

▶ **Jennifer M. Forshey**
12/18/98 05:34:17 PM

Record Type: Record

To: Cynthia A. Rice/OPD/EOP
cc:
bcc:
Subject: Re: child support 

The NHSC child support provision does not have any budgetary applications. The language will not go up in the Budget because HHS generally does not operate in this way (except for a few mandatory language issues). HHS will send a letter to the Hill in the spring highlighting specific things that they would like to achieve -- the child support provision is likely to appear in this letter.

I hope this answers your questions.

Cynthia A. Rice

 **Cynthia A. Rice** 12/16/98 03:49:00 PM

Record Type: Record

To: Jennifer M. Forshey/OMB/EOP@EOP
cc:
bcc:
Subject: Re: child support 

Thanks. We like this proposal too. Does it have any budget implications? Are you envisioning that this language would go up as part of the budget or separately?
Jennifer M. Forshey

▶ **Jennifer M. Forshey**
12/16/98 03:37:38 PM

Record Type: Record

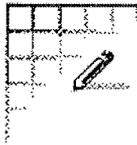
To: Cynthia A. Rice/OPD/EOP
cc:
Subject: child support

We did receive a legislative proposal seeking to authorize the NHSC and Loan Repayment Program

to require that applicants for assistance certify that they are not delinquent on any child support payment in order to be eligible to receive assistance under the program.

We had no objection to the proposal and so informed LRD, who will in turn inform HHS. Please call if you have any questions. (5-7788)

----- Forwarded by Jennifer M. Forshey/OMB/EOP on 12/16/98 03:29 PM -----



Michele Ahern
12/14/98 06:03:40 PM

Record Type: Record

To: Jennifer M. Forshey/OMB/EOP@EOP

cc:

Subject: Budget Question

Jen - Cynthia Rice at DPC sent the attached email this morning asking about the status of two HHS proposals relating to child support enforcement. The second one has to do with the National Health Service Corps Scholarship Program. If this is something in your area, could you tell me if there's been a decision about this?

Thanks.

----- Forwarded by Michele Ahern/OMB/EOP on 12/14/98 06:04 PM -----



Cynthia A. Rice

12/13/98 09:26:53 PM

Record Type: Record

To: Michele Ahern/OMB/EOP@EOP

cc:

Subject: Budget Question

Can you tell me if the budget includes two health related child support provisions proposed by HHS (which sound like a good idea to us):

- 1) Authorized the Secretary to Prohibit Medicare Enrollment and Exclude Individual Physician and Other Practitioners Who are Delinquent in Child Support Payments
- 2) Authorize the National Health Service Corps Scholarship and Loan Repayment Programs to make applicants for assistance certify that they are not delinquent on any child support payment.

DEPARTMENT of HEALTH & HUMAN SERVICES
ASSISTANT SECRETARY for PLANNING & EVALUATION



OFFICE of HUMAN SERVICES POLICY

Phone: 202-690-7409 FAX: 202-690-6562

From: Barbara Beaton To: Cynthia Rice

Division: _____ Division: _____

City & State: _____ City & State: _____

Office Number: _____ Office Number: _____

Fax Number: _____ Fax Number: 456-7431

Number of Pages: 6

Remarks: _____

HHS-2000/02
10/21/98

HEALTH AND HUMAN SERVICES
FISCAL YEAR 1999 LEGISLATIVE PROPOSAL

Delinquent Child Support Payers

Authorize the Secretary to Prohibit Medicare Enrollment and Exclude Individual Physicians and Other Practitioners Who Are Delinquent in Child Support Payments

Current Law: Physicians and other practitioners may enroll in and receive direct payments from the Medicare program whether or not they are delinquent in their child support payments.

Proposal:

- o Authorize the Secretary to prohibit Medicare enrollment of individual physicians and other individuals who are authorized to bill Medicare directly who are delinquent in child support payments. (Individuals applying for initial enrollment would continue to sign the certification already in use affirming that they agree to abide by applicable laws.)
- o Authorize the Secretary to exclude individual health care providers from all Federal health care programs when physicians and other individual practitioners fail to make reasonable efforts to eliminate their delinquent child support payment balances.

Rationale: This proposal would support the Administration's efforts to ensure that Federal payments are not made to individuals who are delinquent in their child support payments. The Secretary should have authority to take action on a case-by-case basis against individual physicians and other individual practitioners enrolled in the Medicare program who are persistently in arrears in their child support payments, as determined by the Office of Child Support Enforcement, Administration on Children and Families.

It is most logical to exclude physicians and individual practitioners who are delinquent in child support payments from initial enrollment in Medicare, since at that time they do not already have a relationship with Medicare beneficiaries.

Once Medicare beneficiaries already have a relationship with a physician or individual practitioner who is enrolled in Medicare, the situation becomes more complex. Exclusion of an individual health care provider who becomes delinquent in child support has to be balanced with possible disruption of services to a beneficiary who is currently in the care of that individual provider. Some physicians, moreover, could enter and leave the Medicare program periodically, depending upon the current status of their child support payments, resulting in a cost to the Medicare program and confusion for beneficiaries.

Effect on Beneficiaries: For exclusions that are undertaken only for initial enrollment and on a discretionary basis for enrolled providers, there should not be a major impact upon beneficiaries. For termination, beneficiaries could experience some diminution of their choice of providers.

Cost: Medicare must review new applicants whether or not they are enrolled. There would be a minimal incremental cost to review these applicants for delinquent child support payments. However, it is extremely difficult to estimate the cost for excluding currently enrolled physicians and other practitioners who are delinquent in their child support payments. This cost is dependent upon the type and complexity of data match systems required.

BPHC-2000/01

HEALTH RESOURCES AND SERVICES ADMINISTRATION
FISCAL YEAR 2000 LEGISLATIVE PROPOSAL

Certification of Non-delinquency For Child Support Payments

Authorize the National Health Service Corps (NHSC) Scholarship and Loan Repayment Programs to make applicants for assistance certify that they are not delinquent on any child support payment.

Current Law: (1) Sections 338A and B of the Public Health Service Act make no provision to authorize use of child support compliance as a selection criterion. (2) NHSC scholarship and loan repayment funds can only be used for the purposes set forth in existing authorizing statutes. (3) Executive Order 12953, issued February 29, 1995, authorizes wage withholding of Federal employees in arrears on their child support obligations. (4) Executive Order 13019, issued September 29, 1996, authorizes the denial of "Federal financial assistance," which is defined as "any Federal loan (other than a disaster loan), loan guarantee, or loan insurance."

Rationale: The purpose of the proposed amendment is to seek the authority to comply with Executive Order 13019. There is a need to prevent Federal recruitment funds from reaching those "deadbeat parents" applying for the NHSC's scholarship and loan repayment programs.

Under current law, NHSC scholarship and loan repayment funds can be used only for the purposes set forth in the authorizing statutes (i.e., payment of tuition, qualifying loans, etc.). Consequently, scholarship and loan repayment funds already awarded to individuals delinquent on child support may not be offset for payment of the delinquent obligation.

Although Executive Orders 12953 and 13019 stipulate that the Federal Government should be a model employer and ensure that all Federal employees and individuals receiving Federal financial assistance fully comply with court mandated child support orders, these Executive Orders are not applicable to assistance provided through the NHSC scholarship and loan repayment programs. Neither NHSC scholarships nor loan repayment awards fall within the definition of "Federal financial assistance" as contained in Executive Order 13019. Presently, there is no assurance that individuals who are selected for NHSC scholarship and loan repayment awards are currently up-to-date in their child support payments.

For the purposes and needs stated above, we find: Legislation is needed before the NHSC scholarship and loan repayment programs can deny awards to applicants who are delinquent in their child support payments. This legislation, giving statutory authorization to use child support compliance as an enrollment factor, is necessary.

Effect on Beneficiaries: For purposes of this amendment, our beneficiaries are those individuals participating in the NHSC scholarship and loan repayment programs. The impact on our

beneficiaries includes the following:

(1) Compliance with court mandated child support orders will be a condition of eligibility.

(2) Between the time an individual applies and is selected for an award, a screening process will note whether the applicant has attested to child support compliance.

Family Impact: Although instances of delinquency in child support are rare within the NHSC scholarship and loan repayment programs, to the individual family harmed by this non-compliance, the impact is considerable. This new authority would be directed at preventing future child support "deadbeats" from entering the NHSC's recruitment programs.

For those parent applicants who take their child support responsibilities seriously, the impact would be measured in reactions to an additional line in the application package attesting to child support payments not in arrears. As dedicated parents, this requirement will hopefully be viewed as not burdensome.

Federalism Impact: None. With one additional application line (subject to OMB clearance) envisioned, and in the spirit of protecting the integrity of the Bureau's programs, no substantive Paperwork Reduction Act provisions or Privacy Act measures are believed involved.

Authorization Level: N/A

Contact Person: Libby Merrill (301) 594-4060