

# FOIA MARKER

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**Collection/Record Group:** Clinton Presidential Records  
**Subgroup/Office of Origin:** Press Secretary  
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**Subseries:**

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**OA/ID Number:** 11102  
**FolderID:**

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**Folder Title:**  
Adoption

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Stack:	Row:	Section:	Shelf:	Position:
S	94	3	10	1

4.30.97

**Press Guidance**  
April 30, 1997

### **H.R. 867 - ADOPTION PROMOTION ACT OF 1997**

Background: In February of 1997, at the request of the President, HHS submitted the *Adoption 2002* report -- to devise new ways to simplify the adoption process and to move children, at a faster rate, from foster care into permanent homes. H.R. 867 incorporates many of the recommendations included in the *Adoption 2002* report thus the Administration strongly supports House passage. Today, the House will take up the bill, which passed the Ways and Means Committee on April 23.

*See attached DRAFT SAP.*

Silverman  
Conversation with Jen Klein/ODP x62599

**DRAFT -- NOT FOR RELEASE**

April 29, 1997  
(House)

**H.R. 867 - Adoption Promotion Act of 1997**  
(Rep. Camp (R) MI and 31 others)

The Administration <sup>strongly</sup> supports House passage of H.R. 867 and applauds the bipartisan manner in which the bill was developed. H.R. 867 will further Administration and congressional efforts to ensure the safety, permanency, and well-being of children in the child welfare system.

**Pay-As-You-Go Scoring**

H.R. 867 would affect direct spending; therefore, it is subject to the pay-as-you-go requirements of the Omnibus Budget and Reconciliation Act of 1990. OMB estimates that the net effect of the adoption assistance incentive payments and lower foster care payments would be zero in each of FYs 1999-2003.

\* \* \* \* \*

**(Do Not Distribute Outside the Executive Office of the President)**

This position was developed by LRD (Haskins) in consultation with HRD (Fontenot/McKearn), BASD (Balis/Bavier), and OIRA (Bernstein/Bond). The Department of Health and Human Services (Wallace) and the Department of the Interior concur in this position. The Social Security Administration (Warner) had no objection to this position. The Departments of Justice (Jones) and the Treasury (Dorsey) as well as the Domestic Policy Council (Klein) had no comment.

**Administration Position to Date**

On April 8, 1997, the Department of Health and Human Services (HHS) testified in support of H.R. 867 before the House Human Resources Subcommittee. HHS also signaled its support for the bill in an April 23, 1997, letter to the House Ways and Means Committee.

**Background**

In a December 14, 1996, Executive Memorandum, the President asked HHS to devise new ways to simplify the adoption process and to move more children, at a faster rate, from foster care into permanent homes. After consulting with foster and adoptive parents, policy experts, and advocates at the national, State, and local levels, HHS submitted its *Adoption 2002* report to the President on February 12, 1997.

The *Adoption 2002* report examined the existing barriers to expedited placement of children from foster care homes into permanent homes. In particular, it focused on the varied interpretations of the current-law requirement to make "reasonable efforts" to reunify a child in foster care with his

or her family before adoption can be pursued for the child. The report also outlined a series of policy recommendations for meeting the President's directive to increase the number of permanent adoptions and challenged the Congress to pass legislation to help achieve this goal.

On February 27th, the House introduced H.R. 867. The bill incorporates many of the recommendations included in the *Adoption 2002* report. H.R. 867 was ordered reported by the House Committee on Ways and Means on April 23rd.

The Committee report on H.R. 867 is not yet available. The following summary is based on information provided by Ways and Means Committee staff.

### Major Provisions of H.R. 867

**"Reasonable Efforts"**. Under current law, States are required to make "reasonable efforts" prior to placement of a child in foster care to: (1) prevent or eliminate the need for removal of the child from his or her home; and (2) make it possible for the child to return to his or her home.

H.R. 867 would clarify that States are not required to make "reasonable efforts" in cases in which a court has found that a child has been subjected to aggravated circumstances as defined in State law. These circumstances include cases of parental: (1) abandonment; (2) torture; (3) chronic abuse; (4) sexual abuse; (5) involuntary termination of parental rights with siblings; or (6) commission of murder or manslaughter of another child in the home.

**Speedy Disposition of Children in Foster Care**. Under current law, a child who has been in foster care for 18 months is entitled to a dispositional hearing to determine his or her future status (e.g., whether the child should be returned to his or her parents, remain in foster care for a specified period, be placed for adoption, or remain in permanent or long-term foster care). H.R. 867 would shorten to 12 months the length of time a child must be in foster care before the dispositional hearing is held. In addition, it would change the name of the hearings to "permanency hearings".

H.R. 867 also would require States to file a termination of parental rights petition with the court once a child under the age of 10 years has spent 18 out of the past 24 months in State foster care unless the court finds that: (1) adoption is not in the best interest of the child; (2) the child is under the care of a relative; or (3) services that the State deems appropriate for the family have not been provided. This provision would only apply to children who enter foster care on or after October 1, 1997.

**Protections for Foster Parents and Relatives**. H.R. 867 would provide protections for foster parents and relatives of children in foster care. For example, the bill would require States to notify foster parents and relatives providing foster care of reviews and hearings regarding a child's placement.

Documentation of Efforts to Find Children Adoptive Homes. H.R. 867 would require States to document the steps taken to: (1) find an adoptive or other permanent home for a child with a permanency goal of adoption or other permanent placement, including placement in the custody of another fit and willing relative; and (2) finalize the adoption or placement. Such documentation must include child-specific recruitment efforts such as the use of State, regional, and national adoption exchanges, including electronic exchange systems.

Adoption Incentive Payments. Similar to the President's FY1998 Budget proposal, H.R. 867 would authorize a per child incentive payment to States that increase their annual number of finalized adoptions from the foster care system above the base year (FY 1997). Qualifying States would be eligible to receive \$4,000 for each child with a finalized adoption, and an additional \$2,000 per child for each special needs adoption. These bonuses would be paid beginning in FY 1999 and would be available for use by States for any activity or service allowable under title IV-B or IV-E of the Social Security Act. The payments would be provided through a capped entitlement equal to a total of \$108 million for all the States, payable over five years.

Advisory Panel on "Kinship Care". H.R. 867 would create an Advisory Panel on Kinship Care with members to be appointed by HHS, in consultation with the Chairmen of the Committees on Ways and Means and Finance, not later than March 1, 1998. The panel would include: (1) parents; (2) former foster care children; (3) State and local public child welfare officials; (4) representatives of tribal governments and courts; (5) judges; and (6) academic experts. In addition, the bill would require HHS to submit a report on State practices regarding kinship care to the Advisory Panel by March 1, 1998.

Use of Federal Parent Locator Service. Under the Child Support Enforcement Program, HHS currently operates a Federal Parent Locator Service (FPLS) to find absent parents in order to enforce child support, custody, and visitation obligations. H.R. 867 would clarify that information from the FPLS may be used by State welfare agencies to determine child custody or visitation determinations.

#### Pay-As-You-Go Scoring

According to HRD (McKearn) and BASD (Balis/Bavier), H.R. 867 would affect direct spending; therefore, it is subject to the pay-as-you-go requirement of the Omnibus Budget and Reconciliation Act of 1990. OMB, however, estimates that the net effect of the bill would be zero outlays in each of FYs 1999-2003 because reduced foster care payments would offset the outlays from any adoption incentives paid. CBO estimates that the net savings associated with H.R. 867 would be \$34 million during FYs 1998-2002.

LEGISLATIVE REFERENCE DIVISION DRAFT

April 29, 1997 - 1:50 pm

# HHS NEWS

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOR IMMEDIATE RELEASE  
Tuesday, April 29, 1997

Contact: HCFA Press Office  
(202) 690-6145

## CLINTON ADMINISTRATION GUARANTEES RAPID RESPONSE TO MEDICARE BENEFICIARIES' APPEALS OF TREATMENT DENIALS

The Clinton administration is publishing final regulations guaranteeing that Medicare beneficiaries will receive a ruling within 72 hours when they appeal a denial-of-care decision by a health plan that could jeopardize life, health or ability to regain maximum function. The rule also covers termination of care, such as discharge from a skilled nursing facility.

The new rules replace the current system that allows for a ruling within 60 days of a beneficiary's appeal. The regulation will be published in tomorrow's Federal Register, and health plans participating in Medicare will have 120 days to put procedures in place for the expedited appeal process. The rules were formulated in consultation with consumer groups, health plans and others.

"Consumers should have the right to a speedy ruling in cases where time may be crucial," said HHS Secretary Donna E. Shalala. "These regulations will help assure that the rights of patients come first."

Secretary Shalala said the new rule "gives Medicare beneficiaries appeal rights that are among the strongest available to any managed care enrollees in the country, without putting undue burden on health care plans."

Shalala also noted the rule builds on a series of actions taken by the administration in recent months to protect and improve the rights of Medicare beneficiaries, including limits on financial incentives for physicians and a prohibition on the use of "gag rules" that limit what physicians can tell their patients about treatment options.

The rule requires health plans to notify all Medicare enrollees of their new expedited appeal rights, to use denial notice forms that describe the expedited appeal right, to accept oral requests for appeals, to follow up verbal notifications in writing within two working days, and to maintain logs and periodically report on requests for expedited appeals.

"Our beneficiaries must be assured that incentives to reduce unnecessary care will not be allowed to limit necessary care. And they must know that they have a prompt recourse if they feel that

they are denied needed care," said Bruce C. Vladeck, administrator of HHS' Health Care Financing Administration, the Medicare and Medicaid agency. Vladeck added that "since the federal government is the largest purchaser of managed care, this regulation will help set a new, higher standard for the entire managed care industry."

Additional improvements to the regulations are also being developed pertaining to continuation of care during the appeal process, appeal rights when services are reduced, and tighter standards for appeals involving situations that are not urgent. Beneficiary advocates, provider groups and the managed care industry will be consulted in the development of these proposals.

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Note: HHS press releases are available on the World Wide Web at:  
<http://www.dhhs.gov>.



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Barry J. Toiv

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04/29/97 06:40:12 PM

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Record Type: Record

To: Michael D. McCurry/WHO/EOP, Mary E. Glynn/WHO/EOP, April K. Mellody/WHO/EOP, Joshua Silverman/WHO/EOP

cc:

Subject: Adoption

Tomorrow, the House will take up the Adoption Promotion Act of 1997. This bill, which passed the Ways and Means Committee on April 23 (Wash. Times covered it without mentioning us), is **based on our proposal to get more kids out of foster care and into permanent homes**. Unfortunately, we're not getting credit for it.

**We will be sending up a SAP tomorrow, and Mike should probably feature this a little bit in his gaggle.** I'll send around the draft and an HHS letter.

This goes back to the Executive Order issued by the President on 12/14/96 asking HHS to simplify adoption process and move kids at a faster rate out of foster care into permanent homes.

HHS submitted Adoption 2000 report to President on 2/12/97. We did a radio address, with adopted kids and parents in the Oval based on that. The report made a number of recommendations on this, and it is those recommendations on which the House legislation is based.

Three major things in SAP to focus on:

- 1) Reasonable efforts
- 2) Speedy disposition of children
- 3) Adoption incentive payments

I understand these will be clear when we see the SAP, which I'm getting.

Jen Klein is the contact.

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

APR 23 1997

The Honorable Bill Archer  
Chairman, Committee on Ways and Means  
United States House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

We take this opportunity to inform you of the views of the Department of Health and Human Services on H.R. 867, the "Adoption Promotion Act of 1997". This legislation would further the President's efforts to ensure the safety, permanency and well-being of children in the child welfare system and we strongly support its enactment.

We would like to thank the Committee for its efforts to develop a bipartisan bill on adoption that incorporates many of the critical actions addressed in our Adoption 2002 report, which we submitted to the President at his request in February. As you know, Adoption 2002 responds to the President's December Executive Memorandum and takes its name from one of its central goals--to double by the year 2002 the number of children adopted or permanently placed each year. We strongly support H.R. 867's goal of providing greater clarity about what is meant by "reasonable efforts". In addition we applaud the inclusion of language requiring States to make "reasonable efforts" to secure a permanent home for children in foster care when adoption or another permanent placement, rather than reunification, is established as a goal.

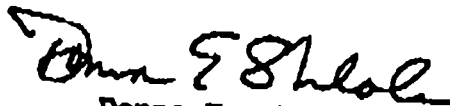
Further, we strongly support the goal of ensuring that timely permanency decisions are made for children who cannot return home. We would like to work with the Committee on language that would meet our shared goal of expeditious action to terminate parental rights when adoption is the determined goal for a child.

We are especially pleased that H.R. 867 incorporates the President's proposal to provide States with a financial bonus when they succeed in increasing the number of children who are adopted from the foster care system each year. We believe that this provides a concrete incentive to States for increasing the number of adoptions, but also pays for itself, with the cost of the bonuses offset by savings in foster care costs.

Page 2--The Honorable Bill Archer

The Office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program.

Sincerely,

  
Donna E. Shalala

**DRAFT -- NOT FOR RELEASE**

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LEGISLATIVE REFERENCE DIVISION DRAFT

April 29, 1997 - 1:50 pm

(11-18-97)

Adoption Bill

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release

November 13, 1997

STATEMENT BY THE PRESIDENT

I am pleased that the Senate and the House of Representatives have passed historic, bipartisan legislation to promote adoption and improve our nation's child welfare system, giving our nation's most vulnerable children what every child deserves -- a safe and permanent home. I very much look forward to signing the Adoption and Safe Families Act of 1997 into law.

This legislation makes clear that children's health and safety are the paramount concerns of the public child welfare system. I am particularly pleased that the bill incorporates my Administration's recommendations to provide states with financial incentives to increase the number of children who are adopted and to make other changes in federal law that will make adoption easier and move children more rapidly out of foster care and into permanent homes. The legislation also strengthens support to states for services that help families stay together when that is possible and promote adoption when it is not. Most important, this legislation will help us meet the goal of doubling, by the year 2002, the number of children who are adopted or permanently placed each year.

I want to thank the many members of the Senate and the House of Representatives who worked so hard on this bipartisan achievement, but I particularly want to thank the congressional leadership and the sponsors of this legislation, Senators Chafee and Rockefeller and Representatives Camp and Kennelly, for their commitment. And I would like to add a special word of thanks to the First Lady for her tenacity and dedication to this important issue.

I can think of no better way to celebrate National Adoption Month than to sign this legislation into law.

###

11/12, 5 pm

DRAFT

**Adoption and Safe Families Act of 1997**  
**November 13, 1997**

**This bill will protect children's health and safety, move children out of foster care faster, increase adoptions and support adoptive families.**

**Reasonable Efforts.** The requirement that States make "reasonable efforts" to preserve and reunite families that have maltreated their children is rewritten to ensure that such efforts make the health and safety of the child paramount. States are not required to make efforts to keep families together in cases of "aggravated circumstances" (such as abandonment, torture, chronic abuse, and sexual abuse) or murder or assault of another of their children. States are required to make reasonable efforts to place the child for adoption or with a legal guardian in a timely manner.

**Termination of Parental Rights (TPR).** States must initiate proceedings to terminate parental rights after a child has been in foster care for 15 of the previous 22 months, except in specified circumstances.

**Adoption Incentive Payments.** \$20 million is authorized for each of 5 years (FY 1999-2003) for bonus payments to states that increase adoptions of foster children above prior levels. Incentive payments equal \$4,000 for each adoption of a foster child above the base number, plus an additional \$2,000 for a total of \$6,000 per special needs adoption.

**State Report Cards.** The Secretary will annually rate State performance on a number of factors including the number of adoptions and length of stay in foster care.

**Reauthorization and Renaming of the Family Preservation Program.** This capped entitlement grant program to the States is substantially revised and reauthorized for 3 years. The goals of the program are expanded to include time-limited family reunification and adoption promotion. The 3-year total reauthorization of funding is \$875 million, \$65 million in outlays above the current funding level.

**Health Care Coverage for Adopted Children with Special Needs.** States are required to provide health insurance coverage for any child with an adoption assistance agreement who has special needs and who the State has determined would not be adopted without medical assistance.

**Eligibility for Adoption Assistance in Cases of Dissolved Adoptions.** Children with special needs will no longer lose their eligibility for federally subsidized adoption agreements because their adoption dissolves or their adoptive parents die.

**Child Welfare Demonstration Projects.** HHS is permitted to approve up to 10 additional child welfare and foster care demonstration projects each year.

**Adoptions Across Geographic Lines.** States may not postpone or deny adoption while looking for an in-state placement when a suitable out-of-state adoption is possible.

**Criminal Record Checks.** States are required to make criminal records checks for prospective foster or adoptive parents. States could opt out of this provision through written notice from the Governor or through state law.

**Technical Assistance to Promote Adoption.** The legislation authorizes \$10 million per year for 3 years for the Secretary of HHS to provide technical assistance to the states to promote adoption, half of which must be used to help courts facilitate permanent placements.

Adoption Bill Signing -

Wednesday, Nov 19, at 1:30 p.m. in the East Room.

1:00 Awardees presented with ribbons by Shalala in TBD (probably Indian Treaty Room)

1:30 Blue Room: Meet and Greet

1:40 Program: First Lady, (T) 4 Members of Congress, Vice President, Child, Potus

The list of awardees is coming.

Per Kara Gerhardt