

**NLWJC - KAGAN**

**EMAILS RECEIVED**

**ARMS - BOX 042 - FOLDER -003**

**[01/02/1999 - 01/04/1999]**

# Withdrawal/Redaction Sheet

## Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Christopher Jennings to Elena Kagan et al. re: Unity Event [partial] (1 page)	01/03/1999	P6/b(6)
002a. email	Sarah Bianchi to Elena Kagan re: long term care event [partial] (1 page)	01/03/1999	P6/b(6)
002b. email attachment	Program Participants [partial] (1 page)	01/03/1999	P6/b(6)

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**COLLECTION:**

Clinton Presidential Records  
 Automated Records Management System [Email]  
 OPD ([Kagan])  
 OA/Box Number: 250000

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**FOLDER TITLE:**

[01/02/1999-01/04/1999]

2009-1006-F

bm75

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**RESTRICTION CODES**

Presidential Records Act - [44 U.S.C. 2204(a)]

Freedom of Information Act - [5 U.S.C. 552(b)]

- P1 National Security Classified Information [(a)(1) of the PRA]
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C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Trooper Sanders ( CN=Trooper Sanders/O=OVP [ UNKNOWN ] )

CREATION DATE/TIME: 2-JAN-1999 21:15:56.00

SUBJECT: School breakfast pilot program

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:  
Elena --

I understand the FY 2000 budget may contain a \$13 million USDA school breakfast pilot program. Mrs. Gore may do a USDA education related event in New Hampshire in a couple of weeks (highlighting, among other things, the Child Nutrition Re-authorization act the President signed authorizing afterschool snack program funds). We would like to consider having Mrs. Gore announce this budget proposal during the event. From your perspective, is this ok? Thank you.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Christopher C. Jennings ( CN=Christopher C. Jennings/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 3-JAN-1999 00:18:13.00

SUBJECT: Unity Event

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

CC: Cathy R. Mays ( CN=Cathy R. Mays/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

P6(b)(6)

Now to subject immediately at hand. How was the Tuesday unity event resolved as it relates to announcements? Is PBOR, as well as Medicare buy-in included? Any other health items. Should we pursue a Monday, leak for Tuesday strategy?

Give me a call or a page. Thanks.

cj

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002a. email	Sarah Bianchi to Elena Kagan re: long term care event [partial] (1 page)	01/03/1999	P6/b(6)

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sarah A. Bianchi ( CN=Sarah A. Bianchi/O=OVP [ UNKNOWN ] )

CREATION DATE/TIME: 3-JAN-1999 02:15:25.00

SUBJECT: long term care event

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D59]MAIL45014220K.036 to ASCII,  
The following is a HEX DUMP:



P6/(b)(6)

[002a]

January 3, 1999

**NEW INITIATIVE TO ADDRESS GROWING LONG-TERM CARE NEEDS AND  
SUPPORT FAMILY CAREGIVERS**

**DATE:** January 4, 1999  
**TIME:** 10:30 am to 11:00 am (Pre-brief)  
11:00 am to 11:15 am (Meet and Greet)  
+11:15 am to 12:10 pm (Event)  
**LOCATION:** Oval Office (Pre-brief)  
Blue Room (Meet and Greet)  
Grand Foyer (Event)  
**FROM:** Bruce Reed / Chris Jennings

**I. PURPOSE**

You are unveiling a new long-term care initiative to support Americans with long-term care needs and the millions of family members who care for them.

**II. BACKGROUND**

You will unveil a new, four-pronged \$6.2 billion (over five years) initiative that takes important steps to address the complex needs of Americans with long-term care needs and their family members through:

- *Supporting families with long-term care needs through a \$1,000 tax credit.* This initiative, for the first time, acknowledges and supports millions of Americans with long-term care needs or the family members who care for and house their ill or disabled relatives through a \$1,000 tax credit. This new tax credit supports the diverse needs of families by compensating a wide range of formal or informal long-term care for people of all ages with three or more limitations in activities of daily living (ADLs) or a comparable cognitive impairment. This proposal, which supports rather than supplants family caregiving, would provide needed financial assistance to about 2 million Americans, including 1.2 million older Americans, over 500,000 non-elderly adults, and approximately 250,000 children. It costs \$5.5 billion over five years and the credit phases out beginning at \$110,000 for couples and \$75,000 for unmarried taxpayers.
- *Creating a new National Family Caregiver Support Program.* Recent studies have found that services like respite care can relieve caregiver stress and delay nursing home entry, and that support for families of Alzheimer's disease patients can delay institutionalization for as long as a year. This new nationwide program, strongly advocated by the Vice President, would support families who care for elderly relatives with chronic illnesses or disabilities by enabling states to create "one-stop-shops" that provide: quality respite care

and other support services; critical information about community-based long-term services that best meet a families' needs; and counseling and support, such as teaching model approaches for caregivers that are coping with new responsibilities and offering training for complex care needs, such as feeding tubes. This program, which costs \$625 million over five years, would serve approximately 250,000 families nationwide.

- *Launching a national campaign to educate Medicare beneficiaries about the programs' limited coverage of long-term care and how best to evaluate their options.* Nearly 60 percent of Medicare beneficiaries are unaware that Medicare does not cover most long-term care, and many do not know what long-term care services would best meet their needs. This \$10 million nationwide campaign would provide all 39 million Medicare beneficiaries with critical information about long-term care options including: what long-term care Medicare does and does not cover; how to find out about Medicaid long-term care coverage; what to look for in a quality private long-term care policy; and how to access information about home-and community-based care services that best fit beneficiaries' needs.
- *Having the Federal government serve as a model employer by offering quality private long-term care insurance to Federal employees.* You will also call on the Congress to pass a new proposal that authorizes OPM, as the nation's largest employer to use its market leverage and set a national example by offering non-subsidized quality private long-term care insurance to all federal employees, retirees, and their families. This proposal, that costs \$15 million over five years, will provide employers a nationwide model for offering quality long-term care insurance. OPM anticipates that approximately 300,000 Federal employees would participate in this program.

**Expected Response From Validators.** We expect aging advocacy organizations, like AARP and the Alzheimer's Association to be very supportive of your policy. The advocates appear to be impressed that your proposal recognizes the multi-faceted nature of the problems facing the nation's chronically ill and are pleased that you are focusing the initiative on all age groups rather than just the elderly. They will caution, though, that however positive this proposal is, it does not address all of the long-term care challenges facing the nation. We have assured them that we will not make such a claim; indeed, it would hurt us among independent validators as well as the Republican Congress, if we were proposing a much more expansive approach.

**Role of the Vice President and Mrs. Gore.** The Vice President and Mrs. Gore are participating in this event from the Triple "R", an adult day care program that is part of a successful California statewide caregiving program and that serves approximately 30 families in the Sacramento area. The California program, one of the four model caregiver support programs that currently exist, is similar to the National Family Caregiver Support Program that the Administration is launching nationwide today. The Vice President and Mrs. Gore, who will meet with a number of families with long-term care needs during your remarks, will join you via satellite at 11:40 am to discuss the experiences of these families and they validate the need for

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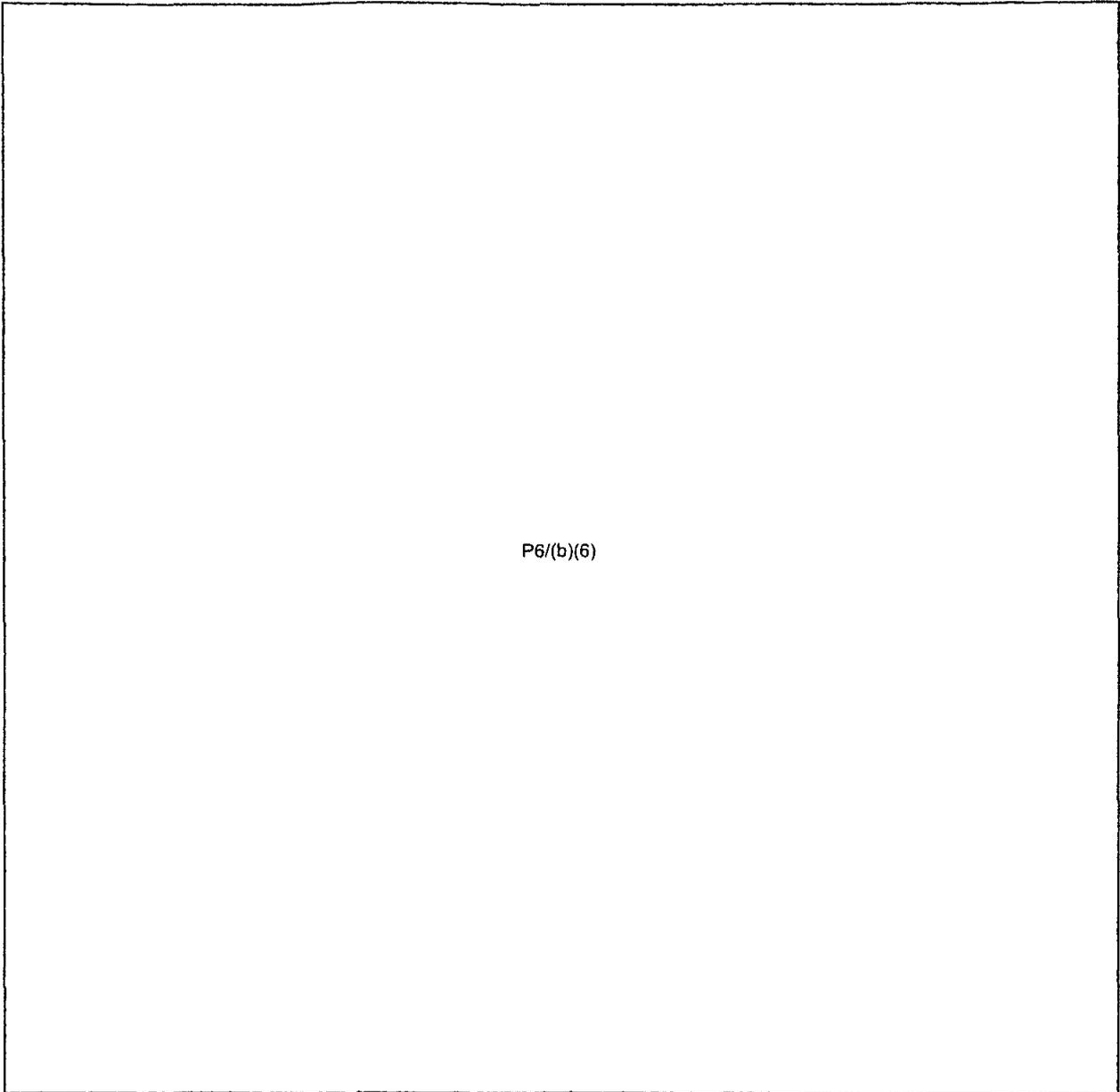
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your long-term care initiative.  
**Program Participants**



**III. PARTICIPANTS**

Briefing Participants

You  
The First Lady  
Secretary Shalala  
Secretary Rubin  
Janice LaChance

Bruce Reed  
Gene Sperling  
Chris Jennings

Program Participants (Washington, DC)

You  
The First Lady  
Secretary Shalala  
Secretary Rubin  
Janice LaChance  
Patricia Darlak

Program Participants (Sacramento, CA)

The Vice President  
Mrs. Gore

**IV. PRESS PLAN**

Information about the new initiative has been advanced to all major national papers for Monday. In addition, Secretaries Rubin and Shalala, together with Director LaChance, will brief members of the press at the beginning of Joe Lockhart's daily briefing.

**V. SEQUENCE OF EVENTS**

- **You** and the First Lady, together with Secretary Rubin, Secretary Shalala, and Director LaChance, will spend 15 minutes meeting with Patricia Darlak in the Blue Room.
- **You** and the First Lady, together with Secretary Rubin, Secretary Shalala, Director LaChance and Patricia Darlak, are announced into the Grand Foyer.
- The First Lady delivers remarks and introduces Patricia Darlak.
- Patricia Darlak delivers brief remarks and introduces **you**.
- **You** deliver remarks.
- The First Lady introduces the Vice President and Mrs. Gore via satellite.
- **You** proceed to your seat.
- The Vice President and Mrs. Gore deliver remarks. (**You** will ask follow-up questions to be provided by speechwriting).
- Upon conclusion of the discussion, the Vice President makes concluding remarks and bids farewell.

-- **You** deliver concluding remarks and depart.

**VI. REMARKS**

Your remarks have been prepared by speechwriting.

**VII. ATTACHMENTS**

-- Background on the California program

### *CALIFORNIA'S STATEWIDE CAREGIVING RESOURCE PROGRAM*

California is one of four states in the nation which provide model statewide family caregiving resource programs similar to the one that the Administration is launching nationwide today.

California's Department of Mental Health developed a program in 1984 to provide caregiver support services through eleven agencies statewide to provide support services for families caring for persons with Alzheimer's disease, Parkinson's disease, stroke, and traumatic brain injury. In 1996, California's Caregiver Resource Centers served over 10,000 family members and friends who care for loved ones suffering from Alzheimer's disease, stroke, Parkinson's disease, multiple sclerosis, traumatic brain injury, and other adult-onset, brain impairing diseases. The Centers' primary functions include the provision of respite care (e.g. in-home respite care, adult day services, or weekend respite camps), information, education, long-term planning, legal/financial consultations, training, and support groups.

Recent statewide assessments of this program have shown that the typical caregiver in California is 60 years old and most (76 percent) are women, and they typically provide about 10.5 hours per day of care. Depression continues to be a pervasive problem for caregivers; approximately six out of 10 caregivers in California's program have been diagnosed with depression.

**PRESIDENT CLINTON AND VICE PRESIDENT GORE UNVEIL HISTORIC LONG-TERM CARE INITIATIVE TO SUPPORT FAMILY CAREGIVERS AND HELP ADDRESS GROWING LONG-TERM CARE NEEDS**

**January 4, 1999**

Today, President Clinton is unveiling an historic new initiative to support Americans with long-term care needs and the millions of family members who care for them. This four-part, \$6.2 billion (over five years) initiative takes important steps to address complex long-term care needs through: (1) an unprecedented \$1,000 tax credit that compensates for formal or informal costs Americans of all ages with long-term care needs or the family caregivers who support them; (2) a new National Family Caregivers Support Program that provides a range of critical services for caregivers such as respite, home health services, and information and referral; (3) a national campaign to educate Medicare beneficiaries about the programs' limited coverage and how best to evaluate long-term care options; and (4) a proposal to have the Office of Personnel Management (OPM) serve as a model employer by offering quality private long-term care insurance to Federal employees.

The President is being joined by the First Lady, Secretary Rubin, Secretary Shalala, and OPM Director LaChance to unveil this initiative at the White House and the Vice President and Mrs. Gore are participating from an adult day care center in California, a state that is one of four in the nation with model statewide family caregiving resource programs.

***MILLIONS OF AMERICANS HAVE LONG-TERM CARE NEEDS***

**More and more Americans have a range of long-term care needs.** Over five million Americans have significant limitations due to illness or disability and thus require long-term care. Approximately, two-thirds are older Americans. Also, millions of adults and a growing number of children have long-term care needs because of health condition from birth or a chronic illness developed later in life.

**The aging of Americans will only increase the need for quality long-term care options.** The number of Americans age 65 years or older will double by 2030 (from 34.3 to 69.4 million), so that one in five Americans will be elderly. The number of people 85 years or older, nearly half of whom need assistance with everyday activities, will grow even faster (from 4.0 to 8.4 million).

**MULTI-FACETED INITIATIVE TO SUPPORT FAMILY CAREGIVERS AND ADDRESS GROWING LONG TERM CARE NEEDS.** The President is unveiling a four-part initiative that is designed to address the broad-based and varied long-term care needs. It will: provide immediate support and assistance for the millions of Americans who care for family members with major long-term care needs; educate the elderly and people with disabilities about long-term care issues and options; and promote new promising strategies directions for long-term care policy for the twenty-first century. The President also called on the Vice President to host a series of forums around the nation to raise awareness about the need to support family caregivers and address the growing need for long-term care options.

The long-term care proposal being unveiled today by the President and Vice President includes:

*Supporting families with long-term care needs through an historic \$1,000 tax credit.* This initiative, for the first time, acknowledges and supports millions of Americans with long-term care needs or the family members who care for and house their ill or disabled relatives through a \$1,000 tax credit. This new tax credit supports the diverse needs of families by compensating a wide range of formal or informal long-term care for people of all ages with three or more limitations in activities of daily living (ADLs) or a comparable cognitive impairment. This proposal, which supports rather than supplants family caregiving, would provide needed financial support to about 2 million Americans, including 1.2 million older Americans, over 500,000 non-elderly adults, and approximately 250,000 children. It costs \$5.5 billion over five years and phases out beginning at \$110,000 for couples and \$75,000 for unmarried taxpayers.

*Creating an unprecedented National Family Caregiver Support Program.* Recent studies have found that services like respite care can relieve caregiver stress and delay nursing home entry, and that support for families of Alzheimer's disease patients can delay institutionalization for as long as a year. This new nationwide program, strongly advocated by the Vice President, would support families who care for elderly relatives with chronic illnesses or disabilities by enabling states to create "one-stop-shops" that provide: quality respite care and other support services; critical information about community-based long-term services that best meet a families' needs; and counseling and support, such as teaching model approaches for caregivers that are coping with new responsibilities and offering training for complex care needs, such as feeding tubes. This program, which costs \$625 million, over five years would serve approximately 250,000 families nationwide.

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**Having the Federal government serve as a model employer by offering quality private long-term care insurance to Federal employees.** The President also called on Congress to pass a new proposal that allows OPM, as the nation's largest employer to use its market leverage and set a national example by offering non-subsidized, quality private long-term care insurance to all federal employees, retirees, and their families. This proposal, that costs \$15 million over five years, will provide employers a nationwide model for offering quality long-term care insurance. OPM anticipates that approximately 300,000 Federal employees would participate in this program.



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The President is being joined by the First Lady, Secretary Rubin, Secretary Shalala, and OPM Director LaChance to unveil this initiative at the White House and the Vice President and Mrs. Gore are participating from an adult day care center in California, one of four States with model statewide family caregiving resource programs.

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RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Cynthia A. Rice ( CN=Cynthia A. Rice/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 4-JAN-1999 09:11:12.00

SUBJECT: Welfare to Work Reauthorization

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

CC: Andrea Kane ( CN=Andrea Kane/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:

We need your reaction to these issues. Here's a copy again in case yours got buried.

----- Forwarded by Cynthia A. Rice/OPD/EOP on 01/04/99  
09:11 AM -----

Cynthia A. Rice  
12/17/98 01:27:52 PM  
Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP, Laura Emmett/WHO/EOP  
cc: Andrea Kane/OPD/EOP  
Subject: Welfare to Work Reauthorization

Here's our write up with some specific questions for you. Happy to meet to discuss (I left a message for Cathy to try to get a time)

===== ATTACHMENT 1 =====  
ATT CREATION TIME/DATE: 0 00:00:00.00

TEXT:

Unable to convert ARMS\_EXT:[ATTACH.D35]MAIL40300530Z.036 to ASCII,  
The following is a HEX DUMP:

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**Welfare to Work Reauthorization -- Proposed Provisions**  
*(See italics for issues where your reaction would be particularly helpful)*

**Responsible Fathers Initiative**

- **Funding Flow:** Require states to use at least 20% of their formula funds for services to help non-custodial parents increase their employment and child support.

We think it makes sense to include the funding for Fathers as part of the WtW formula grant rather than a separate funding stream--*do you agree?* It ensures a significant amount of resources and attention are focused on this population without creating yet another employment program (after we worked so hard to consolidate in the Workforce Investment Act). The downside is that it may be slightly harder to talk about.

This is also a clever resolution of the substate funding options we raised previously. Governors could choose whether to meet the 20% floor with a few concentrated projects or to pass this requirement down to every local PIC. A Governor who does not want to have a statewide fathers initiative could spend most or all of the Governor's 15% discretionary funds on fathers and make up the remaining amount by encouraging one or two localities to focus on fathers (not every PIC is ready or willing to have a fathers program). On the other hand, states such as MI, WI, and MO who have made non-custodial parents the primary focus of their WtW formula program could still do so.

Options for what happens if state does not meet the 20% floor for fathers could include: a) allow Governor to redirect funds to basic WtW services for hard-to-serve recipients, b) take back funds and put in same pot as unclaimed formula funds (see below), c) give to other states who commit to spend these funds on fathers. *Any preference?*

- **Eligibility:** Generally, low income non-custodial parents (primarily fathers) who enter into a personal responsibility contract. States would have some flexibility to target services among the following groups, listed in priority order. Eligibility would be tied to status of the children rather than the parent.

Non-custodial parents of:

- (1) children on public assistance for over 30 months or who are within 12 months of hitting a time limit;
- (2) child eligible for TANF;
- (3) child who left TANF within one year;
- (4) child eligible for food stamps or Medicaid (this would allow services to a broader population of low-income fathers).

We think this approach would keep eligibility relatively simple, while targeting services to fathers who are most likely to need help increasing their employment and child support and whose children are most in need of their fathers' support. *If you support this basic approach, we will work further with DOL and HHS to refine the details.*

**Personal Responsibility Contract:** Every father would sign a personal responsibility contract requiring them to establish paternity, pay child support, and work or participate in community service or another work activity in order to participate in the program. *We need to decide how prescriptive to be in the statute -- we're inclined to make a general statement like the sentence above and let the rest be defined in regs or by the locals. What do you think?*

We would also propose these state options. *What do you think?*

If a father is in community service or another work activity and temporarily unable to pay current support, the state could have the option to temporarily suspend or reduce *current* child support obligation (not past due support).

If a father has another child out of wedlock, the state would have the option to deny him services. This would be consistent with the state option on family cap, which is a roughly parallel policy for the moms.

If a father marries the mother of his child, the state could cancel or suspend the child support debts the father owed the State for past TANF payments to the mother.

- **Allowable Activities:** Use the same list as the current WtW statute, which allows funds to be used to move individuals into and keep individuals in lasting unsubsidized employment through: community service or work experience; job creation through public or private sector wage subsidies; on the job training; job readiness, placement, and post-placement services through contracts or vouchers; and job retention or support services if not otherwise available.

Through regulation or guidance, DOL could explain how a broader array of services to help fathers work and meet their child support responsibilities could be provided within the definition of job readiness and support services. Child support agencies and community and faith-based providers could deliver some or all of the services under contract with the state (in the case of 15% discretionary funds) or PICs (in the case of 85% formula funds). We think this approach will promote a strong focus on work, and avoid opening the statutory definition of allowable activities. *Do you agree with this approach?*

- **Performance Measures:** Use current WtW measures listed in the statute (employment, retention, earnings gain) and use the existing statutory authority for the Secretary to identify other measures as appropriate to add increased child support via regulations. *Is this okay, or would you prefer a statutory change?*
- **State Plan:** There would be a special part of the State WtW plan focused on fathers developed jointly with the workforce, child support and TANF agencies. It would document how the state planned to meet the 20% floor, and how it would ensure strong, ongoing coordination with the child support system, welfare agency, and community and faith-based groups working on fathers issues at both the state and service delivery level. DOL proposed that the child support agency sign off on the WtW plan to ensure adequate attention to issues related to non-custodial parents. *This seems to make sense.*

## Other WtW Reauthorization Proposals

- **Duration:** DOL has proposed 5 year reauthorization. *Are we supporting only a one year extension or multi-year reauthorization?*
- **Hard-to-Serve Eligibility Criteria:** Retain the general focus on the hardest to serve, with some changes to make the criteria less burdensome. Currently, PICs must spend at least 70% of their funds on individual who (a) have been on public assistance for at least 30 months or are within 12 months of hitting a time limit and (b) have 2 of the 3 following barriers:
  - (1) lack a HS diploma/GED and have low math or reading skills;
  - (2) require substance abuse treatment; or
  - (3) have a poor work history.Non-custodial parents whose children meet (a) and themselves meet (b) are also eligible.

PICs can also spend up to 30% of their funds on custodial or non-custodial parents who have characteristics associated with long-term welfare dependency, i.e. school dropout, teen pregnancy, poor work history.

DOL has proposed simplifying eligibility by requiring individuals to meet one rather than two of the “barriers” under the 70% category; decoupling the education barrier to be *either* lacking a HS diploma/GED *or* having low math, reading, or language skills; and adding physical or mental (including learning) disability to the list of “barriers”. DOL also proposed getting rid of the 70/30 split and allowing local flexibility to spend an unlimited portion of funds on those with characteristics associated with long term welfare dependence.

There have been lots of complaints from states and locals about how hard it is to find people who meet the current 70% criteria, with most concern about the “and” in the education barrier. *We think that simplifying the 70% eligibility requirements as proposed, but leaving the 70/30 split intact, will go a long way to addressing these concerns without diluting the focus on the long-term/hard to serve population. The addition of language skills should help highlight the ESL issue. DOL also proposed adding homeless to the list of barriers but we’re not convinced this is necessary--most homeless welfare recipients are likely to have one of the other barriers.*

- **Unclaimed Formula Funds:** Add authority for DOL to make formula funds not accepted by states available to Native American WtW programs and/or for additional competitive grants, with preference to tribes or competitive grants in the states who chose not to accept formula funds. *DOL is still working through the mechanics, but we think the intent makes sense--to make sure services are still available to people in a given area, even if the Governor opts not to accept funds.*
- **Tribal Set-Aside:** Increase set-aside for tribal grants from 1% of total funds to either 2% or 3% (if funding level drops from \$1.5 B to \$1.0 B, a 3% set aside would double the funds available to tribes). Tribes would be encouraged to serve non-custodial parents, but would not be required to spend at least 20% of their grant on this population.

- **Tribal Authority for Competitive Grants:** Provide new authority for tribes to apply directly to DOL for competitive grants. Currently they must do so “in connection with” other entities, i.e. the local PIC.
- **Reporting and Evaluation:** DOL wants to move responsibility for all WtW program reporting and evaluation to DOL. Current law earmarks .06% (\$18 M over two years) for evaluation and gives HHS responsibility for conducting the WtW evaluation and for collecting program data from formula grantees, while DOL has overall administrative responsibility, collects program data from competitive grantees, and financial data from both formula and competitive grantees.

This ‘bifurcated’ system has been challenging for all involved. We’re not sure how HHS would feel about losing this responsibility, and there are some on the Hill who deliberately gave HHS this role. We propose to leave the evaluation with HHS. *Do you have a preference?*

- **Match:** Retain current formula grant match requirement of \$1 non-federal for \$2 federal. Regulations allow up to 50% of non-federal match to be “soft” or in-kind match. DOL has proposed increasing this to 75%.

DOL is responding to complaints from some states who are having trouble making the match. *We’re not convinced reducing the “hard” match requirement is warranted, especially if the total funding level for formula grants is reduced by approximately one-third as the total funding level decreases from \$1.5 B to \$1.0 B.*

- **Technical Assistance and Research:** DOL has proposed reserving 2% of total funds for national TA and R&D projects (\$20 M). Half of this money (\$10 M) would be focused on fathers initiatives, of which about \$5 M would be directed to the OCSE to ensure a strong focus on parental responsibility through child support and paternity. DOL currently has no WtW funds for TA/Research. We’re not sure OMB supports this, though some TA does seem warranted, especially on the new fathers component. OCSE is sending over additional justification.
- **Formula/Competitive Split:** Retain current split of about 75% for formula grants to states and 25% for competitive grants. Retain requirement that 85% of formula funds get passed to local PICs/workforce boards (unless state requests a waiver) and 15% is available as Governor’s discretionary funds for special projects to help long term welfare recipients become employed.

*NOTE: DOL continues to propose that up to one-third of the formula funds could be used to upgrade the skills of low-wage incumbent workers. We’re not aware of any support within EOP for this proposal, and DOL has wisely made it their third priority (after hard-to-serve welfare recipients and fathers).*

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 4-JAN-1999 12:19:58.00

SUBJECT: Abortion/Embryos/Cloning and other Selected L/HHS General Provisions

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TEXT:

----- Forwarded by Bruce N. Reed/OPD/EOP on 01/04/99  
12:20 PM -----

Daniel N. Mendelson

12/31/98 03:45:03 PM

Record Type: Record

To: See the distribution list at the bottom of this message  
cc: Ann Kendall/OMB/EOP, Gina C. Mooers/OMB/EOP  
Subject: Abortion/Embryos/Cloning and other Selected L/HHS General Provisions

Attached is a table of selected Labor/HHS General Provisions related to health that will require policy decisions in order to print the FY 2000 Budget Appendix. Typically, the Budget has shown the prior year's (i.e., FY 1999 enacted) appropriations language, and brackets language proposed for deletion, and italicizes any new or revised language.

The file is a legal landscaped document that needs to be launched.  
It shows:

1. The FY 1998 enacted language.
2. Our proposed language in the FY 1999 Budget.
3. The FY 1999 enacted language.
4. Our initial recommendations for the FY 2000 Budget.
5. A column where you can indicate whether you agree/disagree/or would like to discuss.

Due to the FY 2000 Budget print schedule, we are requesting your views/comments on these General Provisions by COB, Tuesday January 5th. If necessary, I will call a meeting on Wednesday morning to resolve any outstanding issues. Please indicate in the attached wordperfect file your recommendations, or call me or Ann Kendall (x54925) with your comments.

We will also be sending around very shortly a Government-wide abortion language tracker to ensure that the Administration addresses abortion issues consistently throughout the FY 2000 Budget.



**L/HHS/Ed General Provisions for FY 2000 Budget  
"Side-by-Side" Comparison for Selected Provisions  
Titles II and V of L/HHS Bill**

	<b>FY 1999 President's Budget</b>	<b>FY 1999 Enacted</b>	<b>HD Recommended FY 2000/Comment</b>	<b>Agree/Disagree/Discuss</b>
Appropriation of funds for entities under title X of the PHS Act	Sec. [212] 208. None of the funds appropriated in this Act may be made available to any entity under title X of the Public Health Service Act unless the applicant for the award certifies to the Secretary that it encourages family participation in the decision of minors to seek family planning services and that it provides counseling to minors on how to resist attempts to coerce minors into engaging in sexual activities	Same.	<b>OMB Recommendation:</b> <b>Repeat FY 99 PB. The same as enacted.</b> During the FY 1998 appropriations process, Sec. 208 was presented by Rep. Porter as a compromise to a controversial and restrictive Istook amendment that would have required parental notification for contraceptive distribution. This language, which was repeated in the FY 99 Budget, is similar to the debate waged during the FY 1999 appropriations process, but it does not mandate parental consent or notification and, therefore, does not need to be deleted.	
Organ Procurement and Transportation Network	New in FY 1999 enacted.	Sec. 213. (a) The final rule entitled "Organ Procurement and Transplantation Network", promulgated by the Secretary of Health and Human Services on April 2, 1998 (63 FR 16295 et seq.) (relating to part 121 of title 42, Code of Federal Regulations), shall not become effective before the expiration of the 1-year period beginning on the date of the enactment of this Act.(b)(1) The Institute of Medicine under contract with and subject to review by the Comptroller General, in consultation with the Secretary and with the Organ Procurement and Transplantation Network (in this section referred to as the "OPTN"), shall conduct a review of the current policies of the OPTN and the final rule specified in subsection (a) in order to determine the following: (A) The potential impact on access to transplantation services for low-income populations and for racial and ethnic minority groups. With respect to State policies in carrying out the program under title XIX of the Social Security Act, the determination made under this subparagraph shall include determining the impact of such policies regarding payment for services for patients that are provided to the patients	<b>OMB Recommendation:</b> <b>Propose New Provision in PB:</b> Because of the adversarial relationship between HHS and OPTN, coupled with the obscure language in Sec. 213, OMB OGC proposed that we create a new general provision to ensure that the OPTN continues to share their data	

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		<p>outside of the States in which the patients reside. (B) With respect to organ procurement organizations (qualified under section 371 of the Public Health Service Act): (i) The potential impact on the ability of the organizations to facilitate an appropriate rate of organ donation within the service areas of the organizations.(ii) The reasons underlying the variations in performance among such organizations.(iii) The potential impact of requiring sharing of organs based on medical criteria instead of geography on the ability of the organizations to facilitate an appropriate rate of organ donation within the service areas of the organizations. (C) The potential impact on waiting times for organ transplants, including determinations specific to the various geographic regions of the United States, and if practicable, waiting times for each transplant center by organ and medical status category. The determination made under this subparagraph shall include determining the impact of recent changes made by the OPTN in patient listing criteria and in measures of medical status. (D) The potential impact on patient survival rates and organ failure rates which lead to retransplantation ,including any variance by income status, ethnicity, gender, race, or blood type.(E) The potential impact on the costs of organ</p>	<p>openly and without delay.  “Sec. 210. Section 213(d) through Section 213 (f) of the Department of Health and Human Services Appropriations Act, 1999, shall be effective in fiscal year 2000 and thereafter.”</p>	
	<p>Continuation of organ procurement provision.</p>	<p>transplantation services.(F) The potential impact on the liability, under State laws and procedures regarding peer review, of members of the OPTN.(G) The potential impact on the confidential status of information that relates to the transplantation of organs. (H) Recommendations, if any, to change existing policies and the final rule. (2)(A) Not later than May 1, 1999, the Comptroller General of the United States shall submit to the congressional committees specified in subparagraph (B) a report describing the results of the review conducted under paragraph (1). (B) The congressional committees referred to in subparagraph (A) are the Committee on Commerce of the House of Representatives, the Committee on Appropriations of the House, the Committee on Labor and Human Resources of the Senate, and the Committee on Appropriations of the Senate. (c)(1) Beginning promptly after the date of the enactment of this Act, the Secretary may conduct a series of discussions with the OPTN in order to resolve issues raised by the final rule referred to in subsection (a). (2) The Secretary and the OPTN may utilize the services of a mediator in conducting the discussions under paragraph (1). An individual may not be selected to serve as the mediator unless the Secretary and the OPTN both approve the selection of the individual to so serve, and the individual agrees that, not later than June 30, 1999, the individual will submit to the congressional committees specified in subsection (b)(2)(B) a report describing the extent of progress that has been made through the discussions under paragraph (1). (d)(1) Beginning on the date of enactment of this Act, the OPTN shall provide to the Secretary, the Institutes of Medicines, and the Comptroller General, upon request, any data necessary to assess the effectiveness of the Nation's organ donation, procurement and organ allocation systems, or to assess the quality of care provided to all transplant patients, and analysis of such data in a scientifically and clinically valid manner. If necessary, the OPTN may provide additional data as they deem appropriate. (2) The OPTN shall make available to the public timely and accurate program-specific information on the performance of</p>		

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		transplant programs. These data shall be updated as frequently as possible, and the OPTN shall work to shorten the time period for data collection and analysis in producing its center-specific outcomes report, including severity adjusted long term survival rates. Such data shall also include such other cost or performance information including but not limited to transplant program-specific information on waiting time within medical status, organ waitings, and refusal of organ offers. (e) Data provided under subsection (d)		
		shall be specific (if possible) to individual transplant centers and must be determined in a scientifically and clinically valid manner. (f) Any disclosure of patient specific medical information under subsection (d) shall be subject to the restrictions contained in the Freedom of Information Act, the Privacy Act, and State laws. (g) Of the amount appropriated in this title for “Office of the Secretary-general departmental management”, \$500,000 shall, not later than 30 days after the date of the enactment of this Act, be transferred to the Comptroller General for purposes of carrying out the studies required and specified in this section. (h) For purposes of this section: (1) The term “Comptroller General” means the Comptroller General of the United States. (2) The term “Organ Procurement and Transplantation Network” means the network operated under section 372 of the Public Health Service Act. (3) The term “Secretary” means the Secretary of Health and Human Services.		
Medicare+ Choice abortion language	New provision.	Sec. 216. None of the funds appropriated by this Act (including funds appropriated to any trust fund) may be used to carry out the Medicare+Choice program if the Secretary denies participation in such program to an otherwise eligible entity (including a Provider Sponsored Organization) because the entity informs the Secretary that it will not provide, pay for, provide coverage of, or provide referrals for abortions: Provided, That the Secretary shall make appropriate prospective adjustments to the capitation payment to such an entity (based on an actuarially sound estimate of the expected costs of providing the service to such entity’s enrollees): Provided further, That nothing in this section shall be construed to change the Medicare program’s coverage for such services and a Medicare+Choice organization described in this section shall be responsible for informing enrollees where to obtain information about all Medicare covered services.	<b>OMB Recommendation:</b> While this language is not problematic per se, we recommend proposing to delete in order to be consistent on all abortion issues, and add the footnote:  “The Administration proposes to delete this provision and will work with the Congress to address this issue.”	
Notification or reporting		Sec. 219. Notwithstanding any other provision of law, no provider of services under title X of the Public Health Service Act shall be exempt from any State law requiring notification or the reporting of child abuse, child	<b>OMB Recommendation:</b> Repeat FY 99 enacted. This provision originated in the	

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	of child abuse, molestation, sexual abuse, rape or incest.	molestation, sexual abuse, rape, or incest.	House bill, but the Senate bill contained no similar provision. The Conference agreement included the provision. None of the SAPs objected to this language.	
	TITLE V--GENERAL PROVISIONS			
Needle Exchange	Sec. 505. Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any illegal drug <i>unless the Secretary of Health and Human Services determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs.</i>	Repeated FY 98 language.	We see a range of choices, given the events of this past spring on this issue. Repeating the FY99 Budget’s proposed language is an option, but other approaches that may be more likely to be enacted include giving the certification authority to local public officials, or further limiting funding to areas where needle transmission of HIV is above average. <b>Options:</b> (1) Repeat FY 1999 Budget language.  (2) Modify FY 1999 Budget language by replacing the words “Secretary of Health and Human Services” with “local public health official”:	

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			<p>"Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any drug unless the local public health official of the affected MSA determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs."</p>	
Needle Exchange	Continued		<p>(3) Modify above language by adding #1 below:</p> <p>"Notwithstanding any other provision of this Act, no funds appropriated under this Act shall be used to carry out any program of distributing sterile needles or syringes for the hypodermic injection of any drug unless:</p> <p>(1) the affected MSA has a new AIDS case rate caused by Injection Drug Use of above the national average as defined by the Centers for Disease Control</p>	

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			and Prevention.; and (2) the local public health official of the affected MSA determines that such programs are effective in preventing the spread of HIV and do not encourage the use of illegal drugs."	
Needle Exchange	[Sec. 506. Section 505 is subject to the condition that after March 31, 1998, a program for exchanging such needles and syringes for used hypodermic needles and syringes (referred to in this section as an “exchange project”) may be carried out in a community if . . .]	Provision deleted.	No provision.	
Appropriations limitations for abortion procedures (Hyde language)	[Sec. 509. (a) None of the funds appropriated under this Act shall be expended for any abortion. (b) None of the funds appropriated under this Act, and none of the funds in any trust fund to which funds are appropriated under this Act, shall be expended for health benefits coverage that includes coverage of abortion .c) The term “health benefits coverage” means the package of services covered by a managed care provider or organization pursuant to a contract or other arrangement.]1	Retained the provision and added “and none of the funds in any trust fund to which funds are appropriated under this Act.” In the SAPs, we objected to the provision and offered to work with the Congress, but did not specifically mention the trust fund language. In addition, this was not considered a high priority item during negotiations.	<b>OMB Recommendation:</b> Repeat PB language (i.e., proposed deletion with the footnote: “The Administration proposes to delete this provision and will work with the Congress to address this issue.”	
Appropriations limitations for abortion procedures (Hyde	[Sec. 510. (a) The limitations established in the preceding section shall not apply to an abortion--(1) if the pregnancy is the result of an act of rape or incest; or (2) in the case where a woman suffers from a physical disorder, physical injury, or physical illness, including a life-endangering physical condition caused by or arising from the pregnancy itself, that would, as certified by a	Same as FY 98 enacted. In the SAPs, we objected to the provision and offered to work with the Congress, but did not specifically mention the trust fund language. In addition, this was not considered a high priority item during negotiations.	<b>OMB Recommendation:</b> Repeat FY 99 PB language (i.e., propose deletion and add footnote: “The Administration proposes to delete this provision and will work with the Congress to address this issue.”)	

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language)	physician, place the woman in danger of death unless an abortion is performed.(b) Nothing in the preceding section shall be construed as prohibiting the expenditure by a State, locality, entity, or private person of State, local, or private funds (other than a State's or locality's contribution of Medicaid matching funds). (c) Nothing in the preceding section shall be construed as restricting the ability of any managed care provider from offering abortion coverage or the ability of a State or locality to contract separately with such a provider for such coverage with State funds (other than a State's or locality's contribution of Medicaid matching funds).]1			
Use of funds for embryo research-limitations	Sec. [513] 510. (a) None of the funds made available in this Act may be used for-- (1) the creation of a human embryo or embryos for research purposes; or(2) research in which a human embryo or embryos are destroyed, discarded, or knowingly subjected to risk of injury or death greater than that allowed for research on fetuses in utero under 45 CFR 46.208(a)(2) and section 498(b) of the Public Health Service Act (42 U.S.C. 289g(b)).(b) For purposes of this section, the term "human embryo or embryos" includes any organism, not protected as a human subject under 45 CFR 46 as of the date of the enactment of this Act, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.	Same as proposed and FY 1998 enacted.	This provision prohibits the use of appropriations to create or destroy human embryos for research purposes. Budgets before FY 99 have struck the ban, proposing instead that the ban be addressed in separate, non-appropriations legislation.  Recent research findings on the related topic of stem cell research complicate the decision on whether or not to include Section 511 in the FY 2000 Budget. The central issue is whether or not the ban on embryo research would cover stem cell research, recent findings on which have demonstrated an enormous potential for treating disease such as diabetes (Type I) and Parkinson's. In a December 1998 Senate hearing on this topic, Sen.	

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Titles II and V of L/HHS Bill**

	FY 1999 President's Budget	FY 1999 Enacted	HD Recommended FY 2000/Comment	Agree/ Disagree/ Discuss
			Harkin concluded that stem cell research is not covered by the ban because stem cells do not appear to have the potential to become human life. Sen. Specter agreed that it is unclear if the ban extends to stem cell research and indicated a willingness to explore this issue. During the hearing, Dr. Varmus agreed that issue remains unresolved but privately has suggested that stem cell research should be viewed differently than embryo research with respect to Federal funding.	
Embryo/ Cloning	Continuation		<b>OMB Recommendation:</b> Delete the provision and add footnote stating:  “The Administration proposes to delete this provision and will work with Congress to assess the impact of recent advances in biomedical research, such as research on stem cells, that may hold promise for new methods for diagnosing, treating, and curing disease.”	
Unique Health Identifier		Sec. 516. None of the funds made available in this Act may be used to promulgate or adopt any final standard under section 1173(b) of the Social Security Act (42 U.S.C. 1320d-2(b)) providing for, or providing for the assignment of, a unique health identifier for an individual (except in an individual's capacity as an	<b>OMB Recommendation:</b> Repeat FY 1999 enacted.	

**L/HHS/Ed General Provisions for FY 2000 Budget  
“Side-by-Side” Comparison for Selected Provisions  
Titles II and V of L/HHS Bill**

	FY 1999 President's Budget	FY 1999 Enacted	HD Recommended FY 2000/Comment	Agree/ Disagree/ Discuss
		employer or a health care provider), until legislation is enacted specifically approving the standard.		

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mary L. Smith ( CN=Mary L. Smith/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 4-JAN-1999 13:29:35.00

SUBJECT: IHS FY2000 busget

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TEXT:

Lynn Cutler is speaking to the National Congress of American Indians tomorrow. Would you have a problem with her announcing the IHS FY2000 budget? Let me know, Mary

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 4-JAN-1999 14:35:28.00

SUBJECT: u.s. news cover story on education

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TEXT:  
FYI

I'll get Paul information on the Thursday announcement as soon as we nail it down. Is there anything we should do to let Tom Toch at US News know we are working on something bigger for SOTU, without providing details?

Also, I just received an embargoed copy of Quality Counts -- an annual report from Education Week -- which will be released Thursday morning. It generally gets pretty decent coverage. The focus of this report is "Rewarding Results, Punishing Failure" The lead in the press release is that "Most states have yet to back up tough talk on holding schools accountable for results...only a handful of states have in place a full range of policies to reward success and punish failure in education."

There is a section on ending social promotion, which highlights the effort in DC this year, and which makes the point that parents and teachers strongly support ending social promotion, especially when coupled with extra support. They even have survey data from high school students showing that about 2/3 of those in schools with high school exit exams said the tests made them work harder. More than half of those in schools without exit exams say that they would work harder if they had to pass a test in order to graduate.

I'll pull a summary of this together for the POTUS briefing and speechwriting.

----- Forwarded by Michael Cohen/OPD/EOP on 01/04/99  
02:25 PM -----

Paul D. Glastris  
01/04/99 11:17:51 AM  
Record Type: Record

To: Michael Cohen/OPD/EOP  
cc:  
Subject: u.s. news cover story on education

Mike,

U.S. News is closing a cover package this week (on the newstands next monday) on America's best high schools. It will include profiles of poor urban schools that have effectively ended social promotion through the use of very high academic standards and tough exit exams. My friend

Tom Toch is editing the package and writing the introductory essay; the earlier in the week we get him paper on our new ed initiatives, the more prominently our initiatives will play in that essay and in the package generally. We could hardly ask for a better vehicle for our education initiative, presuming we're still on for this week, so let me know how I can help getting material to Tom asap. Thanks

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Mary L. Smith ( CN=Mary L. Smith/OU=OPD/O=EOP [ OPD ] )

CREATION DATE/TIME: 4-JAN-1999 14:41:30.00

SUBJECT: IHS FY2000 busget

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

TO: Bruce N. Reed ( CN=Bruce N. Reed/OU=OPD/O=EOP @ EOP [ OPD ] )

READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )

READ:UNKNOWN

TEXT:

I just talked to Dan Mendelson who didn't feel comfortable announcing the numbers at this time. So I'll just tell Lynn that we can't do it.

Thanks, Mary

----- Forwarded by Mary L. Smith/OPD/EOP on 01/04/99  
02:41 PM -----

Mary L. Smith

01/04/99 01:28:27 PM

Record Type: Record

To: Bruce N. Reed/OPD/EOP, Elena Kagan/OPD/EOP

cc: Laura Emmett/WHO/EOP

Subject: IHS FY2000 busget

Lynn Cutler is speaking to the National Congress of American Indians tomorrow. Would you have a problem with her announcing the IHS FY2000 budget? Let me know, Mary

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 4-JAN-1999 14:41:41.00

SUBJECT: Meeting re: GED and Adult Literacy

TO: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Wayne Upshaw ( CN=Wayne Upshaw/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Chantell S. Long ( CN=Chantell S. Long/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

We have scheduled a meeting on Tues, Jan 5 at 10:30AM in Barbara Chow's office (Rm 260) to discuss GED and Adult Literacy. Pls let me know if you are unable to attend.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 4-JAN-1999 17:17:38.00

SUBJECT: Meeting re: GED and Adult Literacy

TO: Cecilia E. Rouse ( CN=Cecilia E. Rouse/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Wayne Upshaw ( CN=Wayne Upshaw/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Chantell S. Long ( CN=Chantell S. Long/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

This meeting has been moved to 11:00AM tomorrow. Sorry for the short notice. Pls let me know as soon as possible if you are unable to attend.  
Thx

----- Forwarded by Sandra Yamin/OMB/EOP on 01/04/99 05:16  
PM -----

Sandra Yamin  
01/04/99 02:41:28 PM  
Record Type: Record

To: Elena Kagan/OPD/EOP@EOP, Michael Cohen/OPD/EOP@EOP  
cc: Laura Emmett/WHO/EOP@EOP, Chantell S. Long/OPD/EOP@EOP, Barry  
White/OMB/EOP@EOP, Wayne Upshaw/OMB/EOP@EOP  
Subject: Meeting re: GED and Adult Literacy

We have scheduled a meeting on Tues, Jan 5 at 10:30AM in Barbara Chow's office (Rm 260) to discuss GED and Adult Literacy. Pls let me know if you are unable to attend.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 4-JAN-1999 19:09:52.00

SUBJECT: Pay Equity Initiative

TO: Joshua Gotbaum ( CN=Joshua Gotbaum/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Michael Deich ( CN=Michael Deich/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Barbara Chow ( CN=Barbara Chow/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Susan M. Carr ( CN=Susan M. Carr/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Theodore Wartell ( CN=Theodore Wartell/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Adrienne C. Erbach ( CN=Adrienne C. Erbach/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Larry R. Matlack ( CN=Larry R. Matlack/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Debra J. Bond ( CN=Debra J. Bond/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Patricia E. Romani ( CN=Patricia E. Romani/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Dawn V. Woollen ( CN=Dawn V. Woollen/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

Attached below is the joint EIML/GG&F suggested description of the DoL Pay Equity Initiative. If you have any comments, please forward them to me. Thank you.

----- Forwarded by Sandra Yamin/OMB/EOP on 01/04/99 06:56 PM -----

Debra J. Bond  
01/04/99 06:16:41 PM



## Pay Equity Initiative

On April 2, 1998, the President issued a proclamation designating National Equal Pay Day in which he urged all employers to review their wage practices and to ensure that all their employees, including women, are paid equitably for their work. The typical woman who works full-time earns just 74 cents for each dollar that the typical man earns. This gap is in part attributable to differing levels of experience, education, and skill. However, even after accounting for these factors a significant pay gap still remains between men and women in similar jobs.

To address this problem, the President's FY 2000 budget proposes a \$14 million pay equity initiative to focus additional resources on providing employers with the necessary tools to assess and improve their pay policies, and educating the public (including employers, employees, unions, and advocacy groups) on the importance of this issue as well as their rights and responsibilities. Specifically the budget requests:

- ◆ \$10 million (4 FTE) for the Equal Employment Opportunity Commission's (EEOC) wage discrimination initiative which will:
  - provide necessary training of enforcement staff in identifying wage discrimination cases;
  - increase outreach, education, and technical assistance including funding public service announcements to educate the public on the importance of this issue as well as their rights and responsibilities, and developing training programs for employers, employees, unions and advocacy groups on pay issues; and,
  - fund research on how pay disparities arise and where they are most prevalent in order to better target resources in the future.
- ◆ \$4 million (20 FTE) for the Labor Department's Office of Federal Contract Compliance Programs' (OFCCP) pay equity initiative, which is part of its overall initiative to increase compliance through enhanced compliance assistance. The pay equity initiative will:
  - continue monitoring of pay equity to reduce occupational segregation and to assure that appropriate criteria are used for setting salaries for women, minorities, and persons with disabilities;
  - provide enhanced technical assistance through technology, specifically by developing and providing guidelines via the Internet that address pay issues, including industry best practices;
  - increase outreach and education efforts, such as research and public education grants on corporate management reviews (glass ceiling reviews), as well as technical and educational brochures that will keep the public informed about the various OFCCP requirements; and,
  - provide a focused effort on women in non-traditional jobs which will challenge discrimination by identifying best practices and assisting contractors in identifying resources for recruiting and developing qualified individuals in non-traditional occupations thereby improving women's access to and experiences in non-traditional occupations.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: June Shih ( CN=June Shih/OU=WHO/O=EOP [ WHO ] )

CREATION DATE/TIME: 4-JAN-1999 19:28:58.00

SUBJECT: Re: Speech

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

TO: Jose Cerda III ( CN=Jose Cerda III/OU=OPD/O=EOP @ EOP [ OPD ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP @ EOP [ WHO ] )  
READ:UNKNOWN

TEXT:

Draft 1/4/99 7:30 pm  
Lowell Weiss/ June Shih

PRESIDENT WILLIAM J. CLINTON  
REMARKS ON BREAKING THE CYCLE OF DRUGS AND CRIME  
THE WHITE HOUSE  
January 5, 1999

Acknowledge: Atty. Gen. Reno, Gen. McCaffrey, Lt. Gov. Townsend. I want to thank her for pioneering a tough program of drug treatment and testing in her state that has been an inspiration for our efforts today.

Six years ago, America was at peace, but many of our communities were at war. Illegal drugs were ravaging cities on both coasts and in the American heartland in between. Crack and methamphetamine use were at near-epidemic levels. Drug dealers who controlled whole neighborhoods thought nothing of opening fire on passing police cars. Too many communities lived in terror. Too many children feared they would not live to march in their high school graduations.

I took office determined to give all those children back their futures and all those communities back their peace of mind. In every successive year of my presidency, I have proposed and passed the largest anti-drug budget ever. Between 1996 and 1999 alone, we have increased funding for anti-drug efforts by more than 30% -- even as we produced the first balanced budget in a generation. And under the leadership of Gen. McCaffrey, we have put these resources to very good use: Unprecedented new tools for domestic law enforcement. Unprecedented new campaigns to convince young people that drugs kill. Unprecedented new efforts to stem the flow of drugs across our borders. Unprecedented new efforts to stop the revolving door between prison and the street, between drug use and criminal activity.

As you've heard from Gens. Reno and McCaffrey, our strategy is working. Not only do we have the lowest crime rates in 25 years. At long last, overall drug use is falling. Even drug-use among young people is beginning to decline.

But now is not a time to rest. Now is the time to work harder than ever to build on these very encouraging trends. At this time of prosperity, we have the resources, the proven strategies, and the confidence to make this new year the best year ever for reducing drugs and

crime.

I believe that there is no better way to meet this ambitious goal than to expand our efforts to force our prisoners to make a clean break from drugs. Today, we are releasing a new study by the Department of Justice that offers more convincing evidence that drug use stokes all types of crime, from property crimes like burglary and auto theft to violent crimes like assault and murder. It shows that one in six offenders landed in prison for a crime he committed just to get money for drugs...that nearly a third of all prisoners were using drugs at the time they committed their crimes...and that more than 80% of all prisoners have a history of drug abuse. There is no question that if we are to continue reducing the rate of crime, we cannot afford to continue releasing criminals with their dangerous drug habits intact.

As you have heard from Gens. Reno and McCaffrey, we have already done much to expand drug-testing and treatment in federal prisons and to encourage states to do the same. But today, we will make a quantum leap forward. I am proud to announce that the balanced budget I will submit to Congress will contain a \$215 million zero-tolerance drug-supervision initiative, our nation's most comprehensive effort ever to test and treat not only criminals in prison, but also those out on probation and parole. To inmates in every state we will say: If you stay on drugs, then you'll stay behind bars. And to probationers and parolees the message will be equally clear: If you want to keep your freedom, you have to keep free of drugs.

Through this initiative, we will also expand our efforts to help communities build and administer drug courts. As you have heard from Gen. Reno, drug courts are one of the most effective ways of making offenders give up both drugs and a life of crime. When I took office there were four drug courts in operation, including the one Gen. Reno launched in Miami. Today, there are more than 400. And if my budget proposal is approved by Congress, we can have more than a thousand up and running by the end of next year.

I am also proud to announce that on top of these new budget proposals, we will free up another \$120 million for drug-free prison initiatives this year -- to help eight states purge their prisons of drugs with advanced new technologies.

In these final years of the 20th century, America made tremendous progress in our efforts to free our children and our communities from the dangerous threat of drugs and crime. Now, as we begin a new century, we have a remarkable opportunity to use the power of the courts, prisons, prosecutors, probation officers, and police to break the drug habits of our prisoners -- and break the cycle of drugs and crime once, and for all time. Let us seize it. Thank you and God bless you.

RECORD TYPE: PRESIDENTIAL (NOTES MAIL)

CREATOR: Sandra Yamin ( CN=Sandra Yamin/OU=OMB/O=EOP [ OMB ] )

CREATION DATE/TIME: 4-JAN-1999 19:44:50.00

SUBJECT: The Tues 11:00AM mtg re: GED and Adult Literacy has been canceled

TO: Michael Cohen ( CN=Michael Cohen/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Cecilia E. Rouse ( CN=Cecilia E. Rouse/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

TO: Elena Kagan ( CN=Elena Kagan/OU=OPD/O=EOP@EOP [ OPD ] )  
READ:UNKNOWN

CC: Wayne Upshaw ( CN=Wayne Upshaw/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

CC: Laura Emmett ( CN=Laura Emmett/OU=WHO/O=EOP@EOP [ WHO ] )  
READ:UNKNOWN

CC: Barry White ( CN=Barry White/OU=OMB/O=EOP@EOP [ OMB ] )  
READ:UNKNOWN

TEXT:

we will reschedule for sometime on Wed. Barbara's schedule is free between 12 - 5 on Wed. Pls let me know your availability during that time. Sorry for the short notice. Thanks



**Zero Tolerance Drug Supervision Event  
January 5, 1999  
Questions and Answers**

**Q. What more can you tell us about the Justice Department report released today?**

**A. The President highlighted key findings of the report on prisoner drug use, including:**

**Vast majority of all prisoners report drug use.** In 1997, 83 percent of state prisoners and 73 percent of federal prisoners reported past drug use -- considerably more than the 21 percent of state prisoners and 60 percent of federal prisoners who are serving time for drug offenses. In addition, 57 percent of state prisoners and 45 percent of federal prisoners reported using drugs in the month before their arrest.

**Many prisoners commit crimes to buy drugs or while high.** Nearly 20 percent of state prisoners and 15 percent of federal inmates reported committing their offense to get money to buy drugs. And 33 percent of state prisoners and 22 percent of federal prisoners were actually under the influence of drugs at the time of their offense.

**Drug offenders have long "rap sheets."** State prisoners serving sentences for drug offenses reported extensive criminal histories: 76 percent had been previously sentenced to prison or probation; 54 percent were on probation or parole at the time of their arrest; 45 percent had three or more prior sentences; and 23 percent had previously committed a violent crime. Although federal drug offenders generally reported less severe criminal histories, 59 percent had prior criminal records.

However, the report makes other significant findings, such as:

**Prisoners report significant alcohol use.** About 37 percent of state prisoners and 20 percent of federal inmates committed their offense under the influence of alcohol. About 40 percent of state and 30 percent of federal prisoners reported a prior binge drinking experience. In addition, over 40 percent of both state and federal inmates had driven drunk in the past.

**Smaller portion of prison population receiving treatment.** The percentage of prisoners participating in drug treatment since admission declined between 1991 and 1997: from 24 percent to 9.7 percent for state inmates; and from 15.7 percent to 9.2 percent for federal inmates. However, between 1991 and 1997, prisoner participation in other drug abuse programs (e.g., peer groups, self-help) grew -- from 15.5 percent to 20.3 percent for state inmates, and doubled for federal prisoners, from 10 percent to 20 percent.

[Additional questions about the report's findings should be forwarded to the Office of Justice Program's Bureau of Justice Statistics.]

**Q. The Administration cites in its accomplishments that it has increased drug testing and treatment in the federal prisons, but the Justice Department report suggests a decrease in inmate treatment since 1991. How do you explain this contradiction?**

A. We have definitely increased the number of federal inmates that are drug tested and treated. The 1994 Crime Act mandated that, by the end of FY 1997, all federal prisoners eligible for residential drug treatment should receive such treatment. As a result, by 1998, the Federal Bureau of Prisons was conducting about 30,000 more drug tests per year and providing residential drug treatment to four times as many prisoners. The number of inmates participating in other types of drug abuse and education programs also increased during this time.

However, these increases may not have kept pace with the rapid growth in the prison population during that same period. In fact, between 1991 and 1997, the federal prison population grew by well over 50 percent (from 71,000 to about 113,000). Thus, even while more treatment slots were being made available -- and more prisoners were participating in other drug abuse and education programs -- the overall percentage in treatment may have declined.

Finally, it should be noted that the Justice Department report includes a disclaimer saying that -- because the likelihood of receiving treatment increases as a prisoner's release date approaches -- it may have underestimated the total number of prisoners who will ultimately receive drug treatment.

**Q. What will the overall increase in funding be for drug testing and treatment as a result of this new initiative?**

A. The "zero tolerance" drug supervision initiative represents a funding enhancement of \$112 million for FY 2000. This includes: \$100 million in new funds for states and localities to drug test and treat prisoners, parolees, and probationers; an increase of \$10 million for additional drug courts (from \$40 to \$50 million); and an increase of \$2 million for the residential drug treatment in state prisons (from \$63 million to \$65 million).

**Q. What is the average cost of a drug test?**

A. The Federal Bureau of Prisons spends less than \$9.00 per drug test for the nearly 130,000 drug tests it conducted last year. Costs can vary depending on the number of drugs tested for, procedural requirements, and the number of tests needed -- lower quantities will cost more.

**Q. Is overall drug use increasing or decreasing? And how does it compare to the statistics contained in today's report on prisoner drug use?**

- A. According to the most recent National Household Survey on Drug Abuse, there were 13.9 million current drug users in 1997 -- or about half the number of drug users during the peak year of 1979. These nearly 14 million drug users represent about 6 percent of the American population age 12 and older, and the number has remained roughly flat since 1992.

By comparison, current drug use by prisoners has increased since 1991, and ranges between 5 to 10 times greater than the overall population. Current drug use by state prisoners increased from 50 percent to 57 percent between 1991 and 1997, and from 32 percent to 45 percent for federal inmates during the same period.

**Q. But isn't youth drug use increasing?**

- A. Not according to the most recent study released by the Department of Health and Human Services. The 1998 Monitoring the Future Survey showed that for the second year in a row, **youth drug use, in nearly every category, has either decreased or leveled off among 8th, 10th, and 12th graders.** Specifically, marijuana use -- the most widely used drug by teens -- appears to have leveled off, with declines reported for the second year. **Just as importantly, youth attitudes toward drugs appear to be turning around, with more young people viewing marijuana use as risky behavior.**

So, while teen drug use remains unacceptably high -- and considerably higher than its low point in 1991 -- we are encouraged by these positive trends.