

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. list	HR 1180, Work Incentives Improvement Act of 1999 Event Social Security numbers redacted (1 page)	nd	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Staff
Chris Jennings (Subject File)
OA/Box Number: 23746 Box 15

FOLDER TITLE:

Jeffords- kennedy [Work Incentives Improvement Act] [3]

gf34

RESTRICTION CODES

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

- P1 National Security Classified Information [(a)(1) of the PRA]
- P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
- P3 Release would violate a Federal statute [(a)(3) of the PRA]
- P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
- P5 Release would disclose confidential advise between the President and his advisors, or between such advisors [(a)(5) of the PRA]
- P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

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

RR. Document will be reviewed upon request.

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

- b(1) National security classified information [(b)(1) of the FOIA]
- b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
- b(3) Release would violate a Federal statute [(b)(3) of the FOIA]
- b(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
- b(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
- b(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
- b(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
- b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

Withdrawal/Redaction Marker

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**This marker identifies the original location of the withdrawn item listed above.
For a complete list of items withdrawn from this folder, see the
Withdrawal/Redaction Sheet at the front of the folder.**

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EVENT: HR 1180, WORK INCENTIVES IMPROVEMENT ACT OF
1999 (JEFFORDS/KENNEDY)
DATE: FRIDAY, DECEMBER 17, 1999
TIME: 9:30 AM – 10:15 AM
LOCATION: FDR MEMORIAL
PARTICIPANTS: THE PRESIDENT
James Sullivan
SENATOR JEFFORDS
SENATOR KENNEDY

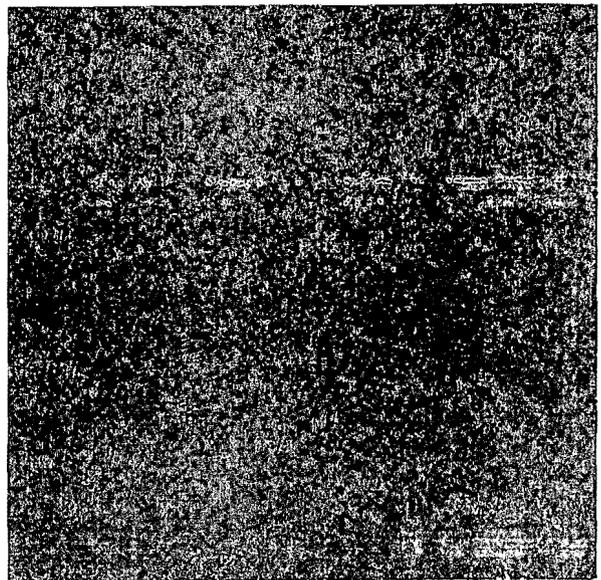
Members should arrive by 8:45 AM and enter through the Main Entrance of FDR Memorial.
Parking is available on West Basin Road. Members will be seated in VIP seating.

ATTENDING (60):

Senator James Jeffords (R-VT)
Senator Ted Kennedy (D-MA)
Senator William Roth (R-DE)
Senator Robert Dole

Rep Rick Lazio (R-NY)
Rep Henry Waxman (D-CA)
Rep Sherrod Brown (D-OH) + Daughter, Emily Brown

Michael Myers (Kennedy) 224-3691
Mark Powden (Jeffords)
Leah Menzies (HELP Committee)
Heidi Mohlman (HELP Committee)
Patricia Morrissey (HELP Committee)
Lucille Zeph (HELP Committee)
Diane Dalmasse
Deborah Lisi-Baker
Tom Pombar
Peter Judd Baird
Charles Zeph
Nancy Becker Kennedy (Podesta)
Ann Delorz from Tony Podesta's (393-1010)
Jennifer Nord (Lazio)
Donna Pignatelli (S. Brown)
Jason Lee (Commerce majority) 226-2424
Kim Hildred (Ways and Means majority)
Debbie Curtis (Stark)
Jim Manley (Kennedy)
Jonathan Press (Kennedy)
Katie Corrigan (Harkin)
Tom Hlavacek (Harkin)
Jonathan Sheiner (Rangel)



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PHOTOCOPY

David Podoff (Finance min) 224-7800
Edwin Park (Finance min) 224-4399
Karen Nelson (Waxman) 225-3976
Bridgett Taylor (Commerce min) 226-3400
Karen Folk (Commerce min) 226-3400
Connie Garner (Kennedy) 224-6390
Jennifer Baxendell (Finance majority) 224-6953
Alex Vachon (Finance majority)
Jon Resnick (Finance min) 224-4459
Jeff McLynch (Ways/Means min) 226-9109
Amy Droskowki (Dingell)
Ann Marie Lynch (Thomas)
Ed Grossman (House Leg Counsel)
Anne Esposito (Bilirakis)
Jennifer Baxendell's Brother 4-6953.
Frank Polk (Senate Fiance)
Russ Sullivan (Senate Finance)
Sharon Walters (Tracey Thornton)
Debbie Banks (Matsui)
Kristen Testa (former Finance min) 212.260 8982
Kyle Kinner (Finance Minority 4-8074).
Kim Anderson (Robbs Office)
Mike Marshall (Dole)
Kathy Means (Finance majority)
Jim Clark (Ways and Means)
Jeff Bangsberg (Ramstad's office)
Bill Johnstone (Cleland)
Suanna Briunooge (Johnson)
Chris Arthur (Hinchey-already invited NOD)

HOLDING (4):

Pedro Briones (Stark)
Beverly Crawford (Ways and Means)
Lloyd Jones (Regula) 225-5929
Tod Hull (Regula) 225-5929

REGRETS:

Senator Trent Lott (R-MS)
Senator Tom Daschle (D-SD)
Senator Pete Domenici (R-NM)
Senator Tom Harkin (D-IA)
Senator Harry Reid (D-NV)
Senator Max Cleland (D-GA)
Senator Bob Graham (D-FL)
Senator Richard Durbin (D-IL)
Senator Patrick Moynihan (D-NY)

Rep Bill Archer (R-TX)
Rep Tom Bliley (R-VA)
Rep John Dingell (D-MI)
Rep Chet Edwards (D-TX)
Rep Nancy Johnson (R-CT)
Rep Bob Menendez (D-NJ)
Rep Ed Pastor (D-AZ)
Rep. Clay Shaw (FL)
Rep Bill Thomas (R-CA)
Rep Maxine Waters (D-CA)
Rep David Bonior (D-MI)
Rep Rosa DeLauro (D-CT)
Rep Pete Stark (D-CA)
Rep. Ralph Regula
Rep. Robert Matsui (D-CA)
Rep Patrick Kennedy (D-RI)
Rep Jim Ramstad (R-MN)
Rep Michael Bilirakis (R-FL)
Rep Steny Hoyer (D-MD)
Rep Martin Frost (D-TX)
Rep. Maurice Hinchey
Rep. Carlos Romero-Barcelo (PR)
Rep. Donna Christensen (VI)
Rep Richard Gephardt (D-MO)
Rep John Lewis (D-GA)
Rep. Lloyd Doggett (D-TX)

Scott Palmer (Hastert)
Steve Elmendorf (Gephardt) 225-0100
Andie King (Gephardt) 225-0100
Todd Tuten (Bilirakis)
Carl Taylor (Stark)
Janice Mays (Rangel)
David Hoppe (Lott) 224-3135
Keith Hennessey (Lott) 224-3135
Elizabeth Fowler (Finance min) 224-7762
Charles Konisberg (Finance min) 224-7800
Theresa Houser (Roth)
Sandy Wise (Ways/Means min) 225-4021
Paul Kim (Waxman)
Bill Vaughn (Ways and Means) 225 3418
Rep Charlie Rangel (D-NY)
Amy Jensen (Hastert)

This was should
have everything you
need, with
extra copies of
newspaper
Page if you
need something

December 16, 1999

Bill Signing Ceremony for H.R. 1180, The Work Incentives Improvement Act of 1999

Date: December 17, 1999
Location: FDR Memorial
Time: 9:30AM-10:15AM
From: Chuck Brain
Mary Beth Cahill
Bruce Reed
Chris Jennings

I. PURPOSE

To sign into law H.R. 1180, the Ticket to Work and the Work Incentives Improvement Act of 1999.

II. BACKGROUND

H.R. 1180 improves health care options and enhances the employment services system for people with disabilities. The Conference Report to H.R. 1180 passed (418-2) the House on November 18, and passed (95-1) the Senate on November 19. The bill was introduced in the Senate as S. 331, by Senator Jim Jeffords (R-VT) and Senator Edward Kennedy (D-MA). Representative Rick Lazio (R-NY) introduced H.R. 1180 as the House companion bill.

As part of your effort to address barriers to employment for people with disabilities, your Administration has been working for years to create new options that would ensure that individuals with disabilities can go to work without losing health insurance coverage. In the 1997 Balanced Budget Act, the Administration worked successfully for the creation of a new option for states to allow individuals to retain their Medicaid coverage and go back to work. In 1988, Senator Jeffords and Senator Kennedy introduced legislation to accelerate state interest in this option, as well as to ensure that all beneficiaries in all states had at least one option to retain health care coverage. That legislation provided grant incentives to states to take up the new BBA option, provided demonstration dollars to permit states to study the feasibility and advisability of extending coverage to individuals earlier in the onset of their disability, and permitted disabled Medicare beneficiaries to retain Medicare coverage when they go back to work. The disability community considers this legislation of similar historical significance as The Americans with Disabilities Act. You indicated your support for this legislation in 1998 and included it in your FY 2000 budget. The disability community considers your constant support for this initiative critical to its eventual passage late this year.

It is important to note that Senator Roth (R-DE) and Senator Moynihan (D-NY) believe the legislation would not have passed without their efforts in the Finance Committee. In addition, Representatives Lazio (R-NY), Waxman (D-CA), Bliley (R-VA), Dingell (D-MI), and Nancy Johnson (R-CT) take pride of authorship. Earlier this year, a number of Republicans, including Representative Lazio, criticized the Administration for its lack of creative financing offsets for this legislation. When it appeared the legislation might die, the Administration came up with new offsets that made the difference in passing and adequately funding this legislation. The disability community and most of the leaders on this issue in Congress acknowledge the role that your Administration played in forging this compromise and are extremely pleased that this legislation is being enacted into law.

The legislation improves health care options for people with disabilities by removing limits on the Medicaid buy-in option for workers with disabilities. First, it allows states to remove the income limit of 250 percent of poverty (about \$21,000). Second, it creates the option to allow people with disabilities to retain Medicaid coverage even though their medical condition has improved as a result of medical coverage. This Act also provides \$150 million over five years in health care infrastructure grants to states to support people with disabilities who return to work.

This Act provides \$250 million to states for a demonstration to assess the effectiveness of providing Medicaid coverage to people whose condition has not yet deteriorated enough to prevent work but who need health care to prevent that level of deterioration. The legislation also extends Medicare Part A premium coverage for people on Social Security disability insurance who return to work for an additional four and a half years.

The legislation enhances the employment services system by creating a "Ticket to Work Program." This new system will enable SSI or SSDI beneficiaries to obtain vocational rehabilitation and employment services from their choice of participating public or private providers. If the beneficiary goes to work and achieves substantial earnings, providers would be paid a portion of the benefits saved. In addition the legislation authorizes grants through SSA to public, private and non-profit organizations to provide benefits planning and assistance in returning to work people with disabilities.

The Conference Report on H.R. 1180 was used as the vehicle for passage of the "Tax Relief Extension Act of 1999." Among other provisions, this tax extenders package extends the research and experimentation tax credit through 2004, allows tax payers to take full advantage of personal tax credits without the limitation of the alternative minimum tax for three additional years, extends the tax-free construction bonds for public school improvement until 2001, and extends the Work Opportunity Tax Credit and the Welfare-to-Work Credit for 30 months. The package costs \$18.4 billion over ten years and is currently paid for only through part of 2001.

Finally, the bill contains a 90 day delay for final implementation of a Department of Health and Human Services rule that would revise the nation's organ transplant policy to base allocation decisions on medical need nationwide rather than on the location of the donor. Your Administration strongly opposes this provision.

III. PARTICIPANTS

Pre-brief

YOU

John Podesta
Steve Ricchetti
Chuck Brain
Mary Beth Cahill
Bruce Reed
Joel Johnson
Gene Sperling
Chris Jennings
Jeanne Lambrew

Greeters

YOU

James Roosevelt
Senator Edward Kennedy (D-MA)
Senator James Jeffords (R-VT)
Arnold Goldstein, Superintendent, National Capitol Park Central

Stage Participants

Justin Dart, Co-Chair Justice For All

Donna McNamee, Cleveland, OH

Donna is a 40-year-old woman with brittle bone disease who has been unemployed for the past 20 years. She has a bachelor's degree in financial management that she has never used because she would not be able to work without losing her health insurance coverage. She is covered under Medicare and needs Medicaid attendant services. Donna would like to return to work as soon as possible, and is very excited about the Medicaid buy-in option under Jeffords-Kennedy, which will allow her to do so.

Paul Marshall, Wheaton, MD

Paul, 42, became partially quadriplegic after being shot in the neck during an attempted robbery. Through a rehabilitation program Paul took computer training, and has been working part-time for 9 years. He believes that working gives him a better sense of self-esteem, and wishes that he could work more. However, just by working part-time he has lost his Medicaid benefits, and if he worked full-time he would lose the Medicare and personal attendant benefits he currently receives. Paul's son was also paralyzed during an accidental shooting incident. Paul is currently employed at Disabled Sports USA in Rockville, MD.

Wesley Vinner, Riverdale, MD

Wesley is 51-years-old and is a person with mental retardation. He has recently moved from DC to Prince George's County with the help of a HUD assisted housing program. He lived for 21 years in Forest Haven, which was a large institution-serving people with mental retardation in Washington, D.C. and was closed by court order ten years ago. He was able to leave that institution in large part because of his own advocacy. He is currently unemployed, a Board Member of the American Association of People with Disabilities, a Board Member of The Arc of the United States, and a leading active advocate for people with mental retardation. He very much wants to work, become a tax-paying citizen and improve the lives of people with mental retardation and developmental disabilities from around the country.

Speaking Program

YOU

Senator Jim Jeffords (R-VT)

Senator Edward Kennedy (D-MA)

James Sullivan, Hudson, NH

James is a C6 quadriplegic (partial use of his arms) who is in his mid thirties. Two days before he turned 18, he broke his back diving into a wave. James is from a family of pilots and had planned to work as a mechanic, but his disability prevents that. He is currently unemployed and insured under Medicaid. For a while, he was employed through a work incentives program run by the state of New Hampshire that allowed him to keep his Medicaid coverage, but when the company downsized and he lost his job, he could not re-qualify for the program. James has done a lot of volunteer work to keep busy, including serving as chairman of the school board, volunteering at the high school, and serving on the New Hampshire Rehabilitation Council. He is willing to give up his SSDI check if he could go back to work and keep his personal attendant services. If his state takes the Medicaid buy in option, Jeffords-Kennedy will allow him to do just that. He would like to get a job in the telecommunications industry.

IV. PRESS PLAN

Open Press

V. SEQUENCE OF EVENTS

-- **YOU** arrive at the FDR Memorial

-- **YOU** greet members James Roosevelt, Senators Jeffords and Kennedy, and Arnold Goldstein

-- Secretary Donna Shalala, Secretary Alexis Herman, Secretary Lawrence Summers, and Commissioner Kenneth Apfel are announced to front row

--Off stage announcement of **YOU**, Senator Edward Kennedy, Senator Jim Jeffords, and James Sullivan

--Senator Edward Kennedy makes brief remarks and introduces Senator Jim Jeffords

--Senator Jeffords makes brief remarks and introduces James Sullivan

-- James Sullivan makes brief remarks and introduces **YOU**

--**YOU** make remarks and then invite Cabinet Secretaries and Members of Congress on stage for the legislation signing

-- **YOU** sign the bill.

--**YOU** work a rope line and depart

VI. REMARKS

Speechwriting

VII. ATTACHMENTS

Members of Congress attending the event.

 J. J. Kennedy President FDR

**Medicare Anti-Fraud and Overpayment Act of 1998
Savings Proposals***

Eliminating Excessive Medicare Reimbursement for Drugs. A recent report by the HHS Inspector General found that Medicare currently pays hundreds of millions of dollars more for 22 of the most common and costly drugs than would be paid if market prices were used. For more than one-third of these drugs, Medicare pays more than double the actual acquisition costs, and in one case, pays as high as ten times the amount. This proposal would ensure that Medicare payments are provider's actual acquisition cost of the drug without mark-ups. **CBO estimated savings of \$0.6 billion over 5 years.**

Eliminating Overpayments for Epogen. A 1997 HHS Inspector General report found that Medicare overpays for Epogen (a drug used for kidney dialysis patients). This policy would change Medicare reimbursement to reflect current market prices (from \$10 per 1,000 units administered to \$9). **CBO estimated savings of \$0.1 billion over 5 years.**

Ensuring Medicare Does Not Pay For Claims Owed By Private Insurers. Too often, Medicare pays claims that are owed by private insurers because Medicare has no way of knowing the private insurer is the primary payer. This proposal would require insurers to report any Medicare beneficiaries they cover. Also, Medicare would be allowed to recoup double the amount owed by insurers who purposely let Medicare pay claims that they should have paid, and impose fines for failure to report no-fault or liability settlements for which Medicare should have been reimbursed. **CBO estimated savings of \$0.4 billion over 5 years.**

Enabling Medicare to Negotiate Single, Simplified Payments for Certain Routine Surgical Procedures. This proposal would expand HCFA's current "Centers of Excellence" demonstration that enables Medicare to pay for hospital and physician services for certain high-cost surgical procedures through a single negotiated payment. This lets Medicare receive volume discounts and, in return, enables hospitals to increase their market share, gain clinical expertise, and improve quality. **CBO estimated savings of \$0.3 billion over 5 years.**

*Note: The bill contained other proposals that only had negligible savings according to CBO.

Savings Proposals for the SSI Program

Cross Program Overpayment Recovery (FY 1999 Budget)

This proposal, included in the FY 1999 Budget, would authorize the Commissioner to recover SSI overpayments owed by former SSI beneficiaries from their OASDI benefits without the consent of the overpaid individual. **CBO estimated savings at \$160 million over five years.**

SSA Proposals to Improve SSI Program Integrity (Approved May 1998)

In May, SSA forwarded a legislative package to the Hill in response to concerns about SSI as a high-risk program. The package included the following proposals that **SSA estimated would save \$130 million over five years. CBO scoring would probably be closer to \$90 million over five years.**

- ***Computer Match with Medicaid Institutional Data.*** SSA would conduct periodic matches with HHS's Medicare and Medicaid data. SSA could substitute information from the matches for the otherwise required physician's certification to maintain the full benefit level of an individual whose institutionalization is expected to last fewer than three months. **SSA estimates this would save \$45 million over five years.**
- ***Accelerated Provision of State Death Data.*** Require States with contracts with SSA to provide death data to do so within 30 days of its receipts. **SSA estimates this would save approximately \$10 million over five years.**
- ***Additional Debt Collection Practices.*** Extend to the SSI program all of the debt collection authorities currently available for the collection of overpayments under the OASDI program. **SSA estimates this would save \$25 million over five years.**
- ***Treatment of Assets Held in Trust.*** Include in an individual's countable resources for SSI the assets of any trust containing property transferred from the individual or his/her spouse to the extent that the assets could be used for the benefit of either of them. This provision would complement, not replace, similar rules under Medicaid. **SSA estimates this would save \$20 million over five years.**
- ***Disposal of Resources for Less Than Fair Market Value.*** An individual who disposes of resources for less than the fair market value would lose benefits for the number of months equal to dividing the uncompensated value of disposed resources by the Federal benefit rate. **SSA estimates this would save \$20 million over five years.**
- ***Period of Ineligibility for Beneficiaries who Furnish False Information for Benefit Purposes.*** Individuals who provide information, for the determination of OASDI or SSI benefits, that they knew or should have known to be false would be penalized with a period of ineligibility. This period would be 6 months for the first occurrence, 12 months for the second occurrence, and 24 months for the third or subsequent occurrence. **SSA estimates this would save \$10 million over five years.**

There is legislative language for each of these proposals.

DRAFT: JEFFORDS-KENNEDY

FIVE-YEAR COSTS		FIVE-YEAR SAVINGS	
BUNNING-KENNELLY TICKET: Net Savings: -38 million			
Ticket	16 million	Prisoner Provisions	-68 million
\$1 for \$2 demo	40 million	Clergy Provisions	-42 million
DI demos	16 million		
TOTAL	72 million	TOTAL	-110 million
JEFFORDS-KENNEDY ADDITIONS			
Grants	300 million	Medicare Buy-In:	
Medicaid costs	800 million	Market price for drugs	-600 million
Medicare costs	200 million	EPO	-100 million
WIPs and P+A	150 million	MSP	-400 million
		Centers of Excellence	-300 million
		SSI Fraud Provisions:	
		Budget	-160 million
		Other	-90 million
TOTAL	1.45 billion	TOTAL	1.65 billion

CHARLES E. GRASSLEY, IOWA, CHAIRMAN

JAMES M. JEFFORDS, VERMONT
LARRY E. CRAIG, IDAHO
CONRAD BURNS, MONTANA
RICHARD C. SHELBY, ALABAMA
RICK SANTORUM, PENNSYLVANIA
JOHN W. WARNER, VIRGINIA
CHUCK HAGEL, NEBRASKA
SUSAN COLLINS, MAINE
MIKE ENZ, WYOMING

JOHN B. BREAUX, LOUISIANA
JOHN GLENN, OHIO
HARRY REID, NEVADA
HERB KOHL, WISCONSIN
RUSSELL D. FEINGOLD, WISCONSIN
CAROL MOSELEY-BRAUN, ILLINOIS
RON WYDEN, OREGON
JACK REED, RHODE ISLAND

United States Senate

SPECIAL COMMITTEE ON AGING

WASHINGTON, DC 20510-6400

October 5, 1998

The Honorable James M. Jeffords
Chairman
Senate Committee on Labor and Human Resources
Dirksen Senate Office Building, room 428
Washington, DC 20510

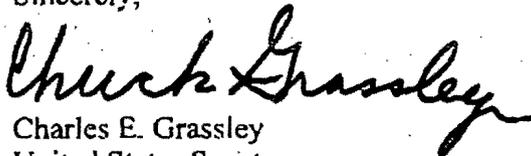
Dear Chairman Jeffords:

As you are already aware, many people with disabilities who have been out of the workforce are eager to return to work. However, because of the risks of losing cash benefits and health insurance provided through the Social Security Disability Insurance program and the Supplemental Security Income program many beneficiaries are discouraged from entering or re-entering the workforce. The intent of these programs was never to demoralize or dishearten Americans who are ready, willing and able to work. We must look at ways to overcome this attitude.

Thanks to the disability reform proposal you and Senator Kennedy have developed, many of the barriers facing people with disabilities will be addressed. Several provisions in the Jeffords-Kennedy substitute to H.R. 3433 tackle the problems of loss of cash benefits and health insurance which can prevent beneficiaries from being able to support themselves once they begin working. The substitute legislation would provide working individuals with disabilities access to additional services under the Medicaid program, such as personal assistance and prescription drugs. These services are vital to many people on SSDI and SSI. Furthermore, this proposal would provide improved access to rehabilitation opportunities for beneficiaries of both the SSI and SSDI programs.

The work you and Senator Kennedy have put forth on this bill characterizes the bipartisanship necessary to pass the proposal into law. I am glad to lend my support to the Senate substitute legislation to H.R. 3433. I look forward to passage of this legislation.

Sincerely,



Charles E. Grassley
United States Senator

cc: Majority Leader Trent Lott
Minority Leader Tom Daschle



Dr. Otis Bowen
H-219-546-~~2~~
2633

DATE: 8-13-98

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
200 INDEPENDENCE AVE., SW
WASHINGTON, D.C. 20201

Henney FDA File

PHONE: (202) 690-7627

FAX: (202) 690-7380

OFFICE OF THE ASSISTANT SECRETARY FOR LEGISLATION
ROOM 416-G HUMPHREY BUILDING

Chris Jennings
Barbara Wooley

FROM:

TO

OFFICE

PHONE NO

FAX NO

TOTAL PAGES

(INCLUDING COVER):

RICHARD J. TARPLIN

HELEN MATHIS

KEVIN BURKE

SANDI EUBANKS BROWN

ROSE CLEMENT LUSTI

STEPHANIE WILSON

HAZEL FARMER

456-5557

456-0218

3

REMARKS:

I heard back today from Ronnie Lancaster that Sec. Sullivan has decided not to do the Henney op-ed. He has agreed to send letter of endorsement to all committee members. Can you guys have that call with Otis Bowen to see if he will do. Copy of draft attached. Rich

5666

Draft Henney op-ed — NATIONAL

When we reach into our medicine cabinets or shop the produce section at the supermarket, Americans don't have to think twice about whether our food and drugs are safe. That's because we can count on the federal Food and Drug Administration.

Of all the services we demand and deserve from government, few are more critical every day than safeguarding food, drugs and medical devices. The ultimate responsibility lies with the FDA Commissioner. And right now, the US Senate has the opportunity to put a terrific new Commissioner on the job, Dr. Jane Henney.

This is a challenging time for the nation's premier health and safety agency. Congress recently passed far-reaching FDA reform legislation that will require great skill and tenacity to implement. Changing medical technologies and more sophisticated and complex drugs and devices require that FDA consistently be at the top of its scientific game. It is more important than ever, for both industry and consumers alike, that we have a permanent FDA Commissioner in place to meet these challenges.

Leading the FDA requires a powerful resume. It takes a nationally recognized leader in public health; a skilled manager; a dedicated reformer; a natural consensus builder; and a respected, experienced scientist. The ideal candidate also needs FDA leadership experience, a record of speeding review of crucial products, and a reputation for working closely with industry to protect the public.

In other words, FDA needs an experienced leader for the 21st Century. Dr. Henney is the perfect choice.

On paper and in life, Dr. Henney has been more than a physician, academic leader and public health administrator. Hailing from an Indiana town of 512, she understands rural American life. After losing a hometown friend to breast cancer, she dedicated years to cancer research and care. Having steered the consolidation of the University of New Mexico health facilities, she knows how to streamline an organization for peak performance. Having served under Presidents Carter, Reagan, Bush and Clinton, Dr. Henney is a dedicated public servant known for making decisions based on good science and good policy. Having served as FDA Deputy Commissioner and helping reform the agency, Dr. Henney is a natural choice to lead the FDA.

Given Dr. Henney's superb qualifications, her confirmation would seem a sure thing. Indeed, many responsible leaders in the drug and medical device industries know that a strong leader like Dr. Henney can help shorten the time it takes to bring products to market without compromising public health and safety. But expect other forces that favor a weak FDA to use her nomination as leverage to undermine crucial FDA responsibilities, including protecting children from tobacco.

Certainly, the Senate confirmation process is an appropriate opportunity for Senators to learn more about a nominee's background and philosophy. But the FDA needs a strong Commissioner right away. The President has appointed a strong nominee in Dr. Henney. The Senate should move quickly on her confirmation. The health and safety of our children and families are at stake.

Following up our conversation, I am
enclosing the draft of ~~the~~ in support of
Tom Henry for PPA Committee. We are
greatly appreciate your willingness to consider seriously

Dr. Otis Bowen

P.O. Box 348

Bremen, Ga 46506

that on his behalf. We believe it will be
enough helpful for his confirmation hearing,
which takes place in September 1st.

Please don't hesitate to call me at
if you have any questions or comments. Right,
we thank you for any assistance you can provide
for Tom.

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TOMMY G. THOMPSON

Governor
State of Wisconsin

Je Jeffords / Wendy Possibility R4

August 10, 1998

The Honorable James Jeffords
United States Senate
728 Hart Senate Office Building
Washington, DC 20515-4503

Dear Senator Jeffords:

I am writing to express my support for S. 1858, the Work Incentives Improvement Act of 1998. As you know, access to health and long-term care coverage for people with disabilities who work is extremely important so that we can all benefit from the workforce potential of people with disabilities. The Work Incentives Improvement Act would improve such access and help in many other ways to remove barriers to employment.

I particularly support the following features:

- Extension of the period of Medicare coverage for people with disabilities who later return to work;
- A more affordable Medicare Buy-In after the extended period of eligibility;
- Restoration of demonstration authority to the Social Security Administration for the SSDI program;
- Shortening the time needed for approval of Medicaid s.1115 waivers related to removal of employment barriers; and
- Specifying that HCFA should consider changes in public expenditures for SSI, SSDI, Medicare, Medicaid, Food Stamps, HUD Subsidies, and tax receipts when evaluating budget neutrality for Medicaid s.1115 waivers.

In Wisconsin, we are attempting to remove employment barriers through a comprehensive program called *Pathways to Independence*. The above elements of the Work Incentives Improvement Act would substantially increase our prospects for the success of Pathways.

While I support the intent of this legislation, I am concerned with the cost associated with the State Work Option Program (SWOP). Most of the added federal cost projected by the Congressional Budget Office (\$3-5 billion over five years) is attributed to this component. I cannot support any reduction to the Medicaid program or to other health or



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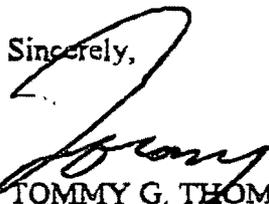
August 10, 1998

Page Two

human service programs that might be judged necessary to offset the cost of this bill. I hope that the SWOP can be modified to limit the cost to the Medicaid program or that CBO can quantify potential savings from increased employment so that offsetting reductions in other programs are not needed.

Thank you for your continued efforts to remove employment barriers faced by our citizens with disabilities.

Sincerely,



TOMMY G. THOMPSON
Governor

TGT/aok

cc: Honorable Newt Gingrich
Honorable Trent Lott
Wisconsin Congressional Delegation

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276
5850

ADAPT File

MEMO

To: Diana Fortuna
From: Nancy-Ann Min DeParle *NMD*
Subject: Disability Issues
Date: December 15, 1997

Over the past year, the Clinton Administration has made some incremental steps forward in public policy as it relates to people with disabilities. With the help of the disability community, in particular ADAPT, this Administration has focused the attention of the country and the Congress on these important issues. During a September 10 meeting with the President, ADAPT raised a number of issues important to the disability community. We want to continue working with ADAPT and others in the disability community to move this important agenda forward.

This paper highlights the issues ADAPT identified and some of the steps we have been able to achieve, as well as some of the efforts that we are planning for the future. These activities are being coordinated by the Department of Health and Human Services' Home- and Community-Based Services Workgroup, jointly led by the Health Care Financing Administration (HCFA) and the Office of the Assistant Secretary for Planning and Evaluation (ASPE). Activities for which HCFA has the primary responsibility are indicated below with an asterisk.

1. Study of institutional bias within Medicaid * (Projected completion: November 1998)

HCFA has contracted for a study to identify federal policy barriers and incentives which impede and/or promote consumer directed home- and community-based (HCB) services. The study involves a systematic analysis of Medicaid statutes, regulations, and manual transmittals. Using this analysis, the contractor will identify and describe both barriers and opportunities for shifting the emphasis in Medicaid long-term care services from institutions to community-based supports, and from an emphasis on a medical model to a social model. The study will also review policies that are the same in Medicare and Medicaid. To encourage use of home- and community-based services, the study will identify policies that may have been linked inappropriately. The project will develop recommendations for policy changes and potential research and demonstration projects.

The study is being funded by HCFA and conducted by a team of researchers from the University of California at San Francisco (UCSF), led by Charlene Harrington. An interim report will be

submitted in February, and a final report in November. An HHS home- and community-based services workgroup has been involved in framing its scope, but will not necessarily endorse the final product. The workgroup will disseminate the contractor's report as an independent product.

2. Development of an Administration initiative to expand home- and community-based supports and consumer-directed personal assistance services (PAS) through the leadership and advocacy of states and the sharing of model practices. (Projected completion: ongoing)

In the meeting with ADAPT, other disability advocacy leaders, and federal officials, President Clinton expressed support for states with successful practices to become leaders and teachers in helping other states move nursing home residents to community-based settings and expanding consumer-directed PAS. The federal government can play a significant role in supporting and promoting this effort. We believe that the first step is to articulate principles that can be supported and disseminated by the Secretary and the President to the States, perhaps in an upcoming National Governors' Association meeting.

A number of other activities also could be undertaken to further this goal. For example, we plan to identify states which have been successful in expanding the use of home- and community-based services. We will compile and disseminate information about their successful practices through a variety of mechanisms which may include written documents, conference workshops, and Internet postings.

Another key component of this initiative may involve a new project to identify barriers perceived by states as preventing them from expanding home- and community-based services. The UCSF study mentioned previously will be one source of background information on this subject. The Long-Term Care Mentoring Project, initiated by the Administration on Aging, will also contribute useful information for this part of the initiative. In addition, discussions with state Medicaid and long-term care officials, providers, and consumers will inform our work.

3. Analysis of provisions, implications, and costs of CASA and the Feingold bill, and formulation of a set of recommended changes to the bills that may enable the Administration to support them. * (Projected completion: February 1998)

A workgroup is conducting a thorough analysis of the provisions of both the Community Attendant Services Act of 1997 (H.R. 2020, as introduced by Representative Gingrich) and the Feingold bill. This workgroup will also develop cost estimates for the CASA bill, and identify basic principles in the bills which the Administration can support. This information will be shared with the Domestic Policy Council and White House health policy staff.

4. Feasibility study and design of a "date certain" pilot or demonstration * (Projected completion: June 1998)

The CASA legislation includes a specific date by which all nursing home and intermediate care facilities for the mentally retarded residents who choose to move into community-based services would be guaranteed those services. At the White House meeting, Administration officials expressed strong interest in pursuing a pilot project to more fully describe and test the "date certain" concept.

This effort will begin with a process to define the "date certain" concept and identify clearly what will be tested in a pilot or demonstration. Early in the process, a subgroup of federal officials will meet with state Medicaid and long-term care officials to explore interest, motivation, and incentives. A feasibility analysis will be completed. If there is sufficient interest among the states, the framework for the demonstration or pilot will be filled in and an implementation plan developed. The group will explore problems to be resolved and potential solutions and develop a work plan and time line. The group may engage in a process of interviewing nursing home residents about barriers to moving to the community. As necessary, additional public and/or private financing will be sought.

5. Review of programs to date, and options for increasing supply of personal attendants through employment of TANF recipients (Projected completion: March 1998)

In his meeting with advocates, the President noted his interest in the idea of encouraging the development of programs for individuals leaving the welfare rolls to become employed as personal assistants to people with disabilities. A number of research studies have already been conducted demonstrating how this can be accomplished and the benefits of doing so. A paper will be developed that reviews these programs to date, and proposes options to increase the supply of PAS workers.

6. Conduct and complete the "Homebound Study" required in the Balanced Budget Act * (Projected completion: due to Congress October 1, 1998)

The Balanced Budget Act included a requirement that the Secretary conduct a study of the definition of "homebound" as a criteria for receiving Medicare Home Health services. The research will be factored into our future deliberations. HCFA and ASPE staff have agreed that analyses of the National Long-Term Care Surveys and the Disability Supplement to the National Health Interview Survey may be useful in determining the "homebound" status of current home health users. In collaboration with the HCFA, ASPE will pursue framing and funding this research.

7. Provide Technical Assistance Regarding Potential Legislative Proposals (Projected completion: Ongoing)

HCFA and ASPE staff will provide technical assistance to committee staff as they develop legislative proposals regarding employment incentives for persons with disabilities. Staff will also examine other opportunities for expanding employment possibilities for persons with disabilities, focusing on younger people.

8. Cash and Counseling Demonstration * (Projected completion: demonstration proposal under review at OMB)

With funding from the Robert Wood Johnson Foundation, four States (Arkansas, Florida, New Jersey, and New York) have developed and submitted to HCFA a waiver application to explore alternative ways to provide consumer-directed personal care services. This waiver application has been approved by HCFA and is currently under review at the Office of Management and Budget. The purpose of this major DHHS research demonstration would be to provide greater autonomy to consumers of long-term care services by empowering them to purchase the assistance they require to perform their activities of daily living. In order to accomplish this objective, cash allowances (coupled with information services) would be provided directly to persons with disabilities -- enabling them to choose and purchase the services they feel would best meet their needs. This proposed demonstration is frequently referred to as the "Cash and Counseling Demonstration."

Attachment A highlights additional achievements for persons with disabilities. We believe the steps which either have been completed or are in progress represent a full response to the President's commitment to the disability community made during his September 10 meeting.

Attachment

cc: Chris Jennings
Jeanne Lanbrew

ATTACHMENT A
Other Recent Achievements for People with Disabilities

The Balanced Budget Act of 1997(BBA)

The BBA that was enacted in August of this year has a series of important Medicaid and Medicare that will address the concerns of people with disabilities.

- o States are permitted to allow certain Supplemental Security Income (SSI) beneficiaries who are disabled and would lose eligibility because of their earnings to purchase Medicaid coverage. Medicaid eligibility is extended to SSI beneficiaries whose income is less than 250 percent of the Federal poverty level for the applicable family size. Currently, 250 percent of the poverty level for one person is a little over \$2,210 per month. States will set premiums based on an income-related sliding scale.
- o The availability of prevocational and supported employment services under a home and community-based services waiver was expanded. Prior to the BBA, in order for a person to receive prevocational and supported employment services as a component of habilitation services, the person had to have a prior institutional stay in a nursing facility or in an intermediate care facility for the mentally retarded. This BBA provision removed the prior institutional stay requirement.
- o The BBA exempts certain children with disabilities including SSI beneficiaries, and children in foster care from being required to receive care through a managed care entity under freedom of choice waivers.
- o The BBA reinstates Medicaid eligibility for certain legal immigrants who receive SSI, but have subsequently been terminated from SSI because of the 1996 Personal Responsibility and Work Opportunities Reconciliation Act's (PRWORA) tighter definition of childhood disability.
- o Similarly, the BBA restores Medicaid eligibility to disabled children who were receiving SSI at the time of enactment of the PRWORA of 1996.
- o The BBA establishes the Program of All inclusive Care for the Elderly (PACE) as a State plan option under Medicaid to provide comprehensive community-based health and long-term care to eligible individuals over age 55 who would otherwise require nursing care.
- o Finally, BBA will now let Medicare pay at least part of the cost of renting upgraded durable medical equipment (DME). The BBA allows DME suppliers to receive Medicare payment for upgraded DME as if it were equipment. Beneficiaries may be billed the difference between the standard rate and the cost for the upgraded equipment.

Personal Care Services Regulation

HCFA recently published a new final regulation addressing the Medicaid program benefit for personal care services. The Personal Care Services Regulation will give the States the option to expand the availability of personal care services under States' Medicaid programs. It was signed by the Secretary of Health and Human Services and published in the *Federal Register* on September 11.

- o The regulation implements statutory changes which allow personal care services to be provided outside the home at State option if personal care services are also provided in the home under the State plan.
- o Personal care services are services to assist a person with activities of daily living such as assistance with eating, meal preparation, bathing, dressing, personal hygiene, and taking medications. Services may also include activities which are essential to the health and welfare of the beneficiary, such as house keeping chores like bed making, dusting, and vacuuming.
- o The regulation also removes the requirement that a registered nurse must supervise personal care services, thus reducing the cost, and making the service more flexible to meet the beneficiary's needs.

Home- and Community-Based Care Services

The Health Care Financing Administration continues to support and promote community-based long-term care for the elderly and people with developmental or physical disabilities through the home and community-based waiver program authorized under section 1915(c) of the Social Security Act. Currently over 250,000 individuals with disabilities receive a wide array of services from personal assistance to home modifications and assistive devices (to name only a few) under 226 of these programs in 49 States and the District of Columbia. Similar services are provided in Arizona under their 1115 waiver. Through the use of this Medicaid waiver provision, four States have entirely eliminated their large publicly-funded institutions for people with developmental disabilities and replaced them with integrated community services. Most others have significantly phased down reliance on inappropriate institutional care for people with disabilities as a result of the waiver program.

Under the Clinton Administration numerous changes have been implemented to simplify the home and community-based waiver application and approval process.

- o One of the most lasting and meaningful changes to promote home- and community-based care and "level the playing field" with institutional care was the elimination of the so-called "cold bed test," a rule that required States to show that without the waiver an equal number of beds would have to exist in institutions or nursing homes to accommodate those receiving waiver services.

- o In an effort to further simplify the process for receiving certain waivers, HCFA has provided States with a prototype waiver application for individuals with AIDS, individuals with traumatic brain injury, and medically fragile children to expedite approval of these waivers. States may now establish a 1915(c) waiver program for these individuals by attaching State-specific information, signing, and submitting the prototype waiver application. Waivers submitted without alteration are expeditiously approved by HCFA.
- o On June 27, HCFA released a letter to State Medicaid Directors to encourage them to reduce the size of large providers of residential services under the home and community-based waiver program. To allow maximum flexibility to States in establishing home and community-based waiver programs, HCFA has not established a formal Federal policy on the number of people who can reside in a group home. However, the Department is concerned that homes serving large populations may not be able to provide an authentic community experience.
- o In an additional letter, dated July 25, HCFA urged all State Medicaid Directors to make available appropriate home and community-based waiver options to all persons who are institutionalized, or at risk of institutionalization. HCFA also firmly stated its belief that, "... an individual has the right to assume risk, commensurate with that person's ability and willingness to assume responsibility for the consequences of that risk."

Research and Demonstration Activities

HCFA is using its research and demonstration program to assist in the development of appropriate services to people with disabilities.

- o HCFA recently approved an 1115 waiver for Colorado which will permit greater flexibility in defining where Medicaid home health services may be provided. Instead of limiting visits to a beneficiary's place of residence, the demonstration would permit the same types of services to be provided in other settings (e.g., schools, work sites, or day treatment centers). However, the State would not permit reimbursement for any visits which occur in hospitals, nursing homes, or intermediate care facilities for the mentally retarded.

- The State estimates that between 100 and 200 clients will participate. Demonstration clients will meet Medicaid eligibility requirements. The primary purpose of this demonstration project is to develop and refine the independent care model, and to assist individuals who are capable of directing their own care.

- Services will be provided under a fee-for-service delivery model for this demonstration project. Demonstration participants will be permitted to choose among participating providers (agencies) within a geographic area. Participation by home health agencies, nurses, and aides will be voluntary. Approximately 10 agencies will be selected to participate in the program. These agencies will be stratified by size and location (rural and urban).

- o HCFA recently released a program announcement to Centers for Independent Living (CILs) intended to test a model of consumer-directed durable medical equipment (CD-DME) that covers a range of activities such as assessment and purchasing related to wheelchairs and accessory items. CD-DME sponsors will provide assistive technology information and facilitate consumers' access to expert assessment and care coordination. In partnership with consumers with physical disabilities, sponsors will also more efficiently acquire Medicare-financed DME products and services through a process of prior authorization. Savings accrued from more efficient purchasing will be used to establish beneficiary credit accounts that may be used by beneficiaries to acquire enhanced equipment and/or services not covered by Medicare. Up to four sites are expected to be awarded pre-waiver development grants of approximately \$150,000 each.

- o In their fiscal year 1998 research agenda, HCFA is funding a grants program to foster a more integrated and flexible service delivery system for Medicaid and Medicare dually-eligible beneficiaries by working collaboratively with States and providers to develop more effective systems of care to meet the diverse and complex needs of these beneficiaries.
 - One illustrative model included in the May 1997 grants announcement was an *Independent Living Model Integrated with Medical Services*, with emphasis on increased consumer direction and control, innovative case management models built around current resource systems for those with disabilities (e.g., CILs), and new payment approaches that provide increased consumer control and flexibility around key long term care services such as personal assistance services. Discussions with States preparing proposals indicate that several plan to submit proposals targeted to non-elderly beneficiaries with disabilities, with some features of HCFA's illustrative model.

 - Twelve proposals were received by the August 29 deadline. Proposals are under review, and HCFA plans to award approximately six grants of \$150,000.

- o The State of Wisconsin submitted an application for Medicare and Medicaid demonstration waivers to establish a partnership model of care delivery for under age 65 beneficiaries with physical disabilities and frail elderly beneficiaries who are eligible for Medicare and Medicaid and meet nursing home level of care criteria. The model is similar to the PACE model in the use of multi-disciplinary care teams, prepaid capitation and the sponsorship by a community-based service provider. The partnership model for people with disabilities would use Centers for Independent Living as the community-based provider. Waiver approval is anticipated this Winter, with implementation targeted for late Spring 1998. The model is a voluntary enrollment model, and Wisconsin expects to enroll up to 300 individuals at each of three sites. The Wisconsin Partnership model is the first known comprehensive capitated model of service delivery specifically designed for Medicare and Medicaid beneficiaries with physical disabilities.

- o The State of Rhode Island was awarded a HCFA planning grant to design an integrated approach to health/medical care and for life-long community supports for adults with developmental disabilities. Staff from Rhode Island Division of Developmental Disabilities along with Department of Human Services, people with disabilities, service providers, and advocates worked for over 2 years to design this waiver proposal. The planning was completed in July 1996. HCFA is currently reviewing the implementation proposal submitted by the State in May 1997 which will consolidate the current Medicaid and other Federal funding streams into a single coherent funding resource. This will help enable the restructuring and transition of the service system to promote more personally directed supports and services. The program will serve 3,500 beneficiaries statewide.

File Adopt

*cc Jennings, Lambrew
B71 White*

*cfax to Anne Tumblin
5-7840*

2 pages

HON. NEWT GINGRICH

OF GEORGIA

U.S. HOUSE OF REPRESENTATIVES

Tuesday, June 24, 1997

MR. GINGRICH. Mr. Speaker, I want to introduce today the "Medicaid Community Attendant Services Act of 1997" as part of my commitment to empowering all Americans and to the principles of community based care. This bill allows for choices for persons with disabilities so that individuals can receive the care that is most appropriate for them. Everyone deserves the opportunity to lead a full and independent life and people with disabilities are no exception.

I believe that personal empowerment is essential to the "pursuit of happiness" and believe that this bill will begin a very important debate about long term care in the nation. During the 104th Congress, I submitted for the Congressional Record a statement in support of community-based care based upon the recommendations of a Disabilities Task Force on Disabilities which I appointed in Georgia and the work of advocates for community-based care from around the nation.

The bill I am introducing today is the starting point for the dialogue about the best way to empower persons with disabilities. I am aware that this proposal may have significant cost implications, so I encourage careful consideration and additional input to help ensure a sound policy decision.

H.R. 2020

"Medicaid Community Attendant Services Act of 1997" 105th Congress, 1st Session

The "Medicaid Community Attendant Services Act of 1997" (CASA) would allow for coverage of community-based attendant services under the Medicaid program. Current individuals who are entitled to nursing facility services or intermediate care facility services for the mentally retarded would be given the option of choosing qualified community-based attendant services.

Qualified Services.

Qualified services would be based on an assessment of functional need agreed to by the

individual. This services could be provided in a home or community-based setting, such as a school, workplace, recreation or religious facility, but not an institutional setting. Those services could include backup and emergency attendant services; training on how to select, manage, and dismiss attendants; and health-related tasks performed by unlicensed personal attendants.

Transitional Monies.

For the transition to a community setting, expenditures may include rent and utility deposits, and other basic supplies and necessities for the transition to a home setting. The total amount of transition expenditures and care should not exceed costs had that individual remained in an institutional facility.

A transitional allotment of \$2 billion for states would be included beginning in 1998 and phasing out by 2003. The Secretary should give preference to states that do not currently have community-based care programs in place in order to facilitate program development.

State Option.

States would have the option to cover individuals on a sliding scale above an income limitation if it finds that the potential for employment opportunities would be enhanced.

Standards.

The State would be responsible for adopting standards of care with minimum qualifications and requirements. Ongoing monitoring and protections for beneficiaries are included in conjunction with the Secretary. The State is responsible for the development of its transitional program in consultation with State Independent Living Councils and the State Developmental Disabilities Councils, and Councils on Aging.

Reports.

Reports to Congress will be provided on: home health regulations; an individual's assessment on the need for community services; and impact to the State, Federal Government, and beneficiaries of CASA. A task force to look at the financing of long term care services would be developed.



ADAPT

FREE OUR PEOPLE

The Honorable Bill Clinton
President of the United States
White House
Washington, D.C. 20000

June 13, 1997

Dear Mr. President:

With over 2 million Americans with disabilities locked away in nursing homes and other institutions, ADAPT must take a stand. ADAPT, and many of these millions of Americans have waited through a first term and now well into a second term for the institutional bias in the nation's long term care system to be dealt with. ADAPT knows that you deal with many critical issues, but with millions of lives on the line this issue is no less critical than many you have chosen to address.

In the 1992 Presidential Campaign you committed to ADAPT that you would create a Personal Assistance Services Task Force. You also said "... I support efforts to make affordable personal assistance services available to Americans with disabilities."

It hasn't happened.

In May 1995, because of demands made by ADAPT, Health and Human Services Secretary Donna Shalala affirmed the Administration's support for principles of "...emphasizing home and community based services and offering consumers the maximum amount of choice, control and flexibility in how those services are organized and delivered."

Since this endorsement, the Administration has done little to bring these words into reality.

In May of 1996 HCFA Administrator Bruce Vladeck sent out a memo to all HCFA Regional Administrators. The subject was "promotion of home and community based services in the most integrated setting."

The words were encouraging but the actual policies to allow consumers real long term care choices have not happened.

On October 8, 1996 you sent a letter to the disability rights community during the Presidential Campaign. In it you said "We will not rest until all Americans with

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disabilities in institutions have the choice of living in their homes and communities with community services."

It hasn't happened.

On November 4, 1996 Alexis Herman signed a letter on White House Stationary committing that you would meet with ADAPT in the first quarter of 1997.

It hasn't happened.

Alexis Herman and your office have ignored phone calls and ADAPT's letters of February 12, 1997, March 13, 1997 and March 26, 1997 asking for a time frame and agenda for the promised meeting .

We are now currently half way through 1997.

On Friday afternoon June 13, 1997 at 4:00 p.m. eastern daylight time ADAPT member Mike Oxford received a phone call from Bill White stating that ADAPT should now begin to meet with HCFA representatives and members of the Domestic Policy Council before a September meeting with you.

Why has your Administration waited until ADAPT has come to town, almost three months after the meeting was supposed to take place, to bring up preparations that will take months?

Given the history of the White House and its dealings with ADAPT, we cannot accept this phone call as a formal, serious invitation. Considering the previous promises detailed above, ADAPT must have a written commitment signed by you stating your commitment to the principles of CASA as well as your commitment to the process and date for our meeting. If we do not receive this written commitment by 5:00 PM eastern daylight time June 16, 1997 ADAPT, sadly, will have to consider Bill White's call another delay tactic by the White House.

We are waiting for your written commitment.

For An Institution Free America

Members of ADAPT

AAHA CONSULTATIONS W/ DISABILITY GROUPS

Dr. B. Titus King File

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Disability Act

**SUMMARY AND TALKING POINTS ON CASA
(Community Attendant Service Act of 1997:H.R.2020)
FOR PRESIDENTS MEETING WITH DISABILITY GROUPS**

BILL SUMMARY

H.R. 2020 mandates that states provide "community based attendant services" as a matter of choice to persons of all ages residing in institutions and individuals living in the community who would be eligible to receive institutional services based on functional need. Community based attendant services are to be defined by the Secretary, provided in home and community-based settings, and include emergency and back-up attendant services, training on how to manage attendants, and health related tasks by unlicensed attendants. Services are to be provided on an "as needed basis" under a plan of care based on an assessment of functional need. Such services could be provided by agencies or be directed and managed by the consumer. In the latter case, direct cash payments, vouchers and payments to family members would be allowed. Matching Federal medical assistance payments and unmatched "transitional allotments" to increase the availability of home and community-based settings are available to states. The Secretary is to distribute two billion dollars in transitional allotments across states with approved plans over six years with preference given to states with higher proportions of institutionalized individuals. Quality assurance is based on consumer satisfaction. Agency providers are subject to survey and certification and other requirements. The Secretary is required to develop additional health and safety standards that maximize consumer independence and control.

States would be able to limit the amount, duration, and scope of services but could not limit freedom of choice, state wideness or comparability.

1997 Meeting
w/ Disability Groups
(CASA)

TALKING POINTS ON CASA FOR PRESIDENT'S MEETING WITH DISABILITY GROUPS

- ◆ The Administration fully supports the basic goals of CASA, including:
 - addressing the “institutional bias” in the Medicaid program;
 - enabling consumers and their families to choose the setting in which long term care services are received; and
 - promoting consumer direction of home and community based/personal assistance services.

- ◆ The Administration has actively supported these goals in a variety of ways:
 - The recently enacted Balanced Budget Act includes a Medicaid buy-in for certain SSI beneficiaries with disabilities who want to work. It also allows home and community based waiver participants to receive supported employment and related services regardless of prior institutionalization. Small victories...but progress nonetheless.
 - I am particularly proud of the commitment we have made to working with the states to streamline the home and community based waiver program. Under this program over 250,000 people now receive the services they need in home and community based settings.
 - I am also happy to announce that we have approved a new Medicaid Personal Care Services regulation which allows states to cover personal care services in the home or in locations outside the home including the work place and removes the requirement that a registered nurse supervise personal care services.
 - The work that HHS is now engaged in with the Robert Wood Johnson Foundation is also significant. Over a year ago HHS and the Foundation joined together to design a research experiment called the “Cash and Counseling Demonstration.” The demonstration will test the cost effectiveness of providing Medicaid beneficiaries with significant disabilities the choice of receiving cash allowances to purchase needed assistance in lieu of receiving agency directed care. Waivers for the demonstration have just been submitted to HCFA and are under review. When implemented, the demonstration is expected to enroll almost 10,000 older persons, 7,000 working age adults and over 1,700 children with disabilities in four states.

◆ While these are important accomplishments, I recognize that we need to do more.

- Based on a meeting that Dr. Vladeck had with some of you in June, HCFA has recently initiated a comprehensive review of Medicaid policy to identify provisions which contribute to the program's institutional bias and to the perpetuation of medical rather than social models of care. He has also ordered an examination of the extent to which Medicaid may need to be "delinked" from Medicare to promote consumer directed services. This review will be completed by the end of the year.
- In addition, the Department of Health and Human Services has now established a home and community-based services working group of senior staff from across the department to develop options for eliminating the institutional bias in Medicaid, promoting consumer directed home and community based services and reducing unnecessary "medicalization" of long-term care services. An important part of the work of this group will be to explore ways to deinstitutionalize by a "date certain" nursing home residents who want to live in the community.
- I am also asking the work group to examine options for linking the need for increasing the supply of qualified attendants with the work requirements of state welfare reform under TANF. Linking the needs of people with physical disabilities for attendants and the needs of low-income families for jobs seems to be well worth pursuing.
- The work group will actively engage partners from the states and disability and aging communities. The group will be chaired by Bob Williams, my new Deputy Assistant Secretary for Disability, Aging and Long-Term Care Policy and by Sally Richardson, HCFA's head of Medicaid and State Operations. I have asked them to report to me by the end of February with an action plan.

◆ Now I would like to talk to you briefly about the CASA Legislation, which was introduced early in the summer and which many of you support. The goals are important ones, and I am pleased that you now have a vehicle which will allow them to be discussed and debated. I support the basic goals of CASA... but I also have some serious concerns about its potential consequences, particularly in regard to creating a new entitlement, to the cost consequences of expanding the eligible pool of recipients of community based care, the prematurity of opening up Medicaid to permit cash payments prior to understanding the cost effectiveness of this approach, and to some of the quality provisions. (Probably makes sense for Bruce to do the more detailed discussion and then turn it back at the end??)

- CASA mandates that all states include community-based services in their Medicaid plans. The Administration has repeatedly gone on record in favor of state flexibility and no new mandates under Medicaid.

- **CASA eligibility criteria would entitle all people who currently live in nursing facilities or ICFs/MR , and those who live in the community but meet the criteria for institutional services to receive community-based attendant services or other models of support such as vouchers or cash. Our preliminary estimates suggest that almost one million people now living in the community may meet CASA's eligibility criteria. This is in addition to the potentially large number of persons now in institutions who may also choose CASA services.**
 - **While the architects of CASA have made some important strides in trying to address cost control issues, far larger numbers of people are likely to opt for CASA services than are currently receiving long-term care services today. The result would be a substantial increase in Federal and state costs.**
 - **Although the bill includes a cost neutrality provision, it appears to tie cost neutrality to what it would cost if the states were to actually serve all eligible individuals in an institution--not to what states are spending or plan to spend on the much smaller number of people who currently receive institutional services.**
 - **The cost containment provisions of CASA are inadequate in today's budget and political climate.**
 - **CASA also contains important provisions that address the need to assure high quality services. But these provisions also raise concerns. For example, the bill would require greater federal regulatory and enforcement requirements for agency provided services than what is now required in our home and community-based waiver program. At the same time, there are only minimal quality assurance and beneficiary protections for consumer directed services models. While we strongly support such models of service delivery, we believe that much more attention needs to be paid to quality concerns.**
 - **I also understand that there is not yet consensus in the disability community about CASA. Some groups believe it is cast too narrowly and should be decoupled from eligibility for institutional care. Others are concerned that the bill's benefits may not be responsive to the needs of certain populations. Some may also be concerned about the latitude given to the Federal Government and to states to define the benefits and the amount, duration and scope of the benefits to be offered.**
- ◆ **Nevertheless, CASA offers us a good platform for discussing our mutual interests and goals. I expect we will be doing much more of this in the months ahead. I believe that one basis for making progress is to experiment with a number of options for addressing the imbalance in Medicaid between community-based and institutional services, and for promoting an expanded array of consumer driven community services and an improved community services infrastructure. I am confident that the steps we are now taking are**

moving us in the right direction.

Disability Rte

U.S. Department of Labor

**Office of the Assistant
Secretary for Policy
Washington, D.C. 20210**

1998 ADA celebration

+ actions



DATE: _____

TO:

FAX NO:

COMPANY:

Chris & Diana

PHONE NO:

456-5557

FROM:

PHONE NO:

FAX NO: (202) 219-6523

NUMBER OF PAGES INCLUDING COVER:

MESSAGE:

Let's MAKE something
good for the President.

Check out the latest
concept.

THANKS
B. Gk

SCHEDULE PROPOSAL

(updated by the scheduling office on 2/18/98)

TODAY'S DATE 7/17/98 **ACCEPT** **REGRET** **PENDING****TO:**

Stephanie Streett
Assistant to the President and
Director of Scheduling

FROM:

Thurgood Marshall, Jr.
Assistant to the President for Cabinet Affairs

REQUEST:

An event with the President and Members of the Presidential Task Force on Employment of Adults with Disabilities Task Force (Chair Alexis Herman and Vice-Chair Tony Coelho, along with other designated Administration officials that can attend) to be held at the White House near the signing date of the ADA, July 26.

PURPOSE:

To commemorate the 8th anniversary of the Americans with Disabilities Act, to further the President's commitment to the Executive Order signed March 13, 1998 creating the Task Force and to highlight the importance of increasing the employment rate of adults with disabilities.

BACKGROUND:

The Presidential Task Force will submit to the President a formal five month progress report on all relevant activities currently underway mandated by the President's Executive Order. The President will accept document and sign the Presidential Directives that will improve the federal government's efforts to increase the employment rate of adults with disabilities, thus further illustrating his sincere commitment to the mission of the Task Force.

DATE AND TIME:

July 1998 (Any day in the last two weeks)
10:00a.m. (Approximately)

DURATION:

1 hour

LOCATION:

White House East Room or Rose Garden

PARTICIPANTS:

Alexis M. Herman, Secretary of Labor; Tony Coelho,

Chairman of the President's Committee on Employment of People with Disabilities; Secretary of Education, Richard Riley; Secretary of Veterans Affairs, Togo West; Secretary of Health & Human Services, Donna Shalala; Commissioner of Social Security Administration, Kenneth Apfel; Secretary of Treasury, Robert Rubin; Secretary of Commerce, Richard Daley; Secretary of Transportation, Rodney Slater; Administrator of the Small Business Administration, Aida Alvarez; Chair, Equal Employment Opportunity Commission, Paul Igasaki; Director, Office of Personnel Management, Janice Lachance, and the Chair of the National Council on Disability, Marcia Bristo.

OUTLINE OF EVENT:

All Task Force Members seated behind upright podium. Secretary Herman and Vice-Chair Coelho would present status report of activities related to Task Force. President would accept report and sign Presidential Directives.

MEDIA COVERAGE:

White House Press Corps

VICE PRESIDENT'S ATTENDANCE:

Not required.

FIRST LADY'S ATTENDANCE:

Not required.

RECOMMENDED BY:

Secretary of Labor Alexis M. Herman
Tony Coelho, Chair, PCEPD

CONTACT:

Lee Satterfield
Chief of Staff
Department of Labor

Ogle Becky

From: bkafka@juno.com[SMTP:bkafka@juno.com]
Sent: Tuesday, July 14, 1998 12:31 PM
To: Ogle Becky; GnarlyBone@aol.com; Rollradio@aol.com; gini_intl@email.msn.com; pdautel@bcm.tmc.edu; abergman@ucpa.org; epbcddc@aol.com; JBPCCD@aol.com; president@whitehouse.gov; Marsha@ccms.net; jfa@mailbot.com; NADDC@igc.apc.org; sfgold@compuserve.com; candjhughes@mindspring.com; hugh1256@earthlink.net; DONNA_GEISBERT@OPD.EOP.GOV; edgemag@aol.com; kafka2@juno.com; longmore@sfsu.edu; jkirsch@familiesusa.org; Kumarp@seiu.org; MaureenM@pva.org; ginamcd@aol.com; dma@nahc.org; Tnelis1@aol.com; cripower@aol.com; marcie@erols.com; bshoultz@mailbox.syr.edu
Subject: bkafka: Letter to President Clinton

----- Begin forwarded message -----
From: bkafka
To: adapt@adapt.org, national@adapt.org
Subject: Letter to President Clinton
Date: Mon, 13 Jul 1998 15:44:16 -0500
Message-ID: <19980713.162915.3286.3.bkafka@juno.com>

The Honorable Bill Clinton
President of the United States
The White House
Washington, DC 20000

July 13, 1998

Dear President Clinton:

Two representatives from ADAPT met with you at the White House on September 10, 1997. The issue of home and community services was a major topic of discussion at this meeting.

During this meeting, you directed your staff to work on initiatives that would change the institutional bias of the long term service system. Almost one year has gone by since that meeting and the institutional bias of the long term care system continues virtually unchanged.

The workgroup established after the September 10th meeting co-chaired by Sally Richardson, Medicaid Director and Bob Williams, Deputy Assistant Secretary for Disability, Aging, and Long Term Care has been embarrassingly ineffective. The minor policy changes they have made do not begin to address the enormity of this problem.

Recently HCFA sent out a small grant proposal to the states that has absolutely no

relation to what ADAPT had in mind when the "Date Certain" concept was discussed with staff. The concept of "Date Certain" was to select a date, when in 6-10 states, ALL individuals in Medicaid funded nursing homes and other Institutions were to be given "the choice" of using that money for home and community services. The proposal sent out by HCFA has absolutely no resemblance to what we had agreed upon except for using the "Date Certain" rubric.

Does the problem lie in your commitment or your staff's unwillingness to execute that commitment?

Nancy Ann Min DeParle, HCFA Administrator has gone back on her commitment to continue the working relationship ADAPT had with the former Administrator and she refuses to answer our letters. Does Ms DeParle's lack of responsiveness represent your Administration's commitment to the issue?

Delay tactics and paternalistic, token gestures are all the disability community has been fed since the September 10th meeting.

Our questions to you are simple: Will you make deinstitutionizing people with disabilities, old and young, a priority for your Administration? Will you make a major budget initiative for home and community services in your next budget? Will you initiate a REAL "date certain" project?

At the September 10th meeting you exhibited a knowledge of the political problems associated with tackling this issue. ADAPT also recognizes the complexity of the problem.

You, as President, need to show the same leadership in the area of long term services that you are showing in the areas of child care, race and Social Security. Until long term services is raised politically as an issue your Administration is committed to, Congress will not act and people with disabilities will continue to be warehoused in nursing homes and other institutions.

ADAPT wants to work with your Administration to change the institutional bias of the long term care system. However, our goal is attendant service not lip service. Please respond by August 13, 1998.

For an Institution Free America,

M.W. Auberger Stephanie Thomas Bob Kafka Mike Oxford

Organizer Organizer Organizer
Organizer

ADAPT
P.O. Box 9598
Denver, Colorado 80209
303/333-6698
512/442-0252

----- End forwarded message -----

Briefing for Meeting with Secretary Herman and Tony Coelho on President's Task Force on Employment of Adults with Disabilities

Summary

As Chair and Vice-Chair of the new President's Task Force on Employment of Adults with Disabilities, Secretary Herman and Tony Coelho want to brief you on their progress since their work began in March. They also will request that the President do an event in the coming days to commemorate the eighth anniversary of the Americans with Disabilities Act. (The anniversary is July 26.) Their concept is that the President would acknowledge the anniversary at a small event where he would sign some Presidential directives prepared by the Task Force. We are currently vetting these potential directives, some of which have significant budget implications. Moreover, the President may not have time to do such an event in the first place.

We recommend that you listen to their progress report, congratulate them on their work to date, and hear their arguments for an event, but hold open the question of whether an event is possible.

Background

In March of this year, the President signed an executive order creating this Task Force. Its mandate is to determine what the federal government can do to help bring the employment rate of adults with disabilities to a rate "as close as possible" to that of the general population. The Task Force is composed entirely of Administration agency heads, including those at HHS, SSA, Education, Treasury, Commerce, Transportation, SBA, VA, EEOC, OPM, and the National Council on Disability. It has met once so far, although its staff and subcommittees have been quite active.

The Task Force is mandated to issue its first report on November 15, with subsequent reports in 1999, 2000, and 2002. However, Alexis and Tony have decided to issue an early report now, at their second meeting in July, to show that the Task Force will move quickly to address issues so critical to the disability community.

The proposal for the President's signing of the Executive Order grew partly out of the disability community's dissatisfaction with our recent progress on issues important to them. In early 1997, you met with a group of Administration appointees with disabilities, led by Marca Bristo, where the group expressed its strong support for the President but stated that they felt disability issues too often took a back seat to other Administration initiatives. In September 1997, the President met with a group of disability advocates, where he spoke knowledgeably about disability issues, and endorsed the idea of a task force. He signed the executive order in March.

(Tony's role in the Task Force arises from his role as Chair of the President's Committee on Employment of People with Disabilities, as well as his own longstanding interest in this subject as a person with a disability. Alexis and DOL had not previously been very involved in these issues, but have embraced them since we made the decision to have DOL chair the Task Force.)

Specifics of Event Request

Alexis and Tony would like an event in the Roosevelt Room with 25-30 representatives of the disability community. Their proposed format is (1) Alexis and Tony would present the President with their July report; (2) the President would sign some directives they have prepared; and (3) the President would make brief remarks acknowledging the anniversary.

Alexis and Tony submitted an earlier request to Scheduling for a much larger event -- for the President to attend a meeting of the Task Force before an audience of 200. There was little interest here in such an event, and they have now scaled back their request.

Substantive Concerns

There are two unresolved problems with the task force's suggestions for immediate action by the President, and therefore with the concept of an event itself. First, most of their suggestions either cost money that we have not yet agreed to spend, or they are fairly small items that may not rise to the level of a Presidential directive. (See attached summary of suggestions.) Therefore, we are trying to sort through this hodge-podge to determine whether there is enough meat to warrant a Presidential event, should we decide to hold one. Alexis and Tony are pushing us either to commit money in the FY2000 budget or, at a minimum, to have the President direct agencies to propose specific items for inclusion in the budget. OMB is concerned about boxing in the Administration at this early point, but may be open to a Presidential directive that would direct agencies to consider ways to help adults with disabilities participate in the workforce as they develop their proposals for the FY2000 budget, with the understanding that agencies still must operate within overall budget constraints.

Second, this event would come at an awkward point in the debate on health insurance for people with disabilities who go to work. The disability community's top priority is legislation to allow people to keep Medicaid or Medicare when they leave the SSI or SSDI rolls to return to work. Senators Jeffords and Kennedy have introduced a bill with a cost of \$5 billion over five years that is tremendously popular with the community. In addition to the tremendous difficulty of finding \$5 billion in offsets, we have major policy concerns with the bill (e.g., partial benefit

package, means-testing of Medicare, not the most efficient use of resources).

We have been silent about the bill publicly, but are now working quietly with Jeffords and Kennedy on a lower-cost alternative. However, it is highly unlikely that we could reach agreement with the Hill on this issue within the next week or so. OMB strongly opposes any commitment on Kennedy-Jeffords at this juncture.

Alexis and Tony are aware of these issues, but are still optimistic that we will resolve the health issue or find some middle ground. They also believe that it would be worse for there to be no event at all. At the meeting, Tony may push very hard for the President to announce something substantive (like support for Kennedy-Jeffords or its principles) in July, and argue that it is critical for the Task Force to demonstrate early that it can move the Administration on a major issue. However, we could also wait until the Task Force's first official report in November to make any major policy announcements.

Talking Points

- Thank you so much for your hard work on this critical issue in the four months since the President signed the Executive Order in March. I understand that the Task Force has gotten off to a very strong start.
- Thanks especially to Seth Harris [counselor to Secretary Herman, who has organized the work of the Task Force to date] and to Becky Ogle [newly named Executive Director of the Task Force; an activist who handled disability issues for the 1996 campaign].
- In spite of advances in civil rights and technology that should make it possible for more of the 50 million Americans with disabilities to work, I know that far too many do not, especially those with severe disabilities. Determining how to remove barriers to work for people with disabilities is the critical work that we have asked the Task Force to undertake. I assure you of our commitment to work constructively with you and to consider seriously all the recommendations you make.
- Because of the President's busy schedule, it is not clear at this time whether he can do an event. However, I know you have been working productively with staff from Scheduling, DPC, NEC, and OMB. I encourage you to continue to do so over the next few days as we determine whether an event is indeed possible.

[If you are pressed to announce support for Kennedy-Jeffords or one of the other proposals with a budget impact:]

- Unfortunately, at this point we have not completed the process we must go through that would allow us to announce support for a new health initiative or a new tax credit. As I think you know, staff here are very actively engaged in working with you to complete that process. At the same time, we are evaluating several of your other suggestions for Presidential directives that do not raise budget questions. The staff here can say more about that.

Suggestions by Task Force for Immediate Presidential Action

Major Proposals with Budget Impact

- New health initiative that is an "incremental step" toward Kennedy-Jeffords. (Anything less than Kennedy-Jeffords itself may not satisfy the disability community.)
- New tax credit for employers and/or individuals with disabilities with extraordinary disability-related expenses, such as assistive technology or a personal assistant.
- New BRIDGE grant program for states and locals to better coordinate assistance for those seeking to return to work.

The task force proposes that the President direct relevant agencies to propose these items for inclusion in the FY2000 budget. An alternative approach is for the President to direct agencies to consider ways to help adults with disabilities to participate in the workforce as they develop their proposals for the FY2000 budget, but recognize the challenges we face in maintaining fiscal discipline and be consistent with budget guidelines established by the Administration.

Other Presidential Directives (still being vetted by OMB and agencies)

- Direct SBA to educate people with disabilities about eligibility for Section 8(a) program.
- Direct HHS to inform states and people with disabilities about a new Medicaid buy-in that the Administration proposed and championed, and that was enacted as part of the Balanced Budget Act last year. It will help people with disabilities keep health coverage under Medicaid as their earnings increase. (This is our answer to Kennedy-Jeffords, but unfortunately no states have yet embraced this state option.)
- Direct federal agencies to evaluate whether the technology they use is accessible to employees with disabilities, as called for in legislation we support.
- Direct federal agencies to make their Internet sites accessible by July 1999.
- Direct OMB to ensure that federal agencies know they are no longer under headcount ceilings that formerly served as a disincentive for them to hire people with disabilities who need a personal assistant, such as a reader for a blind employee.
- Challenge Congress to extend the Work Opportunity Tax Credit and Welfare-to-Work Tax Credit, and direct federal agencies to publicize that the credit can be used to hire people in the federal SSI and vocational rehabilitation programs.
- Direct DOJ and EEOC to develop a public education campaign on ADA requirements.
- Direct EEOC, DOJ, and SBA to educate small businesses about ADA requirements.

- Direct federal agencies to ensure that people with disabilities are integrated into One-Stop Centers, and that America's Job Bank is accessible to people with disabilities.
- Direct VA and Labor to work better together to return disabled veterans to work.
- Direct federal agencies to increase the number of student interns with disabilities.
- Direct agencies to encourage universities to increase the number of candidates with disabilities for the Presidential Management Interns and Presidential Scholars programs.
- Direct DOT to do a better job on outreach on the ADA and other laws.

Presidential Challenges or Statements

- Challenge Congress to enact "Ticket to Work and Self-Sufficiency" proposal that is based on an Administration proposal and has now been passed by the House.
- Challenge Congress to pass the Patient Bill of Rights, to help people with disabilities who move from the disability rolls to private employment and health insurance.
- Challenge Congress to reauthorize the Rehabilitation Act.

July 21, 1998

**PRESIDENTIAL TASK FORCE ON EMPLOYMENT
OF ADULTS WITH DISABILITIES**

PROPOSED DIRECTIVES FOR THE END OF JULY

The following list of proposed directives are in descending order of importance to the disabled community. (Directives 1-3 would be considered the most exciting because they have budget implications; 4-11 would be moderately exciting; and 12-18 would be, well, interesting to the community.) Also included are four proposed Presidential "challenges."

Directives with Budget Implications

1. *The President directs the Department of Health and Human Services, Social Security Administration, Office of Management and Budget, and the Treasury Department to propose for inclusion in the President's FY 2000 budget provisions that would expand Section 4733 of the Balanced Budget Act of 1997, which currently allows states to provide Medicaid coverage to working individuals with disabilities at a premium according to an income-related sliding scale. (This directive is an incremental step or place-holder toward Kennedy/Jeffords. Chris Jennings and others at DPC are diligently working toward a compromise with Kennedy/Jeffords.)*

Principals
HTG

The disability community is actively involved in efforts to pass the Kennedy/Jeffords legislation which does more to address the needs of employment of adults with disabilities than any current legislative initiatives. And, they would like the Administration to support the bill as well. This directive would support the principles in Kennedy/Jeffords without supporting specifics in the bill and therefore would meet the disability community part-way. The downside is that the disability community may not view this support as adequate.

2. *The President directs the Department of Treasury to propose, as part of the President's FY 2000 Budget, a tax credit for employers and/or individuals with disabilities who have extraordinary disability-related expenses such as assistive technology or personal assistance services.*

PRINCIPALS
HTG

Working adults with disabilities often have a disincentive to work because of the high cost of personal attendant services. Similarly, the cost to employers of hiring an individual requiring personal attendant services can be prohibitive. Therefore, a tax credit for work-related assistance services would have a positive impact on the employment of individuals with disabilities.

- X 3. ***The President directs the Labor Department, Education Department, Social Security Administration, Small Business Administration, Transportation Department, Commerce Department, Health and Human Services Department, and Veterans Affairs Department to propose for inclusion in the President's FY 2000 budget the Building Resources for Individuals with Disabilities to Gain Employment (BRIDGE) program. The purpose of this proposed grants program is to increase the employment rate of adults with disabilities by fostering interdisciplinary consortiums of and service integration by providers of services to adults with disabilities at the state and local level.***

Because adults with disabilities often require services and resources from a variety of places (such as health care and transportation), if agencies and departments are not well coordinated it can be difficult for the disabled to have adequate information to obtain and retain employment. This program would help facilitate such coordination by providing planning grants to organizations to create partnerships between the many agencies serving the disabled community.

NOTE: OMB is strongly opposed to including any language which directs the agencies to propose specific items for inclusion in the FY00 budget, as this bypasses the budget process. They would prefer to replace proposals 1-3 with something along the lines of the following:

The President directs all agencies to consider ways of helping adults with disabilities to participate in the workforce as they develop their proposals for the FY2000 budget while recognizing the challenges that agencies and the government face in maintaining fiscal discipline in a manner that is consistent with the guidelines established by the Administration.

Moderately Exciting Directives

4. ***The President directs the Small Business Administration to launch a new outreach campaign to educate Americans with disabilities who own or want to start their own businesses about increased access to the Section 8(a) program and to the untapped advantages of being "a small socially and economically disadvantaged business (SDB)."***

Section 8(a) provides contracting opportunities for disadvantaged businesses. An outreach campaign would improve information to the disabled community about their eligibility for this program. [This option is still be vetted with SBA

and OMB.]

- 
5. ***The President directs the Department of Health and Human Services to take all necessary actions to inform Governors, state legislators, state Medicaid Directors, consumer organizations, employers, providers and other interested parties of the new Medicaid buy-in options in the Balanced Budget Act that would assure medical insurance for workers with disabilities and people with disabilities seeking employment.***

This directive is important because many Governors, state Medicaid Directors, consumer organizations, employers and other interested parties are simply unaware of the new provisions in the Balanced Budget Act.

6. ***The President directs all federal agencies and departments to evaluate whether the electronic and information technology they use are accessible to federal employees with disabilities as required by the Administration's proposed reauthorization changes to Section 508 of the Rehabilitation Act of 1973, as amended. Each agency and department will submit a report containing this evaluation to the Attorney General by not later than 6 months after the enactment of the new law. The General Services Administration and the Access Board will provide technical assistance to other federal agencies and departments concerning existing technical and functional performance criteria and evaluation tools.***
7. ***The President directs all federal agencies and departments to make their Internet sites accessible to individual with disabilities by July 1, 1999. The President further directs the Council of Chief Information Officers to provide technical assistance and guidance consistent with the universal design guidelines established through the joint Federal Government-World Wide Web Consortium Web Accessibility Initiative initiated by the White House last year.***

The previous two proposed directives would highlight that the Federal government is committed to making its computer and electronic devises accessible to individuals with disabilities.

8. ***The President directs the Office of Management and Budget to inform all federal agencies and departments about the rules governing the budget and personnel status of Schedule A readers, interpreters, or other personal assistance service providers providing reasonable accommodations to federal employees as required by Section 504 of the Rehabilitation Act. The President further directs Office of Personnel Management periodically to distribute and update information on the use of special non-competitive hiring authorities, including those relating to disabled veterans and Schedules A and***

B for use by federal managers and supervisors with hiring authority.

Because many departmental and agency officials are unaware of the rules governing the acquisition of special devices and services for the disabled, improving this information would increase hiring of adults with disabilities in the Federal government.

- 9. ***The President directs the Department of Justice and the EEOC to develop a public education campaign to provide information regarding the requirements of the Rehabilitation Act and the Americans with Disabilities Act to employers, employees and others whose rights may be affected, with special attention to under-served constituencies.***

- 10. ***The President directs the EEOC, the Department of Justice, and the Small Business Administration to increase educational outreach to small businesses regarding their obligations under the Americans with Disabilities Act.***

The previous two proposed directives would increase information to employees, employers, and others regarding the rights of individuals with disabilities.

Interesting Directives

11. ***The President directs the Department of Labor to assure that America's Job Bank and America's Talent Bank are accessible to individuals with disabilities seeking employment.***

This directive highlights that the Federal government is committed to making its services accessible to individuals with disabilities.

12. ***The President directs the Departments of Labor, Education, Health and Human Services, Veterans Affairs, Transportation, the Small Business Administration, and the Social Security Administration to assure that all appropriate programs relating to the employment of adults with disabilities are integrated into the One-Stop Career Center system.***

Because the interpretation of the principle of universality has been left to the local One-Stop Centers, the disability community concerned that their interests are not adequately represented in many One-Stop Centers. This directive would encourage the One-Stop System to integrate consumers with disabilities into their system.

13. ***The President directs the Veteran's Administration Vocational Rehabilitation***

and Counseling Service (VR&C), in cooperation with Department of Labor's Veterans' Employments and Training Services (VETS) and State Employment Security Agencies, to conduct a program of training for line service providers in skills related to competent and progressive employment services case management. VR&C and VETS management shall report the results of this training initiative to the Task Force by December 1, 1998.

This directive attempts to minimize duplication within the Federal government by encouraging two systems that have historically not worked together to do so in order to achieve the common goal of increasing the employability of adults with disabilities.

- 14. The President directs all federal agencies and departments to work with the President's Committee on Employment of People with Disabilities to increase the number of qualified student interns with disabilities who are hired in FY 1999 and beyond.***
- 15. The President directs the Department of Education, the Social Security Administration, the National Council on Disability, and the President's Committee on Employment of People with Disabilities, in cooperation with the Office of Personnel Management, to encourage colleges and universities to increase the number of qualified candidates with disabilities nominated to be hired by federal agencies and departments in FY 1999 under the Presidential Management Interns and Presidential Scholars programs.***

The previous two directives are aimed at increasing the employment of young adults with disabilities in the Federal workplace. Young adults with disabilities are often overlooked and underutilized in activities that relate to opportunities for employment in the Federal government and improved access to these programs would provide them with long-sought opportunities.

- 16. The President directs the Department of Transportation to develop a single point-of-contact and extensive outreach strategy for technical assistance and public information that clearly explains the rights and protections of these Acts.***
- 17. The President directs the Department of Transportation to analyze and prepare materials explaining the new Transportation Equity Act's provisions applicable relating to people with disabilities and to include these materials in DOT's outreach and public meetings on the law.***
- 18. The President directs the Department of Transportation to address disability-related transportation issues in the deployment of the Intelligent***

Transportation System.

The previous three proposed directives highlight the importance of accessible transportation for adults with disabilities. The disability community has been unhappy with DOT's unwillingness to enforce the rights and protections of the ADA, Air Carriers Access Act, and other provisions that they enforce. These proposed directives would ease some of their concerns about DOT, but would fail to address the larger concerns of vigorous enforcement of their rights.

Presidential Challenges

1. ***The President challenges Congress to enact, before adjourning this year, the Ticket to Independence. The Ticket would provide resources for and allow customer choice in the selection and purchase of necessary services to enable adults with disabilities to find and keep gainful employment.***

Both the Administration and the disability community actively support the Ticket to Independence provisions as passed by the House of Representatives last month.

2. ***The President challenges Congress to extend the work opportunity tax credit (WOTC) and the welfare-to-work tax credit through April 30, 2000. The President directs the Labor Department, the Education Department, the Small Business Administration, the Social Security Administration, and the Veterans Affairs Department to provide guidance to their respective systems and other interested parties to maximize opportunities for employers of vocational rehabilitation and Supplemental Security Income recipients to use the Work Opportunities Tax Credit.***

This directive is intended to improve employment outcomes for veterans in vocational rehabilitation by assuring that they are served by staff skilled in case management in a coordinated VA and DOL service delivery system.

3. ***The President challenges Congress to enact, before adjourning this year, a Patients' Bill of Rights. The Bill of Rights would require a choice of providers including provider network adequacy provisions, access to specialist, information disclosure, transitional care provisions; access to emergency room services; participation in treatment decisions including anti-gag clauses and requiring disclosure of financial incentives; protection of the confidentiality of health information; anti-discrimination provisions; and access to an appeals process. All of these issues are relevant to the assessment made by adults with disabilities of whether seeking and remaining in employment will address their need for good-quality, responsive health care.***

Often adults with disabilities are left out of the mainstream debate over managed health care because many mistakenly believe that disabled individuals do not participate in such plans. It would be significant for the President to include the disabled community in this otherwise mainstream discussion of health care.

4. ***The President challenges Congress to reauthorize the Rehabilitation Act of 1973, as amended, before adjourning this year.***

The Rehabilitation Act authorizes provisions of anti-discrimination in the federal sector, and establishes and funds Centers for Independent Living across the country. Presidential support reinforces the Administration's recognition of its importance.

Jordan Tamagni

07/29/98 11:31:41 AM

Record Type: Record

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

cc:

Subject: Revised ADA Draft

Revised Draft 7/29/98 11:30am

Sarah Bianchi/Jordan Tamagni

**TALKING POINTS FOR DROP BY MEETING
ANNIVERSARY OF AMERICANS WITH DISABILITIES ACT
THE WHITE HOUSE
July 28, 1998**

Acknowledgments: Sec. Herman; SBA Administrator Aida Alvarez; Social Security Commissioner Ken Apfel; Office of Personnel Management Janice Lachance; Becky Ogle, Exec. Dir., President's Task Force; Tony Coelho, Vice Chair, President's Task Force; Justin Dart.

Today, I am proud to join you in celebrating the eighth anniversary of the **Americans with Disabilities Act**. I know I don't have to tell all of you what this historic law has meant for millions of adults and children with disabilities. It has opened doors that were closed for far too long -- from the workplace to the marketplace, from town halls to transportation systems, from restaurants to public restrooms, all across the country. But I can tell you what the ADA has meant to America. By helping to tap the incredible potential of people with disabilities, the ADA is helping us to build a stronger nation for the 21st Century.

For nearly six years, you and I have worked hard to expand opportunity for every American, leaving no one behind. Together, we fought to save the Medicaid program; we worked together to reauthorize the Individuals with Disabilities Education Act, insuring that all of our children can live up to their God-given potential. Now I am committed to working with you again to save Social Security first, and to pass a strong enforceable Patients' Bill of Rights that gives all Americans the protections they need to assure high quality health care.

Today, people with disabilities are more fully a part of American life than ever before. But when the unemployment rate for adults with disabilities is many

times higher than the national rate, when too many people with disabilities have to make an unthinkable choice between health care coverage and going to work, we must do more.

Last Spring, I appointed the President's Task Force on Employment of People with Disabilities. They have reported to me that too many workers and employers are not aware of the rights, responsibilities, and legal requirements of the ADA. Few, if any, states are acting on the new provision I fought for in last year's Balanced Budget Act that enables people with disabilities to buy into Medicaid, and keep their health insurance when they return to work.

We must ensure that the laws that we have worked so hard to pass fully serve the millions of Americans with disabilities. Today, I am signing an Executive Memorandum that directs the Justice Department, the Equal Employment Opportunity Commission, and the Small Business Administration to do everything in their power to insure that employers and workers across the country are fully aware of the ADA. I am also directing the Department of Health and Human Services to work with the states and the disability community to take full advantage of the Medicaid disability buy-in provision.

I am committed to working with Senator Jeffords and Senator Kennedy to pass feasible, affordable legislation that builds on our efforts to help people with disabilities to keep their health insurance -- under Medicaid and Medicare -- when they return to work. I want to thank Senator Jeffords and Senator Kennedy for their leadership. I am hopeful that working together we can pass a strong bill this year.

Finally, we have to do more to make sure that our public programs help people with disabilities to live in their communities, not institutions. We believe that the ADA -- and recent court opinions -- require states to provide more services to people with disabilities to help them live independently. Today, the Health Care Financing Administration is sending a letter to every state Medicaid director that says: if a person with a disability could live in a community with the right mix of support services, states must take reasonable steps to ensure they can.

With these steps, we will help to realize the full promise of the ADA for millions of Americans. This month, Vice President Gore announced our plan to build at the FDR Memorial a new statue of President Franklin Roosevelt in the wheelchair from which he led our nation -- a wheelchair he felt he had to hide. We have come a long way since those days -- but you and I know that we still have much to do. We cannot rest until every American is measured not by their disabilities, but by their drive and their dreams. I am confident that working together, we will reach that day soon.

And now, I will sign the Executive Memorandum to improve health care and

expand employment opportunities for thousands of Americans with disabilities.

Message Sent To:

Peter A. Weissman/OPD/EOP
Melissa G. Green/OPD/EOP
Sarah A. Bianchi/OPD/EOP
Diana Fortuna/OPD/EOP
Michelle Crisci/WHO/EOP

Disability Act

**THE PRESIDENT COMMEMORATES SIGNING OF THE AMERICANS WITH
DISABILITIES ACT BY TAKING ACTIONS TO
INCREASE EMPLOYMENT AND IMPROVE HEALTH CARE FOR
PEOPLE WITH DISABILITIES**

July 29, 1998

Today, in commemoration of the eighth anniversary of the Americans with Disabilities Act (ADA), the President is signing an Executive Memorandum aimed at increasing employment and health care options for people with disabilities. He is also announcing the release of a letter to Medicaid Directors clarifying that the ADA obligates states to offer appropriate community based services. Finally, to build on these actions, the President is also announcing his commitment to work with Senator Jeffords and Senator Kennedy to pass affordable, feasible legislation to help people with disabilities maintain their health care coverage and return to work. Today, the President met with his Task Force on Employment of People with Disabilities and advocates of people with disabilities. In this meeting, the President is:

Signing A New Presidential Memorandum to Increase Employment and Health Care Options for People with Disabilities. While the ADA has been critically important to people with disabilities, significant challenges remain. Since 1993, 15 million new jobs have been created. But the unemployment rate among the 30 million working-age adults with disabilities continues to be much higher than that of the general population -- close to 75 percent for people with significant disabilities. The President signed an Executive Memorandum that will direct the relevant agencies to:

- Expand Public Education About the Americans with Disabilities Act. Although more and more Americans are becoming aware of the ADA, too many employers and employees do not know their rights and responsibilities under the ADA. Today, the President is directing the Attorney General, the Chair of the Equal Employment Opportunity Commission, and the Administrator of the Small Business Administration to expand public education about the requirements of the Americans with Disabilities Act of 1990 to employers, employees, and others whose rights may be affected, with special attention to small businesses and under-served populations.
- Increase Information About New Medicaid Buy-in Option. Many people with disabilities are not able to leave Social Security programs to return to work because they will lose their health care coverage. As part of last year's Balanced Budget Act, the President signed into law a new state option to allow individuals with disabilities who return to work, the ability to purchase critically necessary Medicaid coverage as their earnings increase. Today, the President is directing the Secretary of the Department of Health and Human Services to ensure that Governors, state legislators, and state Medicaid directors work with consumer organizations to take advantage of this important option.

Issuing Letter Clarifying That ADA Obligates States to Offer Appropriate Community Based Services. Recent court cases, including Helen L. vs. DiDario, have interpreted the ADA to require states to provide Medicaid services in the “most integrated setting appropriate” to people with disabilities. Today, the Health Care Financing Administration (HCFA) is sending a letter to all State Medicaid Directors clarifying that under these standards, if an individual living in a facility could live in a community with the right mix of support services, reasonable steps should be taken to provide community based services provided it does not fundamentally alter the state program.

Announcing Support For Policies to Improve Health Options for Working Adults With Disabilities. The President also announced his strong commitment to work with Senators Jeffords, Kennedy, and other Members of Congress to pass affordable, feasible legislation that helps people with disabilities maintain their health care coverage and return to work. The Jeffords-Kennedy proposal would increase Medicaid options and state resources for people with disabilities. It would also allow all Americans receiving Social Security Disability Insurance to retain their Medicare when they return to work, eliminating a provision in current law that often requires people with disabilities to choose between work and health insurance. The President directs the Administration to utilize all of its policy and budgetary expertise at HHS, the Office of Management and Budget, and the White House to work towards the passage of affordable legislation before the Congress adjourns this year, consistent with the Administration’s commitment to preserving the budget surplus.

disability &
100 hour rule

THE WHITE HOUSE

WASHINGTON

June 11, 1998

Bruce/Gene-

TO: Bruce R., Gene S.
FROM: Chris J., Diana F., Jeanne L.
RE: Resolving the Medicaid "100-Hour Rule" issue
cc. Elena K., Sally K.

Please, in particular, read
the "our thoughts" section. Has
much broader implications than
just this "100 hour rule" issue.
We may want to ask Jack Lew
for a principals meeting. Thanks

This is an update on an important Medicaid coverage issue that we would like to resolve as soon as possible, but that may be at an impasse. HHS has proposed a regulatory change to the definition of an unemployed parent for Medicaid purposes (i.e., allow alternatives to defining "unemployed" as working less than 100 hours per month). This change gives states the option of allowing two-parent families meeting the other eligibility criteria to qualify for Medicaid. States with pre-welfare reform waivers of this provision say it's important both in their welfare to work efforts and in encouraging two-parent families. However, the Actuaries have estimated that, for the 17 or so states without a pre-welfare reform waiver of this rule, this reg will cost about \$850 million over 5 years. OMB, HHS and White House staff all support the policy, and it is an important reg to the Governors. However, OMB is currently insisting that HHS find an offset for its cost since they are uncomfortable with its size. HHS has refused to do so because it is: (1) virtually impossible for OMB and HHS to find this amount in Medicaid (particularly in a way that the States will support), (2) against HHS policy and politically unviable to use Medicare savings to offset Medicaid costs, and (3) an OMB policy that has not been used in other health reg during this Administration.

We would like to get a decision on this issue, one way or the other, for two reasons. First, states and advocates continue to ask for this reg and wonder why it is delayed; and, second, if we decide to go forward with this reg, we would like to announce it at the Family Conference on June 22. We think that OMB and HHS may be trying to work out this issue tomorrow, but think that we ought to weigh in as well, especially if it does not get resolved.

BACKGROUND

"100-hour rule." The proposed regulation would allow states to cover two-parent families that meet other state Medicaid eligibility rules. It would do so by changing an old AFDC "deprivation" requirement that restricted AFDC / Medicaid eligibility to families that include a child who was deprived of parental support or care by reason of death, absence (single parents), incapacity, or unemployment of the parent. The old AFDC regs defined "unemployment" as working less than 100 hours per month. Before welfare reform, 31 states received statewide and another 6 states received substate 1115 waivers of this rule because they thought it overly strict and anti-family. However, because welfare reform locked in place the rules in effect in 1996, states without those waivers want this change in regulation.

Post-welfare reform history. This reg was one of several that were contemplated immediately after welfare reform. In fact, had it been drafted in 1996, its costs probably would have been included in the Medicaid baseline released in January 1997. However, because of the huge regulatory schedule that resulted from welfare reform, this reg was put off. The final rule with comment was signed by Shalala and submitted to OMB on January 30, 1998.

On substantive health and welfare reform grounds, OMB, HHS and White House staff all support this policy. It not only allows states to align their TANF and Medicaid eligibility, but could serve as a way for states to cover low-income parents, should they choose to do so. This could be especially helpful in the tobacco debate.

OMB concerns. Since its submission, OMB expressed concern about the cost of this reg and recommended that HHS use a Medicare offset for this provision. Specifically, they worry about:

- **Spending the surplus:** Since this reg's costs were not included in the post-welfare reform baseline, they would represent an increase to the baseline / decrease in the surplus if not accompanied by an offset. This goes against both the BBA and the President's "Social Security First" pledge.
- **Bad precedent.** This reg's cost are high. Allowing it to be published without an offset could encourage agencies to ignore the cost implications of administrative changes, and could make OMB vulnerable on the Hill, which has become aware of this issue.

HHS reaction. HHS disagrees with OMB for two main reasons.

- **Not a new precedent.** HHS points to the fact that several regs (e.g., change in the timing of SSI payments \$10 million, SSI "bucket" reg \$1.4 billion over 5 years) that did or could have had cost implications were not required to have offsets.
- **Even if they concede the cost issue, no acceptable options.** HHS thinks that it would be nearly impossible to find a Medicaid administrative offset of this size, and have policy concerns about using non-Medicaid savings -- in particular, Medicare savings. Although HHS support reducing Medicare spending, they are concerned about both enacting them because of the regulation and the political challenge of explaining why a Medicare change is needed for a Medicaid regulation.

As much as they want the reg, they are not willing to come up with an offset for it.

Our thoughts. We believe that this reg is important and should be published one way or another. It would be particularly appropriate for the Family Conference, because it would give the President an opportunity to talk about how he has changed Medicaid from being a program for single mothers to families. It also can help us fight off States desire to use CHIP for adults.

However, we think that there is a bigger issue here. While OMB is right that such a reg could decrease the surplus, the decision to hold regulatory actions to the same budget rules as legislative actions has important ramifications. First, it may result in delays in publishing regs, since agencies may start holding regs with savings so that they can be published at the same time as with regs with cost. Forcing a coupling of regs with savings and costs could cause political as well as policy problems. Second, we are already uncomfortable with the extent to which often extremely uncertain cost estimates influence policy decisions. Given that reg effects are typically smaller and probably more difficult to estimate, we don't think making cost estimates the central concern in whether to publish a reg is good policy. Third, it is only a small step from requiring an offset for a regulation to requiring an offset for other administrative actions (e.g., executive orders, Secretarial initiatives). Should the offset requirement be broadly applied, we are, in essence, placing a new, important restriction on executive authority. And, lastly, at a time when the Congress is rushing to spend the budget surplus, a legitimate question needs to be raised about the advisability of restricting our ability to address priorities administratively, consistent with our legal authority, even if there are cost implications.

We have had preliminary conversations with OMB, and they may eventually give on this reg if HHS promises to find offsets for all future regs. We are hoping to have some news tomorrow and will keep you informed.

~~CJ/DJ/PP~~
This does need to be discussed.
I want to hear Jack's view.
We may need a small universal
with us, Jack + Larry's First

THE WHITE HOUSE
WASHINGTON
June 11, 1998

Bruce/Gene-

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FROM: Chris J., Diana F., Jeanne L.
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FOR CHRIS

If we want to announce
100-hour rule, need to ~~do~~
set this up tomorrow or Wed.

June