



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

DEC 13 1993

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MEMORANDUM FOR THE PRESIDENT

As you know, legislation enacted in 1992 created a 12-member Commission to study the Social Security notch issue and to report its findings to the Congress. You are responsible for selecting four members, one of whom you will designate as Chair of the Commission. Presidential appointees may be private citizens or Executive Branch employees, but no more than two may be from the same political party. A list of candidates for Presidential appointment to the Notch Commission is attached.

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Recommendation for Commission Chair

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Status of the Notch Commission

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10/15/93, Campbell

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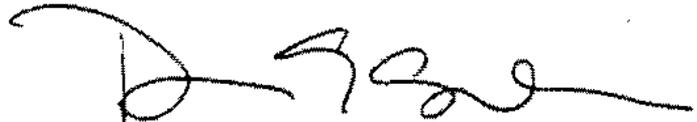
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Once the Commission is appointed and begins its study, Congressional pressure to "fix" the Notch issue will lessen substantially as long as the Commission appointees are viewed as open minded. It is likely that any attempt to move Notch legislation in 1994 can be postponed successfully, since it would be premature to act before the Commission presents its findings to Congress.

Background

The Fiscal Year (FY) 1993 Treasury, Postal Service, and General Government Appropriations Act (P.L. 102-393) created the Social Security Notch Commission to study the Notch issue and to report its findings to the Congress. However, Congress did not appropriate funds for its operation until last month. The FY 1994 Labor, HHS and Education appropriations bill (P.L. 103-112), enacted on October 21, includes \$1.8 million activity.

The Commission's final report was originally due by December 31, 1993, but the FY 1994 Treasury, Postal Service, and General Government appropriations bill (P.L. 103-123), enacted on October 28, includes a provision to extend the due date to December 31, 1994.



Donna E. Shalala

Attachments

DEPARTMENT OF HEALTH AND HUMAN SERVICES

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FILE
COPY

OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE
ASL	Kleppner	11/17/93						

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Donna E. Shalala
Secretary

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CANDIDATES FOR PRESIDENTIAL APPOINTMENT
TO THE
SOCIAL SECURITY NOTCH COMMISSION

Democrats:

Lindy Boggs

U.S. House of Representatives from Louisiana, 1973-1990; Chairman, Democratic National Convention, 1976; Past President Women's National Democratic Club; Retired, divides her time between Washington, D.C. and New Orleans.

John Brademas

President of New York University, 1981-90; Former U.S. House of Representatives from Indiana, 1959-80.

Joseph Califano

Chairman, President and founder of the Center on Addiction and Substance Abuse, New York; Attorney; Special Assistant to President Johnson, 1965-69; Secretary of Health, Education, and Welfare (Health and Human Services), 1977-79.

Alan K. (Scotty) Campbell

Visiting Professor, Department of Public Policy, Wharton School of Business, University of Pennsylvania; Chairman of the Civil Service Commission, 1978-79, and first Director of the Office of Personnel Management.

Rose Dobrof

Executive Director, Brookdale Center for Aging, Hunter College, New York, since the 1970s.

Republicans:

Nancy Altman

Executive Assistant to Alan Greenspan, Chairman of the National Commission on Social Security Reform, 1981-83; member of the 1992 Congressional Study Group on Women and Retirement; consultant on pensions and Social Security.

G. Lawrence Atkins

Technical Advisor, National Commission on Social Security Reform, 1982; Deputy Staff Director, 1981-1987, and Minority Staff Director, 1987-1989, Senate Special Committee on Aging; Member of 1991 Advisory Council on Social Security; Director of employee Benefits Policy in the Washington D.C. office of the New York law firm of Winthrop, Stimson, Putnam and Roberts; Member of the 1992 Congressional Study Group on Women and Retirement.

Howard Baker

Attorney; Chief of Staff under President Reagan, 1987-88; United States Senator from Tennessee, 1966-84.

Otis Bowen, M.D.

Secretary of Health and Human Services, 1985-89; Former Governor of Indiana; Physician; Chairman of the Advisory Council on Social Security, 1982.

Gwendolyn King

Pennsylvania Power and Light, Philadelphia, PA., 1992-present; Commissioner of Social Security, 1989-1992 (opposed correcting the Notch).

Melvin Laird

Domestic Policy Advisor to President Nixon, 1973-74; Secretary of Defense, 1969-73; U.S. House of Representatives from Wisconsin, 1953-69.

CONGRESSIONAL NOTCH COMMISSION APPOINTEES

House of Representatives Appointments

The Speaker:

- o Mr. James C. Corman, former Representative from California and Chair of the Ways and Means Subcommittee on Public Assistance and Unemployment Compensation;
- o Ms. Carroll I. Estes, Chair, Department of Social and Behavioral Sciences, University of California.

Minority Leader:

- o Mr. Barber Conable, former Representative from New York and Ranking Member, Ways and Means Committee;
- o Mr. Arthur L. "Pete" Singleton, former Minority Counsel, Ways and Means Committee.

Senate Appointments

Majority Leader, in consultation with the Chairman of the Finance Committee:

- o Ms. Patricia M. Owens, former Associate Commissioner for Disability, Social Security Administration;
- o Mr. Robert J. Myers, consulting actuary, former Deputy Commissioner of Social Security, and Chief Actuary, Social Security Administration, for many years.

Republican Leader, in consultation with Ranking Member of the Finance Committee:

- o Ms. Carolyn L. Weaver, American Enterprise Institute, former professional staff to Senate Finance Committee under Senator Robert Dole;
- o Mr. John F. Cogan, Senior Fellow, Hoover Institution, and former Deputy Director, Office of Management and Budget for the Reagan Administration.

Daniel Patrick Moynihan
(October 21, 1993)



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

OCT 21 1993

The Honorable Daniel Patrick Moynihan
Chairman, Committee on Finance
U.S. Senate
Washington, D.C. 20510

Dear Mr. Chairman:

As you know, Public Law 102-393 enacted last October authorized the establishment of the Commission on the Social Security "Notch" Issue, but did not provide funding for the Commission to fulfill its responsibilities. Now that funding for the Commission will become available with Senate passage of the fiscal year 1994 Labor, Health and Human Services, and Education Appropriations bill (H.R. 2518) earlier this week, I want to assure you that the Department is finalizing a list of nominees to be submitted to the President soon.

Further, it is important to note that transmission of the Commission's report to Congress has been delayed from December 31, 1993 until December 31, 1994 as part of the fiscal year 1994 Treasury, Postal Service and General Government Appropriations bill. With the funding for the Commission now assured, we see no reason that the report cannot be submitted by the new statutory deadline.

I appreciate your strong interest in the Commission, and hope this information is helpful to you.

Sincerely,


Donna E. Shalala



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DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT

FROM: WILLIAM J. CLINTON

Control # 9311170018

Subject: LOG/CLEAR-LEGISLATION ENACTED IN 1992 CREATING A 12-MEMBER COMMISSION
TO STUDY THE SOCIAL SECURITY NOTCH ISSUE AND REPORT ITS FINDINGS TO
THE CONGRESS.

Received in OS/ES: 11/17/93

Rewrite(s):

SSA cleared Thompson 11/17/93
NO CLEARANCES NECESSARY.

Reason Follows:
DOCUMENT IS ON FAST TRACK

SSA Larry Thompson
has cleared 11/17

Jack Camilleri
Policy Coordinator (202) 690-7753

Camilleri 11/17/93

Deputy Executive Secretary

J. White 11/17/93

Executive Secretary

Speck 11/17/93

Chief of Staff

H. Sh 11/17/93

Deputy Secretary

W. D. Perry 12/10/93

Special Instructions:

CCC: send dated copies to SSA/ASL - Thanks
Jack

Response prepared by ASL

This sheet prepared by Kelley Wright, (202) 690-7160

and printed: 17 NOV 1993

CCC File # PO-5

11/17/93
mk



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US-1

NOV 24 1993

MEMORANDUM FOR THE PRESIDENT

On February 17 of this year, you unveiled a 1994 budget package that included a major investment in America's future. HHS was responsible for carrying out the core (25 percent) of your investment program, including: Head Start; HIV/AIDS research, treatment, and prevention; public health investments; and modernization of the Social Security Administration.

For 1994, Congress agreed with most of your HHS priorities, increasing funding levels by 12 percent over 1993. For 1995, however, OMB provided HHS a planning target of only 2 percent above the 1994 enacted level. During the first year of your Administration, you made commitments to children and youth, the disabled, women's health, AIDS and TB, and substance abuse treatment in order to fulfill your campaign promises. This target ends any possibility of meeting these commitments.

Expanded Services for Children and Youth

The 1994 Budget began a long-term investment in Head Start to dramatically increase the number of children served and improve the quality of the program. While we remain committed to this Head Start expansion, we realize that budget realities necessitate a rethinking on the rate of expansion.

At an absolute minimum, we should increase the number of children served by 1999 to over 1 million, with a number of those children receiving full-day, full-year services. Last year, we were able to support 714,000 children through the Head Start experience. The OMB target would sharply reduce our options for enhancing the quality of the Head Start experience and would curtail the expansion in Head Start below even the minimal level in our budget plan.

The 1995 budget must continue our efforts to implement your childhood immunization initiative begun last winter. Building on the landmark immunization legislation incorporated into OBRA 93, which gave us the ability to purchase vaccine for everyone in need, we now must ensure that the structure is in place to deliver these vaccines. We now need to increase funding to begin a major build-up of State and local infrastructure to deliver vaccines. The OMB budget target is insufficient to enable the Centers for Disease Control and Prevention (CDC) to support fully the State Immunization Action Plans. This would prevent local communities from extending hours of immunization clinics and hiring the cadre of additional public health nurses they need to immunize all two year olds.

Health Care and Welfare Reform

The HHS budget does not incorporate funding for Health Care and Welfare Reform. Nevertheless, these initiatives will place further demands on 1995 resources. I understand that a decision has been made to include the costs and savings associated with Health Care Reform in the 1995 budget. We believe that this decision should be extended to include Welfare Reform. In addition, the Department will need to continue research and education activities as we work for enactment of the President's reforms.

AIDS, Basic Science and Substance Abuse

In the 1994 Budget, we pledged to increase support for desperately needed new initiatives in HIV/AIDS research, treatment and prevention. These initiatives are needed to speed up drug approval and commit increased resources for research and development and to move toward full funding of the Ryan White CARE Act.

Congressional action on the 1994 appropriation provided fewer resources than we sought for these goals. But still, in 1994, the appropriation for HIV/AIDS activities was 24 percent above the 1993 levels. In 1995, we need at a minimum a 7 percent increase to meet our public commitment in this vital area. Without these increases, State and local communities will be unable to meet the needs of their citizens and protests will follow. As you previously stated, if we fail now to commit our hearts and resources to fighting HIV/AIDS, we will pay a far greater price in the future, both in deaths and in dollars.

In 1994, both parties of Congress excoriated the Administration for sending up the smallest increase in the National Institutes of Health (NIH) budget in a generation. Congress changed our priorities to overcome that deficiency. Among the things that saved the Administration from a major attack by the leaders of American science was your appointment of Nobel Laureate Harold Varmus as Director of the NIH. We must not make that mistake again by underfunding the NIH.

The OMB budget allows for no increase in substance abuse treatment. We have for months urged OMB to look at the entire drug budget and reallocate existing interdiction funds to treatment. The importance of this is underscored by the fact that there is no significant treatment for long-term drug users included in your Health Security Act.

Social Security Disability and Automation

SSA is experiencing unprecedented levels of applications for disability benefits. As a consequence, processing times and overall services to the public have been deteriorating. The public -- and their congressional representatives -- are becoming acutely aware of the problem. We now project that the length of time a disabled American must wait for an initial decision on his or her case will increase almost 50 percent, from 97 days currently to 143 days in 1995. The processing time for a full appeal on the case will increase from 462 days currently to almost 700 days in 1995. This is simply unacceptable. SSA's new leadership is committed to fundamental re-engineering of the disability process; in the interim, additional resources are needed to maintain even a marginal level of acceptable services.

Rethinking and Restructuring Programs

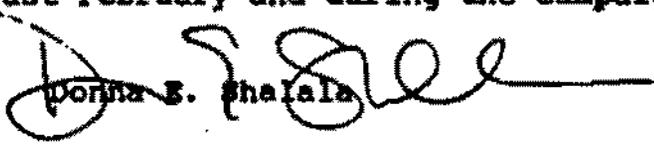
Our Budget submission includes a number of program consolidations designed to better target our resources and to minimize administrative duplication within HHS. We have painstakingly examined our base and taken a hard look at non-investment activities. Over 55 programs and \$2.8 billion are affected by these consolidations.

I do not want to understate the political obstacles in going forward with these reductions and consolidations. For example, severe budget constraints have forced us to reduce support to State maternal and child health agencies by \$56 million. State grants for mental health services will also be decreased by \$10 million. In addition, spending for the Low Income Energy Assistance Program (LIEAP) is cut back substantially which will lead to a sizeable reduction in the number of families receiving help with their energy bills. We are working to reassess LIEAP's program goals and structure and to address the income support and crisis assistance aspects in the context of Welfare Reform. These efforts, if adopted in the budget, will encounter stiff opposition on the Hill. And to the extent that these cuts are overturned, our investment will be further pared back.

HHS plans to do its part to reinvent and reduce the size of the Federal Government. We are approaching this effort with a systematic examination of our roles and functions in conjunction with the NPR report. Although our 1995 request incorporates savings from these efforts, we have requested waivers from the PTE targets in certain service and safety areas (SSA disability, the Food and Drug Administration and the Indian Health Service).

The OMB target for HHS is over 8 percent below levels contemplated last February. Reductions below that level will eliminate the Administration's ability to meet the public commitments you made last February and during the campaign.

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Donna E. Shalala



10-3
US

Nov 24 1990

MEMORANDUM FOR THE PRESIDENT

The United Nations General Assembly has designated 1994 as the International Year of the Family. I recommend that you issue a proclamation proclaiming 1994 as the International Year of the Family in the United States.

I plan to speak on behalf of the United States at a special plenary session of the General Assembly on December 7 that is being held to launch the International Year of the Family. I would very much like to read your proclamation on that occasion, and request that the proclamation be issued by that date.

A suggested draft proclamation is enclosed for your consideration.

Donna E. Shalala

Enclosure

"Promoting Families For The Well-Being of
Individuals and Societies"

INTERNATIONAL YEAR OF THE FAMILY - 1994

A Proclamation

Families are fundamental to the social and economic development of our nation. They are the nurturers, caregivers, role models, teachers, value givers, and counselors for the next generation. Generation upon generation have first known love through family ties. We as a nation need to invest in our families in order to preserve them as our most valuable resource. In recognition of the importance of the family, the United States joins with other members of the United Nations in proclaiming 1994 as the International Year of the Family, "Family: Resources and Responsibilities in a Changing World."

By honoring the family, we are acknowledging the crucial role that they play in the development of society on the individual, local, national, and global levels. The fabric of the United States and the world is woven together from many diverse ethnic and cultural family threads. The uniqueness of each family's traditions and values blends together to build the very foundation upon which we as a nation have grown and will continue to grow.

The family is the place from which we prepare our children to assume the positions of leadership which will take us into the next century. By proclaiming 1994 as the International Year of the Family, we dedicate ourselves to supporting and strengthening today's family and tomorrow's leaders. As the changing world presents new and different challenges to both nations and individuals, the historic role of the family remains. We need to support and strengthen our families so that they can continue to survive and prosper.

The International Year of the Family seeks to raise awareness of family issues by addressing and strengthening national family policies and programs. Additionally, the International Year of the Family strives to improve public and private partnerships related to family issues.

The United Nations, in designating 1994 as the International Year of the Family, emphasized that "families, as basic units of social life, are major agents of sustainable development at all levels of society, and that their contribution to that process is crucial for its success."

Now, Therefore, I, William J. Clinton, President of the United States of America, do hereby proclaim 1994 as the International Year of the Family in the United States. I call on all Americans to observe this year with appropriate programs and activities.
In Witness Whereof, etc.



DEPARTMENT OF HEALTH & HUMAN SERVICES

ADMINISTRATION FOR CHILDREN AND FAMILIES
Office of the Assistant Secretary, Suite 600
370 L'Enfant Promenade, S.W.
Washington, O.C. 20447

November 2, 1993

TO: The Secretary
Through: DS *[Handwritten initials]* 11-21-93
COS *[Handwritten initials]* 11/23/93
ES *[Handwritten initials]* 11/25/93

FROM: Assistant Secretary
for Children and Families

SUBJECT: International Year of the Family - 1994 -- ACTION

ISSUE

To request the President to issue a statement in recognition of the International Year of the Family, 1994.

BACKGROUND

In 1989, the United States joined the United Nations General Assembly in designating 1994 as the International Year of the Family. The Department, and subsequently the Administration for Children and Families, was designated the lead United States Government Agency responsible for coordinating U.S. activities for the International Year of the Family. The official launching of the year's activities will take place at a meeting of the United Nations General Assembly on December 7, 1993. You have indicated that you are interested in representing the United States Government at the official launching of the IYF at the U.N. Arrangements are currently being made to set up the event.

In conjunction with the official launch of the International Year of the Family, I am requesting that the President issue a statement in recognition of the Year. The message would be delivered to the Coordinator for the International Year of the Family, Henryk J. Sokalski, and the International Year of the Family Secretariat, and would be in coordination with the U.N. December launching of the IYF.

RECOMMENDATION

I recommend that you transmit the suggested draft message to the President (TAB A).

[Handwritten signature]
Mary Jo Bane

Attachment

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT**

From: BANE

ACF

Control # AM93-0859

Subject: INTERNATIONAL YEAR OF THE FAMILY - 1994

Received in OS/ES: 11/02/93

Rewrite(s): 11/12/93

RECORD OF CLEARANCES

Sent to:	Response by:	Response:	Date Sent:	Clr Due:	Clr Recd:
SAK	KOVNER	Concur	11/12/93	11/15/93	11/19/93
OIA	D. HOHMAN*	Concur w/Cmt	11/09/93	11/12/93	11/12/93

Resolution of Comments:

*DAVID HOHMAN, OIA, DID NOT AGREE WITH STRUCTURE OF LTR. REDRAFTED LETTER WITH ACF'S APPROVAL. LTR WAS SENT TO SARAH KOVNER, SPEC ASST., DS, FOR CLEARANCE.

Joni T. Cunningham
Policy Coordinator (202) 690-7160

J. Cunningham 11/18/93

Deputy Executive Secretary _____

Executive Secretary _____

Chief of Staff _____

Kern M / JH 11/23/93

Deputy Secretary _____

Special Instructions: _____

This sheet prepared by Jean Collins, (202) 690-7160

and printed 19 NOV 1993

CCC File # PO-3-3



PO-22
XUS-2-1

NOV 8 1993

MEMORANDUM TO THE PRESIDENT

SUBJECT: Recent Accomplishments in Medicaid Waivers

Upon taking office, you made it a priority that the Health Care Financing Administration be more responsive to States' requests for Medicaid waivers. Additionally, the National Governors' Association (NGA) made recommendations to you in December 1992 related to Medicaid waivers. Based on these initiatives, we have held extensive consultations with State representatives which have resulted in the adoption of a number of waiver program improvements.

I am pleased to report that our efforts to streamline the Medicaid waiver process and accelerate processing times have been very successful. Our streamlined review processes are not only faster and less burdensome for States, but also rely on more collaborative relationships with States and allow greater productivity within the Administration.

Demonstration Waivers

Medicaid waivers granted under the Section 1115 authority allow the Department to consider and approve research and demonstration proposals with a broad range of policy objectives. In cooperation with the NGA, we have defined new principles governing demonstration waivers and streamlined our review processes. Our new principles were shared with all the Governors on August 11, 1993.

Since you took office in January, we have acted on proposals from four States for demonstrations of statewide health care reforms. Oregon, Hawaii, and Rhode Island have been approved, and this week I will inform the Governor of Kentucky that his State's waiver has been approved. In addition, we are working to resolve issues in the Tennessee proposal. The streamlined review process allowed us to approve the Hawaii proposal in less than three months and Rhode Island's in less than four months. We are working with several other States on similar major reform concepts and we expect proposals from South Carolina and Ohio will be submitted in early December.

TYPE OF 1115 WAIVER:	Statewide Health Care Reform Waivers	Other State Medicaid Waivers
Approved	4	16
Disapproved	0	1
Pending	1	6

201 R.F. Code,

We have also seen a marked increase in both proposals and consultative activities with States on other Medicaid demonstration waivers in more focused policy areas (e.g., pregnant substance abusers, long-term care, family planning). Since January, 16 States have received waivers for these Medicaid demonstration initiatives. In total, 31 States currently have Section 1115 demonstration waivers which were approved by HCFA.

Program Waivers

There are two types of Medicaid program waivers: home and community-based services (HCBS) waivers and freedom of choice (FOC) waivers. Both have become increasingly attractive options to States because of their ability to promote improved, yet cost effective, access to quality care. Since January 20, we have approved 141 HCBS and 35 FOC waiver requests. During that time, we have approved every HCBS waiver application and have disapproved only two FOC waivers.

TYPE OF PROGRAM WAIVER:	HCBS Waivers	FOC Waivers
Approved - New Waivers	16	13
Approved - Renewed Waivers	37	5
Approved - Modified Waivers	88	17
Disapproved	0	2
Pending	42	18

Our efforts to simplify and expedite the HCBS and FOC waiver application and review process have had a significant impact on processing times. Over 70 percent of the HCBS waiver approvals were processed within 90 days of receipt. An important reason for the acceleration of the waiver process has been the development and refinement of a streamlined form for initial HCBS waiver applications. Increased technical assistance to States by the Health Care Financing Administration's regional and central office staff has also played a significant role in the expansion of these programs. Every State currently has at least one HCBS waiver except Arizona which operates an HCBS-type program under its 1115 waiver.

As in the case of HCBS waivers, the FOC waiver process has experienced steady improvement. This has greatly helped States in which the concept of managed care is relatively new to navigate the application and review process. Further improvements are underway pursuant to the discussions with NGA about managed care programs. A sign of the growing efficiency of the FOC waiver process can be seen in the fact that, while such waiver requests are typically quite complex, more than half were approved within 90 days of receipt. These actions helped to boost total Medicaid managed care enrollment by 33 percent over the previous year. Nearly 15 percent of all Medicaid recipients

currently participate in managed care arrangements in 42 States. All of the remaining States have managed care plans under development.

The results of our efforts can be seen in the increased number of waiver proposals States are sending us and our decreased turn-around time. Perhaps more important, however, is the spirit of partnership that is becoming evident in our day-to-day interactions with the States. Our commitment to the nations' Governors to establish a new State-Federal partnership in program innovations through Federal waivers has proven most successful.



Donna E. Shalala



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

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Approved	4	16
Disapproved	0	1
Pending	1	6

OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE
HCFR	to Vladuk/2	11/2/93						

FILE COPY

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Donna E. Shalala



Executive Secretariat

FACSIMILE

PLEASE NOTIFY OR HAND-CARRY THIS TRANSMISSION
TO THE FOLLOWING PERSON AS SOON AS POSSIBLE:

Name: Christine Canay

Address: White House

Telephone: 456-6280
456-2983

Number Of Pages Being Transmitted (Including This One) 4

FROM: Kathie HHS/IOS/ACC

FAX NUMBER: 690-7203
OFFICE NUMBER: 690-6392

*** ACTIVITY REPORT ***

TRANSMISSION OK

TX/RX NO.	0875	
CONNECTION TEL		04562983
CONNECTION ID		
START TIME	11/08 18:37	
USAGE TIME	02'08	
PAGES	4	
RESULT	OK	



Executive Secretariat

FACSIMILE

PLEASE NOTIFY OR HAND-CARRY THIS TRANSMISSION
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Name: Marcia Hale

Address: White House

Telephone: 456-7060

456-6230

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FROM: HHS/IOS/OCC

FAX NUMBER: 690-6392
OFFICE NUMBER: 690-7203

*** ACTIVITY REPORT ***

TRANSMISSION OK

TI/RI NO.	0974
CONNECTION TEL	94586220
CONNECTION ID	WHITE HOUSE
START TIME	11/08 16:34
USAGE TIME	01'34
PAGES	4
RESULT	OK



Executive Secretariat

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Name: Carol Raso

Address: White House

Telephone: 456-2878

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FROM: HHS/IOS/CCO

FAX NUMBER: 202-7203
OFFICE NUMBER: 640-6392

*** ACTIVITY REPORT ***

TRANSMISSION OK

TX/RX NO.	0973
CONNECTION TEL	94566687
CONNECTION ID	
START TIME	11/08 16:30
USAGE TIME	01'33
PAGES	4
RESULT	OK

NOTE TO REVIEWERS

Re: Recent Accomplishments in Medicaid Waivers

HCFA requests that this document be signed and forwarded to the President before his 4:30 meeting with Governor McWherter. Once the document is signed, CCC will send the document to the White House via facsimile transmission. Please call David Cade at 690-7699 for pickup.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT**

From: VLADECK

HCF

Control # AM93-0872

Subject: MEMORANDUM TO THE PRESIDENT -- RECENT ACCOMPLISHMENTS IN MEDICAID WAIVERS

Received in OS/ES: 11/08/93

Rewrite(s): 11/08/93

RECORD OF CLEARANCES

Sent to:	Response by:	Response:	Date Sent:	Clr Due:	Clr Recd:
IGA	MONAHAN	Concur w/Cmt	11/08/93	11/08/93	11/08/93

Resolution of Comments:

IGA COMMENTS/EDITS HAVE BEEN INCORPORATED

David S. Cade

Policy Coordinator (202) 690-7699

Deputy Executive Secretary

Executive Secretary

Chief of Staff

Deputy Secretary

Special Instructions:

<i>[Signature]</i>	11/8/93
<i>[Signature]</i>	11/08/93
<i>[Signature]</i>	11/08/93
<i>[Signature]</i>	11/8/93
<i>[Signature]</i>	11/1

This sheet prepared by Barbara Sterling, (202) 690-6111 and printed 08 NOV 1993 OCC File # PO-2-3

11/08/93
mR

1/92-1

: 23 :

TO: David Ellwood
Peter Edelman
Mary Jo Bane
Harriet Raab
Bruce Vladeck
Shirley Chater
Jerry Klepner
Avis LaVelle
Phil Lee
John Monahan
Fernando Torres-Gil

FROM: *Claudia Cooley*
Claudia Cooley, ES

SUBJECT: Memo to The President on HHS FY 95 Budget Priorities

Between Thanksgiving and Christmas the President is planning to meet with cabinet secretaries to discuss program priorities and initiatives reflected in the FY 1995 budget submissions. As background for these meetings, The White House has requested a memorandum outlining the highlights of planned achievements and what can and cannot be accomplished within FY 95 budget targets. ASMB has prepared the attached memorandum. Since the memo is due to The White House tomorrow morning, please submit any comments you have to me by noon today.

Attachment

cc: RF



MEMORANDUM TO THE PRESIDENT

On February 17-of this year, you unveiled the most sweeping change in American budget priorities since the New Deal. "Vision of Change for America" was an ambitious investment program of \$160 billion. HHS is responsible for carrying out the core (25 percent) of your investment program including Head Start, HIV/AIDS research, treatment, and prevention and modernizing the Social Security Administration.

For 1994, Congress agreed with these priorities increasing funding levels by 12 percent over 1993. Nevertheless, this increase was \$1 billion less than you requested. However, for 1995, HHS was provided a planning target only 2 percent above the 1994 enacted level. I believe the target is insufficient and would seriously jeopardize our ability to deliver on the "Vision" investment priorities. I urge you to reconsider the budget allocation to HHS.

My October 1 budget request is \$1 billion over the planning target of \$35 billion. While continuing the investments in "Vision," the request cuts into the base of lower priority programs, restructures and consolidates others, and recognizes the reality of a smaller workforce in the future. The following describes our investment priorities and restructuring as supported in our 1995 budget request.

Expanded Services for Children and Youth

In February, we began a bold, long-term investment in Head Start to increase the number of children served and improve the quality of the program. We remain committed to this Head Start expansion. However, we have been forced to pare back our plans because of tightened limits on overall discretionary spending. The 1995 request of \$4.3 billion will move us toward a 1998 funding level that is \$1.3 billion less than what was anticipated in "Vision."

Our five year budget plan will increase the number of children served to over 1 million, with approximately 250,000 of those children receiving full-day, full-year services -- today less than 3,000 children receive full-day, full-year Head Start. In response to the challenge to insure that Head Start is a high quality, well managed initiative, we need to make a significant investment in program quality, provide local programs with the flexibility and funding to begin full-day, full-year Head Start, and implement improved business management practices.

Our 1995 request expands efforts to implement the childhood immunization plan begun in 1993. Building on the significant changes accomplished in OBRA 93, our request enlarges immunization infrastructure activities supported by the Centers for Disease Control and Prevention (CDC), allowing the agency to fully support State Immunization Action Plans.

In support of your commitment to "make work pay," we included nearly \$1.1 billion for the Child Care and Development Block Grant. We also commit \$20 million to a joint CDC-ACF violence prevention demonstration project. This program, as part of the Domestic Policy Council's violence initiative, targets several sites to provide comprehensive services to at-risk children beginning at age ten and following them through high school.

Investing in Prevention

During the 1992 campaign and later in "A Vision of Change for America," you pledged to increase support for desperately needed new initiatives in HIV/AIDS research, treatment and prevention. These initiatives are needed to speed up drug approval and commit increased resources for research and development of AIDS-related treatment and vaccines, and ensure that women and people of color are included in clinical trials. We also pledged that, to help the one million Americans already infected with HIV and the 60,000 new cases reported each year, we would move to fully fund the Ryan White CARE Act. Finally, we promised to create a national HIV/AIDS education and prevention initiative to disseminate frank and accurate information about the disease.

Congressional action on both the 1993 Economic Stimulus and 1994 appropriation provided fewer resources than we sought for these goals. In 1994, the appropriation for HIV/AIDS activities was \$91 million below the Administration's request. We believe that our full requested increase of \$167 million for 1995 is necessary to meet our public commitment in this vital area. As you previously stated, if we fail now to commit our hearts and resources to fighting HIV/AIDS we will pay a far greater price in the future, both in deaths and in dollars.

Although breast cancer is the second leading cause of cancer death among women in this country, research on and prevention of this disease is seriously underfunded. Our 1995 request includes an increase of \$79 million to expand our breast cancer research efforts and an increase of \$14 million for CDC's breast and cervical cancer screening program.

Disability and Automation

SSA's disability and automation increases are key infrastructure investments in the "Vision of Change." SSA relies heavily on information systems to provide services and pay benefits. To meet current and future demands, SSA must make advances in automation. Although management initiatives and increased resources have allowed SSA to manage the large increases in disability work, we project large and growing case backlogs in the Office of Hearings and Appeals and the States unless we continue these investments in 1995. Commentary in the National Performance Review (NPR) and appropriations action illustrate the consensus around these investment areas and our request includes \$665 million to support them.

Rethinking and Restructuring Programs

Our request includes a number of program consolidations designed to better target our resources and minimize administrative duplication within HHS. We have painstakingly examined our base and taken a hard look at non-investment activities. Over 55 programs and \$2.8 billion are affected by these consolidations.

In the Low Income Home Energy Assistance Program (LIHEAP), we request a reduction in spending and propose legislation to allow HHS to coordinate LIHEAP benefits with other Federal programs. We are working to reassess LIHEAP's program goals and structure and to address the income support and crisis assistance aspects in the context of Welfare Reform.

HHS plans to do its part in reducing the size of and reinventing Federal government. We are approaching this effort with a systematic examination of our roles and functions in conjunction with the NPR report. Although our 1995 request incorporates savings from these efforts, we have requested waivers from the FTE target in certain areas.

My request continues the vision we all shared on February 17. As we developed our 1995 budget, we committed ourselves to scouring our base, reducing administrative costs and consolidating and restructuring programs. In supporting your initiatives in "Vision," we made difficult choices, modified our investments and resisted the urge to allocate funds to worthy, but lower priority, programs. To that end, I request that you reconsider the budget allocation to HHS.

Donna E. Shalala



OCT 14 1993

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MEMORANDUM FOR THE PRESIDENT

As the community empowerment initiative unfolds, we are excited about its potential and grateful for the opportunity to participate, as a full partner, in its design and implementation.

HHS has a great deal to offer in terms of both resources and experience in community development. In particular, we will do all we can to assist participating communities in assessing and addressing health and human service needs as part of their comprehensive neighborhood development efforts. We understand the importance of not only strategic community planning, but services coordination and integration as well. HHS has established a clearinghouse on services integration and we will make its information and technical assistance available to designated communities.

In response to your September 9 request for specific information, we offer the following:

Programs and Funding

We have identified \$409 million in funding from which to support the initiative over the next five years. This is in addition to the \$1 billion in HHS funds from Title XX, the Social Services Block Grant Program, that is dedicated to community empowerment. I have attached a table describing the contributing programs.

You should know that the \$409 million is not a firm figure yet for two reasons:

- o The Congress has not appropriated funds for FY 1994 and future years, and it is not possible for us to identify the exact amounts that will be available for the programs that we will use to support the initiative. Until differences between the House and Senate bills are worked out in conference, we are using the lower amounts for each program as our interim estimates. The final number may be higher.
- o We have determined that it is not possible for the Department to target funds only to the zones and areas under most of our programs, nor to give funding priority solely to entities within empowerment areas. Law and regulations require that these discretionary funds be awarded based on predetermined criteria that provide all eligible areas an equal chance to receive grants. Therefore, in keeping with both the existing statutes and regulations and the

ASD, P...

objectives of the empowerment initiative, HHS will incorporate within its grant review process for selected programs a system for giving preference to projects in places meeting the criteria for an empowerment zone or enterprise community, regardless of whether such places are specifically designated as such. We will also pay particular attention to funds that may be "freed up" when existing grants expire and give preference in new funding to the kinds of activities supported by the empowerment initiative. This, too, may alter the ultimate amount of the HHS contribution.

Selection Criteria

In response to your request for recommendations on the criteria to be used to designate empowerment zones and enterprise communities, we strongly urge that significant emphasis be placed on both comprehensive and integrated service delivery as well as targeting limited resources to create a "critical mass" for change among selected individuals and families. Specifically, we recommend the following selection criteria:

o Outcomes Over Process

Communities that are able to describe and quantify anticipated real change in the lives of individuals and families, or outcomes to be achieved through their development strategy, should be given priority over applications that focus mostly on process. We would also expect communities to commit to assisting in strong outcome evaluations.

o Focused and Comprehensive Services

Communities should receive priority consideration if their strategic plan calls for targeting services and opportunities on residents, or, if not possible, within an identified neighborhood, rather than scattering insufficient services across a broad population. We need to concentrate a "cocktail" of health, housing, human service, education, job training, transportation, and employment opportunities on individuals and families that have multiple problems because multiple interventions are the key to success. This premise, which underpins your health care and welfare reform efforts, needs to pertain in this empowerment initiative.

o Individualized Service Integration

To achieve the above focus and concentration of services, communities should be given priority if they identify a

strategy for tailoring service planning and delivery to the identified needs and situations of residents, or, if not possible, concentrating services in a particular neighborhood within a community. While we should not dictate the specific approach to be used by communities, we should give preference to communities that design community development to be achieved on a resident-by-resident basis, or, if not possible, within a very focused geographic area within a zone or community. Some of the strategies that communities might employ include case management, co-location of services, coordinated assessment of needs among different service agencies, assignment of "lead responsibility" for individuals and families among various agencies.

Additional Legislative Mandates

In addition to the seven HHS programs now identified to support the empowerment initiative, we are designing a number of legislative proposals which are intended to increase flexibility among State and local governments in how they use Federal funds to meet their needs:

o Community Services

HHS is developing proposed legislation to consolidate a number of small discretionary grant programs into larger, more flexible, grants. One such consolidation will be proposed for a "community initiative program." A second will combine several programs with the Community Service Block Grant (funded at \$372 million in the FY 1994 House Appropriation Bill). We will seek to have a proportion "set aside" from this program that I may target on high priority national activities, including the empowerment initiative.

o Health Care, Welfare and Other Reforms

As both reform initiatives move toward passage and implementation, we will be especially mindful of the priority given to the empowerment sites and will work to assure that early attention be given to integrating new programs and funding approaches into their overall development strategies. We will be assessing the extent to which our on-going community health and social service programs, such as Community Health Centers and Head Start, can complement or augment health care and welfare reforms, especially in empowerment communities that have a strategy for keeping track of service needs and opportunities.

Page 4 - The President

I look forward to serving on the Community Enterprise Board and pledge our best efforts toward making this initiative a true and long-lasting success.



Donna E. Shalala

Enclosure

cc: The Vice President
Carol Rasco
Robert Rubin

9/16/93

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Empowerment Zones & Enterprise Communities
(dollars in millions)

NOTE: The Department's ability to commit funds to this initiative is dependent on the amount of money appropriated by Congress. This chart reflects an estimate based on the House appropriation bill.

Program	Proposed Budget Authority for Empowerment Areas						Comments
	1994	1995	1996	1997	1998	1994-1998	
Health Services							
Preventive Health Grants (PHS/CDC)	\$ 30	\$ 30	\$ 30	\$ 30	\$ 30	\$ 150	The Public Health Service will provide funds through several different programs to support comprehensive preventive health activities. The initiative will support efforts for preventing sexually transmitted diseases, tuberculosis, and drug abuse. It will also support HIV/AIDS education activities.
Treatment Capacity Expansion Grants (PHS/SAMHSA)	2	2	2	2	2	10	This Center for Substance Abuse Treatment program will provide funding for expanded drug abuse treatment services in empowerment areas.
Community Health Care Discretionary Programs (PHS/HRSA)	7	7	7	7	7	35	The Public Health Service will provide funding to organizations in empowerment areas for a number of health delivery programs including community health centers, migrant health centers, and maternal and child health services.

Program	Proposed Budget Authority for Empowerment Areas						Comments
	1994	1995	1996	1997	1998	1994-1998	
Community Services							
Demonstration Partnership Program (ACF)	4	**	**	**	**	4	This Administration for Children and Families program will provide grants primarily to community action agencies to develop, in partnership with other public and private organizations, innovative approaches for reducing poor people's dependency on public assistance programs. These funds will support integrated service delivery strategies in empowerment areas. Applicants will be awarded points in the review process based on strategies that target communities that fit the criteria of an empowerment zone or enterprise community.
Community Services Discretionary Activities - Community Economic Development (ACF)	21	*	*	*	*	21	This Administration for Children and Families program will provide assistance to private, locally-initiated, community development corporations which sponsor enterprises providing employment, training, and business development opportunities for low-income people. Applicants will be awarded points in the review process based on strategies that target communities that fit the criteria of an empowerment zone or enterprise community.

Program	Proposed Budget Authority for Empowerment Areas						Comments
	1994	1995	1996	1997	1998	1994-1998	
Jobs Opportunities for Low-Income Individuals (ACF)	5	*	*	*	*	5	This Administration for Children and Families effort will fund organizations within empowerment areas which provide job creation and training for community residents. The agency will also implement cooperative agreements with other institutions at the community level. Applicants will be awarded points in the review process based on strategies that target communities that fit the criteria of an empowerment zone or enterprise community.
Community Initiative Program (ACF)	*	46	46	46	46	184	The Community Initiative Program is a proposed consolidation of two Administration for Children and Families programs. Applicants will be awarded points in the review process based on strategies that target communities that fit the criteria of an empowerment zone or enterprise community.
TOTAL HHS	69	85	85	85	85	409	

* The proposed FY 1995 Budget includes a new discretionary program, the Community Initiative Program, which is a consolidation of the Jobs Opportunities for Low-Income Individuals program and a portion of the Community Economic Development program. Assuming the consolidation is enacted, funds now displayed under the heading "Jobs Opportunities for Low-Income Individuals" and portions of funds under "Community Service Discretionary Activities" will be folded into this new program.

** To be consolidated into the new Community Services Block Grant set-aside for use by Community Action Agencies and other "eligible entities" particularly those in empowerment zones, and for other purposes of the Secretary's choosing.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

MEMORANDUM FOR THE PRESIDENT

As the community empowerment initiative unfolds, we are excited about its potential and grateful for the opportunity to participate, as a full partner, in its design and implementation.

HHS has a great deal to offer in terms of both resources and experience in community development. In particular, we will do all we can to assist participating communities in assessing and addressing health and human service needs as part of their comprehensive neighborhood development efforts. We understand the importance of not only strategic community planning, but services coordination and integration as well. HHS has established a clearinghouse on services integration and we will make its information and technical assistance available to designated communities.

In response to your September 9 request for specific information, we offer the following:

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- o We have determined that it is not possible for the Department to target funds only to the zones and areas under most of our programs, nor to give funding priority solely to entities within empowerment areas. Law and regulations require that these discretionary funds be awarded based on predetermined criteria that provide all eligible areas an equal chance to receive grants. Therefore, in keeping with both the existing statutes and regulations and the

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OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE	OFFICE	SURNAME	DATE
HSP	Kamher	8/22	HSP	BROMAN	9/28			

objectives of the empowerment initiative, HHS will incorporate within its grant review process for selected programs a system for giving preference to projects in places meeting the criteria for an empowerment zone or enterprise community, regardless of whether such places are specifically designated as such. We will also pay particular attention to funds that may be "freed up" when existing grants expire and give preference in new funding to the kinds of activities supported by the empowerment initiative. This, too, may increase the ultimate amount of the HHS contribution.

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Focused and Comprehensive Services

Communities should receive priority consideration if their strategic plan calls for targeting services and opportunities on a selected number of individuals or families, or, if not possible, within an identified neighborhood, rather than scattering insufficient services across a broad population. We need to concentrate a "core" of health, housing, human service, education, job training and employment opportunities on individuals and families that have multiple problems because multiple interventions are the key to success. This premise, which underpins your health care and welfare reform efforts, needs to pertain in this empowerment initiative.

Individualized Service Integration

To achieve the above focus and concentration of services, communities should be given priority if they identify a

strategy for tailoring service planning and delivery to the specific needs and situations of identified individuals and families, or, if not possible, concentrating services in a particular neighborhood within a community. While we should not dictate the specific approach to be used by communities, we should give preference to communities that design community development to be achieved on a resident-by-resident basis, or, if not possible, within a very focused geographic area within a zone or community. Some of the strategies that communities might employ include case management, co-location of services, coordinated assessment of needs among different service agencies, assignment of "lead responsibility" for individuals and families among various agencies.

Additional Legislative Mandates

In addition to the seven HHS programs now identified to support the empowerment initiative, we are designing a number of legislative proposals which are intended to increase flexibility among State and local governments in how they use Federal funds to meet their needs:

Community Services

HHS is developing proposed legislation to consolidate a number of small discretionary grant programs into larger, more flexible, grants. One such consolidation will be proposed for a "community initiative program." A second will combine several programs with the Community Service Block Grant (funded at \$372 million in the FY 1994 House Appropriation Bill). We will seek to have a proportion "set aside" from this program that I may target on high priority national activities, including the empowerment initiative.

Health Care, Welfare and Other Reforms

As both reform initiatives move toward passage and implementation, we will be especially mindful of the priority given to the empowerment sites and will work to assure that early attention be given to integrating new programs and funding approaches into their overall development strategies. We will be assessing the extent to which our on-going community health and social service programs, such as Community Health Centers and Head Start, can complement or augment health care and welfare reforms, especially in empowerment communities that have a strategy for keeping track of service needs and opportunities.

Page 4 - The President

I look forward to serving on the Community Enterprise Board and pledge our best efforts toward making this initiative a true and long-lasting success.

Donna E. Shalala

Enclosure

cc: The Vice President
Carol Rasco
Robert Rubin

THE WHITE HOUSE

WASHINGTON

September 9, 1993

MEMORANDUM FOR THE VICE PRESIDENT

THE SECRETARY OF THE TREASURY
THE ATTORNEY GENERAL
THE SECRETARY OF THE INTERIOR
THE SECRETARY OF AGRICULTURE
THE SECRETARY OF COMMERCE
THE SECRETARY OF LABOR
THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF HOUSING AND URBAN DEVELOPMENT
THE SECRETARY OF TRANSPORTATION
THE SECRETARY OF EDUCATION
THE ADMINISTRATOR OF THE ENVIRONMENTAL
PROTECTION AGENCY
THE DIRECTOR OF NATIONAL DRUG CONTROL POLICY
THE ADMINISTRATOR OF THE SMALL BUSINESS
ADMINISTRATION
THE ASSISTANT TO THE PRESIDENT
FOR DOMESTIC POLICY
THE ASSISTANT TO THE PRESIDENT
FOR ECONOMIC POLICY
THE CHAIR OF THE COUNCIL OF ECONOMIC ADVISERS
THE DIRECTOR OF THE OFFICE OF
MANAGEMENT AND BUDGET

The Vice President and I strongly believe that the best way to serve distressed communities in urban and rural America is through a comprehensive, coordinated, and integrated approach that combines bottom-up initiatives and private sector innovations with responsive Federal-State support. Today, I direct the Federal agencies to work cooperatively to implement this approach in a way that reflects the principles of the Vice President's National Performance Review -- i.e., meeting the needs of local communities through a performance-measured, customer-driven philosophy and a cross-agency approach. I also hereby establish the President's Community Enterprise Board ("Board") to advise and assist me in coordinating across agencies the various Federal programs available (or potentially available) to distressed communities and in developing further policies related to the successful implementation of our community empowerment efforts.

130910-17

The Vice President has agreed to chair this Board, and the Assistant to the President for Domestic Policy and the Assistant to the President for Economic Policy have agreed to serve as Vice-Chairs of the Board. I request the following Administration officials to serve on this Board: the Secretary of the Treasury, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Education, the Administrator of the Environmental Protection Agency, the Director of National Drug Control Policy, the Administrator of the Small Business Administration, the Director of the Office of Management and Budget, and the Chair of the Council of Economic Advisers.

The first task of the Board is to assist in the successful implementation of the Administration's empowerment zone legislation, Subchapter C of Title XIII of the Omnibus Budget Reconciliation Act of 1993, Public Law 103-66, "Empowerment Zones, Enterprise Communities, and Rural Development Investment Areas." This Act authorizes the Secretaries of HUD and Agriculture to designate certain localities as empowerment zones and enterprise communities, thus enabling them to receive certain Federal funds and other benefits from the Federal Government.

Other programs, old and new, are similarly beneficial to local communities. These programs, however, form an overly complex, categorical, unworkable, and ineffective response to the needs of distressed communities. I hereby direct the Board to review these programs in order to ascertain how we can make the entire Federal effort more responsive to the needs of distressed communities. In addition, with respect to the empowerment zones and enterprise communities, I direct the Secretary of the Treasury, the Attorney General, the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Health and Human Services, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Education, the Administrator of the Environmental Protection Agency, the Director of National Drug Control Policy, and the Administrator of the Small Business Administration to (1) identify, within 15 days of this directive, existing programs that further the goals and objectives set forth in this memorandum and the Act and (2) make available, to the extent permitted by law, funds from those programs for use in implementing the strategic plans of the designated empowerment zones and community enterprises.

In order to advise and assist me regarding issues that relate to community development and empowerment, I request that each Board member --

(a) Provide me with recommendations, consistent with Section 13301 of the Omnibus Budget Reconciliation Act of 1993 ("OBRA" or "the Act"), on the criteria to be used for selection and designation of empowerment zones and enterprise communities, as set forth in Section 13301 of the Act;

(b) Identify additional legislative mandates that further the goals and objectives set forth in this memorandum and the Act and, where appropriate, develop for my consideration recommendations for further action;

(c) Identify legislative mandates that may be impeding State, local, and tribal governments from meeting the goals and objectives set forth in this memorandum and the Act, and, where appropriate, develop for my consideration recommendations for further action; and

(d) Consult with the Board regarding exemptions from regulatory mandates for which the member agency has jurisdiction and inform his or her decisions regarding any such exemptions with the recommendations of the Board.

In addition, I direct each of the agencies to cooperate fully with the Chair, the Vice-Chairs, and the Secretaries of HUD and Agriculture in assisting designated zones and enterprise communities in successfully implementing their strategic plans under Section 13301 of the Act. This interagency effort shall, among other things, coordinate Federal assistance and support within each empowerment zone and enterprise community.

In order to meet the goals and objectives set forth above, I also request the Secretary of HUD and the Secretary of Agriculture to consult with the Board regarding (1) the designation, under Section 13301 of the Act, of empowerment zones and enterprise communities and (2) possible revocation of designations, as set forth in Section 13301 of the Act.

Finally, I direct the Secretaries of HUD, Agriculture, and HHS (in consultation with the Board) to take, by November 1, 1993, the appropriate regulatory measures to ensure that the use of all Title XX grants awarded under the Act meets the criteria of Section 13761 of the Act, including, specifically, that portion of Subsection C that requires, among other things, localities to use Title XX grants (1) in accordance with the strategic plans approved by the Secretaries of HUD and Agriculture,

(2) for activities that directly benefit the residents within the designated empowerment zones and enterprise communities, and (3) to promote economic independence for low-income families and individuals.

With the Board members' commitment to achieving community empowerment and to providing our local communities with a single Federal forum, we will be able to assist distressed communities and American families all across urban and rural America in obtaining economic self-sufficiency.

William A. Clinton

SUMMARY STATEMENT

SUBJECT: Response to a September 9 memorandum from the President to cabinet officers and White House officials involved in implementing the Community Enterprise initiative. The President asks for a number of responses, including: 1) identification of programs and funding to support the initiative; 2) suggested criteria for selecting empowerment zones and enterprise communities; 3) potential legislative initiatives that might enhance assistance; and 4) any legislative mandates that might impede implementation (we identified none).

SUMMARY: Response indicates that HHS has identified seven programs with funding totalling \$409 million over the next five years that could support the initiative, in addition to \$1 billion in Title XX, Social Services Block Grant funds that was appropriated especially for this purpose. The response also recommends three criteria for selecting communities that focus on assuring that outcomes are stressed over process, and that the variety of needs of residents are addressed, especially health and human service needs, and that services be of sufficient quantity for multi-need individuals and families to truly make a difference. Several legislative proposals, including health care and welfare reform, are also discussed as potential supports to the initiative.

CONCERNS: The President directs HHS to work toward publishing regulations by November that would implement our Title XX portion of the initiative. The President's memorandum does not specifically call for an immediate response on this and it is not discussed in the attached response. The Secretary should know, however, that it may not be possible to issue regulations by November and we are seeking ways of incorporating whatever requirements that might be necessary into the common application form to be issued by HUD and Agriculture.

RECOMMENDATION: That the Secretary sign the memorandum

CONTACT PERSON: Gerald H. Britten; 690-8774.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT**

FROM: WILLIAM J. CLINTON

Control # 9309100110

Subject: NATIONAL PERFORMANCE REVIEW.

Received in OS/ES: 09/28/93

Rewrite(s):

RECORD OF CLEARANCES

Sent to:	Response by:	Response:	Date Sent:	Clr Due:	Clr Recd:
OGC	DENNIS	Concur	10/04/93	10/04/93	10/05/93
IGA	IVERY	Concur w/Cmt	09/28/93	09/29/93	10/01/93
AMB	WEBB	Concur	09/28/93	09/29/93	09/29/93
ODS	WAMSLEY	Concur	09/28/93	09/29/93	09/30/93
ASH	ITTEILAG	Concur w/Cmt	09/28/93	09/29/93	10/01/93
ACF	ROSEWATER	Concur w/Cmt	09/28/93	09/29/93	09/29/93
CNS	EDELMAN	Concur	09/28/93	09/29/93	09/29/93
AFA	SKOLFIELD	Concur	09/28/93	09/29/93	09/29/93
ASL	KLEPNER	Concur	09/28/93	09/29/93	10/04/93

Resolution of Comments:

ALL COMMENTS HAVE BEEN INCORPORATED.

Rada Proehl

Policy Coordinator (202) 690-7160

Barbara Favola F/Proehl 10/05/93

Deputy Executive Secretary

J. J. Webb 10/05/93

Executive Secretary

Charles 10/7/93

Chief of Staff

Kevin M. ... 10/7/93

Deputy Secretary

Walt ... 10/11/93

Special Instructions:

Response prepared by ASP

This sheet prepared by Robyn L. Loving, (202) 690-7160 and printed: 05 OCT 1993 COC File # PE-1

ASP-3

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT**

FROM: WILLIAM J. CLINTON

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Subject: NATIONAL PERFORMANCE REVIEW.

Received in OS/ES: 09/28/93

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ACF	ROSEWATER	Concur w/Cmt	09/28/93	09/29/93	09/29/93
CNS	EDLEMAN	Concur	09/28/93	09/29/93	09/29/93
APA	SKOLFIELD	Concur	09/28/93	09/29/93	09/29/93
ASL	KLEPNER	Concur	09/28/93	09/29/93	10/04/93

Resolution of Comments:

ALL COMMENTS HAVE BEEN INCOPORATED.

(see attached memo regarding PHS edit.)

Rada Proehl

Policy Coordinator (202) 690-7160

Rada Proehl 10/4/93

Deputy Executive Secretary _____

Executive Secretary _____

Chief of Staff _____

Deputy Secretary _____

Special Instructions: _____

Response prepared by ASD

This sheet prepared by *Ruby L. Loving*, (202) 690-7160 and printed: 04 OCT 1993 CCC File # PE-1

10/04/93



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

JUN 14 1993

PC-4-3
U524

MEMORANDUM FOR THE PRESIDENT

Since 1966, the American youth have participated in the Presidential Physical Fitness Award Program for the "President's Challenge". The program includes all young people from the ages six through 17, including those students with special needs. The children strive for one of three awards as part of the President's Challenge. The Presidential Physical Fitness Award recognizes an outstanding level of physical fitness. The National Physical Fitness Award is given for achieving a basic yet challenging level of physical fitness. The Participant Physical Fitness Award is for those students whose scores fall below the 50 percentile on one or more of the test items.

Handbooks and packets on this program are mailed to over 130,000 schools annually. They include a letter from the President and the Chairman of the President's Council on Physical Fitness and Sports. Last year's materials for this program are attached. Also attached is a letter for your signature that will be included in the President's Challenge Program.

Donna E. Shalala

DRAFT

Dear Administrators, Teachers and Parents:

I believe that all of us, together, now have a wonderful opportunity to revitalize education in America in order to give our children the very best chance at succeeding in an increasingly complex and rapidly changing world.

Our children need creative schools that place high value on basics such as reading, writing, and arithmetic and promoting science, the arts and humanities. Along with these valuable basics, it is paramount to provide a balanced curriculum and appreciation for the essential relationship that the ancient Greeks emphasized through the belief in a sound body and mind. Now is the time to renew these themes.

Our children deserve the right to achieve intellectually and grow up fit. Physical fitness is the key to a happier, healthier and more productive life.

Our children also deserve good role models in their schools and their communities--people who will lead the way through personal example and commitment. We all can strive to adopt healthy lifestyle habits.

I welcome and need your help. The Nation needs your help if we are to be successful for the sake of our children. That is our challenge.

Sincerely,

Contact Person: Matt Guidry
202-272-3424



THE PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS
WASHINGTON, D.C. 20004

May 7, 1993

TO: The Secretary
Through: DS
COS *Turner 7/31 4/11/93*
ES *Williams 4/1/93*
AASH *Tommy O. Oats* MAY 20 1993

FROM: Acting Executive Director

RE: President's Signature

Since 1966, the American youth have participated in the Presidential Physical Fitness Award Program for the "President's Challenge". The program includes all young people from the ages six through 17, including those students with special needs. The children strive for one of three awards as part of the President's Challenge. The Presidential Physical Fitness Award recognizes an outstanding level of physical fitness. The National Physical Fitness Award is given for achieving a basic yet challenging level of physical fitness. The Participant Physical Fitness Award is for those students whose scores fall below the 50 percentile on one or more of the test items.

Handbooks and packets on this program are mailed to over 130,000 schools annually. They include a letter from the President and the Chair of the President's Council on Physical Fitness and Sports. Last year's materials for this program are attached. Also attached is a transmittal letter for your signature, requesting that the President sign the enclosed letter for the President's Challenge Program.

Matthew Guidry
Matthew Guidry, Ph.D.

Attachments:

- Tab A: Memorandum for the President
- Tab B: Letter from the President
- Tab C: Background Material



THE PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS
WASHINGTON, D.C. 20004

May 7, 1993

TO: The Secretary
Through: DS _____
COS _____
ES _____
AASH/6/Tony Ittellaq MAY 20 1993

FROM: Acting Executive Director

RE: President's Signature

Since 1966, the American youth have participated in the Presidential Physical Fitness Award Program for the "President's Challenge". The program includes all young people from the ages six through 17, including those students with special needs. The children strive for one of three awards as part of the President's Challenge. The Presidential Physical Fitness Award recognizes an outstanding level of physical fitness. The National Physical Fitness Award is given for achieving a basic yet challenging level of physical fitness. The Participant Physical Fitness Award is for those students whose scores fall below the 50 percentile on one or more of the test items.

Handbooks and packets on this program are mailed to over 130,000 schools annually. They include a letter from the President and the Chair of the President's Council on Physical Fitness and Sports. Last year's materials for this program are attached. Also attached is a transmittal letter for your signature, requesting that the President sign the enclosed letter for the President's Challenge Program.


Matthew Guidry, Ph.D.

- Attachments:
Tab A: Memorandum for the President
Tab B: Letter from the President
Tab C: Background Material

PCPFS:MGUIDRY:272-3423-5/10/93/smm

FILE
COPY

OFFICE	SERIAL	DATE	OFFICE	SERIAL	DATE	OFFICE	SERIAL	DATE
PCPFS	Guidry	5/10/93						
DOA	Ittellaq	5/10/93						
OFFICE	Zucker	5/15						



THE PRESIDENT'S COUNCIL ON PHYSICAL FITNESS AND SPORTS
WASHINGTON, D.C. 20004

May 7, 1993

TO: The Secretary
Through: DS
COS *[Signature]* 4/11/93
ES *[Signature]* 4/8/93
AASH *[Signature]* MAY 20 1993

FROM: Acting Executive Director

RE: President's Signature

Since 1966, the American youth have participated in the Presidential Physical Fitness Award Program for the "President's Challenge". The program includes all young people from the ages six through 17, including those students with special needs. The children strive for one of three awards as part of the President's Challenge. The Presidential Physical Fitness Award recognizes an outstanding level of physical fitness. The National Physical Fitness Award is given for achieving a basic yet challenging level of physical fitness. The Participant Physical Fitness Award is for those students whose scores fall below the 50 percentile on one or more of the test items.

Handbooks and packets on this program are mailed to over 130,000 schools annually. They include a letter from the President and the Chair of the President's Council on Physical Fitness and Sports. Last year's materials for this program are attached. Also attached is a transmittal letter for your signature, requesting that the President sign the enclosed letter for the President's Challenge Program.

[Signature]
Matthew Guidry, Ph.D.

- Attachments:
- Tab A: Memorandum for the President
 - Tab B: Letter from the President
 - Tab C: Background Material

MAY 20 1966

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED~~

OP/STAFF DIV:

President's Council on Physical
Fitness and Sports (PCPFS)

SUBJECT:

Letter for President's Challenge
Program

PURPOSE:

American youth have participated in the Presidential Physical Fitness Award Program or the "President's Challenge" since 1966. The handbook and packet that support this program include a letter from the President and the Chairman of the President's Council on Physical Fitness and Sports. A proposed letter for the President's signature is attached to the transmittal letter from the Secretary to the President.

CONCERNS:

None

RECOMMENDATION/CONCLUSION:

It is recommended that the Secretary sign this letter.

CONTACT PERSON:

Matthew Guidry, PhD
Acting Executive Director, PCPFS
202-272-3424

DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF THE SECRETARY
EXECUTIVE SECRETARIAT

From: GUIDRY

PCP

Control # AM93-0404

Subject: PRESIDENT'S SIGNATURE -THE PRESIDENTIAL PHYSICAL FITNESS AWARD
PROGRAM FOR THE "PRESIDENT'S CHALLENGE"

Received in OS/ES: 05/24/93

Rewrite(s): 06/03/93

RECORD OF CLEARANCES

Send to:	Response by:	Response:	Date Sent:	Clr Due:	Clr Recd:
APA	GARDETT	Concur	05/24/93	05/26/93	05/27/93

Resolution of Comments:
ALL EDITS INCORPORATED.

Glen Harelson
Policy Coordinator (202) 690-7160

Deputy Executive Secretary

Executive Secretary

Chief of Staff

Deputy Secretary

Special Instructions:

[Handwritten signature]
6/4/93

[Handwritten signature] 06/04/93
[Handwritten signature] 6/04/93
[Handwritten signature] 6/11/93
[Handwritten signature] / /



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D. C. 20201

MAY 27 1993

o s f l l e
PO-4-16
US-1

MEMORANDUM FOR THE FIRST LADY

The Convention on the Rights of the Child was adopted by the United Nations General Assembly in November, 1989 and since has been ratified or signed by more than 150 countries, with the United States being the major exception (Iraq, Libya, Saudi Arabia, Somalia, and South Africa are the other main holdouts). Every NATO nation except the United States has signed or ratified the Convention. The acceptance of the Convention has been so rapid and broad that the UNICEF Executive Board earlier this month adopted a goal of the Convention on the Rights of the Child becoming by 1995 the first treaty ratified by every nation.

The Convention sets out a broad range of civil, political, social, economic and human rights for children, many of them already incorporated in other international human rights treaties. While the Convention is an important statement of the basic rights of children, throughout it runs the theme of recognition of the role and responsibility of parents and family.

Although the United States played an active role in drafting the Convention and assuring its fundamental compatibility with U.S. law, the Bush Administration was very reluctant to sign it because of opposition from the extreme right wing and its own opposition to recognizing any economic or social rights. But there has been substantial bipartisan support in both the House and Senate for the Convention and for resolutions urging that the Convention be sent by the President to the Senate for consideration of ratification. Dozens of labor, legal, religious, children's, and women's groups are supporting the Convention.

Jim Grant, Executive Director of UNICEF, has noted that few actions would have more immediate impact or symbolic weight than the President's signing the Convention soon. Grant believes that major steps forward for the world's children could be made if the U.S. were to exert leadership at this time by ratifying the Convention and moving to implement it (as well as implementing the plan of action that came out of the 1990 World Summit for Children).

While there have been objections by some to particular provisions, it is possible to ratify the Convention while stipulating "reservations" and "understandings." Some of the objections are baseless and can be dealt with through careful framing of the public messages in signing the Convention and

cc: [unclear]

sending it to the Senate. Such objections include claims that the Convention is anti-family (it is quite supportive of families); and claims that the Convention is too strong or too weak on abortion (it was designed to be neutral, and both pro-choice and anti-choice nations have ratified it).

There are some more legitimate concerns, but they can be handled through formal reservations and other qualifying statements. The Convention's prohibition of capital punishment for crimes committed by juveniles runs counter to the law of several states, but the United States took a reservation to the same provision in the Covenant on Civil and Political Rights (ratified by the Senate in 1992), and could do so again. More pertinent to HHS' areas of concern are the Convention's statements of economic and social rights (in addition to political and civil rights), sometimes in areas governed exclusively or primarily by the States. These include rights to basic health care and a minimally adequate standard of living. These rights are, however, crucial to children, and most of them already appear in the International Covenant on Economic and Social Rights signed by President Carter, so these are not novel or unmanageable issues.

Furthermore, most of these provisions are not self-executing and several are essentially precatory -- not requiring particular governmental or private action. Unlike some other treaties, the Convention has no international dispute resolution process. And to the extent that the United States still remains uncomfortable with the scope of these rights or the intrusion into state functions, reservations can resolve the residual problems. We know that these concerns are all manageable because so many other Western democracies, including those with federal systems, have signed or ratified the Convention.

I strongly believe that the United States, without delay, should reconsider its stance on the Convention and that the President should sign it, signaling his intention to seek ratification by the Senate. I urge you to support this goal.



Donna E. Shalala



Do not send any of this

MEMORANDUM FOR THE FIRST LADY

The Convention on the Rights of the Child was adopted by the United Nations General Assembly in November 1989 and has been signed or become the law of the land in more than 150 countries, with the United States being the only major exception. The Bush administration never sought the advice and consent of the Senate, which is necessary in order for the President to ratify the Convention, even though two years ago the Congress passed a joint resolution requesting President Bush to do so.

In addition, the World Summit for Children, convened on September 30, 1990, was attended by many Heads of State, including the President of the United States, and senior officials from 151 other countries. The outcome of the Summit was a set of goals and 130 countries are now working on national programs of action to achieve these goals. The United States plan of action is incorporated in the report A Culture of Caring - America's Commitment to Children and Families.

The attached paper discusses these matters in greater detail and describes how President Clinton's commitment to children differs in two major respects -- immunization and access to health care - - from the Bush administration's programs.

You have been steadfast in your emphasis on our responsibilities to children. Similarly, Jim Grant, Executive Director of UNICEF, has noted that few actions would have more immediate impact or symbolic weight than the President's signing the Convention early in 1993. He has also expressed support for the goals set by the World Summit and believes that global accomplishments could be made if the U.S. were to exert leadership at this time.

There have been objections to U.S. ratification of the Convention in the past, although it possible to ratify the Convention while stipulating reservations and limitations. The objections related to a variety of matters regulated primarily by the States. Nevertheless, a significant number of U.S. organizations have voiced support for ratification.

I strongly believe that the United States, without delay, should reconsider its stance on the Convention and that the President should sign it, signaling his intention to see ratification by the Senate. I urge you to support this goal. I also believe that the U.S. plan of action should be revised to reflect the Clinton administration's priorities.

Donna E. Shalala

U.S. Response to the World Summit for Children
and Ratification of the Convention on
the Rights of the Child

The Convention on the Rights of the Child was adopted by the General Assembly in November 1989 and has been signed or become the law of the land in more than 150 countries, with the United States being the only major exception.

The World Summit for Children, convened on September 30, 1990, was attended by many Heads of State, including the President of the United States, and senior officials from 151 other countries. The outcome of the Summit was a set of goals and 130 countries are now working on national programs of action to achieve these goals. All of the goals set by the World Summit for Children were incorporated into Agenda 21 at the Earth Summit in Rio.

The United States submitted its plans in early January 1993. The plans are incorporated in the report A Culture of Caring - America's Commitment to Children and Families.

The report discusses a range of issues: child health; food and nutrition; role of women, maternal health and family planning; basic education, school readiness, literacy and workforce preparation; the environment; children in special circumstances; reducing poverty and enhancing economic growth; international challenges; and, U.S. domestic resources for international cooperation.

There are many areas where President Clinton's commitment to children differs dramatically from the Bush Administration programs described in the report A Culture of Caring. Two areas - immunization and access to health care for children - illustrate these differences very clearly:

1. On immunization the World Summit Plan of Action, at page 17, urges:
 - o Global eradication of poliomyelitis by the year 2000.
 - o Elimination of neonatal tetanus by 1995.
 - o Reduction by 95 percent in measles deaths and reduction by 90 percent of measles cases compared to pre-immunization levels by 1995, as a major step to the eradication of measles in the longer run.
 - o Maintenance of a high level of immunization coverage of at least 90 percent of children under 1 year of age by the year 2000, against diphtheria, pertussis, tetanus, measles, poliomyelitis, and tuberculosis, and against tetanus for women of child-bearing age.

- o Reduction by one-third in the deaths due to acute respiratory infections in children under 5 years.

The Bush Administration was committed to objectives for childhood immunization for the Year 2000 that included "increase immunization levels to 90 percent of children completing the basic immunization series by the second birthday." To achieve this goal, there was an action plan, visits to six cities by the former Secretary of Health and Human Services, guidelines for health care providers, an education advisory committee, etc. There were no specifics about the Federal funding and leadership required to achieve the goals.

2. On access to health care the World Summit Plan of Action urges that "Enhancement of children's health and nutrition is a first duty, and also a task for which solutions are now within reach."

The Bush Administration responded with three U.S. Objectives for the Year 2000:

Increase to at least 50 percent the proportion of people who have received, as a minimum within the appropriate interval, all of the screening and immunization services and at least one of the counseling services appropriate for their age and gender as recommended by the U.S. Preventive Services Task Force....Increase to at least 95 percent the proportion of people who have a specific source through which they receive both ongoing primary care and preventive and episodic health care....Improve financing and delivery of clinical preventive services so that virtually no American has a financial barrier to receiving, at a minimum, the screening, counseling, and immunization services recommended by the U.S. Preventive Services Task Force....

Again, there were no commitments in terms of a specific set of policies to achieve these objectives. Federal action programs described include: the Head Start Program, the National Health Service Corps, Medicaid, Aid to Families with Dependent Children, Supplemental Security Income, the Indian Health Service and the Migrant Student Record Transfer System.

A Culture of Caring includes all of the Summit's recommendations and the Bush Administration responses. We can do better!

In an address to the International Development Conference on January 11, 1993, UNICEF Executive Director, James P. Grant described the opportunity for a worldwide attack on poverty. After comparing the present situation to that prevailing on the eve of the green revolution in Asia in the 1960s, he said a similar breakthrough is possible "on a much broader front, encompassing basic education, primary health care, water supply and sanitation, family planning and gender equity, as well as food production, and covering a more wider geographical area."

In addition, Mr. Grant observed:

If the United States were to provide genuine leadership, including, importantly, at the presidential level, a global effort to overcome those worst aspects of poverty identified at the 1990 World Summit for Children and at the 1992 Earth Summit, it would do more good, for more people, more quickly, at a lower cost, than through any other conceivable global undertaking in this era.

In his address Mr. Grant described the opportunity for leadership clearly:

Now think what could be accomplished if both ends of Pennsylvania Avenue were to exercise, together, the kind of leadership that is needed and take the initiatives on this front that go to the heart of the effort to eradicate poverty. By increasing investment in American children and strengthening American families, and by reordering foreign assistance to reflect this new priority, the United States, the world's sole superpower, would once more set the global standard and give a boost to human development and economic growth at home and abroad.

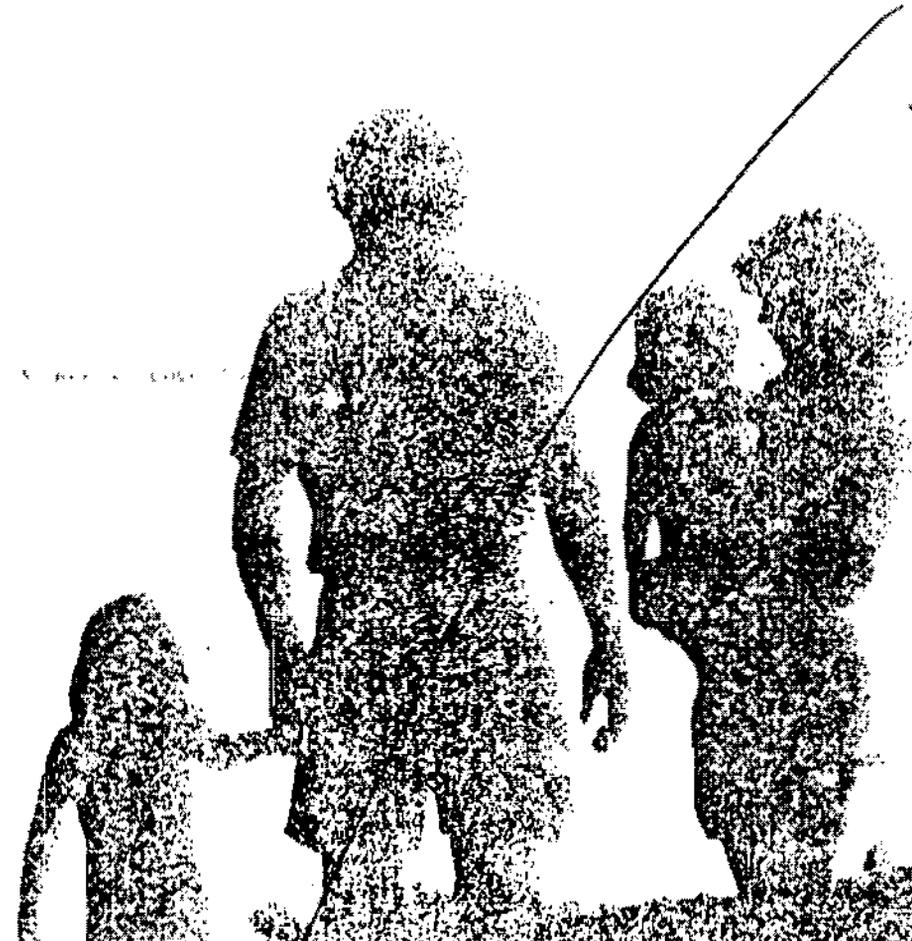
That reordering of priorities has begun at home. Several steps need to be taken that would make it clear to the world that the United States is ready and willing to provide the needed leadership. First, the President should sign the Convention on the Rights of the Child at an appropriate ceremony in May, 1993. While this action is likely to be opposed by those who opposed it in the past it should be done. After the Convention has been signed by the President it should be submitted to the Senate for ratification. Second, the U.S. plan of action should be revised to reflect the Clinton Administration's priorities. This revision should be completed and submitted to UNICEF by July 1, 1993.

Attachments:

A Culture of Caring

Address by James P. Grant to the International Development Conference, January 11, 1993

A CULTURE OF CARING



**America's Commitment to
Children and Families**



Children and
Women —
The Trojan Horse
Against Mass
Poverty?

Address by
James P. Grant
Executive Director of the
United Nations Children's Fund
(UNICEF)

to the
International Development
Conference

Washington, D.C.
11 January 1993

unicef 

Children and Women — The Trojan Horse Against Mass Poverty?

In an address to the 1993 International Development Conference, held in Washington, D.C. on 11 January 1993, UNICEF Executive Director James P. Grant argues that the world is on the threshold of being able to vastly accelerate human development and overcome the worst manifestations of poverty affecting over 1 billion people today. The conference's theme was 'Overcoming Poverty — Global Priority'.

After comparing the current situation to that prevailing on the eve of the green revolution in Asia in the 1960s, he says that a similar breakthrough is possible now "on a much broader front, encompassing basic education, primary health care, water supply and sanitation, family planning and gender equity, as well as food production, and covering a much wider geographical area..."

"Children and women can be our Trojan Horse for attacking the citadel of poverty, for undergirding democracy, dramatically slowing population growth and accelerating economic development," he states, calling on the United States to play a role of "global moral leadership." Using baseball terminology, he concludes that "the bases are loaded" and the United States now has an opportunity to hit a "grand slam" in the global effort against poverty's worst aspects, if it acts expeditiously in the coming period. In particular, he calls on the U.S. Government to sign and ratify the Convention on the Rights of the Child; implement its programme of action for children in a bipartisan fashion and without delay; increase to 20 per cent the proportion of its development assistance devoted to priority human needs; push for major African debt relief; and strengthen its commitment to the United Nations as the "global village's central vehicle for development cooperation and safeguarding the peace."

Permit me to begin with a few friendly provocations:

- **First**, I would suggest that nobody — not the West, not the United States, nobody — "won the cold war." No one emerges unscathed, unblemished or unburdened from half a century of bitter ideological warfare, near-bankrupting arms races, distorted economics and global competition that made cooperation to solve urgent global problems extremely difficult and often virtually impossible.

- **Second**, I would argue that in our haste to proclaim the victory of the ideas of democracy and free markets — the 'end of history' — we are doing these powerful ideas a profound disservice. Democracy, once defined as 'liberty plus groceries', clearly has to take care of much unfinished business on both scores. As my friend Mahbub ul Haq said recently, "Markets are not very friendly to the poor ... either nationally or internationally." The problems that challenge and vex us on the threshold of the 21st century require a radical reordering of priorities, a sea change in the habits, values and lifestyles of all humankind — not a reliance on 'business as usual'.

- **Third**, in spite of the gravity of the problems we face, I would venture to say that we have made more global human progress in the last 50 years than in the previous 2,000, to the point that three quarters of the world's population now enjoy the basics of a life of dignity, productivity and health — progress achieved while much of the world freed itself from colonialism, and while respect for human and political rights expanded dramatically. Since the Second World War, average real incomes in the developing world have more than doubled; life expectancy has increased by about a third; infant and child death rates have been more than cut in half; the proportion of the developing world's children starting school has risen from less than

half to more than three quarters (despite a doubling of population); and the percentage of rural families with access to safe water has risen from less than 10 per cent to almost 60 per cent. What we have *not* seen, however, is the automatic trickling down of economic and technological advances to the world's more than 1 billion poor, whose numbers continue to grow at roughly the rate of population growth. The most obscene manifestation of this failure is the 35,000 child deaths each day, two thirds from causes now readily preventable at low financial cost.

• Fourth, the problem is not that we have tried to eradicate global poverty or even its worst symptoms, and failed; it is that *no serious and concerted attempt has ever been made*. The respectable achievements of recent decades in parts of the world have come about in spite of the generally low priority and meagre resources allocated to human development — almost as an after-thought of a world preoccupied with other concerns. Now that the cold war is over we can try — *for the first time*.

• Fifth, rather than requiring several generations of effort and astronomical economic resources, it is now actually possible to provide virtually every man, woman and child on earth with adequate food, clean water, safe sanitation, primary health care, family planning, and basic education — *by the end of the century and at an affordable price*. Thanks to recent advances in science and technology, and to the recent and ongoing revolution in communications and social mobilization, we estimate that an additional US\$25 billion per year is all that would be needed to achieve this massive and truly historic breakthrough — two thirds of that amount from the developing countries themselves and one third from the industrial world. The United States' share of such an effort would be an additional US\$2 billion a year — a significant sum but less than what we Americans spend *monthly* on beer — and most, probably all, of this could be obtained through restructuring existing official development aid (ODA) flows.

• Sixth, far from taking away from much-needed efforts to slow population growth, spur environmentally sustainable development, improve equality for women, and strengthen democracy, an all-out assault on poverty's worst manifestations is now a *precondition* for resolving these burning issues of our times. It is no

coincidence that countries with the highest illiteracy and child death rates also have the highest birth rates. Overcoming the worst aspects of poverty would accelerate progress on all these fronts simultaneously and sharply lower the costs involved.

• Seventh, perhaps it is as the Bible says: "A little child shall lead them". We need to put children first, paying special attention to the girl child; we need to give children's essential needs a 'first call' on society's resources, whether times are good or bad. If you think about it for a minute, this simple principle endorsed by the world's leaders at the 1990 World Summit for Children has vast revolutionary potential. *Children and women can be our Trojan Horse for attacking the citadel of poverty, for undergirding democracy, dramatically slowing population growth and accelerating economic development*.

• Eighth and final provocation: If the United States were to provide genuine leadership, including, importantly, at the presidential level, a global effort to overcome those worst aspects of poverty identified at the 1990 World Summit for Children and at the 1992 Earth Summit, it would do more good, for more people, more quickly, at a lower cost, than through any other conceivable global undertaking in this era.

You will forgive me for framing these thoughts as provocations; judging from the rich and thoughtful agenda you have ahead of you at this important conference, it is not *you* who need to be provoked. These challenges, of course, face us all — all of us who are concerned about the perverse persistence of poverty as we approach the 21st century. I commend you on your choice of theme for this conference, for it places you on the cutting edge of what is possible in these critical times. Coming on the eve of the inauguration of a new U.S. Administration, this conference can help inaugurate a new and much-needed movement to end the disgrace of poverty at home and abroad, a movement that can, incidentally, greatly enhance global moral leadership by the United States.

Anyone who thought, amid the initial euphoria of dizzying change starting in 1989, that the end of the cold war would usher in an idyllic age of global harmony and easy solutions, has long since been disabused of the notion. I confess to having indulged in some wishful thinking myself in the wake of these

extraordinary, unprecedented transformations. But, of course, every day we open our newspapers to dark headlines confirming that the world is still a very dangerous place — in some ways, more dangerous than before — and we are confronted with a host of old and new problems reaching crisis proportions. As they say, it is a tough world out there — and I would add, *in here, too*. An environmental crisis that threatens to add humans to the list of endangered species, the hard-to-comprehend hatreds and rivalries leading to the 'falling States' tragedy' in Somalia, former Yugoslavia and elsewhere, the mind-boggling problems of transition in the former Soviet Union and Eastern Europe, the unpayable African foreign debt, AIDS, hopelessness and desperation in Haiti, the astronomical U.S. deficit, racism, crime, drugs, the Los Angeles riots — it is difficult to enumerate all the seemingly intractable problems we face in today's world.

What all this hides, however, is that because of other recent developments the world is on the threshold of being able to make vastly greater progress on many long-standing issues than is generally recognized. I see some analogy here to what happened in the mid-1960s with regard to hunger in Asia. Old hands in the audience will recall the early 1960s' scientifically documented gloom-and-doom scenarios of population growth in Asia outrunning food supply, leading to projections of massive famine, chaos and global instability in the last third of this century. But then, quite suddenly, within years, there was the green revolution in Asia, extending from the Philippines to Turkey. Why then? The miracle wheat strains had been around for some 15 years. But it was only by the mid-1960s that the surrounding environment became propitious for rapid expansion, for going to national scale. Only by then, thanks in part to the Point 4 Programme, had fertilizer and pesticide use and controlled irrigation become widely practised and readily available, thanks in large part to earlier aid programmes. And, equally important, the combination of Asian drought and increasing awareness of the population explosion created the political will at the highest levels to drastically restructure price levels for grains and inputs, and to mobilize the several sectors of society required for success. President Lyndon Johnson's deep personal involvement remains a largely untold story. I would

argue that we are in a similar position today on a much broader front, encompassing basic education, primary health care, water supply and sanitation, family planning, and gender equity, as well as food production, and covering a much wider geographical area, which now includes Africa and Latin America, as well as Asia. But success requires increased top-level political will, particularly from the United States.

If we can overcome the worst manifestations of poverty, we would be going a long way towards eradicating poverty itself, because frequent illness, malnutrition, poor growth, illiteracy, high birth rates and gender bias are not only *symptoms*, but also some of the most fundamental *causes* of poverty. Accomplishing this, we could anticipate — from the recent population experiences of such diverse societies as Sri Lanka, Kerala, Costa Rica, China and the Asian newly industrializing countries (NICs) — a far greater reduction in the rate of population growth than most now believe possible; we would be giving a major boost to the fragile new democracies that desperately need to provide some early measure of tangible improvement in the lives of the bottom half of their societies in order to survive; and we know from the experience of the Republic of Korea, Taiwan, Singapore and the other Asian NICs that it would accelerate economic growth. By breaking what we could call the 'inner cycle' of poverty, we would strengthen the development process's necessary assault on the many *external* causes of poverty, rooted in such diverse factors as geography, climate, land tenure, debt, business cycles, governance, unjust economic relations and so on.

In short, there are few if any causes today more urgent, more deserving of priority treatment, than overcoming the worst aspects of poverty — poverty that contributes not only to vast human misery, but also to fuelling the global population explosion, environmental degradation, political unrest and economic stagnation. The World Bank estimates the number of people in poverty in 1990 at 1.13 billion, an increase of 80 million compared with 1985. That's about a fifth of the world's population living on less than a dollar a day. Even more discouraging, the Bank projects the number in poverty at the end of the century as 1.1 billion, no real improvement over today.

Meanwhile, the number of countries designated as

'least developed' by the United Nations went from 30 to 42 over the course of the 1980s. For most of Africa, Latin America and much of the Middle East, rising debt, declining commodity prices and tough retrenchment and adjustment policies have slowed growth and cut the pace of social progress attained in the 1960s and '70s. Although growth has resumed in much of the developing world over the past few years, the international economic climate and the biased structure of international relations continue to work against further progress. We are witnessing the increasing marginalization of the least developed countries, with sub-Saharan Africa as the most dramatic example.

At the same time, poverty has increased significantly in a number of industrialized countries over the past decade, most notably in the United States and the United Kingdom and, of course, in the transitional countries of Central and Eastern Europe and the former Soviet Union. What is particularly galling about this development in the United States and the United Kingdom is that poverty worsened during the relative prosperity of those countries in the 1980s. Poverty worsened, and there was — not coincidentally — a radical upward redistribution of wealth, making the very wealthy few very much wealthier. And children bore the brunt of it. One in five American children are poor today — as Marian Wright Edelman reminds us, this is the highest level of child poverty in a quarter-century in the world's richest country. In both the United Kingdom and the United States, child poverty doubled over the past decade.

A world of difference may separate inner-city Los Angeles, Mogadiscio and the new poor of Moscow, but it is not difficult to see that many of the distinctions will surely seem irrelevant to the hungry, deprived and frustrated in all three places. If we continue to turn our backs on the plight of the poor, or ask them to wait patiently for better days, we will reap a whirlwind for all humankind — a political, economic and environmental whirlwind that will shake even the prosperous and long-time democracies to their foundations and condemn us to a new international order of permanent conflict and instability.

What is it, you can reasonably ask, that makes the present such a ripe time for achieving historically unprecedented progress in overcoming so many of the

worst symptoms of poverty? What is it that makes the mid-1990s so analogous, with respect to these symptoms, to the green revolution breakthrough of the mid-to-late 1960s? It is, as I noted earlier, the parallel evolution of recent scientific and technological advances, and of the revolutionary new capacity to communicate and mobilize large numbers of people, which now enables national and world leaders to produce dramatic results when these various resources are combined and problems are addressed in a multisectoral fashion.

We see this clearly demonstrated in the universal child immunization (UCI) effort, which, since the mid-1980s, in the largest peace-time collaborative effort in world history, has established a system that now reaches virtually every hamlet in the developing world and is saving the lives of some 10,000 children a day — more than 3 million a year. There, too, the vaccines had been available for some 15-30 years. It was applying the new techniques of communicating and mobilizing to the immunization effort, often personally led by heads of State and Government and involving millions of television and radio spots, schoolteachers, priests and imams, local government officials, NGO workers as well as health personnel, which has resulted, by 1990, in more than 80 per cent of all children in the developing world being brought in four to five times for vaccinations before even their first birthday. As a result of these pioneering new multisectoral techniques built on the earlier green revolution experience in Asia, today Calcutta, Lagos and Mexico City have far higher levels of immunization at ages one and two than New York City, Washington, D.C. or the United States as a whole.

A similar process is now under way with respect to oral rehydration therapy (ORT) against the single greatest historical killer of children — dehydration from diarrhoea. ORT was invented in 1969, but it was only as the new techniques of communications and organization were mobilized by national leaders that this life-saver has gone to national scale and is now saving the lives of more than 1 million children per year, a figure that could easily more than double by 1995 with increased national and international leadership.

Our arsenal is now well stocked with new technologies and rediscovered practices that can be simi-

fully put to scale with inspired leadership and modest additional financial resources. Thus, the simple iodization of salt would remove the single largest cause of mental retardation in the world: the iodine deficiency that cripples many millions annually. The universalization of vitamin A through capsules or vegetables would remove the single largest cause of blindness in the world. The scientific rediscovery of the miracles of mother's milk means that we now know that more than 1 million children would not have died last year if only they had been effectively breastfed for the first months of their lives. We are learning from such diverse countries as Bangladesh, Colombia and Zimbabwe that it is possible to have virtually all poor children, including girls in particular, complete primary education at very low cost. Recent advances have shown how to halve the costs of bringing safe water and sanitation to poor communities, to less than US\$30 per capita.

Our new capacity to communicate — to inform and motivate — enables us to empower families, communities and governments to give the first vulnerable months and years of a child's life something of the protection and nurturing that is given as a matter of course to our children fortunate enough to be born into affluence. We are learning how to 'outsmart' poverty at the outset of each new life. And it is strong national leadership and international cooperation that can make the difference between slow and dramatic progress.

A revolution has started in the developing world with respect to children. This is manifested by the fact that developing country leaders took a major lead in seeking history's first truly global summit — the World Summit for Children in 1990 — and in pressing for early action on the Convention on the Rights of the Child, which was adopted by the General Assembly in November 1989 and has been signed or become the law of the land in record time in more than 150 countries, with the United States now being the only major exception.

Leaders throughout the developing world are learning that there are good things which can be done for families and children at relatively low cost, if only they provide leadership, and that it can be good politics for them to do so. More than 130 countries are actively

working on national programmes of action (NPAs) to follow up on goals set by the World Summit for Children, all of which were incorporated into Agenda 21 at the Earth Summit in Rio last summer. More than half of these programmes, some 80, have been completed to date, and others are expected shortly, including the United States NPA, due later this week. Regional ministerial-level meetings have been held in recent months in Latin America, South Asia and Africa, as well as the Arab world, on collaborative follow-up to accomplish these goals, whose achievement would result in a historic overcoming of many of the worst symptoms of poverty in this decade.

Our own experience in UNICEF shows that it was possible — even during the darkest days of the cold war and the 1980s' 'lost decade of development' — to mobilize societies and the international community around such 'doables' as I have mentioned, building a sustainable momentum of human progress. We called it the child survival and development revolution, and as a result more than 20 million children are alive today who would not otherwise be, and tens of millions are healthier, stronger and less of a burden upon their mothers and families. If it was possible to make significant gains then, vastly greater progress should be possible now. It should be possible to leverage the ongoing revolution in the name of children and women into a global movement capable of dealing a death blow to many of poverty's worst manifestations during the 1990s.

This, then, is the playing-field on which we find ourselves today. I'd say, in baseball terminology, that the bases are loaded and the United States has an opportunity to knock in at least a few runs, if it acts expeditiously in coming months.

A week from tomorrow, the first wholly post-cold war Administration will take office in the United States, and it comes in with a public mandate for change during this time of great challenge and opportunity. As I mentioned earlier, the United States has in the past decade been retrogressing or stagnating in many areas of children's well-being, while much of the developing world has been making impressive progress. All that has been accomplished globally has been done, frankly, with little active U.S. leadership, except from a bipartisan Congress. Now think of what could be accom-

plished if both ends of Pennsylvania Avenue were to exercise, together, the kind of leadership that is needed and take the initiatives on this front that go to the heart of the effort to eradicate poverty. By increasing investment in American children and strengthening American families, and by reordering foreign assistance to reflect this new priority, the United States, the world's sole superpower, would once more set the global standard and give a major boost to human development and economic growth at home and abroad.

The outgoing Administration, to its credit, has recently taken a bold initiative in Somalia, blazing a historic trail that the new Administration will certainly have an opportunity to explore and further develop for the world. For those of us who carried the banner for the right to food for many years, it is especially gratifying to see the international community, led by the United States, enforcing this right in Somalia for solely humanitarian purposes. It has occurred, of course, in response to a situation of massive retrogression and brutality, and it remains to be seen what this intervention will ultimately mean in terms of the world's tolerance levels towards the 'silent emergencies' that take the lives of 13 million children a year in the developing countries. I would like to believe we are entering a new era of humanitarian concern, of renewed commitment to human development, to children and women, to the human core of the development process.

What can the United States do, right away, to help lead the way? Many things, but I will list a few thoughts that relate most directly to the themes you will be addressing over the next two days:

* **The Convention on the Rights of the Child.** Few actions would have more immediate impact or symbolic weight than the President's signing this historic 'Bill of Rights' for the world's young *early in 1993*. The President's signature of the Convention and its speedy submission to the Senate for ratification (as has been urged by bipartisan leadership) would send an important message to the world.

* **Second, the United States' national programme of action to implement the commitments made at the World Summit for Children.** To be issued this week, this plan to achieve the commendable goals set by the World Summit, which apply to children of

developing and industrial countries alike, could provide a useful base for initiating bipartisan actions. I trust that the much-needed reordering of priorities for children, women and families will proceed without delay.

* **Third, we need 20/20 vision.** I am referring to the call issued two years ago by the United Nations Development Programme: first, for developing countries to devote at least 20 per cent of their budgets to directly meeting the priority human needs of their people (they are devoting little more than 10 per cent today) and second, for 20 per cent of all international aid for development to directly support those priority areas of human need: primary health care, nutrition, basic education, family planning, and safe water and sanitation. On average, less than 10 per cent of already inadequate levels of ODA are devoted to that purpose today. Norway leads the industrialized countries with 19.7 per cent and Germany brings up the rear with only 1.9 per cent of ODA going to these priority areas. The United States is in the middle, at 8.3 per cent, or US\$695 million, for these areas. This latter figure would have to be increased by US\$1 billion in order to reach the recommended 20 per cent mark. This could be accomplished by fiscal year 1994 by restructuring current flows. As I mentioned earlier, US\$2 billion is the projected American share of the extra US\$25 billion yearly that will be required globally by mid-decade to meet the World Summit year 2000 goals — a small price to pay for saving some 50 million lives and moving into a leadership role on the cutting edge issues of our time.

* **Fourth, African debt.** The new spirit of democratic change and economic reform moving in Africa today simply cannot long survive the financial haemorrhage of paying an average US\$1 billion in debt service to foreign creditors *every month* for over a decade. Sub-Saharan Africa's debt is now proportionally three to four times heavier than Latin America's debt. As the economist Percy S. Mistry recently wrote: "Debt initiatives for middle-income countries have finally begun to make a difference...BUT the debt initiatives aimed at the low-income countries (mainly in Africa) have not made a sufficient dent in their debt problems; these continue to mount and are being obscured only by the expedient but damaging accu-

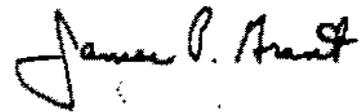
inulation of arrears. The measures taken so far by creditors for African low-income countries have been inadequate, invariably too late, and need to be substantially strengthened." At the recent International Conference on Assistance to African Children sponsored by the Organization of African Unity, in Dakar, donor countries and lending agencies pledged to do more to promote debt relief and cancellation, while making an effort to expand ODA, in support of actions directed at child survival, protection and development. Here again, the United States could help lead the way to a solution to the African crisis. Why not have this summer's G-7 Summit definitively address African debt, with much of the local currency proceeds going to accelerate programmes for children, women and the environment? With the right mix of domestic and international support, and with apartheid ending in South Africa, we could see a burst of human development leading to dramatic progress in most of Africa by the year 2000. I am convinced that this could include a food revolution every bit as green as Asia's, but significant debt relief will be needed in addition to top leadership, so that African countries can acquire the fertilizers, pesticides, pumps and other inputs they urgently need to get it going.

- Fifth, actively supporting multilateral cooperation. With human development and poverty alleviation increasingly accepted rhetorically as the cutting edge for development cooperation in the 1990s, the United States has a major opportunity in the months and years immediately ahead to transform rhetoric into reality. Active U.S. support and leadership along these lines in the World Bank, the International Monetary Fund, the regional banks, and throughout the United Nations system, including the prospective landmark conferences on human rights in 1993, on population in 1994, and on women and on social development in 1995, will go a long way towards assuring success in this historic effort to overcome, in our time, the worst aspects of poverty in the South, where it is most acute, as well as in the North and in the transitional societies of Central and Eastern Europe and the former Soviet Union.

- Sixth, and finally, strengthening the commitment to the United Nations. Restoration of U.S. funding for the United Nations Population Fund and

a return to the United Nations Educational, Scientific and Cultural Organization would not only give an important boost to family planning and global education, but, together with full payment of its arrears, it would signal solid, long-term United States' commitment to the United Nations as the global village's central vehicle for development cooperation and safeguarding the peace.

Thank you for hearing me out today and for putting up with my list of friendly provocations. I am certain that we are on the same wavelength and that this conference will make the kind of waves these times demand. Success in overcoming the worst aspects of poverty will not solve all the world's problems but it would make an historic contribution to the better world we all seek. As I said before, the bases are loaded. History is inviting the U.S. to bat, and why shouldn't Americans aspire for the United States to be Babe Ruth and hit a grand slam!



James P. Grant
Executive Director
United Nations Children's Fund (UNICEF)

11 January 1993

WORLD SUMMIT FOR CHILDREN: GOALS FOR CHILDREN AND DEVELOPMENT IN THE 1990s

The following goals have been formulated through extensive consultation in various international forums attended by virtually all governments, the relevant United Nations agencies, including the World Health Organization (WHO), UNICEF, the United Nations Population Fund (UNFPA), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Development Programme (UNDP) and the World Bank, and a large number of NGOs. These goals are recommended for implementation by all countries where they are applicable, with appropriate adaptation to the specific situation of each country in terms of phasing, standards, priorities and availability of resources, with respect for cultural, religious and social traditions. Additional goals that are particularly relevant to a country's specific situation should be added to its national programme of action.

I. MAJOR GOALS FOR CHILD SURVIVAL, DEVELOPMENT AND PROTECTION

- (a) Between 1990 and the year 2000, reduction of infant and under-five child mortality rates by one third or to 50 and 70 per 1,000 live births respectively, whichever is less.
- (b) Between 1990 and the year 2000, reduction of maternal mortality rates by half.
- (c) Between 1990 and the year 2000, reduction of severe and moderate malnutrition among under-five children by half.
- (d) Universal access to safe drinking water and to sanitary means of excreta disposal.
- (e) By the year 2000, universal access to basic education and completion of primary education by at least 80 per cent of primary school age children.
- (f) Reduction of the adult illiteracy rate (the appropriate age-group to be determined in each country) to at least half its 1990 level, with emphasis on female literacy.
- (g) Improved protection of children in especially difficult circumstances.

II. SUPPORTING/SECTORAL GOALS

A. Women's health and education

- (i) Special attention to the health and nutrition of the female child and to pregnant and lactating women.
- (ii) Access by all couples to information and services to prevent pregnancies that are too early, too closely spaced, too late or too many.
- (iii) Access by all pregnant women to prenatal care, trained attendants during childbirth and referral facilities for high-risk pregnancies and obstetric emergencies.
- (iv) Universal access to primary education with special emphasis for girls and accelerated literacy programmes for women.

B. Nutrition

- (i) Reduction in severe as well as moderate malnutrition among under-five children by half of 1990 levels.
- (ii) Reduction of the rate of low birth weight (less than 2.5 kg) to less than 10 per cent.
- (iii) Reduction of iron deficiency anaemia in women by one third of the 1990 levels.
- (iv) Virtual elimination of iodine deficiency disorders.
- (v) Virtual elimination of vitamin A deficiency and its consequences, including blindness.
- (vi) Empowerment of all women to breastfeed their children exclusively for four to six months and to continue breastfeeding, with complementary food, well into the second year.
- (vii) Growth promotion and its regular monitoring to be institutionalized in all countries by the end of the 1990s.
- (viii) Dissemination of knowledge and supporting services to increase food production to ensure household food security.

C. Child health

- (i) Global eradication of poliomyelitis by the year 2000.
- (ii) Elimination of neonatal tetanus by 1995.
- (iii) Reduction by 95 per cent in measles deaths and reduction by 90 per cent of measles cases compared to pre-immunization levels by 1995, as a major step to the global eradication of measles in the longer run.
- (iv) Maintenance of a high level of immunization coverage (at least 90 per cent of children under one year of age by the year 2000) against diphtheria, pertussis, tetanus, measles, poliomyelitis, tuberculosis and against tetanus for women of child-bearing age.
- (v) Reduction by 50 per cent in the deaths due to

diarrhoea in children under the age of five years and 25 per cent reduction in the diarrhoea incidence rate.

- (v) Reduction by one third in the deaths due to acute respiratory infections in children under five years.

D. Water and sanitation

- (i) Universal access to safe drinking water.
- (ii) Universal access to sanitary means of excreta disposal.
- (iii) Elimination of guinea worm disease (dracunculiasis) by the year 2000.

E. Basic education

- (i) Expansion of early childhood development activities, including appropriate low-cost family- and community-based interventions.
- (ii) Universal access to basic education, and achievement of primary education by at least 80 per cent of primary school age children through formal schooling or non-formal education of comparable learning standard, with emphasis on reducing the current disparities between boys and girls.
- (iii) Reduction of the adult illiteracy rate (the appropriate age-group to be determined in each country) to at least half its 1990 level, with emphasis on female literacy.
- (iv) Increased acquisition by individuals and families of the knowledge, skills and values required for better living, made available through all educational channels, including the mass media, other forms of modern and traditional communication and social action, with effectiveness measured in terms of behavioural change.

F. Children in difficult circumstances

Improved protection of children in especially difficult circumstances and correction of the root causes leading to such situations.





DEPARTMENT OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

Executive Secretariat

April 30, 1993

TO : The Secretary

Through: COS *Kerr-Thum/JH 5/2/93*

Phil Lee prepared this memorandum from you to the First Lady after discussing the content with you. (Please see his note to me, attached). We have not put this through the regular clearance process.

Claudia
Claudia

Attachment

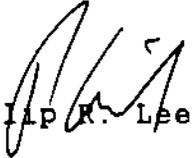


April 29, 1993

NOTE TO CLAUDIA COOLEY

Subject: Convention on the Rights of the Child

The need for Presidential action on this issue was brought to my attention by Mr. Jim Grant, Executive Director, UNICEF. I discussed the issue with Ms. Verveer during the recent trip to Montana. She urged Secretary Shalala to send a memorandum on this issue as soon as possible. I discussed this with the Secretary, who asked that I draft it for her signature to the First Lady. I am sure Ms. Verveer would be pleased to bring this material to Mrs. Clinton's attention.


Philip R. Lee, M.D.

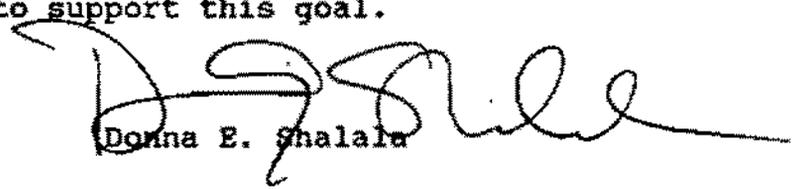
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sending it to the Senate. Such objections include claims that the Convention is anti-family (it is quite supportive of families); and claims that the Convention is too strong or too weak on abortion (it was designed to be neutral, and both pro-choice and anti-choice nations have ratified it).

There are some more legitimate concerns, but they can be handled through formal reservations and other qualifying statements. The Convention's prohibition of capital punishment for crimes committed by juveniles runs counter to the law of several states, but the United States took a reservation to the same provision in the Covenant on Civil and Political Rights (ratified by the Senate in 1992), and could do so again. More pertinent to HHS' areas of concern are the Convention's statements of economic and social rights (in addition to political and civil rights), sometimes in areas governed exclusively or primarily by the States. These include rights to basic health care and a minimally adequate standard of living. These rights are, however, crucial to children, and most of them already appear in the International Covenant on Economic and Social Rights signed by President Carter, so these are not novel or unmanageable issues.

Furthermore, most of these provisions are not self-executing and several are essentially precatory -- not requiring particular governmental or private action. Unlike some other treaties, the Convention has no international dispute resolution process. And to the extent that the United States still remains uncomfortable with the scope of these rights or the intrusion into state functions, reservations can resolve the residual problems. We know that these concerns are all manageable because so many other Western democracies, including those with federal systems, have signed or ratified the Convention.

I strongly believe that the United States, without delay, should reconsider its stance on the Convention and that the President should sign it, signaling his intention to see ratification by the Senate. I urge you to support this goal.


Donna E. Shalala

extraordinary, unprecedented transformations. But, of course, every day we open our newspapers to dark headlines confirming that the world is still a very dangerous place — in some ways, more dangerous than before — and we are confronted with a host of old and new problems reaching crisis proportions. As they say, it is a tough world out there — and I would add, *in here, too*. An environmental crisis that threatens to add humans to the list of endangered species, the hard-to-comprehend hatreds and rivalries leading to the 'falling States' tragedy' in Somalia, former Yugoslavia and elsewhere, the mind-boggling problems of transition in the former Soviet Union and Eastern Europe, the unpayable African foreign debt, AIDS, hopelessness and desperation in Haiti, the astronomical U.S. deficit, racism, crime, drugs, the Los Angeles riots — it is difficult to enumerate all the seemingly intractable problems we face in today's world.

What all this hides, however, is that because of other recent developments the world is on the threshold of being able to make vastly greater progress on many long-standing issues than is generally recognized. I see some analogy here to what happened in the mid-1960s with regard to hunger in Asia. Old hands in the audience will recall the early 1960s' scientifically documented gloom-and-doom scenarios of population growth in Asia outrunning food supply, leading to projections of massive famine, chaos and global instability in the last third of this century. But then, quite suddenly, within years, there was the green revolution in Asia, extending from the Philippines to Turkey. Why then? The miracle wheat strains had been around for some 15 years. But it was only by the mid-1960s that the surrounding environment became propitious for rapid expansion, for going to national scale. Only by then, thanks in part to the Point 4 Programme, had fertilizer and pesticide use and controlled irrigation become widely practised and readily available, thanks in large part to earlier aid programmes. And, equally important, the combination of Asian drought and increasing awareness of the population explosion created the political will at the highest levels to drastically restructure price levels for grains and inputs, and to mobilize the several sectors of society required for success. President Lyndon Johnson's deep personal involvement remains a largely untold story. I would

argue that we are in a similar position today on a much broader front, encompassing basic education, primary health care, water supply and sanitation, family planning, and gender equity, as well as food production, and covering a much wider geographical area, which now includes Africa and Latin America, as well as Asia. But success requires increased top-level political will, particularly from the United States.

If we can overcome the worst manifestations of poverty, we would be going a long way towards eradicating poverty itself, because frequent illness, malnutrition, poor growth, illiteracy, high birth rates and gender bias are not only *symptoms*, but also some of the most fundamental *causes* of poverty. Accomplishing this, we could anticipate — from the recent population experiences of such diverse societies as Sri Lanka, Kerala, Costa Rica, China and the Asian newly industrializing countries (NICs) — a far greater reduction in the rate of population growth than most now believe possible; we would be giving a major boost to the fragile new democracies that desperately need to provide some early measure of tangible improvement in the lives of the bottom half of their societies in order to survive; and we know from the experience of the Republic of Korea, Taiwan, Singapore and the other Asian NICs that it would accelerate economic growth. By breaking what we could call the 'inner cycle' of poverty, we would strengthen the development process's necessary assault on the many *external* causes of poverty, rooted in such diverse factors as geography, climate, land tenure, debt, business cycles, governance, unjust economic relations and so on.

In short, there are few if any causes today more urgent, more deserving of priority treatment, than overcoming the worst aspects of poverty — poverty that contributes not only to vast human misery, but also to fuelling the global population explosion, environmental degradation, political unrest and economic stagnation. The World Bank estimates the number of people in poverty in 1990 at 1.13 billion, an increase of 80 million compared with 1985. That's about a fifth of the world's population living on less than a dollar a day. Even more discouraging, the Bank projects the number in poverty at the end of the century as 1.1 billion, no real improvement over today.

Meanwhile, the number of countries designated as

'least developed' by the United Nations went from 30 to 42 over the course of the 1980s. For most of Africa, Latin America and much of the Middle East, rising debt, declining commodity prices and tough retrenchment and adjustment policies have slowed growth and cut the pace of social progress attained in the 1960s and '70s. Although growth has resumed in much of the developing world over the past few years, the international economic climate and the biased structure of international relations continue to work against further progress. We are witnessing the increasing marginalization of the least developed countries, with sub-Saharan Africa as the most dramatic example.

At the same time, poverty has increased significantly in a number of industrialized countries over the past decade, most notably in the United States and the United Kingdom and, of course, in the transitional countries of Central and Eastern Europe and the former Soviet Union. What is particularly galling about this development in the United States and the United Kingdom is that poverty worsened during the relative prosperity of those countries in the 1980s. Poverty worsened, and there was — not coincidentally — a radical upward redistribution of wealth, making the very wealthy few very much wealthier. And children bore the brunt of it. One in five American children are poor today — as Marian Wright Edelman reminds us, this is the highest level of child poverty in a quarter-century in the world's richest country. In both the United Kingdom and the United States, child poverty doubled over the past decade.

A world of difference may separate inner-city Los Angeles, Mogadiscio and the new poor of Moscow, but it is not difficult to see that many of the distinctions will surely seem irrelevant to the hungry, deprived and frustrated in all three places. If we continue to turn our backs on the plight of the poor, or ask them to wait patiently for better days, we will reap a whirlwind for all humankind — a political, economic and environmental whirlwind that will shake even the prosperous and long-time democracies to their foundations and condemn us to a new international order of permanent conflict and instability.

What is it, you can reasonably ask, that makes the present such a ripe time for achieving historically unprecedented progress in overcoming so many of the

worst symptoms of poverty? What is it that makes the mid-1990s so analogous, with respect to these symptoms, to the green revolution breakthrough of the mid-to-late 1960s? It is, as I noted earlier, the parallel evolution of recent scientific and technological advances, and of the revolutionary new capacity to communicate and mobilize large numbers of people, which now enables national and world leaders to produce dramatic results when these various resources are combined and problems are addressed in a multisectoral fashion.

We see this clearly demonstrated in the universal child immunization (UCI) effort, which, since the mid-1980s, in the largest peace-time collaborative effort in world history, has established a system that now reaches virtually every hamlet in the developing world and is saving the lives of some 10,000 children a day — more than 3 million a year. There, too, the vaccines had been available for some 15-30 years. It was applying the new techniques of communicating and mobilizing to the immunization effort, often personally led by heads of State and Government and involving millions of television and radio spots, schoolteachers, priests and imams, local government officials, NGO workers as well as health personnel, which has resulted, by 1990, in more than 80 per cent of all children in the developing world being brought in four to five times for vaccinations before even their first birthday. As a result of these pioneering new multisectoral techniques built on the earlier green revolution experience in Asia, today Calcutta, Lagos and Mexico City have far higher levels of immunization at ages one and two than New York City, Washington, D.C. or the United States as a whole.

A similar process is now under way with respect to oral rehydration therapy (ORT) against the single greatest historical killer of children — dehydration from diarrhoea. ORT was invented in 1969, but it was only as the new techniques of communications and organization were mobilized by national leaders that this life-saver has gone to national scale and is now saving the lives of more than 1 million children per year, a figure that could easily more than double by 1995 with increased national and international leadership.

Our arsenal is now well stocked with new technologies and rediscovered practices that can be simi-

lary put to scale with inspired leadership and modest additional financial resources. Thus, the simple iodization of salt would remove the single largest cause of mental retardation in the world: the iodine deficiency that cripples many millions annually. The universalization of vitamin A through capsules or vegetables would remove the single largest cause of blindness in the world. The scientific rediscovery of the miracles of mother's milk means that we now know that more than 1 million children would not have died last year if only they had been effectively breastfed for the first months of their lives. We are learning from such diverse countries as Bangladesh, Colombia and Zimbabwe that it is possible to have virtually all poor children, including girls in particular, complete primary education at very low cost. Recent advances have shown how to halve the costs of bringing safe water and sanitation to poor communities, to less than US\$30 per capita.

Our new capacity to communicate — to inform and motivate — enables us to empower families, communities and governments to give the first vulnerable months and years of a child's life something of the protection and nurturing that is given as a matter of course to our children fortunate enough to be born into affluence. We are learning how to 'outman' poverty at the outset of each new life. And it is strong national leadership and international cooperation that can make the difference between slow and dramatic progress.

1 A revolution has started in the developing world with respect to children. This is manifested by the fact that developing country leaders took a major lead in seeking history's first truly global summit — the World Summit for Children in 1990 — and in pressing for early action on the Convention on the Rights of the Child, which was adopted by the General Assembly in November 1989 and has been signed or become the law of the land in record time in more than 150 countries, with the United States now being the only major exception.

2 Leaders throughout the developing world are learning that there are good things which can be done for families and children at relatively low cost, if only they provide leadership, and that it can be good politics for them to do so. More than 130 countries are actively

working on national programmes of action (NPAs) to follow up on goals set by the World Summit for Children, all of which were incorporated into Agenda 21 at the Earth Summit in Rio last summer. More than half of these programmes, some 80, have been completed to date, and others are expected shortly, including the United States NPA, due later this week. Regional ministerial-level meetings have been held in recent months in Latin America, South Asia and Africa, as well as the Arab world, on collaborative follow-up to accomplish these goals, whose achievement would result in a historic overcoming of many of the worst symptoms of poverty in this decade.

Our own experience in UNICEF shows that it was possible — even during the darkest days of the cold war and the 1980s' 'lost decade of development' — to mobilize societies and the international community around such 'doables' as I have mentioned, building a sustainable momentum of human progress. We called it the child survival and development revolution, and as a result more than 20 million children are alive today who would not otherwise be, and tens of millions are healthier, stronger and less of a burden upon their mothers and families. If it was possible to make significant gains then, vastly greater progress should be possible now. It should be possible to leverage the ongoing revolution in the name of children and women into a global movement capable of dealing a death blow to many of poverty's worst manifestations during the 1990s.

This, then, is the playing-field on which we find ourselves today. I'd say, in baseball terminology, that the bases are loaded and the United States has an opportunity to knock in at least a few runs, if it acts expeditiously in coming months.

A week from tomorrow, the first wholly post-cold war Administration will take office in the United States, and it comes in with a public mandate for change during this time of great challenge and opportunity. As I mentioned earlier, the United States has in the past decade been retrogressing or stagnating in many areas of children's well-being, while much of the developing world has been making impressive progress. All that has been accomplished globally has been done, frankly, with little active U.S. leadership, except from a bipartisan Congress. Now think of what could be accom-

plished if both ends of Pennsylvania Avenue were to exercise, together, the kind of leadership that is needed and take the initiatives on this front that go to the heart of the effort to eradicate poverty. By increasing investment in American children and strengthening American families, and by reordering foreign assistance to reflect this new priority, the United States, the world's sole superpower, would once more set the global standard and give a major boost to human development and economic growth at home and abroad.

The outgoing Administration, to its credit, has recently taken a bold initiative in Somalia, blazing a historic trail that the new Administration will certainly have an opportunity to explore and further develop for the world. For those of us who carried the banner for the right to food for many years, it is especially gratifying to see the international community, led by the United States, enforcing this right in Somalia for solely humanitarian purposes. It has occurred, of course, in response to a situation of massive retrogression and brutality, and it remains to be seen what this intervention will ultimately mean in terms of the world's tolerance levels towards the 'silent emergencies' that take the lives of 13 million children a year in the developing countries. I would like to believe we are entering a new era of humanitarian concern, of renewed commitment to human development, to children and women, to the human core of the development process.

What can the United States do, right away, to help lead the way? Many things, but I will list a few thoughts that relate most directly to the themes you will be addressing over the next two days:

- **The Convention on the Rights of the Child.** Few actions would have more immediate impact or symbolic weight than the President's signing this historic 'Bill of Rights' for the world's young *early in 1993*. The President's signature of the Convention and its speedy submission to the Senate for ratification (as has been urged by bipartisan leadership) would send an important message to the world.

- **Second, the United States' national programme of action to implement the commitments made at the World Summit for Children.** To be issued this week, this plan to achieve the commendable goals set by the World Summit, which apply to children of

developing and industrial countries alike, could provide a useful base for initiating bipartisan actions. I trust that the much-needed reordering of priorities for children, women and families will proceed without delay.

- **Third, we need 20/20 vision.** I am referring to the call issued two years ago by the United Nations Development Programme: first, for developing countries to devote at least 20 per cent of their budgets to directly meeting the priority human needs of their people (they are devoting little more than 10 per cent today) and second, for 20 per cent of all international aid for development to directly support those priority areas of human need: primary health care, nutrition, basic education, family planning, and safe water and sanitation. On average, less than 10 per cent of already inadequate levels of ODA are devoted to that purpose today. Norway leads the industrialized countries with 19.7 per cent and Germany brings up the rear with only 1.9 per cent of ODA going to these priority areas. The United States is in the middle, at 8.3 per cent, or US\$695 million, for these areas. This latter figure would have to be increased by US\$1 billion in order to reach the recommended 20 per cent mark. This could be accomplished by fiscal year 1994 by restructuring current flows. As I mentioned earlier, US\$2 billion is the projected American share of the extra US\$25 billion yearly that will be required globally by mid-decade to meet the World Summit year 2000 goals — a small price to pay for saving some 50 million lives and moving into a leadership role on the cutting edge issues of our time.

- **Fourth, African debt.** The new spirit of democratic change and economic reform moving in Africa today simply cannot long survive the financial haemorrhage of paying an average US\$1 billion in debt service to foreign creditors *every month* for over a decade. Sub-Saharan Africa's debt is now proportionally three to four times heavier than Latin America's debt. As the economist Percy S. Mistry recently wrote: "Debt initiatives for middle-income countries have finally begun to make a difference...BUT the debt initiatives aimed at the low-income countries (mainly in Africa) have not made a sufficient dent in their debt problems; these continue to mount and are being obscured only by the expedient but damaging accu-

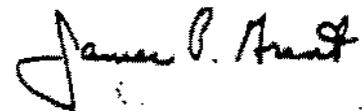
mulation of arrears. The measures taken so far by creditors for African low-income countries have been inadequate, invariably too late, and need to be substantially strengthened." At the recent International Conference on Assistance to African Children sponsored by the Organization of African Unity, in Dakar, donor countries and lending agencies pledged to do more to promote debt relief and cancellation, while making an effort to expand ODA, in support of actions directed at child survival, protection and development. Here again, the United States could help lead the way to a solution to the African crisis. Why not have this summer's G-7 Summit definitively address African debt, with much of the local currency proceeds going to accelerate programmes for children, women and the environment? With the right mix of domestic and international support, and with apartheid ending in South Africa, we could see a burst of human development leading to dramatic progress in most of Africa by the year 2000. I am convinced that this could include a food revolution every bit as green as Asia's, but significant debt relief will be needed in addition to top leadership, so that African countries can acquire the fertilizers, pesticides, pumps and other inputs they urgently need to get it going.

- Fifth, actively supporting multilateral cooperation. With human development and poverty alleviation increasingly accepted rhetorically as the cutting edge for development cooperation in the 1990s, the United States has a major opportunity in the months and years immediately ahead to transform rhetoric into reality. Active U.S. support and leadership along these lines in the World Bank, the International Monetary Fund, the regional banks, and throughout the United Nations system, including the prospective landmark conferences on human rights in 1993, on population in 1994, and on women and on social development in 1995, will go a long way towards assuring success in this historic effort to overcome, in our time, the worst aspects of poverty in the South, where it is most acute, as well as in the North and in the transitional societies of Central and Eastern Europe and the former Soviet Union.

- Sixth, and finally, strengthening the commitment to the United Nations. Restoration of U.S. funding for the United Nations Population Fund and

a return to the United Nations Educational, Scientific and Cultural Organization would not only give an important boost to family planning and global education, but, together with full payment of its arrears, it would signal solid, long-term United States' commitment to the United Nations as the global village's central vehicle for development cooperation and safeguarding the peace.

Thank you for hearing me out today and for putting up with my list of friendly provocations. I am certain that we are on the same wavelength and that this conference will make the kind of waves these times demand. Success in overcoming the worst aspects of poverty will not solve all the world's problems but it would make an historic contribution to the better world we all seek. As I said before, the bases are loaded. History is inviting the U.S. to bat, and why shouldn't Americans aspire for the United States to be Babe Ruth and hit a grand slam!



James P. Grant
Executive Director
United Nations Children's Fund (UNICEF)

11 January 1993



WORLD SUMMIT FOR CHILDREN: GOALS FOR CHILDREN AND DEVELOPMENT IN THE 1990s

The following goals have been formulated through extensive consultation in various international forums attended by virtually all governments, the relevant United Nations agencies, including the World Health Organization (WHO), UNICEF, the United Nations Population Fund (UNFPA), the United Nations Educational, Scientific and Cultural Organization (UNESCO), the United Nations Development Programme (UNDP) and the World Bank, and a large number of NGOs. These goals are recommended for implementation by all countries where they are applicable, with appropriate adaptation to the specific situation of each country in terms of phasing, standards, priorities and availability of resources, with respect for cultural, religious and social traditions. Additional goals that are particularly relevant to a country's specific situation should be added to its national programme of action.

II. MAJOR GOALS FOR CHILD SURVIVAL, DEVELOPMENT AND PROTECTION

- (a) Between 1990 and the year 2000, reduction of infant and under-five child mortality rates by one third or to 50 and 70 per 1,000 live births respectively, whichever is less.
- (b) Between 1990 and the year 2000, reduction of maternal mortality rates by half.
- (c) Between 1990 and the year 2000, reduction of severe and moderate malnutrition among under-five children by half.
- (d) Universal access to safe drinking water and to sanitary means of excreta disposal.
- (e) By the year 2000, universal access to basic education and completion of primary education by at least 80 per cent of primary school age children.
- (f) Reduction of the adult illiteracy rate (the appropriate age-group to be determined in each country) to at least half its 1990 level, with emphasis on female literacy.
- (g) Improved protection of children in especially difficult circumstances.

II. SUPPORTING/SECTORAL GOALS

A. Women's health and education

- (i) Special attention to the health and nutrition of the female child and to pregnant and lactating women.
- (ii) Access by all couples to information and services to prevent pregnancies that are too early, too closely spaced, too late or too many.
- (iii) Access by all pregnant women to prenatal care, trained attendants during childbirth and referral facilities for high-risk pregnancies and obstetric emergencies.
- (iv) Universal access to primary education with special emphasis for girls and accelerated literacy programmes for women.

B. Nutrition

- (i) Reduction in severe as well as moderate malnutrition among under-five children by half of 1990 levels.
- (ii) Reduction of the rate of low birth weight (less than 2.5 kg) to less than 10 per cent.
- (iii) Reduction of iron deficiency anaemia in women by one third of the 1990 levels.
- (iv) Virtual elimination of iodine deficiency disorders.
- (v) Virtual elimination of vitamin A deficiency and its consequences, including blindness.
- (vi) Empowerment of all women to breastfeed their children exclusively for four to six months and to continue breastfeeding, with complementary food, well into the second year.
- (vii) Growth promotion and its regular monitoring to be institutionalized in all countries by the end of the 1990s.
- (viii) Dissemination of knowledge and supporting services to increase food production to ensure household food security.

C. Child health

- (i) Global eradication of poliomyelitis by the year 2000.
- (ii) Elimination of neonatal tetanus by 1995.
- (iii) Reduction by 95 per cent in measles deaths and reduction by 90 per cent of measles cases compared to pre-immunization levels by 1995, as a major step to the global eradication of measles in the longer run.
- (iv) Maintenance of a high level of immunization coverage (at least 90 per cent of children under one year of age by the year 2000) against diphtheria, pertussis, tetanus, measles, poliomyelitis, tuberculosis and against tetanus for women of child-bearing age.
- (v) Reduction by 50 per cent in the deaths due to

- (i) diarrhoea in children under the age of five years
- (ii) and 25 per cent reduction in the diarrhoea incidence rate.
- (iii) Reduction by one third in the deaths due to acute respiratory infections in children under five years.

D. Water and sanitation

- (i) Universal access to safe drinking water.
- (ii) Universal access to sanitary means of excreta disposal.
- (iii) Elimination of guinea worm disease (dracunculiasis) by the year 2000.

E. Basic education

- (i) Expansion of early childhood development activities, including appropriate low-cost family- and community-based interventions.
- (ii) Universal access to basic education, and achievement of primary education by at least 80 per cent of primary school age children through formal schooling or non-formal education of comparable learning standard, with emphasis on reducing the current disparities between boys and girls.
- (iii) Reduction of the adult illiteracy rate (the appropriate age-group to be determined in each country) to at least half its 1990 level, with emphasis on female literacy.
- (iv) Increased acquisition by individuals and families of the knowledge, skills and values required for better living, made available through all educational channels, including the mass media, other forms of modern and traditional communication and social action, with effectiveness measured in terms of behavioural change.

F. Children in difficult circumstances

Improved protection of children in especially difficult circumstances and correction of the root causes leading to such situations.





Executive Secretariat

April 30, 1993

TO : The Secretary

Through: COS *Kevin Thum / JH 5/2/93*

Phil Lee prepared this memorandum from you to the First Lady after discussing the content with you. (Please see his note to me, attached). We have not put this through the regular clearance process.

Claudia
Claudia

Attachment





DEPARTMENT OF HEALTH & HUMAN SERVICES

Public Health Service

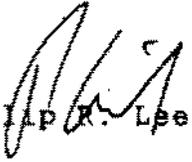
Office of the Assistant Secretary
for Health
Washington DC 20201

April 29, 1993

NOTE TO CLAUDIA COOLEY

Subject: Convention on the Rights of the Child

The need for Presidential action on this issue was brought to my attention by Mr. Jim Grant, Executive Director, UNICEF. I discussed the issue with Ms. Verveer during the recent trip to Montana. She urged Secretary Shalala to send a memorandum on this issue as soon as possible. I discussed this with the Secretary, who asked that I draft it for her signature to the First Lady. I am sure Ms. Verveer would be pleased to bring this material to Mrs. Clinton's attention.


Philip R. Lee, M.D.

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Furthermore, most of these provisions are not self-executing and several are essentially precatory -- not requiring particular governmental or private action. Unlike some other treaties, the Convention has no international dispute resolution process. And to the extent that the United States still remains uncomfortable with the scope of these rights or the intrusion into state functions, reservations can resolve the residual problems. We know that these concerns are all manageable because so many other Western democracies, including those with federal systems, have signed or ratified the Convention.

I strongly believe that the United States, without delay, should reconsider its stance on the Convention and that the President should sign it, signaling his intention to see ratification by the Senate. I urge you to support this goal.


Donna E. Shalala

90-4-16
V52



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

MAR 16 1993

MEMORANDUM FOR THE PRESIDENT

In accord with tradition of past years, I recommend that you issue a statement in recognition of World Health Day, which is commemorated by Member Nations of the World Health Organization. A suggested draft message is enclosed for your consideration. The practice has been for the White House to deliver the message a day or two before April 7 to the Director, Pan American Health Organization (PAHO), in his capacity as the Director of the Regional Office of the World Health Organization for the Americas.

A handwritten signature in black ink, appearing to read "Donna E. Shalala", is written over a faint circular stamp.

Donna E. Shalala

Enclosure

100-4-16

"Handle Life With Care - Prevent Violence and Negligence"

WORLD HEALTH DAY, 1993

Violence, accidents and injuries destroy the lives and cripple the future of many hundreds of thousands of people and deprive our society of the contributions they would have made.

Recognizing the impact of injuries on the health and well-being of all countries, the World Health Organization has designated the theme for this year's World Health Day as "Handle Life With Care - Prevent Violence and Negligence." Prevention is the key.

In the United States, alone, injuries are the leading cause of death for persons through age 44. In 1990, over 150,000 U.S. citizens died as a result of injuries. In addition, one in four Americans was injured seriously enough to require medical attention. An incredible burden, both physical and financial, is inflicted on those disabled from injuries, on their families, and on the health care systems and governmental organizations which must support them.

Most of these injuries can be prevented. All too often, injuries are regarded as "accidental," implying that they are a part of our fate. But this is not so. We can make our roads safer. We can convince people that drinking alcohol and driving a vehicle is deadly. We can insist that helmets be worn by riders on motor

and pedal bikes. We can engage communities to take action to prevent violence, homicides and suicides. We can make sure our homes and work places are free from hazards that would put us at risk of falls, poisonings, drownings, fires and burns, or intentional or unintentional injuries from firearms. These are actions all of us can and must take to halt the disastrous consequences of violence and negligence.

Next month, in May, in Atlanta, Georgia, representatives from many countries will gather at the Second World Conference on Injury Control to define problems, share their successes and review what works in preventing all types of injuries. Through efforts like this, we can work together with the World Health Organization and nations throughout the world to prevent the devastation and human loss that injuries bring.



Memorandum

Date . MAR - 8 1993

From The Acting Assistant Secretary for Health

Subject World Health Day 1993 - ACTION

To The Secretary
Through: DS
COS Wron Tamm/Tot 3/15/93
ES A. Manley 3/13/93
OIA B. H. ...

ISSUE

To request the President to issue a statement in recognition of World Health Day.

BACKGROUND

It has been this Department's practice over the years to request the President to issue a statement in recognition of World Health Day, which is commemorated by Member Governments of the World Health Organization (WHO) each April 7, to mark the founding of the Organization. Each year the Director-General of WHO selects a health theme to call attention to the event. The theme selected for 1993 is: "Handle Life With Care - Prevent Violence and Negligence." A suggested draft message has been developed and is attached for transmittal to the President, along with a memorandum for your signature (TAB A).

The message is traditionally delivered to the Director of the WHO Regional Office for the Americas/Pan American Sanitary Bureau, and is read at a ceremony commemorating World Health Day.

RECOMMENDATION

I recommend that you transmit the suggested draft message to the President (TAB A).

Audrey F. Manley
Audrey F. Manley, M.D., M.P.H.

Attachment



Memorandum

Date . MAR - 8 1993

From The Acting Assistant Secretary for Health

Subject World Health Day 1993 - ACTION

To The Secretary
Through: DS
COS Wm. T. Kim, Jr. 3/15/93
ES J. H. ... 3/13/93
OIA B. H. ...

ISSUE

To request the President to issue a statement in recognition of World Health Day.

BACKGROUND

It has been this Department's practice over the years to request the President to issue a statement in recognition of World Health Day, which is commemorated by Member Governments of the World Health Organization (WHO) each April 7, to mark the founding of the Organization. Each year the Director-General of WHO selects a health theme to call attention to the event. The theme selected for 1993 is: "Handle Life With Care - Prevent Violence and Negligence." A suggested draft message has been developed and is attached for transmittal to the President, along with a memorandum for your signature (TAB A).

The message is traditionally delivered to the Director of the WHO Regional Office for the Americas/Pan American Sanitary Bureau, and is read at a ceremony commemorating World Health Day.

RECOMMENDATION

I recommend that you transmit the suggested draft message to the President (TAB A).

Audrey F. Manley
Audrey F. Manley, M.D., M.P.H.

Attachment

OP/STAFF DIV: _____ PHS/OASH/OIH

DATE: MAR - 9 1993

SUBJECT: Presidential message noting World Health Day

PURPOSE: The Secretary is requested to transmit a draft message, in recognition of World Health Day, to the President with a request that a message be sent to the Director of the WHO Regional Office for the Americas.

SUMMARY: Each year the World Health Organization (WHO) selects a theme to call attention to World Health Day (April 7) which commemorates the founding of the WHO. For 1993, the theme selected is devoted to the prevention of accidents and injuries and the slogan is "Handle Life With Care - Prevent Violence and Negligence." Each nation is asked to observe the event through special ceremonies and through messages by heads of state. This Department has been successful over the years in having the President issue a statement. Following practice of previous years, a message has been drafted for transmittal to the President.

CONCERNS: Because the President has issued a World Health Day message yearly over the last several decades, we would hope a message can be delivered this year as well, so as to avoid sending a wrong signal if a message is not issued.

RECOMMENDATION/CONCLUSION: That the Secretary sign the letter, transmitting the message to the President.

CONTACT PERSON: Dr. James Sarn or Rose Belmont
PHS/OASH/OIH
301 443 1774



MAR 16 1993

P02-2
U92-1

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Oregon Medicaid Reform Demonstration Waiver

I. ACTION-FORCING EVENT

Oregon's legislature, currently in session, meets only every two years. I have promised the State a final decision on its Medicaid Reform demonstration proposal by March 19.

II. BACKGROUND/ANALYSIS

The Oregon Health Plan is a comprehensive, legislatively-approved package of reforms intended to provide universal health insurance coverage to all State citizens, and to introduce cost control. One component is the Oregon Medicaid Reform Demonstration Plan which would cover all Oregonians below the Federal poverty line for defined treatment interventions connected to a specified set of medical conditions. Both the expansion of eligibility and the limitation of coverage to specified condition-treatment pairings would require Federal waivers.

Under Section 1115 of the Social Security Act, I am granted very broad waiver authority for any demonstration which, "in the judgment of the Secretary is likely to assist in promoting the objectives" of the Social Security Act. No other guidelines are listed in the authorizing legislation, and previously this Department has mainly sought assurances that any proposed demonstration was legal and budget neutral to the Federal government.

The proposal itself has many strengths. These include: universal protection, promotion of access and cost containment through managed care, and a thoughtful, open and inclusive development process. Moreover, approving the proposal would signal the Federal Government's trust and respect for state experimentation and initiative. It is a bold experiment. We at HHS believe the proposal is evaluable and could yield useful information on various questions regarding delivery and access to health care.

Plan Methodology -- A number of major concerns ought to be considered, most of which involve the overall methodology of the Plan and its perceived "rationing" of health care services.

The Oregon Health Services Commission (five physicians, two registered nurses, one medical social worker, four consumer advocates), supported by groups of medical specialists, used evidence on cost and effectiveness as well as subjective judgments in developing and ranking a series of condition-treatment pairs. The total list prioritizes 688 condition-treatment pairs. The Oregon legislature has decided that it is currently able to fund coverage of the top 568. The present list of uncovered services (e.g.,

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U92-1

The President -- 2

number 586, surgical treatment of benign neoplasms of the digestive system; number 594, reconstructive breast surgery following cancer surgery; number 587, acute and chronic disorders of the back without spinal cord injury) does not appear to raise highly disturbing ethical or medical issues, largely because the Commission used its subjective judgement to move any procedures which would raise serious concerns above the cut-off point.

ADA Legal Issues -- Two broad issues arise with regard to the methodology. The first is legal. In particular, does the plan violate the Americans with Disabilities Act (ADA)? The former HHS Secretary decided in August 1992 he could not approve the Oregon Medicaid demonstration pending resolution of legal issues related to the ADA.

Oregon sought to address those ADA concerns in its resubmission. Nonetheless, one legitimate, but in our view resolvable concern, raised as early as last October, remained: whether the methods used for ranking non-lethal condition-treatment pairs violate the ADA by appearing to favor outcomes in which the patient is freed of all symptoms. After face-to-face discussions on this issue in Oregon late last week, our General Counsel and the Civil Rights Division of the Justice Department believe the ADA issues have been successfully resolved. In essence, Oregon has agreed to re-rank the condition-treatment pairs without regard to symptomatic-asymptomatic considerations. (See Tab A on legal issues.) We do not believe that this re-ranking by the Commission will significantly alter the list of covered services.

Appropriateness of the "Rationing" System -- The larger issue concerns the validity of rationing at all, especially prior to wringing all possible inefficiencies out of the current system. To opponents of the plan, it provides additional coverage for one group of poor persons, in part, by reducing benefits to another. It is also said to signal that the poor deserve less medical care than others. Certain groups such as the elderly and disabled are excluded initially from the demonstration, so they are not being rationed. This initial exclusion raises questions of equity. (Oregon says it expects to add these groups within a couple of years; when the State's proposal for including these groups becomes available, it will be carefully assessed by this Department.) Finally, opponents raise legitimate questions about the scientific basis for the rankings in the first place.

Supporters counter that all states' Medicaid programs "ration" health care, usually through obscure, budget-based executive branch decisions to limit benefits' amount, scope and duration, or to exclude optional services. Oregon proposes, instead, an alternative rationing scheme which attempts to exclude the least important services through an open and accessible process, rather than using arbitrary service limitations.

The list of excluded services does not appear to present serious problems as the standards are currently drawn. Opponents often complain less about the current list of exclusions, and more about the possibility that as budget pressures grow, Oregon will begin to exclude far more serious conditions. Partly in response to these concerns, we

The President -- 3

have negotiated very strict conditions with Oregon. Should the waiver be granted, any change in the rankings or the list of covered condition-treatment pairs will require HHS approval. We have made clear we would be skeptical about major new exclusions. Most opponents have been unaware of this new condition, and in several cases, including Representative Waxman, learning of it has reduced -- but certainly does not eliminate -- concerns about the plan.

Budgetary Issues -- There are other concerns as well. We are skeptical that Oregon can do all the things it promises at the budgetary cost they project. We have built in extremely strong Federal financial protection into the waiver, and Oregon has accepted those conditions. Thus the Federal financial exposure is minimal. If the costs are higher than expected, Oregon will have to pay them. But budget pressures could push Oregon to seek either additional expanded Federal financial support or a significant change in the list of excluded services in the future.

Connection to Health Reform -- Finally, important questions remain about the connections between Oregon's plan and health reform. While the overall goals of the two efforts are quite similar, Oregon's plan seems likely to be different from the proposal you will eventually develop in several important ways. If health reform is passed, major parts of the plan would have to be reformulated (and, in concept, Oregon has agreed to make changes which may be necessary). Some worry that accepting the Oregon waiver will be interpreted as a signal of where national health reform is headed and, if we are to argue that such an interpretation is incorrect, the question then becomes why are we approving an approach which cannot be synchronized with the overall health reform plan. (A summary of key issues is at Tab B.)

III. OPTIONS

Negotiations with Oregon have progressed to the stage where the basic decision now is either accept or reject the waiver. We must decide whether to approve the proposal, subject to terms and conditions which include (a) requirements of prior approval by HHS of changes in the prioritization list and (b) limitation on the degree of Federal financial exposure. (A draft list of special terms and conditions is at Tab C.)



Donna E. Shalala

Attachments:

- Tab A -- Legal Issues
- Tab B -- Key Issues
- Tab C -- Special Terms and Conditions



MAR 9 1993

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MEMORANDUM FOR THE PRESIDENT

I. ACTION-FORCING EVENT: To the surprise and concern of many (including key members of Congress, many within the Administration, and children's advocacy groups), the current budget proposals have no increase in funding for family preservation activities focused on families with children at-risk of foster care placement. The goal is to find some way to provide support without adding to the deficit.

This memorandum outlines for your decision a proposal to achieve this goal.

II. BACKGROUND/ANALYSIS

The principal focus of efforts to expand family preservation is the child welfare provisions of HR11, the vetoed Urban Aid Bill. These provisions redirected the focus from foster care placement to family preservation and reunification. There were three major components: (1) Innovative Family Services (i.e., family preservation; reunification; follow-up care for children returned to their families; and family support including parenting skills, and adult mentoring; (2) Comprehensive Substance Abuse Treatment Programs for Pregnant Women and Caretaker Parents; and (3) Respite Care. These three components were designed as "capped entitlements", (which guarantees full funding, and removes funding from the discretionary budget caps). The first and third components had a 5 year cost of \$1.54 billion; the substance abuse section calls for \$.48 billion over 5 years. (See Attachment for year by year budget table). All States would receive funding according to a formula, and funding levels would be indexed by inflation in the out-years.

While the current budget proposals do not have any money for family preservation, there was \$1.7 billion in budget authority over 5 years for parenting and family support. Very few details have been provided about what such a program would involve, however. The budget plan says simply, "These proposals will empower parents with the skills and the tools they need to help raise their children. They will support disadvantaged parents, including activities to help them work with their children at home and parenting classes..." The program is a discretionary non-defense program. Also included in the budget are increases to existing State grant programs of \$2.7 billion over five years for substance abuse prevention and treatment programs.

The family preservation provisions of HR11 call for States to spend the money in any of four areas, one of which is family support services. The language is quite consistent with the kinds of family support plans envisioned in the budget. Thus it might be appropriate and feasible to combine the family support initiatives, family preservation, and drug abuse services in the following way:

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MAR 9 1983



MEMORANDUM FOR THE PRESIDENT

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The money currently reserved for family support and parenting would be redirected as a capped entitlement for family preservation, family support and parenting. States would be expected to develop programs for both family preservation and family support. One could earmark a portion of the money for parenting programs or leave it to state discretion with a requirement that States provide some family support services. Under such a scenario, we could more than fund the non-drug abuse portion of the HRII family preservation provisions over a five year period. To ensure that drug treatment services get provided, a portion of the expanded grant money for States in substance abuse could be earmarked for pregnant women and parents.

Informal soundings with Congress and with advocacy groups suggest that this plan would be favorably received. Making the program a capped entitlement would protect it far more effectively than leaving it as a discretionary program. The extent of support on Capitol Hill for the parenting initiative is unclear. The support for family preservation is considerable. Thus, both programs might benefit politically from this strategy.

The biggest weakness of this plan involves what would happen to the family support money. A significant portion of the money would instead go to family preservation, which focuses on families with children at risk of foster care placement. Indeed, there is some danger that nearly all the money could be spent on programs other than family support unless States are expected to develop separate family support programs. There is also some concern that the focus of child welfare agencies on abused and neglected children will not lead them to use the parenting money as envisioned in the original budget proposal. At the same time, given the small scale of such programs now, and the very large out year expenditures contemplated in the current budget, a strong case could be made that even if only a portion of the money is spent on parenting programs it would be a bold and important increase. A second concern is the creation of a new entitlement, though it would be a capped entitlement to States, not individuals.

III. RECOMMENDATION

We recommend that the family support and family preservation initiatives be brought together and recast as a capped entitlement, a new Child Welfare Services entitlement program under Section IV-B of the Social Security Act. OMB has agreed to this change.

We recommend that HHS be directed to:

1. Work closely with family support groups so that legislative language is drafted to ensure that a portion of the added resources will be used for preventive family support services.
2. Ensure that a portion of the increased drug treatment funding will go to programs focused on pregnant women, families, and children.

If you chose to accept these recommendations, you could also earmark a minimum portion (say 1/4) of the funds for family support and parenting activities, or you could leave that to State discretion. Protections could be built into requirements for the State plan to ensure that significant resources go to family support and parenting without a specific earmark. That would allow States to experiment with many different strategies and avoid the need for detailed definitions of what family support programs are, what gets counted, and what doesn't. This would be our preference.

IV. DECISION:

Approve without specific earmark for family support and parenting.

Approve with specific earmark for family support and parenting of ____ %.

Approve with revisions as noted. _____

Reject.



Donna E. Shalala

Attachment

H.R. 11 Child Welfare Provisions
(in millions)

Year	Innovative Family Services	Respite Care	Subtotal	Substance Abuse Treatment	Total
1994	\$ 95	\$ 0	\$ 95	\$ 40	\$ 135
1995	220	30	250	90	340
1996	300	55	355	110	465
1997	320	65	385	115	500
1998	365	85	450	125	575
Total	\$1,300	\$235	\$1,535	\$480	\$2,015



THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D. C. 20201

FACSIMILE

**PLEASE NOTIFY OR HAND-CARRY
THIS TRANSMISSION TO THE
FOLLOWING PERSON AS SOON AS
POSSIBLE:**

DATE: 3/9/93

TIME: _____

TO : Carol Franco

COMPANY : WH

FAX NUMBER: 456-2878 TELEPHONE NUMBER 456-2216

Number of pages being transmitted (including this one) 7

FROM: Dr. Ellwood 690-7858

OFFICE OF THE SECRETARY
200 INDEPENDENCE AVENUE, S.W.
WASHINGTON, D.C. 20201
(202) 690-7000 FAX NO. (202) 690-7595

COMMENTS: _____

Done 3/7/93
jg

Carol

Here is the memo on family support
and family preservation. OMB says OK.
This has been cleared here. See your
scan. Sorry for the delay

David Ellwood



Washington, D.C. 20201

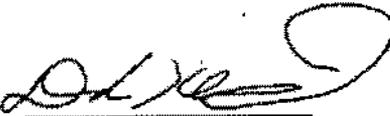
MAR 9 1993

TO: The Secretary
Through: ES *Ellwood 3/9/93*

SUBJECT: Transmittal of Decision Memorandum to the President
on Child Welfare

Attached is a decision memorandum to the President which proposes to use the parenting and family support funds in the budget both for parenting and family support programs and for child welfare services. The proposal would move the funding from the discretionary budget to the entitlement budget. In addition, HHS would target some of its substance abuse treatment funds to women and children identified by the child welfare system. The proposal would meet the goals and funding levels of the child welfare provisions of H.R. 11, the Urban Aid Bill, which was vetoed by President Bush last year.

This proposal and the memorandum to the President have been approved by OMB, ACF, L, and MB. In addition, Congressman Matsui and Senator Moynihan's staff have indicated support.


David Ellwood

**DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF EXECUTIVE SECRETARIAT
RECORD OF CLEARANCES**

	SURNAME AND ORGANIZATION	DATE	COMMENTS
PREPARED BY (PRINT NAME)	Ellwood ASPE	3/9/93	
CLEARED BY	ASNB	DATE SENT: 3/9/93 DATE DUE: 3/9/93 DATE RECEIVED: 3/9/93	Concur
CLEARED BY	ASL	DATE SENT: 3/9/93 DATE DUE: 3/9/93 DATE RECEIVED: 3/9/93	Concur
CLEARED BY	ACF	DATE SENT: 3/9/93 DATE DUE: 3/9/93 DATE RECEIVED: 3/9/93	Concur
CLEARED BY		DATE SENT: DATE DUE: DATE RECEIVED:	
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CLEARED BY		DATE SENT: DATE DUE: DATE RECEIVED:	
CLEARED BY		DATE SENT: DATE DUE: DATE RECEIVED:	
CLEARED BY		DATE SENT: DATE DUE: DATE RECEIVED:	
CLEARED BY EXECUTIVE SECRETARIAT	<i>Clarke</i> 3/9/93		
EXECUTIVE ASST. TO D.C.		<u>3/9/93</u> Date	<u>Kay Mathews</u> Signature of Policy Coordinator Executive Secretariat <u>690-7160</u> Extension

DS _____ Date _____
Clarke
 Date 3/9/93