. State questions for Wednesday meeting	Written answers to questions	HHS	New questions from 10/23 meeting -- answers by Nov 7?
2. Technical amendments	Report from Secretary to Congress on 11/22	HHS coordinating	Briefing on Thursday at Interagency meeting?
3. Mechanics of 1/97 state option on SSBG	Guidance memo?	HHS to identify options	HHS to report next time?
4. Cost neutrality for existing waivers	New agreements with states		Decision pending.
5. Adoption/foster care link _____			Briefing on Thursday at Interagency meeting
6. Timing of cash flow to states for TANF ("Circulars question") and apportionment		HHS, OMB	OMB answer delivered. OMB, HHS and groups were to talk further. Update?

7. Timing question -- Of \$ and time limits	HHS answer		HHS looking at issue -- what is timeframe for briefing?
<u>Monitor</u> Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process
<u>IMMIGRATION</u>			
1. Verification: Veterans exemption	VA guidance on verifying vet status/DOD guidance on verifying active duty	Molly Brostrom/VA/DOD	Draft paper ready by 10/29
2. Verification: Refugee/Asylee guidance	INS guidance to field on verifying status	INS	paper by end of October for SSI and FS to use?
3. Verification: Guidance to other programs	Directive/Guidance memo from AG on verification		Once above steps done -- by end of year have memo from AG (may need sooner)
4. Disability Regulation	Final rule (December?)	INS working with OIRA, agencies	Meeting held last week. Status?
5. Nursing Home Response Team			INS AND SSA AND HCFA AND HUD TO REPORT ON IDEAS AT NOV. 12 MTG. Then meeting with imm and serv provider advocates to brainstorm
6. "Means Tested"	Government-wide definition of means tested must be developed ASAP -- format and dissemination TBD		Discussions among general counsels ongoing -- status?

7. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment – ends 11/6/96
8. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	Draft available for review in early Nov
9. Applicability to Cuban/Haitian entrants		NSC	Status report?
10. Nonprofit exemption from verification			Anything to do?
<u>Monitor</u> Treaty issues	Draft AG determination by end of year	INS and DOJ/OPD	INS and DOJ/OPD looking at issues; mtg with State on 10/11; update?
<u>Monitor</u> Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Needs till November.
Exemptions for battered women	Analysis of possible Administration actions	DOJ/HHS	DOJ/HHS briefing to review options for implementation --TBD for end of next week. (Per SCW request) Contacts: Lucy Koh (DOJ) & Irene Bueno (HHS)
Letter from California re timing on legal immigrants?	Response?		DOJ responding

<u>Monitor</u> Other issues	Steve looking into the following issues: "federal public benefit," "state and local public benefit," "housing and community development programs," and U.S. Nationals	Steve Warnath	HHS (& HUD?) finalizing initial draft on "federal public benefits." Meeting discussing prenatal care issue in health clinics tomorrow.
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Dropped

Maintenance of effort on State Supplements

Longer Term

Redress for Improper Denial

Medicaid

Civil Rights Enforcement

Long-term Legislative Fixes

QUESTIONS

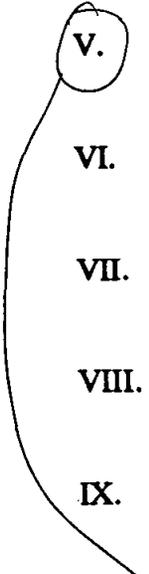
1. Systems to support time limits/child support/other?
2. DOJ reports on statutory rape, teen pregnancy
3. HHS: How to encourage states to do wage subsidy
4. Monitoring and evaluation
5. HHS: Cap on 15% admin costs and MIS issue
6. SSA: How states with state supps should report illegal aliens

DOJ letter
to California???

**INTERAGENCY WELFARE REFORM
IMPLEMENTATION WORKING GROUP**

October 31, 1996

- | | | |
|-------|---|-----------------------------|
| I. | DOJ Report on Outstanding Litiagation | Gary Grindler |
| II. | Review of State TANF Plans | Olivia Golden |
| III. | Technical Corrections Report | Rich Tarplin/Mary Bourdette |
| IV. | Impact of PRWORA on Child Welfare | Olivia Golden |
| V. | Report on Other DOJ Implementation Issues | Eldie Acheson |
| VI. | Cuban/Haitian Refugees | Rob Malley |
| VII. | Disability Regulation and Naturalization | Diana Fortuna |
| VIII. | Upcoming Events | Melissa Skolfield |
| IX. | New Business | |



- OPD
1. AG's under
 2. statutory rape
 3. Domestic violence actions - with HHS-guidance/tech ass to states?

- OLC
1. New set of qualified alien - barring - AG must opine
 2. Ventry procedures - to be circulated
 3. Means - Tested benefit / 70 hrs
 4. AG's under treaty obligations



INS

1. verification work - see above
2. Disability regulation
3. Guidance on reporting illegal aliens to INS.
4. Operative JOBS - already happening
may expand -
fits w/ welfare to work ideas.

OCTOBER 1996
WELFARE REFORM IMPLEMENTATION

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2 Senate Judiciary Subc. on Immigration (Simpson) Hearing on implementation of immigration and naturalization laws	3 Coalition on Human Needs and other groups Briefing on Welfare Reform -- John Monahan, Ann Rosewater, Olivia Golden remarks Univ. of San Francisco Family Support Council Presidential Forum: "The State of Welfare vs. the Welfare State" Sharon M. Fujii, ACF remarks USDA/FCS Midwest Region Welfare Reform Meeting, (Oct. 3-4) (Chicago, IL)	4	5
6 Exec. Committee of the Nat. Assoc. of State Medicaid Directors, HHS/HCFA, and various intergovernmental groups Discussion on Welfare Reform and Kennedy Kassebaum Bill implementation	7 National Assoc. of State Medicaid Directors Annual Conference (Oct. 7-9) National League of Cities Conference: Achieving World Class Local Economies" (Oct 7-10) (Columbus, OH)	8	9 National Association of Counties (NACO) Teleconference on welfare reform implementation (Washington, DC) The Smith Cntr. for Private Enterprise Studies, CA State Univ., features Eloise Anderson on Effective Welfare Reform	10 California State Senate Health and Human Svc. Committee Hearing on Changes in Federal law related to AFDC/TANF, Food Stamps, SSI, and Medicaid - testimony by Carolyn Colvin, SSA, (Sacramento, CA)	11	12
13	14	15	16	17	18	19 Nat. Assoc. of State Budget Officers Fall Mtg. (Oct. 19-20) (Washington, DC)
20	21	22	23 Women Work, The Nat. Network for Women Employment Coalition on Women and Job Training Mtg. (Washington, DC) Sen. Ashcroft and the Nat. Cntr. for Neighborhood Enterprise Summit on Grassroots Implementation of Welfare Reform - Jeremy Ben-Ami attending	24	25	26
27	28 Denver Area Enterprise Communities Teleconference Discussion on Welfare Reform with local EC reps and HUD liaison (Denver, CO)	29 ACF/NCAI Tribal Conference Tribal Nations and Welfare Reform: Continuing the Discussion (Oct. 29-31) (Seattle, WA)	30 DHHSACF Child Support Enforcement Welfare Reform Forum (Oct. 30-Nov. 1) (Washington, DC)	31		

NOVEMBER 1996
WELFARE REFORM IMPLEMENTATION

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1 FEMA Emergency Food and Shelter National Board Program Impact of Welfare Reform on Emergency Services – Remarks by Lavinia Limon, ACF (Washington, DC)	2
3	4	5	6	7 Casey Foundation & American Public Welfare Association (APWA) Impact of Welfare Reform on Recipients (Washington, DC)	8 American University Dept. of Philosophy and Religion Philosophy and the Morality of Welfare for the Poor (1-6 p.m. – Ward Circle Bldg.)	9
10 Council of State Governments Southern Legislative Conference (SLC) Fall Committee Meeting (White Sulphur, NM)	11	12 DHHS/ACF Child Support Enforcement Welfare Reform Forum (Nov. 12-14) (Portland, OR)	13	14 Massachusetts Human Services Coalition The Welfare Reform Process (Boston, MA)	15	16 Council of State Governments Western Governors' Annual Meeting (Nov. 16-19) (Santa Fe, NM)
17	18 DHHS/ACF Child Support Enforcement Welfare Reform Forum (Nov. 18-20) (Dallas, TX)	19 Maryland Assoc. of Certified Public Accountants Welfare Reform Implementation – Speakers from DHHS, GAO, and Congress	20 National Governors' Association (NGA) Workfirst on "It's Not Just About Welfare" (Nov. 20-21) (Cleveland, OH)	21 American Assoc. of Community Colleges Welfare Reform Discussion (Virginia)	22	23
24	25	26	27	28	29	30

UPCOMING EVENTS:

Dec. 6-10 -- Council of State Governments *Annual Meeting and State Leadership Forum* (Cleveland, OH)

Dec. 7-10 -- National League of Cities *Annual Meeting* (San Antonio, TX)

Dec. 7-11 -- American Public Welfare Association *Winter Meeting* (Phoenix, AZ)

Dec. 10-12 -- National Association for State Community Services Convention *Foundations for Energy-Efficient Communities* (Washington, DC)

E X E C U T I V E O F F I C E O F T H E P R E S I D E

15-Oct-1996 02:38pm

TO: (See Below)

FROM: Jeremy D. Benami
 Domestic Policy Council

SUBJECT: agenda for tomorrow

Here's a draft agenda for tomorrow with the intergov'l groups.

Hopefully, we'll all be at the 3:00 and we can review what we think works for tomorrow - what we're ready to discuss, etc.

INTERGOVERNMENTAL WELFARE REFORM

MEETING

October 15, 1996

I. Outstanding Issues From Last Meeting

- OMB circulars issue: OMB might be prepared to give update this week
- Cost Neutrality/waivers (are we ready, OMB, to give an update?)
- Means tested benefits: (probably need to hold on telling them this week)

II. New Questions

- Transition rules on data collection under JOBS
- Definition of administrative costs
- HCFA: timetable for distribution/allocation formula on \$500 million
- Tribal Jobs

III. Food Stamps and 40 Quarters

- Are we ready to present this yet?

IV. New Questions

WELFARE REFORM IMPLEMENTATION ISSUES LIST
10/15/96

ISSUE	PRODUCT	WHO	NEXT STEP
<u>USDA</u>			
1. 18-50 Waiver guidance	Draft waiver guidance	USDA	WH reviewing draft guidance
2. Interim 40 quarters guidance	Policy memo to states this week	USDA drafting	WH reviewing draft guidance
<u>SSA</u>			
1. Children issue	Guidance to field on new definition	SSA, OMB, DPC	Decision memo from Raines/Rasco to be drafted
2. SSI 40 quarters guidance	Revised POMS		Meeting to review with WH on hold. Judy Chesser to get back to Steve.
3. Clarification on timing of SSI cuts; state groups want letter to states, patterned on letter to advocates now under development; add children to letters	Letter(s) to states, advocates	SSA, DPC, Emily	DRAFT letters this week? Promised at last meeting?
4. Advise states on portion of legal immigrants on SSI eligible for naturalization			Same #3
5. Decision on "non-covered employment" for 40 quarters exemption			DPC, Elena, Chesser to discuss

<u>HHS - Medicaid</u>			
1. Medicaid waiver issue (section 1931)	Guidance to states in 2 weeks	HCFA, DPC, OMB	Meeting today; HHS/HCFA reviewing legal options
2. Medicaid state options for legal immigrants losing SSI	Guidance to states	Elena, HHS, DPC	Elena and Anna discussing creation of "bucket"
3. Medicaid: Eligibility for children losing SSI	Advise states, advocates about our process for assuring coverage wherever possible	SSA, HCFA, DPC	Need to discuss at meeting today what plans there are to work with states, advocates on this issue
4. Medicaid: Use of \$500m enhanced match	Reg in December	HCFA	No news today
5. Medicaid: TANF vs. Medicaid eligibility systems: fast track options?	Guidance to states	HCFA	HCFA to discuss w/OMB, DPC - considering legal options/ need to monitor
<u>HHS - ACF</u>			
1. Finalizing guidance	Need to answer OIRA question		Did this go out final?
2. State questions for Wednesday meeting	Written answers to questions	HHS	What's up with questions
3. Technical amendments	Report from Secretary to Congress on 11/22	HHS beginning to coordinate?	
4. Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process

5. Mechanics of 1/97 state option on SSBG	Guidance?	HHS to identify options	HHS to report at 10/15 meeting
6. Redoing cost neutrality for existing waivers (includes USDA)	New agreements with states		OMB to update
7. Adoption/foster care link to SSI			HHS to report on one-pager from Children's Bureau at 10/15 meeting
8. Timing of cash flow to states for TANF ("Circulars question")		HHS, OMB	Still outstanding - still need OMB clarification
9. California timing question	HHS answer		Initial thoughts from HHS
<u>Immigration</u>			
Verification: FS and SSI -- see above			
1. Verification: Veterans exemption	VA guidance on verifying vet status/DOD guidance on verifying active duty	Molly Brostrom/VA/DOD	Meeting held 10/7; goal is memo in two weeks
2. Verification: Refugee/Asylee guidance	INS guidance to field on verifying status	INS	paper by 10/22
3. Verification: Guidance to other programs	Directive/Guidance memo from AG on verification		Once above steps done - by end of year have memo from AG (may need sooner)

4. Disability Regulation	Final rule (December?)	INS working with OIRA	Comment period ends 10/11? INS commitment to work toward final rule sooner if possible than mid December
5 Nursing Home Response Team			
6. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination TBD	Elena Kagan and OMB working group	Discussions among general counsels ongoing
7. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment - ends 11/6/96
8. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	Drafts being circulated; discussions ongoing
9. Applicability to Cuban/Haitian entrants		NSC	Decision memo within one week (by 10/14)
10. Treaty issues	Draft AG determination by end of year	INS and DOJ/OPD	INS and DOJ/OPD looking at issues; mtg with State on 10/11
11. Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Will discuss on 10/15
12. Nonprofit exemption from verification			Paper from HHS at 10/15 meeting

13. Exemptions for battered women			AG memo on exemptions from "qualified alien" requirements?
14. Indigent sponsor issue			Irene? What is next step?
15. Other issues	Steve looking into the following issues: "federal public benefit," "state and local public benefit," "housing and community development programs," and U.S. Nationals	Steve Warnath	Steve will explore what flexibility there might be in these areas in conjunction with DOJ, HUD, etc.

Welfare Reform Implementation Questions
From APWA, NCSL, NGA
October 4, 1996

1. **Waivers and cost neutrality:** What are the cost neutrality implications for states that continue all of their waivers or some of their waivers. We have heard that HHS has said that states that continue their waivers would be held harmless under TANF. (In other words, future allocations would not be reduced to achieve cost neutrality.) Is this true? What about those waivers which also have interactions (savings/costs) with the Medicaid and food stamp programs? What are the implications for control groups and evaluations?
2. **OMB circulars:** We have heard that HHS intends to require that states comply with OMB grants management circulars for child care and TANF block grants despite Sec. 417 prohibition on regulating state conduct unless explicitly authorized. Nine block grants are currently exempt from the OMB circulars. While the OMB circulars were used by states for AFDC, the conversion of AFDC to a fixed block grant (with a cap on administrative spending) appears to call into question the need for their application. Some states may choose to continue to comply with the circulars but we do not believe that states should be mandated to comply. Can you clarify HHS's intent in this area? Additionally, does HHS interpret that CMA, which governs how states can draw down grant funds, also applies to TANF and child care. What will be the procedure for states that want to "roll over" funds?
3. **Transition rules regarding data collection requirements:** HHS has issued an action transmittal for data collection transition rules, effective October 1996. States are questioning why they would have to continue to collect any data on JOBS (such as participation rates, participant data) through the NIQCS considering that this program has been repealed in the Act and a state will not be operating JOBS once it receives its TANF grant. We would like to engage in consultative process with HHS to come up with reasonable data elements that states might collect in the transition before the TANF reporting requirements are effective.
4. **Definition of administrative costs.** While this definition will presumably be defined in regulations it is very hard for states to operate without some notion of how HHS intends to define admin. Is the report language around the definition of admin. under the child care block grant an appropriate model that HHS might follow for TANF? Additionally, because case managers will be undertaking so many activities beyond eligibility determination, states believe that case managers salaries should not be considered administration. What is HHS's view of this?
5. **Timetable for distribution and allocation formula for Medicaid.** When will HHS/HCFA provide information on how the \$500 million available for Medicaid eligibility determination will be distributed among states as well as allocated among programs that have eligibility links to Medicaid?
6. **Tribal Jobs.** Tribes currently operating a JOBS program will be able to continue to receive separate funding and operate a work program. Will individuals served by these tribes be included in a state's work participation rate calculation even though a state has no authority over the operation of the tribe's work program?

INTERGOVERNMENTAL WELFARE REFORM MEETING

October 15, 1996

I. Outstanding Issues From Last Meeting/Still Outstanding

- Circulars issue/apportionment**
- Cost Neutrality/waivers**
- Means tested benefits**

II. New Questions/Now Outstanding

- Transition rules on data collection under JOBS**
- Definition of administrative costs**
- HCFA: timetable for distribution/allocation formula on \$500 million**
- Tribal Jobs**

III. Food Stamps and 40 Quarters

- presentation on procedure by USDA**

IV. New Questions

THE WHITE HOUSE
WASHINGTON

Taeh + Kathy -

FYI.

I've been working on most of these issues. Please let me know if you'd like to discuss any of them (or if you'd like further information).

Elena

THE PRESIDENT HAS SEEN

10/9/96

THE WHITE HOUSE

WASHINGTON

① CO - govt memo. See p. 4
for 1 question -

OCT - 9 1996

96 OCT 2 P 6:14

October 2, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: To Carol H. Rasco
Frank Raines

CHR
[Signature]

② Leon -> You should
have me if you haven't
already -

SUBJECT: Update on Welfare Reform Implementation

BC

We are continuing to work to coordinate the Administration's efforts to implement the new welfare law. We will be providing periodic updates on key issues for you, as well as answers to questions you raise.

PROCESS

Domestic Policy, OMB, Counsel's office, and Intergovernmental are working closely together on all aspects of implementation. We have the following process in motion:

- o DPC chairs bi-weekly meetings of 11 federal agencies and all White House offices.
- o A subgroup of key agencies and offices meets more regularly on nuts-and-bolts implementation issues.
- o We are meeting weekly with the National Governors' Association, the National Conference of State Legislatures, and the American Public Welfare Association.
- o We met with the League of Cities, the Conference of Mayors, and the counties and promised them ongoing input and consultation.

TANF BLOCK GRANT IMPLEMENTATION

The entitlement to AFDC ended on October 1. States can elect to take advantage of the new TANF block grant as of that date, but they must enter the new program by July 1997. The first states to send in state plans were Michigan and Wisconsin, and their plans were approved by HHS on September 30. As of October 1, about 11 states had filed state plans with HHS.

Determining "Completeness" of Plans -- HHS's role in state plans is merely to certify that they are "complete" -- a far different role than they have had in the past. We have worked with HHS to pare down their list of what is required for a plan to be complete. As a result, they produced draft guidance for the states at the NGA conference last month that was quite brief -- and praised by the states as a result.

[Handwritten initials]

Regulations -- The law provides only limited authority to regulate the TANF block grant. You asked in our last memo whether we can require states to use TANF funds as wage subsidies. This is one of the permissible uses of the funds and one way states can provide work. HHS will be working with states to promote this as a model, but it will not be able to require that states adopt any particular approach to meeting the work requirement.

Grandfathering Waivers -- Counsel's office advises that the welfare law allows states to continue to operate waiver programs that have time limits and work requirements that vary from the terms of the new law (unless the waivers were granted after the new law passed). We will, however, be making it clear in our guidance to states that the Administration believes that all state programs should comply with the law's provisions regarding time limits, work participation rates, and exemptions and extensions. We will also indicate that if states do not bring their programs into line with the law, there will almost certainly be Congressional action (which we would support) to limit the grandfathering provision.

Wisconsin Waiver -- We have resolved Wisconsin's welfare and Medicaid waiver request. On September 30, in its letter approving Wisconsin's new TANF state plan, HHS informed the state that it no longer needs waivers to implement the welfare reform portions of its "W-2" program. Wisconsin still plans to impose a 60-day residency requirement before families can begin to collect benefits, which HHS believes is unconstitutional. The law in this area is unsettled, and the provision will definitely be brought to the courts. HHS simply took note of this issue as part of the plan approval.

On Medicaid, HHS informed the state on September 30 that it will not grant that portion of the state's waiver request because it would have eliminated the Medicaid entitlement and run counter to our commitment to the federal Medicaid guarantee. HHS offered to work with the state on an alternative Medicaid proposal.

Performance Bonus Fund and Contingency Fund -- The new law requires the Secretary of HHS to work with NGA and APWA to set up the Performance Bonus Fund, and gives her a year to develop the formula and process. We are setting up a process with these state groups to work out such a proposal in cooperation. We will keep you apprised as these plans develop. The Contingency Fund to protect states from economic downturns is being established by Treasury in consultation with HHS.

New Mexico -- New Mexico is one of the few states that is disadvantaged by the conversion to a block grant, because its caseload is increasing. The state announced it may have to cut welfare benefits by 12% to live within the new law. However, Senator Domenici may secure a legislative fix that would allow the state to tap into the Contingency Fund for this purpose.

IMMIGRANTS

The immigration issues raised by the law are clearly the thorniest and most difficult to implement.

5/11/97
as much as
Jm cam

Means-tested Benefits -- Non-citizens who arrive after the law's enactment are barred from receiving "means-tested benefits" for five years. We have some latitude to define that term, and Counsel's office, OMB, and DOJ are working together to do so.

Food Stamps for Legal Immigrants -- As part of the CR, we were able to persuade Congress to delay cutting off food stamp benefits for legal immigrants now on the rolls until at least April 1, 1997. (Under welfare reform, that change was to have been effective at the recipient's next recertification for benefits.) This change will particularly help California, which did not benefit from our earlier effort to delay the impact through USDA waivers, and sought our help as a result. Over 30 states opted for a delay through the waiver option.

However, legal immigrants who are applying for food stamps are not helped by the change in the CR. States are beginning to deny food stamps to these new applicants, although the interpretation of USDA's guidance on when they must comply varies from state to state. USDA instructed states to start denying new applications on September 22; for the next 120 days, states that have implemented this change are not subject to sanctions if they make errors.

Verification -- Administrators of many government programs such as food stamps have an important new role to play in verifying the legal status of non-citizens, and whether they fall into any of the categories exempted from the full impact of this law. One particularly difficult exemption to administer is the "40 quarters" exemption, whereby legal immigrants who have worked at least 40 quarters in this country (in combination with their spouse or parents) can still get benefits. SSA is working on a new system to give other agencies access to this information on an overnight basis, beginning in January 1997.

Jm
5

However, some earnings may never have been reported to SSA, particularly for farmworkers and domestic workers whose employers did not pay the taxes on their behalf. We plan to get instructions to food stamp offices next week on how to address this problem and avoid denying benefits inappropriately.

Reporting of Illegal Aliens -- The law requires states, SSA, and HUD to report quarterly to the INS on any illegal aliens they become aware of. The INS is determining how to implement this provision.

Below are answers to three questions you raised in the last update memo:

✓

Legal immigrants who get SSI will get notices early next year that SSA will reexamine their eligibility, and benefits will be ended by August 1997. The INS will send them information on naturalization later this fall to ensure that as many as possible who meet the requirements for citizenship are able to naturalize before their benefits end next August.

o We are working with INS and disability and immigration groups to ensure that the regulation waiving certain testing requirements for immigrants with disabilities is finalized as soon as possible. The comment period ends within the next two weeks, and the rule will be finalized by December.

✓ You had noted the statistic that the INS naturalized 1.2 million immigrants this fiscal year, and asked how big an increase it represented over the prior year. Approximately 500,000 people were naturalized last year, so it is a very significant increase.

FOOD STAMPS WORK REQUIREMENT

As you may recall, the new law imposes work requirements on food stamp applicants who are childless and 18-50 years old, but it allows states to apply for a waiver of this requirement in areas of high unemployment. USDA will be issuing guidance shortly on how states can designate such areas.

*is how
with unemployment
meets
definition*

SSI FOR DISABLED CHILDREN

As you know, the law tightened the eligibility standard for SSI for children with disabilities. The law was effective upon enactment for new applicants. As many as 190,000 children now on the rolls will lose eligibility between March and August 1997 because their impairments are not severe enough to qualify under the new law. Two major issues have emerged:

Cut-off Date for Families Who Appeal -- SSA will determine whom to drop from the rolls by August 1997, but families can appeal SSA's decision. If they do so in a timely manner, they are guaranteed continued benefits while they appeal. Legally, SSA had determined that we are able to keep children on the rolls up to a later point in the appeals process than we had expected, and SSA will take advantage of this option. As a result most children who appeal will lose benefits in 1999 rather than late 1997 or 1998. SSA has not yet announced this decision because they want to announce the decision on the second issue at the same time.

Definition of Childhood Disability -- The law includes a new definition of childhood disability. During the lengthy debate on this issue, everyone assumed the new definition would cut 190,000 children from the rolls, and we included savings of \$7.6 billion from 1997-2002 in our budget reflecting that estimate. However, from a legal perspective it appears SSA has more flexibility to define childhood disability than we expected. Advocates have united around an interpretation that would drop from the rolls only 20% of the 190,000 children, with a loss of \$5.9 billion of the savings, but Congress would undoubtedly view this option as subverting their intent. SSA is seeking a proposal that strikes the right balance.

important

MEDICAID

In the coming week, HHS will lay out for us an initial position on key Medicaid issues, including how states can reconfigure their systems to accommodate the separate eligibility systems required for Medicaid and TANF; what happens to the Medicaid coverage of those individuals who lose SSI coverage; and the impact on existing waivers.

Another major question is how many states will accept the option to continue Medicaid for current legal immigrants. They must decide by January 1.

CHILD CARE

The new provisions of the law relating to child care went into effect October 1, 1996. This is a very positive story, as HHS worked quickly and effectively to help states understand the new law, develop interim plans to access the new funding, and ensure that states will get their increased money on time. We will be working with Communications to ensure that the opportunity to highlight some good news on this front is not missed.

TECHNICAL CORRECTIONS

The Secretary of HHS is required to report to Congress within 90 days (November 22, 1996) on technical amendments and corrections that are necessary. The other departments as well as many of the groups with which we are working have concerns in this area as well. We will be working closely with HHS as the date for this report draws closer.

cc: Leon Panetta

**INTERAGENCY WELFARE REFORM
IMPLEMENTATION WORKING GROUP**

October 17, 1996

- | | | |
|-------------|---|-----------------------|
| I. | Review of State TANF Plans | Olivia Golden |
| II. | Food Stamps and 40 Quarters | Yvette Jackson |
| III. | Update on Welfare to Work Process | Barry White |
| IV. | HUD Report on Impacts of Welfare Reform | Paul Leonard |
| V. | Department of Education review of Education
Community Concerns | Jon Weintraub |
| VI. | Upcoming Events | John Monahan |
| VII. | New Business | |

INTERAGENCY WELFARE REFORM
IMPLEMENTATION WORKING GROUP

October 3, 1996

I. IMPLEMENTATION UPDATES

- | | | |
|----|---|------------------|
| A. | First TANF Plans | Olivia Golden |
| B. | Medicaid Issues/State Directors Meeting | Sally Richardson |
| C. | Immigration Issues | |
| | - Impact of New Bill on Affidavit | Lin Liu |
| | - NSC process on Cuban/Haitian refugees | Rob Malley |
| | - Verification next steps: Food Stamps | Lin Liu |
| | - "Means Tested Program" definition | Elena Kagan |
| D. | Domestic Violence Presidential Memorandum | Lyn Hogan |

II. CHILD SUPPORT ENFORCEMENT Ann Donovan

Report on what the bill means for the child support system

III. REVIEW TIMELINE Jeremy Ben-Ami

IV. UPCOMING EVENTS John Monahan

V. CHARGE TO OTHER AGENCIES Carol Rasco

TIMELINE OF KEY DATES FOR WELFARE IMPLEMENTATION

<u>Date</u>	<u>Agency</u>	<u>Action</u>
October		
October 1	HHS/ACF HHS/Child Support	States can enter TANF program State laws on expedited procedures and paternity establishment (with exceptions) go into effect
	HHS/ACYF	Child Care Block Grant goes into effect
October 1	USDA	Letter to states on new policy on food stamp eligibility
October ASAP	OMB/GC/DOJ	Definition of Means Tested Benefit to be worked out
early October	USDA	Guidance to states on waiver of 18-50 year-old work requirement
early October	SSA	Guidance to field needed on children's disability determination
early October	HHS/HCFA	Guidance to states on opting in or out of state option on Medicaid/TANF/SSBG re legal immigrants
early October	USDA	Guidance to field needed ASAP on 40 quarters determination
October 7	HHS/HCFA	Meeting with State Medicaid Directors
October 13	INS	Comment period ends on reg re naturalization and disability
October 22	SSA	Draft reg on children's SSI to OMB

November 6	DOJ	Comment period on interim reg defining "Lawfully Present" ends
November 17	HHS	State reports on Child Poverty due
November 22	HHS	Secretary's report on Technical Corrections due
November 22	USDA	3 month clock starts ticking on 18-50 year olds
November 22	SSA	New reg on childhood disability to be published (by statute)
November	SSA	Notices start going to families of children on SSI subject to redetermination (must be complete by 1/1/97 by statute)
November	HHS/ACF	Child Care Interim Final Rule published

December	HHS	First TANF regs to be put out for comment
December	HHS/OCSE	First Child support regs to go out for comment
December	HHS/HCFA	Medicaid Guidance to be issued
December 15	INS	Reg on naturalization and disability to be finalized

January 1	HHS	Teen Pregnancy Strategy to be published
January 1	HHS	States may exercise option to deny legal immigrants TANF, SSBG, Medicaid
January - March	SSA	Notice to legal immigrants on SSI go out (by 3/31 by statute)

February 22	SSA	Report to Congress on implementation of SSI children's changes

EXECUTIVE OFFICE OF THE PRESIDENT

03-Oct-1996 08:11pm

TO: (See Below)

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: RE: TANF State Plan Guidance

Let me make sure I understand:

You are reviewing the guidance under some emergency procedure.
You haven't signed off yet, because it isn't final yet?

The fact that states are using this guidance to submit plans and
HHS is using the guidance to then approve them is a problem
because you haven't made it an official legal government request
for information yet?

Under what circumstances would a 3 month process be necessary at
this point? (This may be an optional question.)

For your information, there are no immediate plans to change the
guidance, but that changes regularly as we identify new issues and
try to figure out how to handle them. We had the sense we would
be amending this thing over time as we learned more.

If this is really a problem, wouldn't the best solution just be to
call it "final" right now, and have you approve it immediately?
What steps would be needed to do this?

And then I assume we could amend it as necessary?

We need for this to be a fluid process as we figure things out.

Please advise.

Distribution:

TO: Wendy A. Taylor

CC: BENAMI_J
CC: Richard E. Green
CC: Daniel J. Chenok
CC: Elena Kagan

EXECUTIVE OFFICE OF THE PRESIDENT

03-Oct-1996 07:52pm

TO: Jeremy D. Benami
TO: Elena Kagan
TO: Keith J. Fontenot
TO: Richard E. Green
TO: Emily Bromberg

FROM: Diana M. Fortuna
Domestic Policy Council

SUBJECT: Alarming

The attached email from Wendy Taylor of OIRA is somewhat alarming.

I think we need further clarification from her on what this means, and I will cc you on my question to her.

But we may need to call the draft a final for legal purposes.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

03-Oct-1996 07:47pm

TO: BENAMI_J
TO: FORTUNA_D

FROM: Wendy A. Taylor

CC: Richard E. Green
CC: Daniel J. Chenok

SUBJECT: TANF State Plan Guidance

Message Creation Date was at 3-OCT-1996 19:47:00

As you know, we have the TANF State Plan guidance here formally for emergency review under the Paperwork Reduction Act. All collections of information, whether voluntary or mandatory, must be cleared through this process in order to be made legal. It is my understanding that the guidance is still in draft form and that final decisions have not yet been made as to what should be included in the guidance. However, in order to comply with the requirements under the Act, and given the current status of the State plan submissions, it is extremely important that we formally sign off on the document immediately. Also, the document should be in its final form. Otherwise, the Department has to undertake a lengthy public comment process which takes a minimum of 3 months to complete.

Can you please let me know as soon as possible the status of the discussions and timeframes for resolving any outstanding issues? Feel free to call me if you have any questions. Thanks.

WELFARE REFORM IMPLEMENTATION ISSUES LIST

10/1/96

ISSUE	PRODUCT	WHO	NEXT STEP
USDA			
1. Immigrant Recipient Eligibility	USDA letter to states to go out on October 1 clarifying change in CR and other effective date issues	FNS, Emily, Diana	Letter ready?
2. 18-50 Waiver guidance	Draft waiver guidance	Yvette/FNS	Draft needed this week
3. Chiles letter on QC waiver	Response to Chiles		USDA to draft and coordinate with Intergovernmental
SSA			
1. Children issue	Implement new definition	SSA, OMB, DPC	
2. Maintenance of effort on state supplementation			
HHS			
1. Medicaid Issues: - Delinking w/AFDC - SSI for imm/children - waivers - \$500m enhanced match	State Medicaid Directors meeting on October 7 should offer clarification for states		State Medicaid Directors meeting on 10/7. Meeting at White House to review on Wednesday 10/2
2. Series of technical questions from NGA/NCSL/APWA	Responses by 10/9 weekly intergovernmental meeting		

3. Technical amendments	Report from Secretary to Congress on 11/22	HHS beginning to coordinate?	
4. Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process
5. Mechanics of 1/97 state option on Medicaid, TANF, SSBG for legal immigrants	Guidance?	HHS to identify options	
6. Redoing cost neutrality for existing waivers (includes USDA)	New agreements with states	HHS and OMB should convene meeting	ASAP
Immigration			
1. Disability Regulation	Final rule (December?)	INS working with OIRA	Interim rule out for 30 day comment; Need Meeting to Finalize
2. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination TBD	Elena Kagan and OMB working group	OMB/Elena to set meeting by October 4
3. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment - ends 11/6/96
4. AG memo excepting programs	Memo from AG	DOJ/OPD	Initial memo out for comment; revision due when?

5. Verification	(1) Options for interim verification; (2) Longer term: DOJ system	Steve Warnath/Elena/DOJ	
6. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	New affidavit within 90 days; effective 60-90 days after
7. Veterans	Need to ensure process for determining veteran status of various groups (Hmong, Filipinos) and process for determination generally	Steve Warnath/Elena	Meet with VA, DOD, DOJ, INS week of 9/30
8. Applicability to Cuban/Haitian entrants		NSC	Steve to check with NSC on timing/status
9. Treaty issues		INS and DOJ/OPD	INS and DOJ/OPD looking at issues; will report on status/timing
10. Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Will report on status/timing
11. Citizenship Materials	INS to produce materials agencies can use to inform regarding naturalization	INS	
12. "Federal public benefit"	Determine whether any flexibility in definition	Steve Warnath	Steve will explore what flexibility there might be
13. "State or Local Public Benefit"	Determine whether guidelines needed	DOJ	DOJ to report to Steve Warnath

14. Housing and Community Development Programs	Determine what programs covered by this exception	Steve Warnath/HUD	Steve to consult with HUD
15. U.S. Nationals	Determine how law applies to nationals	DOJ	DOJ to review and get back to Steve

Effect of Welfare Bill on Legal Immigrants

The welfare bill limits the eligibility of legal immigrants in four ways -- with differing effective dates and exceptions. The four are:

A. SPECIFIED FEDERAL PROGRAMS (402(a)): Food Stamps and SSI

Exceptions

- (1) Five year exception for refugees/asylees
- (2) 40 quarters
- (3) Veterans/Active Duty and their spouses/dependent children

Current Recipients (a/o 8/23/96)

- SSI: Notices by March 31, 1997; Redetermination within one year
- FS: Ineligible as of recertification, within one year

B. DESIGNATED FEDERAL PROGRAMS (402(b)): TANF, SSBG, Medicaid

State Option: States "authorized to determine eligibility of qualified aliens"

deeming here?

Same three exceptions

Effective January 1, 1997

C. FEDERAL MEANS TESTED PUBLIC BENEFITS (403)

- Applies to NEW ENTRANTS on or after 8/22/96
- Not eligible for first five years after entry

(deeming - after 5 yrs)

Exceptions: (1) Refugees and asylees
(2) Veterans/Active Duty and their spouses/dependent children

D. STATE AND LOCAL PUBLIC BENEFITS

- Programmatic exceptions: health, disaster, AG memo
- Exceptions: (1) Five years for Refugees/asylees
(2) 40 quarters
(3) Veterans/active duty and their spouses/dependent children

*State #
state determines*

Effective January 1, 1997

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- (2) 40 quarters
- (3) Veterans/active duty and their spouses/dependent children

Effective January 1, 1997

Process for Determining Status

Step 1 Determining whether citizen, qualified alien, not qualified.

Process: SAVE
Existing agency systems, guidelines re papers, etc.

Step 2 If qualified alien, does exception apply?

- A. Refugee/asylees
- B. 40 Quarters
- C. Vet/Active Duty

Process: a) Request Social Security records – overnight

 b) What if not Social Security?
 – should there be a standard process for dealing
 with appeals through SSA or does each
 agency deal with it individually

Non-Qualified Aliens

Generally ineligible for FEDERAL public benefits

EXCEPT (1) emergency Medicaid
(2) emergency disaster relief
(3) public health/immunization/communicable diseases
(4) AG memo
(5) housing/community development

ALSO TREATY EXCEPTION

**INTERAGENCY WELFARE REFORM
IMPLEMENTATION WORKING GROUP**

October 3, 1996

I. IMPLEMENTATION UPDATES

- | | | |
|-----------|--|-------------------------|
| A. | First TANF Plans | Olivia Golden |
| B. | Medicaid Issues/State Directors Meeting | Sally Richardson |
| C. | Immigration Issues | |
| | - Impact of New Bill on Affidavit | Lin Liu |
| | - NSC process on Cuban/Haitian refugees | Rob Malley |
| | - Verification next steps | Jeremy Ben-Ami |
| D. | Domestic Violence Presidential Memorandum | Lyn Hogan |

II. CHILD SUPPORT ENFORCEMENT

Ann Donovan

Report on what the bill means for the child support system

III. REVIEW TIMELINE

Jeremy Ben-Ami

IV. UPCOMING EVENTS

John Monahan

V. CHARGE TO OTHER AGENCIES

Carol Rasco

DRAFT

September 2-, 1996

MEMORANDUM FOR THE PRESIDENT

FROM: Carol Rasco
Bruce Reed

SUBJECT: Update on Welfare Reform Implementation

We are continuing to work to coordinate the Administration's efforts to implement the new welfare law. We will be providing periodic updates on key issues for you, as well as answers to questions you raise.

PROCESS

We are working closely with OMB, Counsel's office, and Intergovernmental on all aspects of implementation. We have the following process in motion:

- o We chair bi-weekly meetings of 11 federal agencies and all White House offices.
- o A subgroup of key agencies and offices meets more regularly on nuts-and-bolts implementation issues.
- o We are meeting weekly with the National Governors' Association, the National Conference of State Legislatures, and the American Public Welfare Association.
- o We met with the League of Cities, the Conference of Mayors, and the counties and promised them ongoing input and consultation.

TANF BLOCK GRANT IMPLEMENTATION

The entitlement to AFDC ends on October 1. States can elect to take advantage of the new TANF block grant on that date, but they must enter the new program by July 1997. The first states to send in state plans were Michigan and Wisconsin. HHS expects to approve their plans by September 30. Approximately 10 states are expected to file state plans on or about October 1.

*Jeremy -
Some edits. This
goes to you, right?
I've ignored
places where the
memo needs up-
dating.
Elena*

Determining "Completeness" of Plans -- HHS's role in state plans is merely to certify that they are "complete" -- a far different role than they have had in the past. We have worked with HHS to pare down their list of what is required for a plan to be complete. As a result, they produced draft guidance for the states at the NGA conference that was quite brief -- and praised by the states as a result.

Regulations -- The laws provide only limited authority to regulate the TANF block grant. You asked in our last memo whether we can require states to use TANF funds as wage subsidies. This is one of the permissible uses of the funds and one way states can provide work. HHS will be working with states to promote this as a model, but it will not be able to require that states adopt any particular approach to meeting the work requirement.

Grandfathering Waivers -- Legal counsel advises that the welfare law allows states to continue to operate waiver programs that have time limits and work requirements that vary from the terms of the new law. We will, however, be making it clear in our guidance to states that the administration believes that all state programs should comply with the law's provisions regarding time limits, participation rates, and exemptions and extensions. We will also indicate that if states do not bring their programs into line with the law, there will almost certainly be Congressional action (which we would support) to limit the grandfathering provision. *(unless the waivers were granted after the new law passed)*

Wisconsin Waiver -- We believe we have resolved the Wisconsin situation. On Monday, HHS plans to inform the state that it does not need waivers to implement its welfare reform plan, and that HHS will not grant the state's request for a Medicaid waiver on the grounds that it goes against our principles on health care. HHS will offer to work with the state on an alternative Medicaid proposal.

Wisconsin's state plan includes a 60-day residency requirement before families can begin to collect benefits. HHS believes this is unconstitutional, though the law in this area is unsettled. The provision will definitely be brought to the courts.

Performance Bonus Fund and Contingency Fund -- The new law requires the Administration to work with NGA and the states to set up the Performance Bonus Fund and gives them a year to develop the formula and process. We are setting up a process with the state groups mentioned above to work out such a proposal in cooperation. We will keep you apprised as these plans develop. The Contingency Fund that protects states from economic downturns will be much simpler to establish. Treasury is taking the necessary steps and is working closely with HHS.

Jeremy - Do you want to rephrase this to include the point that HHS is nonetheless approving the Wisconsin plan?

New Mexico -- New Mexico is one of the few states that is disadvantaged by the conversion to a block grant, because its caseload is increasing. The state has said it may have to cut welfare benefits by 12% to live within the new law. Senator Domenici is endeavoring to intercede on the state's behalf with either a legislative or administrative fix. He has proposed that the state get access to the Contingency Fund, but HHS responds that the state is not eligible until it converts from AFDC to TANF. New Mexico has threatened to sue HHS over its position that the law does not allow the state to draw down more in Federal funds than the block grant amount in FY1997.

IMMIGRANTS

The immigration issues raised by the law are clearly the thorniest and most difficult to implement.

Means-tested Benefits -- Non-citizens ^{for five years.} who arrive after the law's enactment are barred from receiving "means-tested benefits". We have considerable latitude to define that term, and Counsel's office, OMB, and DOJ are working together to do so.

Interim Verification -- ^{Administrators of} Many government programs such as food stamps have a new role to play in verifying the legal status of non-citizens and whether they fall into any of the categories exempted from the full impact of this law. One particularly difficult exemption to administer is the "40 quarters" exemption, whereby legal immigrants who have worked at least 10 years in this country can still get benefits. SSA is working on a new system to give other agencies access to this information on an overnight basis.

However, SSA's records are likely to be incomplete for many people, such as farmworkers and domestic workers whose employers did not pay the taxes on their behalf. We plan to get instructions to food stamp offices next week on how to address this problem and avoid denying benefits inappropriately.

Food Stamps Implementation -- As you know, states are beginning to deny food stamps to new non-citizen applicants, although the interpretation of USDA's guidance on when they must comply varies from state to state. States are also beginning to process recertifications of current recipients, which triggers the benefit cut-off for those legal immigrants.

USDA made a waiver available to states that allows some of them to delay the impact on current recipients. Over 30 states have accepted this waiver option to date. California was not helped by that waiver because of the vagaries of their certification process, and has requested an alternative waiver. We are working on potential legislative and administrative options that might work for them.

Reporting of Illegal Aliens -- The law requires states to report quarterly to the INS on any illegal aliens they become aware of. The INS is trying to determine how to implement this provision.

Below are answers to three questions you raised in the last update memo:

- o Legal immigrants who get SSI will get notices early next year that SSA will reexamine their eligibility, and benefits will be ended in August 1997. The INS will send them information on naturalization this November to ensure that as many as possible who meet the requirements for citizenship are able to naturalize before their benefits end next August.
- o We are working closely with INS and disability and immigration groups to ensure that the regulation waiving certain testing requirements for immigrants with disabilities is finalized as soon as possible. The comment period ends within the next two weeks, and the rule will be finalized in December.
- o You had noted the statistic that the INS naturalized 1.2 million immigrants this fiscal year, and asked how big an increase it represented over the prior year. Approximately 500,000 people were naturalized last year, so it is a very significant increase.

FOOD STAMPS WORK REQUIREMENT

As you may recall, the new law imposes work requirements on food stamp applicants who are 18-50 years old, but it allows states to apply for a waiver of this requirement in areas of high unemployment. USDA will be issuing guidance very shortly on how states can designate such areas.

SSI FOR DISABLED CHILDREN

As you know, the law tightened the eligibility standard for SSI for children with disabilities. The law was effective upon enactment for new applicants. As many as 190,000 children now on the rolls will lose eligibility between March and August 1997 because their impairments are not severe enough to qualify under the new law. Two major issues have emerged:

Cut-off Date for Families Who Appeal -- SSA will determine whom to drop from the rolls by August 1997, but families can appeal SSA's decision, and are guaranteed continued benefits while they appeal. Legally, we have learned that we are able to keep children on the rolls up to a later point in the appeals process than we had expected, and we believe we should take advantage of this option. As a result, children who appeal will lose benefits in 1999, rather than late 1997 or 1998. We have not yet announced this decision because we want to announce our decision on the second issue at the same time.

Definition of Childhood Disability -- The law includes a new definition of childhood disability. During the lengthy debate on this issue, everyone assumed the new definition would cut 190,000 children from the rolls, and we included savings in our budget reflecting that estimate. However, from a legal perspective it appears we have significantly more flexibility to define childhood disability than we expected. Advocates have united around an interpretation that would drop from the rolls only 20% of the 190,000 children, but Congress would undoubtedly view this option as subverting their intent. We are seeking a proposal that strikes the right balance.

MEDICAID

In the coming week, HHS will lay out for us an initial position on key Medicaid issues, including how states can reconfigure their systems to accommodate the separate eligibility systems required for Medicaid and TANF; what happens to the Medicaid coverage of those individuals who lose SSI coverage; and the impact on existing waivers. States are very anxious to hear more from the Administration on these questions.

Another major question is how many states will accept the option to continue Medicaid for current legal immigrants. They must decide by January 1.

CHILD CARE

The new provisions of the law relating to child care go into effect October 1, 1996. This is a very positive story as HHS worked quickly and effectively to help states understand the new law, develop interim plans to access the new funding, and ensure that states will get their increased money on time. We will be working with Communications to ensure that the opportunity to highlight some good news on this front is not missed.

TECHNICAL CORRECTIONS

The Secretary of HHS is required to report to Congress within 90 days (November 22, 1996) on technical amendments and corrections that are necessary. The other departments as well as many of the groups with which we are working have concerns in this area as well. We will be working closely with HHS as the date for this report draws closer.

cc: Leon Panetta
Frank Raines

EXECUTIVE OFFICE OF THE PRESIDENT

04-Oct-1996 03:44pm

TO: (See Below)

FROM: Jeremy D. Benami
Domestic Policy Council

SUBJECT: Hot Issues Status

A late Friday recap of the work on the front burner in welfare implementation:

1. HHS/TANF Completeness/45 days/guidance

The Florida fire is out. The plan will be found complete when submitted in a letter to be sent either today or Monday. This allows Florida both to operate a TANF program and get TANF funds as of October 1.

The need for HHS clarification to other states remains. We have asked HHS to send a letter to all states indicating the process/rules for finding a plan complete, when operation of a TANF program can begin, and when funding starts. HHS is, again, hesitant to send out such a clarification. I have spoken to Monahan and will reinforce with Thurm.

2. 40 Quarters

a) SSI: SSA has given their proposed procedure to Steve Warnath to review - a very lengthy, detailed document. He is reviewing and will let us know whether this represents an acceptable approach for an interim system. Hopefully, this guidance can be finalized and gotten to the field early next week.

b) Food stamps: SSA and USDA met today and will meet with the WH on Monday - 1:00 p.m. - to present their ideas. I have made it clear to USDA that guidance to the field must go out early next week (I spoke to Martha Phipps, Diana was calling Yvette). ELENA: We'll need your read by Monday on the extent of USDA authority to mandate state procedures in this area.

3. Medicaid fact sheets

DIANA is trying to slog through some issues with HCFA, and we hope to meet with them again on Monday - particularly on the tricky waiver issue. The fact sheets should be cleared in time for the

State Medicaid directors meeting next week.

4. Cost Neutrality and Waivers

This is a CRITICAL area where we are looking to OMB (KEN) to call an interagency meeting to discuss the cross agency (food stamps, TANF, Medicaid) implications of cost neutrality post PROWA.

5. SSI Kids

A decision memo is going to Rasco and Raines as soon as possible. DIANA needs a little more time to work through a couple of options, but this memo should be done by midweek.

6. Means Tested Benefits

ELENA is taking the next steps here -- talking to the agency counsels -- and she will let us know what the timing on the memo we discussed will be.

Additional items

We are turning up the heat on USDA to get the waiver guidance on 18-50 year olds done.

We need to answer the OIRA concern on finalizing the draft TANF guidance. (I asked Monahan to have appropriate HHS legal people contact OIRA).

We need to move forward on 40 quarters beyond FS and SSI, but obviously not quite as fast. INS and VA working on their pieces.

Thanks. Have a good weekend. We'll follow up on Monday and of course have a Tuesday implementation subgroup meeting.

Distribution:

TO: Kenneth S. Apfel
TO: Keith J. Fontenot
TO: Elena Kagan
TO: Diana M. Fortuna
TO: Stephen C. Warnath
TO: Emily Bromberg

CC: Carol H. Rasco

EXECUTIVE OFFICE OF THE PRESIDE

08-Oct-1996 09:48am

TO: jmonahan@os.dhhs.gov@INET
TO: Emily Bromberg
TO: Diana M. Fortuna

FROM: Jeremy D. Benami
Domestic Policy Council

SUBJECT: Agenda for Wednesday

I'm sending the following to Carol as the agenda for Wednesday. John will be bringing five written Qs and As to the listed questions (John - the NGA list did have six questions -- see below). The fourth issue is one that Evelyn asked me to put on the agenda. There will be someone there from HCFA though John is not sure who. The state plan/45 day/completeness question I made a separate item because it is so important to be clear on this given last week. We may want to spend time discussing it as opposed to the other Q/As which are pretty straightforward.

INTERGOVERNMENTAL WELFARE REFORM

MEETING

October 8, 1996

I. Outstanding Issues from Last Meeting

HHS responses - state plan review process
- TANF - SSBG transfers
- Spending on immigrants and MOE
- Pro Rata Reductions
- Claims and Disallowances
- \$50 Child Support Pass Through

II. State Plan Completeness/45 Days/When Does the Five Year Clock Start

III. Medicaid Fact Sheets - Review of Initial HCFA Answers

IV. Information Systems Process

V. New Questions

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

08-Oct-1996 12:17pm

TO: (See Below)

FROM: Jeremy D. Benami
 Domestic Policy Council

SUBJECT: several items

(1) The Florida letter is going out today. Issue is settled to everyone's satisfaction. Note: this locks HHS into the position that the 45 day period can in fact be a process prior to the passage of the new bill. Interesting how these things work out.

(2) We have draft answers to the NGA/APWA questions from last week on issues such as how to determine completeness. I have sent those around to all of you (not Bruce or Carol - unless you want to see them). Please review and let me know if you see problems. We would hand these out tomorrow - in writing!

(3) It seems like a good idea to have Olivia come over and talk us through the process they are using to go over state plans. I'd like to set some time for that next week. I'll assume you all want to come and will invite you - no need to attend if you don't want to. (Carol - I will try to set this at a time you are available).

Distribution:

TO: Kenneth S. Apfel
TO: Elena Kagan
TO: Emily Bromberg
TO: Diana M. Fortuna

CC: Carol H. Rasco
CC: Bruce N. Reed

WELFARE REFORM IMPLEMENTATION ISSUES LIST

10/8/96

ISSUE	PRODUCT	WHO	NEXT STEP
USDA			
1. 18-50 Waiver guidance	Draft waiver guidance	USDA	Looking to get draft from USDA to OMB and WH by Wed 10/9
2. Interim 40 quarters guidance	Policy memo to states this week	USDA drafting	SSA/USDA met; USDA drafting memo; to us by Wednesday?
SSA			
1. Children issue	Guidance to field on new definition	SSA, OMB, DPC	Decision memo from Raines/Rasco to be drafted
2. SSI 40 quarters guidance	Revised POMS		Has SSA revised version gone to Steve - set up walk-through this week with Steve, Elena, OMB, etc.
3. How to tell 11 states they have a problem on MOE for state supplements to SSI	Call or write states? Advise state groups tomorrow?	SSA, Emily	
4. Identification of legal aliens who will get notices			

5. Clarification on timing of SSI cuts; state groups want letter to states, patterned on letter to advocates now under development; add children to letters	Letter(s) to states, advocates	SSA, DPC, Emily	
6. Advise states on portion of legal immigrants on SSI eligible for naturalization			
7. Decision on "non-covered employment" for 40 quarters exemption			DPC, Elena, Chesser to discuss
HHS – Medicaid			
1. Medicaid waiver issue (section 1931)	Guidance to states in 2 weeks	HCFA, DPC, OMB	Meeting this week to discuss
2. Medicaid state options for legal immigrants losing SSI	Guidance to states	Elena, HHS, DPC	Elena to discuss with HHS GC
3. Medicaid: Eligibility for children losing SSI	Advise states, advocates about our process for assuring coverage wherever possible	SSA, HCFA, DPC	??
4. Medicaid: Use of \$500m enhanced match	Reg in December	HCFA	??
5. Medicaid: TANF vs. Medicaid eligibility systems: fast track options?	Guidance to states	HCFA	HCFA to discuss w/OMB, DPC

HHS - ACE			
1. Finalizing Guidance	Need to answer OIRA question		
2. State plan completeness, etc. questions for tomorrow's meeting w/NGA/NCSL/APWA	Written answers to questions	HHS, OMB, DPC, Elena	Finish review today or early tomorrow
3. Technical amendments	Report from Secretary to Congress on 11/22	HHS beginning to coordinate?	
4. Performance Fund proposal	Joint proposal from HHS and the intergov groups due one year after enactment		HHS and groups have discussed a cooperative process
5. Mechanics of 1/97 state option on TANF and SSBG for legal immigrants: same as Medicaid?	Guidance?	HHS to identify options	
6. Redoing cost neutrality for existing waivers (includes USDA)	New agreements with states		OMB to convene meeting asap
7. Adoption/foster care link to SSI			
8. Timing of cash flow to states for TANF ("Circulars question")	Part of answers for tomorrow?	HHS, OMB	Need answer for intergovernmental meeting Wed.

Immigration

Verification: FS and SSI -- see above			
1. Verification: Veterans exemption	VA guidance on verifying vet status/DOD guidance on verifying active duty	Molly Brostrom/VA/DOD	Meeting held 10/7; goal is memo in two weeks
2. Verification: Refugee/Asylee guidance	INS guidance to field on verifying status	INS	Timing? also next two weeks?
3. Verification: Guidance to other programs	Directive/Guidance memo from AG on verification		Once above steps done - by end of year have memo from AG (may need sooner)
4. Disability Regulation	Final rule (December?)	INS working with OIRA	Comment period ends 10/14? INS commitment to work toward final rule sooner if possible than mid December
5. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination TBD	Elena Kagan and OMB working group	Discussions among general counsels ongoing

6. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment - ends 11/6/96
7. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	New affidavit by 12/30; effective 60-90 days after
8. Applicability to Cuban/Haitian entrants		NSC	Decision memo within one week (by 10/14)
9. Veterans	Need to ensure process for determining veteran status of various groups (Hmong, Filipinos) and process for determination generally	Steve Warnath/Elena	Confirm whether certification process initiated by groups rather than Administration-initiated action is required.
10. Treaty issues		INS and DOJ/OPD	INS and DOJ/OPD looking at issues; will report on status/timing
11. Reporting of Illegal Immigrants	Quarterly reports from states to INS	INS	INS putting issue memo together; options. Will report on status/timing

12. Other issues	Steve looking into the following issues: "federal public benefit," "state and local public benefit," "housing and community development programs," and U.S. Nationals	Steve Warnath	Steve will explore what flexibility there might be in these areas in conjunction with DOJ, HUD, etc.
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INTERGOVERNMENTAL WELFARE REFORM MEETING

October 8, 1996

I. Outstanding Issues from Last Meeting

HHS responses to specific questions

- state plan review process**
- TANF - SSBG transfers**
- Spending on immigrants and MOE**
- Pro Rata Reductions**
- Claims and Disallowances**
- \$50 Child Support Pass Through**

II. State Plan Completeness/45 Days/When Does the Five Year Clock Start

- More detailed discussion if necessary**

III. Other questions

- Updating OMB circulars**
- Waiver evaluations**
- Work requirements and people and children with disabilities**
- Means tested benefits**
- Waivers and cost neutrality**

IV. Medicaid Fact Sheets - Review of Initial HCFA Answers

V. Information Systems Process

VI. New Questions

WELFARE IMPLEMENTATION ISSUES

Medicaid Issues

1. How will the waiver provision in section 1931 be applied to preserve Medicaid coverage for low-income women and children who formerly qualified through AFDC?
2. Will the regulation be applied that says if an individual is ineligible for SSI for a reason that does not apply to Medicaid eligibility, the individual still qualifies for Medicaid? *By issue in TX. Just gives state flexibility to give do what they've decided to do.*

TANF

1. How will the 45-day comment period be implemented? *Ans - certif of prior comment period will be accepted*
2. What level of information about TANF state programs will be required?

Children's SSI

1. What standard will the Administration initially set?
2. Will the Administration present that standard in a way that gives it flexibility to modify the standard in the future?

Legal Immigrants

1. Definition of public benefit programs: Do means-tested federal benefits include or exclude discretionary programs?
2. States should be only required to indicate in their state plan their decision on whether to serve legal immigrants already here if the decision is to disqualify immigrants. *Default - you serve.*
3. Issues related to the 40 quarters of work.
 - A. What, if any, verification will be required, particularly until SSA has an on-line system for providing this information?
 - B. What provision will be made for migrant farm workers, whose work often is not reported to SSA by growers or labor contractors (and who could never provide enough specific information about all of the numerous jobs they have had over ten or more years to verify the work history themselves)?
 - C. What provision will be made for calculating the quarters that people are entitled to claim from their spouses or parents? *Any problem if person can't / wait release?*

PT can explain

(4)

No problem - don't need waiver - bec not providing earnings.
How will migrant farmworkers who were receiving food stamps on August 22, 1996, be treated for purposes of the extension of eligibility in the immigration bill?

Welfare Reform Implementation Issues

1. Should states be allowed to continue to operate previously approved welfare waivers that waive the five year time limit either directly or indirectly through their exemptions/extensions policy?

The bill permits states to continue their waivers. States want to know specifically what that means regarding more generous time limits, extensions, exemptions and more lenient definitions of work. Some members are concerned this provision may be used to gut the time limit -- see, e.g., DC waiver. Sen. Nickles is trying to add a rider to clarify that states can't use waivers to get around the 5-year time limit.

HHS proposal: No need to answer the question now. Ask states to identify in their plans inconsistencies between their waivers and the new law. Warn them that future legislative or regulatory action could limit their ability to continue the waiver, but assure them that they would suffer no financial penalty. Ultimately, HHS would allow waivers to trump time limits and work requirements.

White House Staff Recommendation -- Although the law allows states to use waivers to avoid work participation rates and time limits, we should make clear to states from the outset that the administration expects every state to operate programs that comply with the work participation rates, exemptions policy, and five year lifetime time limit in the welfare reform bill. We propose to make clear that if states try to use waivers in this way, we will seek corrective legislation.

2. In guiding states on how to prepare "Complete" plans, how detailed should HHS be in the questions it asks states to answer?

The new law gives HHS the authority only to evaluate state plans for completeness -- it does not permit substantive review and approval.

HHS would like to send a nine-page list of over eighty specific questions that states must answer for their plan to be considered complete.

White House Staff Recommendation -- HHS should considerably reduce the list to a short list of key questions. The eighty-question list runs counter to the intent of Congress in shifting authority to run the program to the states.

3. Should we grant the Wisconsin welfare waiver?

There is only one outstanding issue with Wisconsin – relating to the residency requirement. HHS believes that Wisconsin would not have the authority to implement this requirement under the new law and therefore needs a waiver. HHS recommends that we deny the waiver.

Wisconsin has made this a part of their state plan as well. HHS does not want to find the plan complete with this provision in it.

White House Staff Recommendation -- Grant Wisconsin the waiver with language that says we are granting it to the extent it meets Constitutional standards. The provision will certainly land in court. By granting the waiver, we avoid a fight with the state.

4. Should States be allowed to meet the 45 day public notice requirements of the law by citing previous public processes?

HHS proposes that states be required to have new 45 day comment periods. They are not willing to count previous public processes, i.e., consideration of state legislation.

White House Staff Recommendation -- While some of us might give states flexibility if their welfare plans have been subject to lengthy public debate, several constituencies feel strongly about having input. We are prepared to accept HHS recommendation, provided there is retroactive funding to cover the 45 days of the new comment period.

5. Should victims of domestic violence be given automatic exemption from the time limit?

The welfare reform bill contains the Wellstone amendment – which offers states the option of exempting people in these circumstances from the time limit – within the 20 percent limit, and encourages states, where appropriate, not to apply stricter program requirements.

The Women's Office, some women's groups, and some at HHS are proposing that the President direct the Secretary not to penalize states that fail to meet the work participation standards or exceed their 20 percent exemption because they exempt victims of domestic violence.

White House Staff Recommendation -- We recommend that the President issue a memorandum to HHS and DOJ asking them to urge states to exercise the Wellstone option, and to work with states on appropriate services and provide technical assistance. Encourage states to exempt from time limits, but don't undermine the work participation rates (because it could have the unintended consequence of denying job opportunities to battered women) and don't exceed 20 percent hardship exemption.

6. How should we handle the food stamp certification issue if it cannot be fixed in the Continuing Resolution?

We would like your reaction to using USDA's demonstration authority to grant waivers to states with one-year recertification periods to permit them to postpone recertifications until April 1, 1997. USDA is concerned that this proposal pushes the use of the waiver authority too far and puts the program at risk for future block granting or capping. USDA notes, in particular, that such waivers would violate the administration's longstanding policy of cost-neutrality.

7. Timing of INS Naturalization Information to SSI Immigrants

Welfare Reform Implementation Issues

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Timeline: Key Dates (through end of year)

I. TANF

- September 30 HHS must act on Wisc/Mich early applications
October 1 States can enter TANF program
November Technical corrections legislative proposal? what drives this date?
November 17 States to report on child poverty to HHS
December HHS to publish initial TANF regs

II. Child Care

- November Interim final rule?

III. Child Support

- October 1 State laws on expedited procedures and paternity establishment (with exceptions)

IV. Medicaid

- October 7 HCFA to meet with State Medicaid Directors; should have some clarity on issues by then
December HCFA to issue guidance

V. Food Stamps

Legal Immigrants:

- September 22 30 day grace period up; states rejecting new applicants who are legal aliens

- ASAP California question

- January 1997 States can be sanctioned for errors related to legal immigrants

18-50 Year old Work Requirements:

- September 30 USDA to give states guidance on waiver process
November 22 States must start 3 month clock ticking, with cutoffs to begin 2/22

VI. SSI

Children:

- ASAP New definition needed for field so field offices

stop holding new cases
October 22 SSA to get draft reg to OMB
November 22 New reg to be published
Mid-Nov- Children's families to get notices
December
January - Redeterminations drop children from rolls
August '97

Legal Immigrants:

??? Regulations/instructions?
January - Recipients to get notices
March '97
April - Redeterminations drop legal immigrants from rolls
August '97

VII. Other Immigration Dates

September 27 Comment period up for disability reg
ASAP Definition of means tested benefit
November 20 INS to promulgate new sponsorship document
(affidavit of support)
November One quarter since law passed; states required to
report quarterly to INS about those unlawfully in
US
January 1 States decide whether legal immigrants are eligible
for Medicaid, TANF, SSBG; also state and local
programs??

ISSUES LIST (9/24/96)

Hot issues

(For each of these issues a process is in place to move forward to necessary decisions)

- o HHS: state plan guidance; waivers; domestic violence exemptions
- o USDA: California request on food stamp recertification
- o SSA: Definition of disability for children's SSI

Issues requiring further work

(For these issues, we want to review status and process for addressing)

- o USDA: 18-50 year-olds: is waiver guidance ready? def. of "able-bodied"
- o USDA: Chiles letter on QC waiver

- o HHS/ACF: Progress w/NGA on regulatory/guidance process
- o HHS/ACF: Positions on NGA list of "technical amendments"
- o HHS/ACF: Flow of funds during 45 day comment period
- o HHS/HCFA: Medicaid delinking w/AFDC, SSI for children/immigrants; waivers; \$500m enhanced match funding; deadline is SMDA meeting 10/7
- o HHS: Mechanics of 1/1/97 state option on Medicaid, TANF, SSBG for legal immigrants
- o HCFA/SSA: Timing of legal immigrant cutoffs from SSI vs. Medicaid (nursing homes)

- o SSA: Maintenance of effort for SSI state supplementation
- o SSA: How states w/state supps should report illegal aliens

Issues for future focus

- o HHS: Systems to track time limits and implement child support provisions
- o HHS: Performance bonus fund implementation
- o VA involvement in legal immigrant changes
- o DOJ: reports on statutory rape, teen pregnancy
- o HHS: how to encourage states to use wage subsidies
- o Monitoring and evaluation
- o HHS: 15% cap on admin costs/MIS issue
- o How to re-do cost neutrality for existing waivers
- o Technical corrections by 11/22

USDA: Regional offices to do weekly report on state activities

ISSUE	PRODUCT	WHO	NEXT STEP
Immediate			
1. Food Stamp Recertification	Produce option that states can use to provide flexibility in meeting statutory mandate	Elena Kagan leading effort to sort through options	Options developed; under consideration; decision needed
2. Disability Regulation	Final rule ASAP	INS working with OIRA	Interim rule out for 30 day comment; OIRA trying to schedule interagency meeting week of 9/23
3. "Means Tested"	Government-wide definition of means tested must be developed ASAP - format and dissemination unclear	Elena Kagan and OMB working group	Coordinating Group will reconvene week of 9/23
4. SSA Process	Agree to timing and process for notice and recertification; operational questions on 40 quarters	SSA lead	DPC convening meeting with SSA week of 9/23 to review
5. "Lawfully Present"	DOJ regulation defining "Lawfully Present"	DOJ	Interim reg is out for 60 day public comment - ends 11/6/96
6. AG memo excepting programs	Memo from AG	DOJ/OPD	Initial memo out for comment.
7. Verification	(1) Options for interim verification; (2) Longer term: DOJ system	Steve Warnath/Elena/DOJ	Various memos being written; Steve to call interagency meeting by late week of 9/23 with DOJ, SSA, USDA, VA, HHS

8. Affidavit of Sponsorship	Develop new affidavit and address process issues	INS	New affidavit within 90 days; effective 60-90 days after
<u>Medium Term</u>			
9. Veterans	Need to ensure process for determining veteran status of various groups (Hmong, Filipinos) and process for determination generally	Steve Warnath/Elena	Meet with VA, DOD, DOJ, INS week of 9/30
10. Applicability to Cuban/Haitian entrants		NSC	Steve to check with NSC on timing/status
11. Treaty issues		INS and OPD	INS and OPD looking at issues; will report on status/timing
12. Reporting of Illegal Immigrants		INS	INS putting issue memo together; options. Will report on status/timing
13. Citizenship Materials	INS to produce materials agencies can use to inform regarding naturalization	INS	INS to report on status/timing of materials
14. "Federal public benefit"	Determine whether any flexibility in definition	Steve Warnath	Steve will explore what flexibility there might be
15. "State or Local Public Benefit"	Determine whether guidelines needed	DOJ	DOJ to report to Steve Warnath
16. Housing and Community Development Programs	Determine what programs covered by this exception	Steve Warnath/HUD	Steve to consult with HUD

17. U.S. Nationals	Determine how law applies to nationals	DOJ	DOJ to review and get back to Steve
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Longer Term

Redress for Improper Denial

Medicaid

Civil Rights Enforcement

Long-term Legislative Fixes

September 1996
WELFARE REFORM IMPLEMENTATION

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4 National Food Stamp Conference (FSP) for Food Stamp managers, <i>MJB</i> remarks, Sept. 4-5 (Alexandria, VA) Southwest Regional Child Support Assoc. Annual State Child Support Conf., <i>David Ross</i> , <i>OCSE - Keynote speaker</i> , Sept. 4-6 (Oklahoma City, OK)	5	6	7
8 National Assoc. of Human Svcs. State Quality Control Directors Annual Meeting, Sept. 8-11 (Sacramento, CA)	9 State Child Care Administrators' Conf. Sept. 9-10 - George Washington University NGA, APWA, NCSL Welfare Reform Implementation Meeting, Sept 9-10 (Washington, DC); <i>MJB</i> , <i>Sally Richardson</i> , <i>HCFA</i> remarks	10	11 International Children's Conf. <i>FLOTUS</i> remarks Los Angeles, CA	12 APWA Regional Welfare Reform Seminar, Sept. 12-13 (Newark, NJ)	13	14 APWA Assoc. of Information Systems Management, Sept. 14-18 (Portland, OR)
15 National Child Support Enforcement Conf., Sept. 15-17 <i>MJB</i> and <i>David Ross</i> , <i>OCSE</i> remarks National Eligibility Workers Meeting for FCS staff and state agencies, Sept. 15-18 (Anchorage, AL)	16 APWA Regional Welfare Reform Seminar, Sept. 16-17 (Minneapolis, MN)	17 House Ways and Means Subc. on Human Resources (Shaw) hearing - welfare reform implementation, (2 p.m. B318 Rayburn) <i>Olivia Golden</i> will testify FCS Northeastern Region State Mtg. to Review Legislation, Address State Implementation Concerns, Sept. 17-19 (Boston, MA)	18 APWA Conference, <i>Bill Ludwig</i> , <i>USDA Administrator</i> for Food & Consumer Service remarks	19 Catholic Charities, USA Annual Meeting Sept. 19-20 (Cleveland, OH) APWA Regional Welfare Reform Seminar Sept 19-20 (Nashville, TN) House Ways and Means Subc. on Human Resources (Shaw) Hearing on CSE and welfare reform. <i>David Ross</i> will testify. (2 p.m. B318 Rayburn)	20 George Washington Health Forum <i>Joblessness, the Urban Underclass, and Welfare Reform</i> , (9 a.m.-12 p.m.) Hart Senate Bldg. 902	21
22	23	24 APWA Regional State Meeting, Sept. 24-35 (Portland, OR)	25	26 APWA Regional State Meeting, Sept. 26-27 (Los Angeles, CA)	27	28 Network National Cntr. '96 Welfare to Work Conf., Sept. 28-Oct. 1 (Portland, OR)
29 National Council for Urban Economic Development, Annual Conf., Sept. 29-Oct. 2 (Cleveland, OH)	30 United Council on Welfare Fraud, Annual Training Conf., <i>Bill Ludwig</i> , <i>USDA</i> remarks (Denver, CO) (Tentative) FCS Mid-Atlantic Region Meeting to Review Welfare Reform, (Philadelphia, PA)	UPCOMING EVENTS: <ul style="list-style-type: none"> • Oct. 3-4 - FCS Midwest Region Welfare Reform Meeting, Chicago, IL • Oct. 6 - Exec. Comm. of the Nat. Assoc. of State Medicaid Directors, HHS/HCFA, and various intergovernmental groups meet to discuss implementation of Welfare Reform and Kennedy Kassebaum Bill • Oct. 7-9 - National Assoc. of State Medicaid Directors Annual Conference • Oct. 9 - The Smith Center for Private Enterprise Studies, California State Univ., Hayward, features <i>Eloise Anderson</i>, California Director of Social Services, speaking on Effective Welfare Reform, 2:45pm. • Oct 23 -- Women Work, The National Network for Women Employment Coalition on Women and Job Training Meeting (Washington, DC) • TBA - FCS South Western Region will meet with states on a state-by-state basis • TBA - FCS Western and Mountain Plains Regional Welfare Reform Meeting 				

**NATIONAL
GOVERNORS'
ASSOCIATION**

Bob Miller
Governor of Nevada
Chairman

George V. Voinovich
Governor of Ohio
Vice Chairman

Raymond C. Scheppach
Executive Director

Hall of the States
444 North Capitol Street
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Telephone (202) 624-5300



September 17, 1996

M E M O R A N D U M

To: Diane Fortuna
From: Evelyn Ganzglass and Susan Golonka
Re: Our Top Five Issues on Welfare Reform

1. Clarify which issues will be addressed through regulations and which not. Reach agreement on a timetable and process for consultation with the states regarding the development of federal regulations and the timely resolution of non regulatory issues such as the following:
 - State concerns about being penalized for actions taken prior to the promulgation of regulations or other federal guidance;
 - What the Secretary's interpretation will be regarding what "inconsistent with the act" means for purposes of states' ability to continue certain provisions of existing waivers;
 - What will be included in the definition of administrative costs for purposes of federal audits and penalties.
2. Establish a process for developing outcome-based measures for use in awarding bonuses from the performance fund.
3. Clarify issues related to the state plan submittal process including the time frames for certification of completeness; when do the TANF funding and requirements for time limits and penalties begin in states that are found not to have submitted a complete plan?
4. Establish an interagency working group on information systems for TANF, the child care block grant, the new food stamp work requirement and the child support enforcement program to coordinate efforts, develop a system that will allow cost sharing among programs, and provide technical assistance to states to ensure that one system may meet multiple purposes

Page 2

5. Try to reach agreement on areas which require technical amendments. Our current list includes the following:

- Permit transfer of Targeted Assistance for Needy Families (TANF) block grant funds directly into the Social Services Block Grant.
- Allow states the option to count as a single-parent family for purposes of the work requirement those two-parent families in which one spouse is incapacitated.
- Modify the reconciliation and MOE provisions of the contingency fund so needy states will be able to access the fund.
- Reconcile the effective dates for eliminating the federal contribution to the \$50 child support pass-through and repealing the actual pass-through.
- Clarify that state spending on immigrant families who become ineligible for TANF will count as qualified spending for purpose of meeting the TANF maintenance-of-effort.
- Permit adjustments in the maintenance of effort requirements for state SSI supplements when caseloads decline.
- Reconcile the "look back" dates to state AFDC programs for child welfare and Medicaid eligibility.

We look forward to discussing these issues with you at our next meeting.



NATIONAL CONFERENCE OF STATE LEGISLATURES

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STAFF CHAIR, NCSL

WILLIAM POUND
EXECUTIVE DIRECTOR

NATIONAL CONFERENCE OF STATE LEGISLATURES

Five Priorities from Welfare Briefing

I. Getting Started Issues

- A. State Plan vs. State Law
- B. "Completeness" of State Plan

II. Conflict Resolution Process

- A. Waivers
- B. Work Requirements
- C. Other Penalties

III. Legal Immigrants

- A. Clarifications
- B. Documenting Cost-Shifts
- C. Documenting Litigation
- D. Possible Regulatory Grace Periods
- E. Proposals for Legislative Change

IV. Consultation on Technical Corrections

- A. Legislation
- B. Regulation

V. Technical Assistance

- A. Child Support
- B. Immigration
- C. SSI
- D. Targeting Unique Policymaking Responsibilities of State Legislators and Staff



AMERICAN PUBLIC WELFARE ASSOCIATION

Gerald H. Miller, President
A. Sidney Johnson III, Executive Director

September 18, 1996

To: Sid Johnson

Fr: Elaine M. Ryan

Re: Top Five Implementation Issues Facing States

1. Medicaid

- Cost neutrality liabilities discontinuing Section 1115 welfare waivers
- Transitional waivers and cost neutrality liabilities
- HCFA, ACF, INS and SSA joint working group
- SSI for Children

2. State Plan

- TANF funding based on submission or deemed complete
- 45 comment period

3. Claims and Disallowances

- program close out
- reduction in TANF block grant allocations

4. Immigration

- definition of means tested benefit
- rules applied to current non-citizens
- application to child care and child welfare services

5. Penalties

- application
- inconsistencies
- data reporting
- work rates - two parents and all families

Anna Demand 9-24-96

- 1. waivers
- ← 2. 45-day
- 3. dem vid.

1. Under c.c., no plans.
 Own stat structure -
 unrelated.
Send me.

2. Waivers -

What is a waiver??

a demo project - entire, w/ whole list of
 waived provisions

pull in not just waived provs -
 but whole underlying law/reqs.

OR: only what was waived ←

Things you didn't get waiver
 for - bec you didn't need -
 part of demo ???

ORing -

look at each indiv section -
 || each of them?

3. Domestic violence.

Very general Pres directive

No problem - enc. states to inst heart,
 etc.

Now - 1) Public rats - penalty - don't take into acct
 they may be ~~proct~~ ^{needs} cause not impose penalty 405(b)

~~2~~ from 50%

?? 2) Harship exception to time limit may be for up to 20%
 for hardship on victims.

W-M - says you can waive any of reg's under law.

Memo expand beyond 20%

AD - says NO

HW - says YES.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

26-Sep-1996 12:44pm

TO: (See Below)

FROM: Diana M. Fortuna
 Domestic Policy Council

SUBJECT: RE: Conversation with HHS

I spoke to John in followup to say that we fully plan to tell NGA the decision on waivers and other issues at Monday's meeting, and they better get their talking points in gear if they expect to shape what we say.

He seemed to think that the plan was that HHS would work on/polish talking points on the waiver issue over the coming weeks (months? years?), but that we wouldn't raise this issue to NGA or "trumpet" our position on this. I made it clear that we are in agreement that we must announce this decision on Monday and in all other appropriate forums.

Distribution:

TO: Jeremy D. Benami

CC: Bruce N. Reed
 Emily Bromberg
 Kenneth S. Apfel
 Elena Kagan
 Carol H. Rasco

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

26-Sep-1996 05:03pm

TO: (See Below)

FROM: Jeremy D. Benami
 Domestic Policy Council

SUBJECT: Latest HHS interaction

Diana and I spoke with Monahan to urge him to put the answers to the two questions (waivers and 45 days) in a Revised Draft of the Plan Guidance for Monday.

He says HHS will not agree to put anything in writing relating to the waiver policy. They want a purely oral strategy.

I urged that (1) we are getting hit hard publicly for not providing clear guidance to states on difficult questions; (2) telling the 3 organizations on Monday orally does not guarantee that all 50 states get a clear read on the definitive policy since word-of-mouth from the meeting is likely to get mis-reported; (3) leaving it to all of us to individually report this to those we speak to is bound to lead to confusion.

I told him that if HHS would not agree to this, then the Secretary would have to call Leon to explain - or we might have to do it ourselves for Monday.

That's how we left it. I will do a note for John Angell so that Leon is briefed if she calls.

I will also call Kevin to discuss.

Distribution:

TO: Carol H. Rasco
TO: Bruce N. Reed
TO: Emily Bromberg
TO: Elena Kagan
TO: Kenneth S. Apfel

CC: Diana M. Fortuna

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

26-Sep-1996 05:13pm

TO: (See Below)

FROM: Carol H. Rasco
 Domestic Policy Council

SUBJECT: RE: Conversation with HHS

I also feel very, very strongly about having a decision on this issue of checklist for Monday's meeting. I hate to ask people to work overtime beyond what we already work around the White House but I have every intention of bringing up at that meeting what determines a complete plan, waivers, and 45 day, whether the agencies and White House are ready or not. I again feel very strongly about this and expect all of them to be ready to be discussed. We've played with this long enough...we need to say on Sept. 30 to the state organizations where we stand on all three of these.

Distribution:

TO: Jeremy D. Benami

CC: Bruce N. Reed
 Emily Bromberg
 Kenneth S. Apfel
 Diana M. Fortuna
 Elena Kagan

EXECUTIVE OFFICE OF THE PRESIDENT

26-Sep-1996 05:03pm

TO: John C. Angell

FROM: Jeremy D. Benami
Domestic Policy Council

CC: Carol H. Rasco
Diana M. Fortuna
Emily Bromberg

SUBJECT: Possible call to LP from Shalala

Secretary Shalala may call Leon to follow up on an issue from the meeting we had yesterday on welfare reform implementation.

As you may remember, one item of discussion was the Administration's policy on whether state waivers allow states to get around the bill's time limits, work participation requirements and related policies.

The lawyers agree that the law probably allows state waivers to do this.

We all agree that as a matter of policy and positioning, however, the administration should be opposed to this and should say so strongly.

The only issue is how to make our position known.

We meet weekly with state organizations (NGA, NCSL, APWA) and the next meeting is Monday. They have asked us to clarify our position on this question. HHS does not believe that there should be an answer in writing to this question.

Because it is so important, most of us at the White House believe it should be in writing and provided on Monday since (1) we are getting hit hard publicly for failing to be clear in our instructions to states, and (2) leaving it to word-of-mouth increases the chances that conflicting messages will come out of the administration.

HHS feels so strongly that they say they will have Shalala call Leon to contest the decision. I can't believe they would push so hard on this type of issue, but they may, so I wanted to be sure you had the necessary info to brief Leon.

It would be very helpful if Leon could reinforce to the Secretary that this is our policy and that we need to take the necessary steps to ensure our policies are clearly understood.

Please let me know if you need anything else.

E X E C U T I V E O F F I C E O F T H E P R E S I D E N T

27-Sep-1996 03:54pm

TO: (See Below)

FROM: Jeremy D. Benami
 Domestic Policy Council

SUBJECT: letter to NGA

Attached is a relatively short letter that could be signed by Bruce and Carol Monday to the NGA, NCSL, and APWA answering the three major questions laid on the table at our previous meeting with them.

As you know, HHS did not agree to modify the plan guidance to incorporate these issues for distribution on Monday. They had mentioned that Shalala might call Panetta, but she has not yet.

This letter will allow us to have our policy in writing so there is no confusion either within the administration or in the translation by the groups to the states who need the information.

Please send me your comments on the letter as soon as possible.

Thanks.

Distribution:

TO: Carol H. Rasco
TO: Bruce N. Reed
TO: Kenneth S. Apfel
TO: Elena Kagan
TO: Emily Bromberg

CC: Diana M. Fortuna
CC: Keith J. Fontenot