THE WHITE HOUSE

WASHINGTON

July 17, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sens. Daniel K. Inouye (D-HI) and Daniel K. Akaka (D-HI) and Reps. Patsy T. Mink (D-HI) and Neil Abercrombie (D-HI).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

United States Senate

WASHINGTON, DC 20510

July 11, 1997

President William J. Clinton
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

JUL 15 AM 9:06

Dear Mr. President:

We are writing to request your support for the inclusion of a provision in the budget reconciliation legislation that would adjust the Federal Medical Assistance Percentage (FMAP) rate for Hawaii to reflect more accurately the state's ability to bear its share of Medicaid payments. This adjustment would treat non-contiguous states (Hawaii and Alaska) in a more equitable manner.

State Medicaid match rates vary depending on the states' ability to pay--the wealthier states bear a larger share of the costs of the program, and thus have the lower FMAP rates. Per capita income is used as the measure of state wealth. Because per capita income in Hawaii and Alaska is quite high, these states FMAP rates are at the lowest level (50 percent). Unfortunately, because of their location and other factors, the cost of living in Hawaii and Alaska greatly exceeds the cost of living in the other states, so that per capita income is a poor measure of their relative ability to bear the cost of Medicaid.

For example, the cost of living in Honolulu was 83 percent higher than the average of the metropolitan areas tracked by the Census Bureau (1995 data). Recent studies have shown that for the state as a whole the cost of living is more than one-third higher than the rest of the United States.

These higher cost levels are reflected in state government expenditures and state taxation. Thus, on a per capita basis state revenues and expenditures are far higher in Hawaii and Alaska than in the other 48 states. The higher expenditure levels are necessary to assure an adequate level of public services which are more costly to provide in these states.

For several years, Alaska and Hawaii have sought an increase in their FMAP rates. This year, the Senate recognized the case for a change and its reconciliation bill increases Alaska's FMAP rate to 59.8 percent for the next three years. Hawaii should be included in this long-warranted change, since the same factors justifying an increase for Alaska apply to Hawaii.

Many federal programs contain special provisions for Alaska and Hawaii that recognize our higher cost of living:

- Medicaid and Medicare regulations provide for special cost of living adjustments for Hawaii and Alaska in applying the routine cost limits for nursing home rates.

- The Food Stamp program accounts for these differences in defining the food plan and in establishing standard deductions.

- The school lunch program authorizes higher payments in both states, to reflect higher food costs.

- National housing laws take account of the differences in cost of living for purposes of government-backed insurance.

- Statutory differences on compensation for military members and civilian employees make special allowances for the high living costs in Hawaii and Alaska.

The case for an FMAP increase is especially compelling in Hawaii. The state has been committed for many years to assuring an adequate level of government services for its citizens. That commitment is not easy to fulfill. For example, unlike most states, Hawaii's AFDC/TANF caseloads have been increasing (up 21 percent since 1994 versus a national decline of 23 percent in that period). Since TANF block grants are based on historical spending levels, the increased demand has placed extreme pressure on state resources.

Hawaii has sought to maintain its social safety net while striving for more efficient delivery of government services. The most striking example is its new QUEST medical assistance program, operated under a federal waiver, which has brought managed care and broader coverage to the state's otherwise uninsured populations. At the same time, Hawaii is the only state whose employers guarantee health care coverage to every full time employee, a further example of Hawaii's commitment to a strong social support system.

There is a particularly strong need for a more suitable FMAP rate for Hawaii. The state has not participated in the economic recovery that has benefited most of the rest of the nation over the past several years, in part because of its heavy dependency on foreign-source tourism and trade. Hawaii continues to suffer from the drop in value in the Japanese yen. Its unemployment rate is above the national average and its tax revenues have fallen short of budgeted estimates. The need to fund 50 percent

of its growing Medicaid program puts increasing strain on the state's resources.

Based on Hawaii's current Medicaid spending level of approximately $1 billion, each percentage point increase in its FMAP rate would provide approximately $10 million annually in additional federal funds. Thus, the cost of enhancing the state's FMAP rate would be relatively modest, and would do little more than make up for the Disproportionate Share Hospital (DSH) payments that the state would lose under the DSH provisions now under consideration.

For all of these reasons, we earnestly urge your support for expansion of the Alaska FMAP provision of the Senate bill to include an equitable FMAP adjustment for Hawaii, and in this way assure that the special problem of the non-contiguous states is dealt with in a principled manner.

Yours,

Daniel K. Inouye
U.S. Senator

Daniel K. Akaka
U.S. Senator

Patsy T. Mink
Member of Congress

Neil Abercrombie
Member of Congress

THE WHITE HOUSE

WASHINGTON

July 17, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sen. Frank R. Lautenberg (D-NJ) and Rep. John M. Spratt, Jr. (D-SC).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

Congress of the United States
Washington, DC 20515

July 10, 1997

JUL 10 PM6:58

President William Jefferson Clinton
The White House
Washington, DC 20500

Dear Mr. President:

We are in critical need of your assistance to ensure that cost reductions in Medicaid's "Disproportionate Share Hospital" (DSH) program do not unduly damage "high DSH" states.

Since the time you called us to the White House to obtain a bipartisan budget agreement, we have done our best to achieve an agreement that implements the values of your Administration and the American people. Although the process has been long and difficult, we go into conference hopeful that a bipartisan agreement can be reached on most of the issues in contention. But at this point, we are not sanguine about the allocation of DSH cost cuts. The allocation formulas in both the House bill and the Senate bill mean sharp reductions in medical care for the poor in the states we represent. If DSH is cut as deeply as these bills propose in "high DSH" states, hospitals in rural and inner-city areas will be likely to close, and there will be a major loss in health care for low-income Americans.

In the reconciliation process, the authorizing committees dispensed with the formula that you recommended and came forth with formulas that target a small number of states for the lion's share of the cuts. These states have little recourse in the regular legislative process, largely because we are so few in number. Therefore, in conference, it is critically important that we have the Administration's strong and unwavering support, first, in developing a more equitable formula, and second, in insisting that it be part of the conference agreement.

We have supported the bipartisan budget discussions from the start. We ask now for your support on an issue of profound importance to our states and at least ten others. We urge you to insist that the conferees ensure that DSH reductions are spread equitably across the states and are held to levels that spare all states from deep, crippling cuts.

Very sincerely,

Senator Frank R. Lautenberg

Representative John M. Spratt, Jr.

THE WHITE HOUSE

WASHINGTON

July 17, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sen. Bob Graham (D-FL) and others.

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

United States Senate

WASHINGTON, DC 20510

July 10, 1997

The Honorable William J. Clinton
President of the United States
The White House
Washington, D.C. 20500

JUL 11 PM1:35

Dear Mr. President:

Late last month, an overwhelming bipartisan coalition of Senators came together in support of fundamental, long-term, medicare reform.

These historic reforms were designed to preserve, protect and extend the vital medicare program.

We believe that we can and must build on this bipartisan consensus and include these reforms in the final conference version of the Balanced Budget Act.

We very much hope that you will review these reforms carefully and reach the same conclusion we did in voting for these reforms.

Mr. President, the time to act on these reforms is now. We hope that you will join with us to get this important job done.

Sincerely,

Graham

Mack

Chafee

Breaux

Kerry

Frist

State-by-State table

The following table lists the number of working families in each State who make less than $30,000 and who would receive a $500 per-child tax credit under the President's tax plan but not under the House and Senate bills. Additional families in each State would receive a larger credit under the President's plan than under the congressional proposals.

	Number of Families Denied Child Tax Cut under House Bill Compared to Clinton Proposal	Number of Families Denied Child Tax Cut under Senate Bill Compared to Clinton Proposal
UNITED STATES total	4.8 million	3.8 million
Alabama	104,411	82,659
Alaska	7,987	6,323
Arizona	86,548	68,517
Arkansas	62,233	49,268
California	565,788	447,916
Colorado	63,360	50,160
Connecticut	34,294	27,150
DC	14,081	11,147
Delaware	12,679	10,038
Florida	280,469	222,038
Georgia	165,013	130,635
Hawaii	16,678	13,203
Idaho	24,421	19,334
Illinois	196,632	155,667
Indiana	99,241	78,566
Iowa	45,591	36,093
Kansas	44,381	35,135
Kentucky	72,026	57,021
Louisiana	101,846	80,628
Maine	21,409	16,949
Maryland	90,128	71,351
Massachusetts	69,066	54,677
Michigan	131,837	104,371

	Number of Families Denied Child Tax Cut under House Bill Compared to Clinton Proposal	Number of Families Denied Child Tax Cut under Senate Bill Compared to Clinton Proposal
Minnesota	63,213	50,043
Mississippi	77,651	61,474
Missouri	99,230	78,557
Montana	16,926	13,400
Nebraska	29,872	23,648
Nevada	33,737	26,709
New Hampshire	16,161	12,794
New Jersey	122,124	96,681
New Mexico	40,063	31,716
New York	299,567	237,157
North Carolina	170,265	134,793
North Dakota	11,060	8,756
Ohio	170,792	135,211
Oklahoma	68,269	54,046
Oregon	51,886	41,077
Pennsylvania	179,338	141,976
Rhode Island	13,787	10,915
South Carolina	90,417	71,580
South Dakota	14,804	11,719
Tennessee	119,735	94,790
Texas	448,328	354,927
Utah	34,373	27,212
Vermont	9,963	7,887
Virginia	109,877	86,986
Washington	77,848	61,630
West Virginia	31,901	25,255
Wisconsin	71,000	56,208
Wyoming	8,366	6,623

THE WHITE HOUSE

WASHINGTON

July 17, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Jerry F. Costello (D-IL).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

F. COSTELLO
DISTRICT, ILLINOIS

PLEASE RESPOND TO THE
OFFICE CHECKED BELOW:

COMMITTEES:
BUDGET
TRANSPORTATION & INFRASTRUCTURE
SCIENCE
(ON LEAVE)

Congress of the United States
House of Representatives
Washington, DC 20515–1312

July 11, 1997

JUL 14 PM4:07

The Honorable William J. Clinton
President of The United States
The White House
1600 Pennsylvania Ave NW
Washington, D.C. 20500

Dear President Clinton:

Recently Congress passed a proposal to drastically cut our Medicare and Medicaid programs. I wanted to make you aware of Union County Hospital in Anna, Illinois in my congressional district that will be adversely affected by these cuts.

The deep cuts to Medicare and Medicaid included in the budget plans passed in the House and Senate will force Union County Hospital to close its doors to the 260 full and part-time workers that provide health care to the people throughout four counties in Southern Illinois. Seventy-seven percent of patients served by Union County Hospital are Medicare or Medicaid dependent. Through the year 2002, the hospital's Medicare reductions alone will total more than $1.4 million resulting in decreased staff, loss of service hours resulting in a potential decrease in services and eventual closing of Union County Hospital.

I urge you to veto the budget should it arrive at your desk with the inclusion of these cuts. Help save the Union County Hospital in Anna and the quality health care that is now provided to the residents of four counties and some of our nation's most needy individuals.

Sincerely,

Jerry F. Costello
Member of Congress

JFC/mq

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Washington, DC 20515
Tel: (202) 225–5661
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☐ 327 W. Main St.
Belleville, IL 62220
Tel: (618) 233–8026
Fax: (618) 233–8765

☐ 1363 Niedringhaus Ave.
Granite City, IL 62040
Tel: (618) 451–7065
Fax: (618) 451–2126

☐ 250 W. Cherry St.
Carbondale, IL 62901
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Fax: (618) 549–3768

☐ 8787 State St.
East St. Louis, IL 62203
Tel: (618) 397–8833

☐ 1330 Swanwick St.
Chester, IL 62233
Tel: (618) 826–3043

THE WHITE HOUSE

WASHINGTON

July 19, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Gene Green (D-TX) and others.

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

Congress of the United States
Washington, DC 20515

July 16, 1997

The Honorable William Jefferson Clinton
President of the United States of America
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear Mr. President:

The Budget Reconciliation plan adopted by the House contains a provision that would allow states to privatize the eligibility determination function of the Medicaid and Food Stamps programs. We strongly oppose the inclusion of these provisions.

These public policy changes deserve extensive debate based on the actual merits and risks--not on inflated claims and misinformation. We need to spend real time considering the implications of allowing private, for-profit companies to determine who is or is not eligible for services under Medicaid and Food Stamps.

The most amazing feature of these provisions is that while responsibility for administration of the Medicaid and Food Stamp programs can be privatized, the amendment has insured that legal liability for constitutional torts remains with the state. It does this by including the following:

> **"For purpose of any Federal law, such determination shall be considered to be made by the State and by a State agency."**

The legal effect of this sentence is two-fold. First, it permits a private company to make a binding legal determination as to who is eligible for benefits and who is not. Historically, only government officials have granted or denied public welfare benefits to needy citizens. The second effect is that for the purpose of federal laws protecting civil rights, the determinations made by private contractors shall be considered to be made by the state. In short, the state will remain liable for constitutional torts even if they are committed by private contractors.

This policy will greatly benefit the private contractors. It is only the states--who will retain liability while surrendering control--that will suffer. If these provisions are enacted, it will be appropriate to call it "The Unfunded Mandate Act of 1997". The states will be left holding the bag for the mistakes made by the private entities.

There are no compelling reasons to go forward with wholesale privatization of the Medicaid and Food Stamp eligibility systems. In fact, we have not heard how access to services will be improved. And the public policy concerns, in particular public accountability, client privacy and the role of profit-making in serving the needy, are overwhelming.

We understand that the House-Senate conference committee might consider awarding States $5 million as an incentive to privatize, at a total cost of $250 million. If we move forward with this idea, we will be neglecting our duty to our constituents to ensure the proper administration of the Medicaid and Food Stamp programs, as well as threatening any opportunity to balance the budget. Substantial modifications to these programs deserve the full consideration of the Congress and should move through the regular legislative process.

We urge you to oppose the inclusion of these destructive provisions in the Budget Reconciliation Act and to convey this to the Members of the House-Senate conference.

Sincerely,

Rubén Hinojosa

Solomon P. Ortiz

Henry B. Gonzalez

Rep. Gene Green
Rep. Max Sandlin
Rep. Eddie Bernice Johnson
Rep. Jim Turner
Rep. Sheila Jackson Lee
Rep. Ciro Rodriguez
Rep. Henry Gonzalez

Rep. Martin Frost
Rep. Chet Edwards
Rep. Nick Lampson
Rep. Ken Bentsen
Rep. Ruben Hinojosa
Rep. Solomon Ortiz
Rep. Silvestre Reyes

THE WHITE HOUSE

WASHINGTON

July 21, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Tom A. Coburn (R-OK).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

HOUSE OF REPRESENTATIVES
WASHINGTON, D. C. 20515

TOM COBURN, M. D.
SECOND DISTRICT
OKLAHOMA

July 8, 1997

President William Jefferson Clinton
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

JUL 10 PM 1:54

Dear President Clinton,

As you may recall, along with several other members of Congress, I met with you on February 20 to discuss managed health care patient protections. At that time, you stated your support for a proposal to ensure that the length of hospital stays would be determined by the attending health professional as deemed medically appropriate.

I was successful in including such language in the Medicare reforms passed by the House Commerce Committee. Unfortunately, the Senate and House Ways and Means versions do not have similar provisions. Therefore, the chances of surviving conference committee as part of the final bill are very unlikely.

I am writing to request any support you can lend to ensuring that the hospital stay language is retained.

If you have any questions, please feel free to contact me at 225-2701.

Sincerely,

Tom A. Coburn, M.D.
Member of Congress

THE WHITE HOUSE

WASHINGTON

July 21, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Patrick J. Kennedy (D-RI).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

PATRICK J. KENNEDY
1ST DISTRICT, RHODE ISLAND

WASHINGTON OFFICE
312 CANNON HOUSE OFFICE BUILDING
(202) 225-4911
FAX: (202) 225-3290

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286 MAIN STREET, SUITE 600
PAWTUCKET, RI 02860
(401) 729-5600
(800) 392-5772
FAX (401) 729-5608

NATIONAL SECURITY COMMITTEE
RESOURCES COMMITTEE

MEMBER
PORTUGUESE-AMERICAN CAUCUS
NEW ENGLAND CAUCUS
ITALIAN-AMERICAN CAUCUS
FRIENDS OF IRELAND
OLDER AMERICANS CAUCUS
LAW ENFORCEMENT CAUCUS

Congress of the United States
House of Representatives
Washington, DC 20515

July 11, 1997

President William J. Clinton
The White House
1600 Pennsylvania Ave.
Washington, DC 20500

Dear Mr. President:

I am writing to express my concerns about various parts of the House and Senate budget reconciliation proposals related to Medicare and Medicaid. In particular, I urge you to oppose the inclusion of an extensive Medical Savings Account proposal, the Senate Finance Committee's proposal to raise the age of eligibility for Medicare from 65 to 67, to charge $ 5.00 per visit fee for Home health visits and to use means testing for the determination of Medicare premiums.

If MSAs, as currently proposed, become law we can expect unfair risk selection, cost shifting, and lower preventative care, (as those who select MSAs forgo important preventive health services). An estimated $ 2 billion of Medicare money will be spent on MSAs; money that could better be spent on other Medicare needs. These funds will be a windfall for the healthy and wealthy and a drain on funds for sick and poor seniors. It is premature and unwise to have MSA demonstrations for Medicare beneficiaries when last year's demo for the non-Medicare population is only five months old. The wise decision is to analyze the repercussions of the program that exists before we expand it.

The Senate proposal includes many other troublesome provisions. In particular, raising the Medicare age will be burdensome for most retirees, as health insurance is expensive and difficult to obtain for seniors. Since 1985 we have seen a decline in the number of workers who continue their health insurance into retirement or from a former employer. These numbers will only accelerate if employers see the increased costs of a later start of Medicare. This is particularly troubling when there have been no Congressional hearings on this issue, in order to debate and investigate its implications.

A $5.00 per visit fee for home health care is also assessed in the Senate finance proposal, up to a total of $ 760. Nearly half of those who use home health earn less than $10,000 and 25% of them are over age 85. Copayments are not new. They were a bad idea when they were attempted in 1965, and therefore they were subsequently eliminated in 1972. It was clear they cost Medicare more to collect in administrative costs than they saved; they denied care to those who could least afford services; and they resulted in increased Medicare costs because seniors postponed essential preventative health services, leading to higher health costs down the road. I ask you to exclude a home health care copayment in the budget reconciliation package.

Finally, the use of means testing for determination of the Medicare premiums is an overarching proposal that should be done in a cautious manner, not attached to a fast track bill such as the budget. Important hearings need to be held on this issue to determine whether this increase in premiums will threaten to drive away healthier and wealthier seniors from Medicare. Such an option must be carefully investigated before we drastically change the rules of the game.

Again, I urge you to reject these proposals and thank you for your consideration of these concerns.

Sincerely,

Patrick J. Kennedy
Member of Congress

THE WHITE HOUSE

WASHINGTON

July 21, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sen. J. Robert Kerrey (D-NE) and Sen. John H. Chafee (R-RI).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

J. ROBERT KERREY
NEBRASKA

United States Senate

WASHINGTON, DC 20510–2704

JUL 17 AM9:48

July 15, 1997

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We applaud your decision to endorse an income test for the Medicare Part B premium for the wealthiest six percent of retirees. We also understand the concerns Administration officials have expressed in recent news reports about how the income test would be administered. We write because we do not want these administrative disagreements, which can be resolved, to spiral into a dispute that would scuttle the underlying proposal.

The Senate proposal is based on the simple idea that families struggling in the work force, often without insurance, should not be taxed to subsidize premiums for the wealthiest retirees who can afford to pay more of the cost of their own care. Your endorsement of an income test provided an enormous boost to that idea, which now enjoys support across the political spectrum. It is natural for supporters of this proposal, particularly when they come from so many different points of view, to hold differing views on how it should be administered. While the Administration believes the increased premiums for the wealthiest seniors should be collected by the Internal Revenue Service, Majority Leader Lott, as you know, has said he believes they should be collected by the Department of Health and Human Services.

While the question of which agency collects the premiums is legitimate, we believe it is secondary to the underlying point: that the taxpayer subsidy for the Part B premium should be phased out for the wealthiest six percent of retirees. We do not believe the American people, whom recent polls indicate broadly support this principle, want it to be hamstrung by administrative concerns that can be resolved.

We urge the Administration to work with Congress to resolve this question in the same bipartisan spirit by which the budget agreement was reached. Further, we hope Administration officials will emphasize the breadth of bipartisan agreement on the need for an income test, rather than the more minor question of which agency or department should administer it, in their public statements. This

eyes on the most important prize: making Medicare more fair and fiscally sound.

Sincerely,

Bob Kerrey

John Chafee

THE WHITE HOUSE

WASHINGTON

July 21, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sen. Barbara Boxer (D-CA).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

BARBARA BOXER
CALIFORNIA

COMMITTEES:
APPROPRIATIONS
BANKING, HOUSING, AND URBAN AFFAIRS
BUDGET
ENVIRONMENT AND PUBLIC WORKS

United States Senate

HART SENATE OFFICE BUILDING
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WASHINGTON, DC 20510–0505
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senator@boxer.senate.gov
http://www.senate.gov/~boxer

July 15, 1997

JUL 17 AM9:51

The President
The White House
Washington, DC 20500

Dear Mr. President:

I write you today regarding proposed cuts in the Medicaid Disproportionate Share (DSH) program. I oppose large and indiscriminate cuts in the DSH program which would be extremely harmful to the interest of my state of California. I join my California colleagues, who wrote to you on July 9, in their view that the policy that reduces federal DSH payments must be designed so that a state like California which has fully directed its DSH program to hospitals with high proportions of Medicaid and uninsured patients does not face a debilitating reduction in funds.

California has implemented a properly targeted DSH program, as originally envisioned under the federal Medicaid law. Hospitals in California that receive assistance include major urban teaching hospitals, rural hospitals, and children's hospitals, all of which meet the highest standards of eligibility. Further, federal DSH spending in California, when compared to the size of the State's uninsured population, which is the highest in the nation, is among the lowest in the country.

As part of the deliberations on the Medicaid DSH provisions in the budget reconciliation bill, I urge you to work with congressional leadership to adopt and enact into law the following provisions from the House and Senate bills:

1. The Senate provision which phases in DSH funding reductions for low DSH states, like California, to 15 percent in 2002. However, I oppose the special exception in the Senate bill that intends to penalize states that have little or no spending on Institutions for Mental Diseases (IMDs).

2. The Senate provision that requires states to design DSH programs to protect hospitals providing the most care to low income and uninsured populations.

3. The House provision that extends the transition rule contained in OBRA '93 to provide much needed relief for public hospitals treating extremely high numbers of uninsured and other low income patients in the State of California for 2 years.

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☐ 2300 TULARE STREET
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☐ 525 B STREET
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SAN BERNARDINO, CA 92401
(909) 888-8525

The Medicaid DSH program provides critical health care dollars to my State's neediest and most vulnerable populations. California still has the highest number of uninsured in the nation, and it cannot withstand major cuts in the program.

I look forward to working with you as the budget process moves forward.

Sincerely,

Barbara Boxer

cc: LA County Board of Supervisors

THE WHITE HOUSE

WASHINGTON

July 14, 1997

MEMORANDUM FOR BRUCE REED
CHRISTOPHER JENNINGS

FROM: SUSAN BROPHY
LEGISLATIVE AFFAIRS

SUBJECT: PRESIDENTIAL CORRESPONDENCE

Enclosed please find a copy of the letter that was sent to the President from Sen. Christopher S. Bond (R-MO) and Sen. John Ashcroft (R-MO).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

CHRISTOPHER S. BOND
MISSOURI

COMMITTEES:
APPROPRIATIONS
SMALL BUSINESS
BUDGET
ENVIRONMENT AND
PUBLIC WORKS

United States Senate

WASHINGTON, DC 20510-2503

July 7, 1997

JUL 8 PM3:45

The Honorable William J. Clinton
President of the United States
The White House
Washington, DC 20500

Dear Mr. President:

We are writing to express our great concern over the proposals to target disproportionate share hospital (DSH) payments to achieve Medicaid savings in both the House and Senate reconciliation bills. Quite simply, we are concerned that these proposed changes would impair Missouri's ability to continue to provide health care for needy individuals.

The DSH program is a vital component of Missouri's Medicaid program. The impact of cutting DSH payments would therefore be devastating for Missouri, which has made tremendous progress in expanding health care coverage to more than 250,000 low-income pregnant women and children. In addition, Missouri has utilized its DSH payments to improve access to health care services for those who remain uninsured.

It is also important to note that although Missouri is a "high-DSH" state, we use our Medicaid funds not only appropriately but also efficiently. The national average for federal Medicaid expenditures plus DSH payments per beneficiary is $2,454, while Missouri's average is $2,288. Furthermore, a recent Kaiser Commission reported that overall Medicaid spending in Missouri is below the national average. With this in mind, we believe it is more equitable to consider Missouri's record as a "low cost" state, rather than as a "high DSH" state, when modifying the Medicaid payment structure.

The drastic DSH cuts in both the House and Senate reconciliation bills would severely disadvantage states like Missouri, where DSH payments make up a larger percentage overall of our programs, and would have severe consequences on our ability to provide funds to hospitals that deliver care to the indigent and uninsured. Additionally, the Senate bill relies too heavily on restrictions in payments to Institutions for Mental Diseases (IMDs) to achieve the majority of savings. Missouri has legitimately accessed and used DSH funds to serve individuals in IMDs, and should not be forced to bear disproportionately high payment reductions for such use.

As we attempt to balance the federal budget, we realize that no area of federal spending is immune from reasonable reductions. We also realize that both you and Congress anticipated achieving Medicaid savings by reducing DSH payments. However, there must be more equitable ways to achieve these savings than contained in either of these bills. We urge you to work with us to find a compromise that distributes cuts more evenly among states, ensuring fairness to all Medicaid recipients.

Sincerely,

Christopher S. Bond

John Ashcroft

THE WHITE HOUSE

WASHINGTON

July 10, 1997

MEMORANDUM FOR **BRUCE REED**
CHRISTOPHER JENNINGS

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Sen. Barbara A. Mikulski (D-MD).

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

BARBARA A. MIKULSKI
MARYLAND

COMMITTEES:
APPROPRIATIONS
AND HUMAN RESOURCES

United States Senate

WASHINGTON, DC 20510–2003

SUITE 709
HART SENATE OFFICE BUILDING
WASHINGTON, DC 20510–2003
(202) 224–4654
TTY: (202) 224–5223

June 27, 1997

The Honorable Bill Clinton
The President
The White House
Washington, D.C. 20500

JUL 3 AM9:02

Dear Mr. President:

Mr. President, we need presidential leadership in dealing with the solvency of Medicare. We need your leadership and active involvement to make sure that the changes in the Senate bill do not survive the House-Senate conference. If they do, then I request that you veto the bill.

I am writing to urge you to veto the budget reconciliation bill if it contains the Senate provisions that drastically change Medicare.

There is no doubt that the solvency of the Medicare Trust Fund is a serious, urgent issue for which there are no easy answers. Therefore, I call on you to lead a national discussion on alternatives and help arrive at a national consensus. Government governs best when it has the consent of the governed.

The budget bill is not the place to radically alter core components of the Medicare program. The Senate changed thirty years of Medicare policy in three days. We need your strong leadership, we need bipartisan cooperation, and we need a vigorous national discussion before making changes to Medicare.

The Senate bill would create a means test for Medicare premiums. Seniors could have to pay four times more in premiums starting next year. The Senate bill raises the age of eligibility for Medicare from 65 to 67. This provision could create an entire new class of uninsured older Americans. The bill also imposes a new $5 per visit copayment on senior citizens who use home health care. We must ensure that Medicare remains affordable, accessible, undeniable, and universal.

I look forward to working with you to ensure that we keep faith with those who depend on Medicare, and to ensure that Medicare is strong now and in the future.

Sincerely,

Barbara A. Mikulski
United States Senate

WORLD TRADE CENTER, SUITE 253
401 E. PRATT STREET
BALTIMORE, MD 21202-3099
(410) 962-4510

60 WEST STREET, SUITE 202
ANNAPOLIS, MD 21401-2448
(410) 263-1805

9658 BALTIMORE AVENUE, SUITE 208
COLLEGE PARK, MD 20740-1346
(301) 345-5517

94 WEST WASHINGTON STREET
HAGERSTOWN, MD 21740
(301) 797-2826

SUITE 1E, BUILDING B
1201 PEMBERTON DRIVE
SALISBURY, MD 21801-2403
(410) 546-7711

THE WHITE HOUSE

Jose/LS

OFFICE OF LEGISLATIVE AFFAIRS

FAX COVER SHEET

NOTE: THE INFORMATION CONTAINED IN THIS FACSIMILE MESSAGE IS CONFIDENTIAL AND INTENDED FOR THE RECIPIENT ONLY.

DATE: 7.9

TO: Bruce Reed

FAX: 62878

FROM: ✓ CHRISTOPHER WALKER

___ JESSICA GIBSON

456-7500 (TEL) 456-6221 (FAX)

RE: Chris Walker

PAGE 1 OF 2

If there are any problems with this transmission, please call (202) 456-7500.

Newt Gingrich
6th District
Georgia

(202) 225-0600

Office of the Speaker
United States House of Representatives
Washington, DC 20515

July 8, 1997

DPC
RECD

President William J. Clinton
The White House
1600 Pennsylvania Avenue
Washington, D.C. 20500

Dear Mr. President:

I am writing today out of growing concern about the continued lack of safety in the District of Columbia. This is especially pertinent in light of the recent spate of murders that have occurred over the past weekend. As you know, I am deeply committed to saving the District and helping it realize its full potential -- becoming a capital city that all Americans can be proud of. Achieving this goal means restoring not only its fiscal health but its social health as well.

I am as troubled by the death of the 7-year-old boy shot while sitting in his father's car as I am about the recent murders in Georgetown. Enough is enough. When the nation's capital bears witness to six deaths in one holiday weekend and has had over 27,000 crimes against persons and property committed so far this year, we are living in the midst of a human tragedy that should trouble all Americans.

The time for merely talking about this problem has long since passed. The citizens of this city need action, and they need it now. It has become painfully apparent that relying only on the local entrenched bureaucracy will not be enough to get the job done. I challenge you to come up with a comprehensive action plan within the next thirty days that deals with the full scale of the problem and lays out how you would make the city safer for its residents and guests.

I look forward to hearing from you soon.

Sincerely,

Newt

Newt Gingrich
Speaker of the House

Klein — Hold —

Jen —
Could you do a response to this? I believe there's language in the most recent Rangel letter. Thanks
Ellen

THE WHITE HOUSE
WASHINGTON

June 30, 1997

MEMORANDUM FOR BRUCE REED

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Nita Lowey (D-NY) and others.

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

Congress of the United States

Washington, DC 20515

June 23, 1997

DPC

The Honorable William Jefferson Clinton
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing to urge you to insist that the GOP leadership remove restrictions currently contained in the reconciliation legislation on the use of federal funds for abortion services. Punitive restrictions on the access of American women to abortion services must not be included in this budget bill.

We are very concerned that the House Commerce Committee included a restriction in the Children's Health Initiative that will prevent funds in the bill from being used for abortion except in cases of rape or incest or to save the life of the pregnant woman. The Senate Finance Committee attached the same restriction to the entire Medicaid program in addition to the Children's Health Initiative.

While restrictions on the use of federal Medicaid funds for abortion services have been approved each year during the annual appropriations process since 1977, the pending reconciliation legislation would make these restrictions permanent for the first time. That is unacceptable. This permanent restriction would prevent millions of lower-income women from obtaining medically necessary reproductive health services and would permanently create a two-tiered system of health care.

Restrictions on the right to choose have no place in this reconciliation legislation and we urge you to insist on their removal.

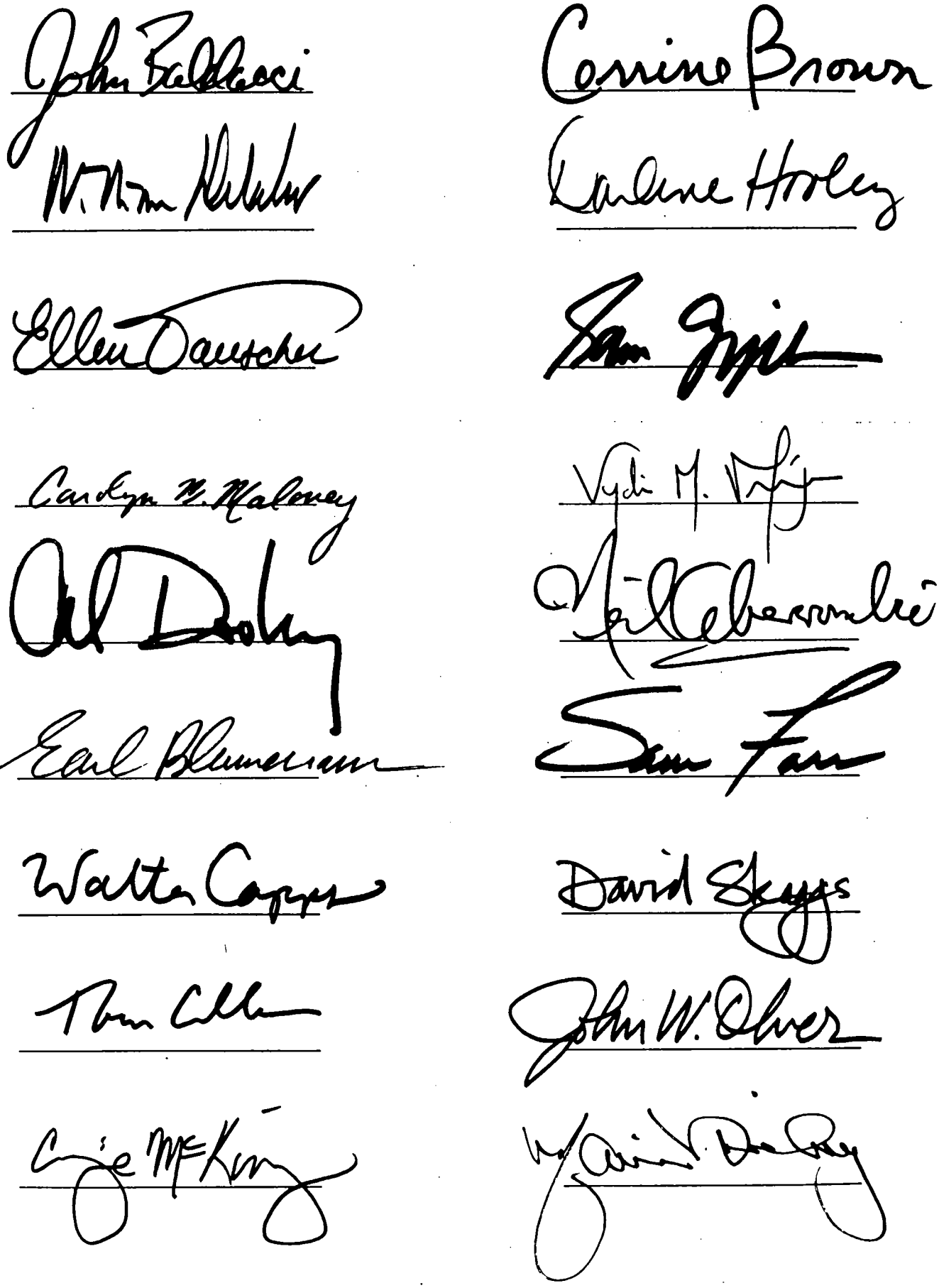
Sincerely,

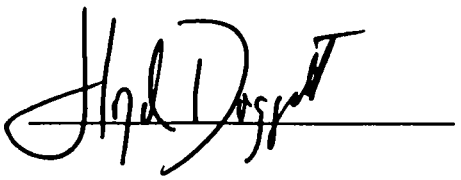
Nita M. Lowey
Member of Congress

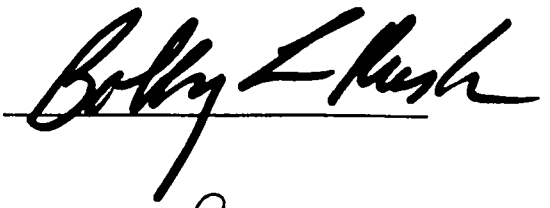
Henry Waxman
Member of Congress

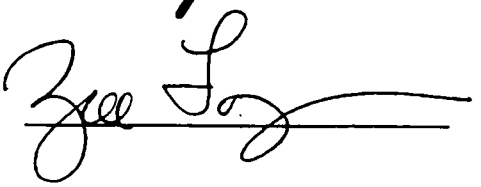
Eleanor Holmes Norton
Member of Congress

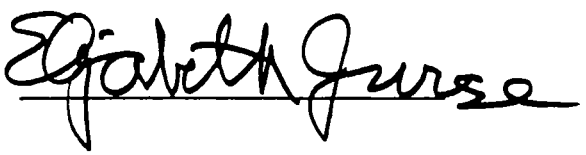
Diana DeGette
Member of Congress

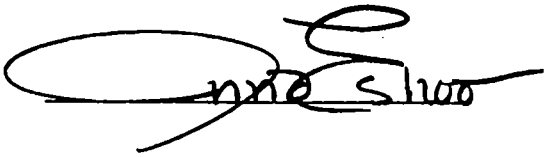


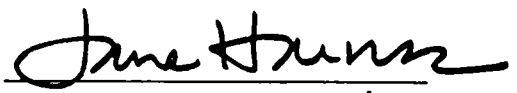


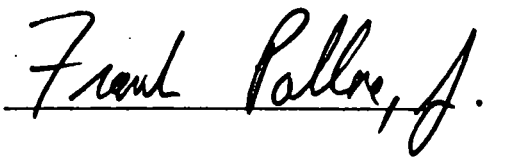


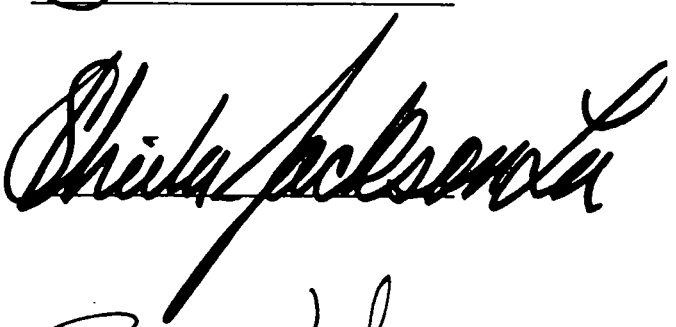


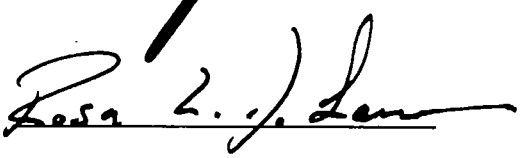


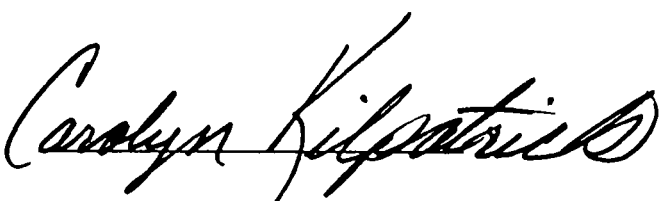


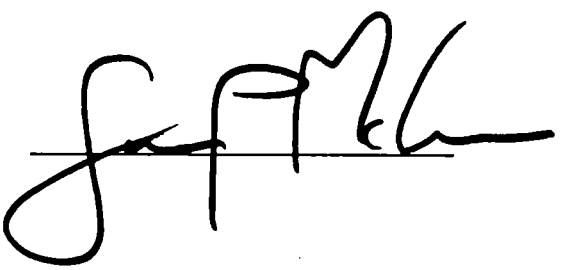


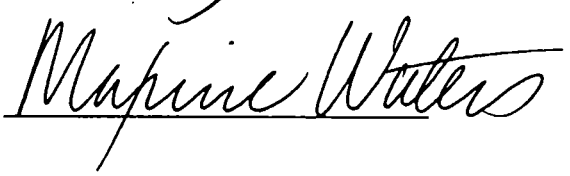


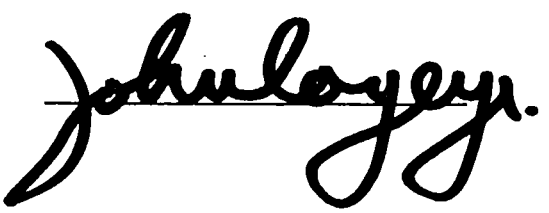


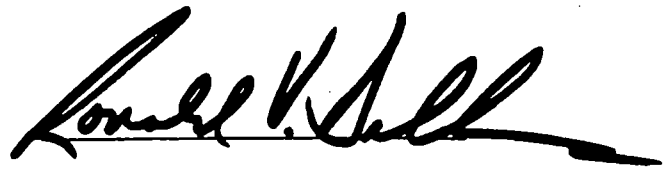


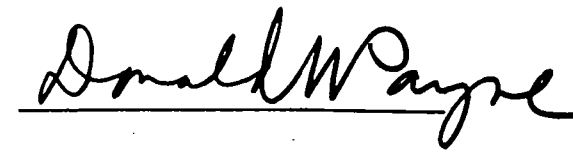


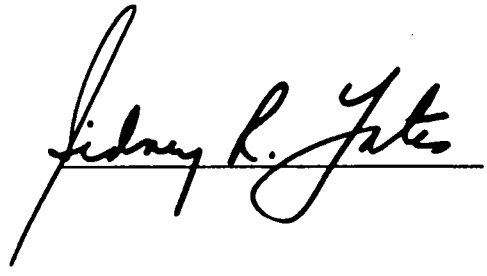


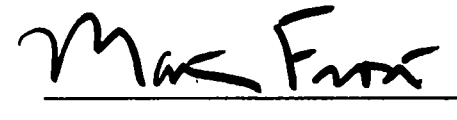


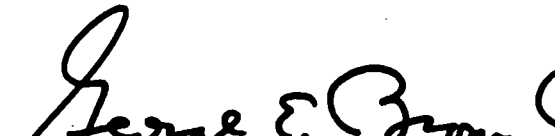


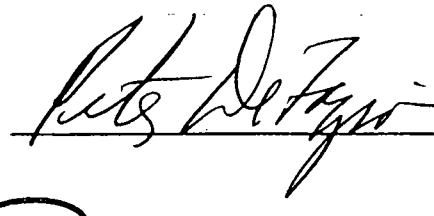


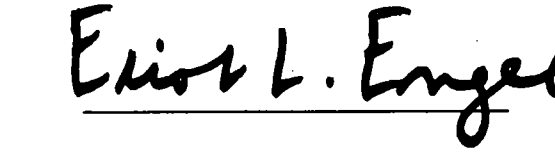


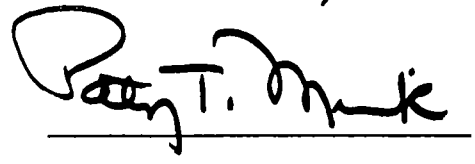


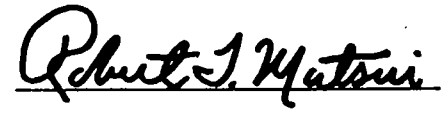


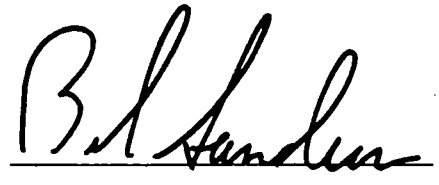


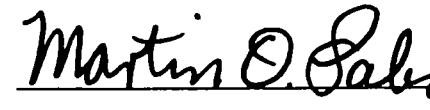


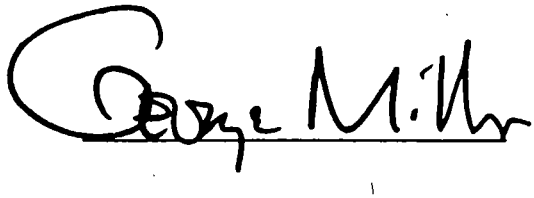


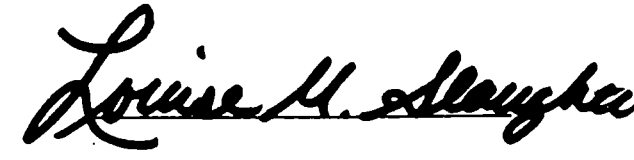


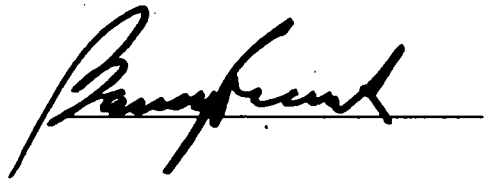


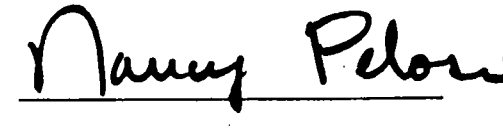


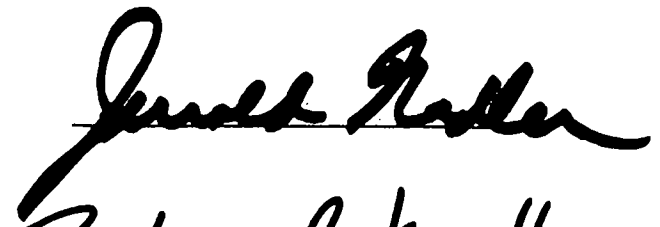


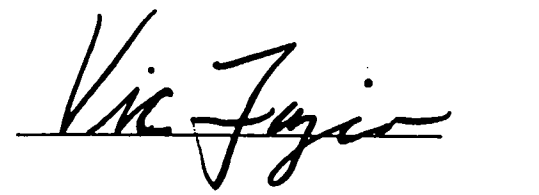


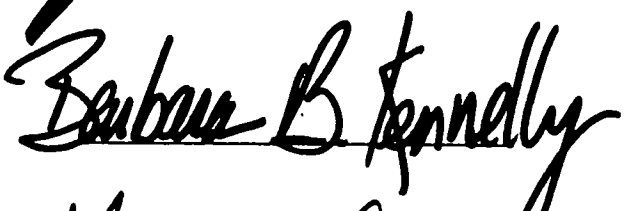


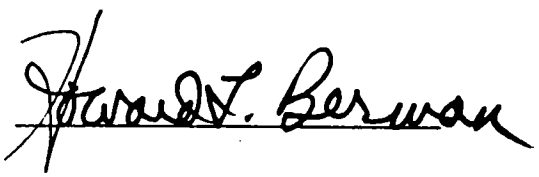


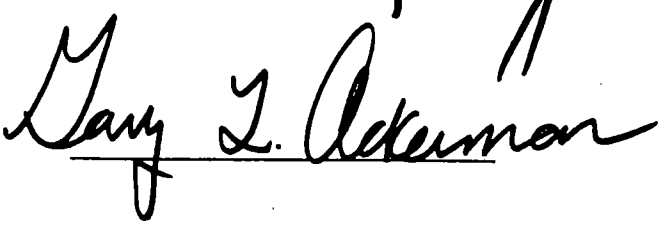


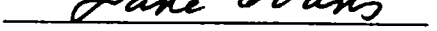


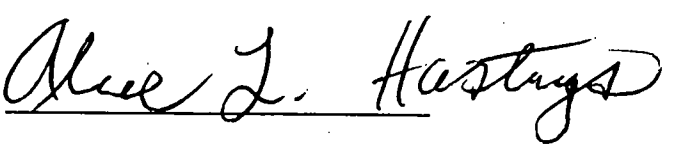












THE WHITE HOUSE

WASHINGTON

June 30, 1997

Chris

MEMORANDUM FOR BRUCE REED

FROM: **SUSAN BROPHY**
LEGISLATIVE AFFAIRS

SUBJECT: **PRESIDENTIAL CORRESPONDENCE**

Enclosed please find a copy of the letter that was sent to the President from Rep. Robert Menendez (D-NJ) and others.

I do not believe this letter requires a Presidential response at this time. Please review the attached material and respond directly to the Member(s) of Congress, forwarding copies to the Office of Legislative Affairs, attention Chris Walker.

Thank you very much for your assistance in this matter. If you have any questions, please feel free to call Chris at 456-7500.

Enclosure

Congress of the United States

Washington, DC 20515

June 25, 1997

JUN 26 PM1:04

The President
The White House
Washington, D.C. 20500

Dear Mr. President:

We are writing to you to express our concerns with the Medicaid portion of the Reconciliation package, and to urge your veto of any bill which contains an inequitable reduction in Federal Medicaid funding for the State of New Jersey. We realize that you must consider the impact of any programmatic changes on all fifty states. Consequently, we need our voice to be heard that the Medicaid reductions, as formulated in the House and Senate Reconciliation packages, will seriously impact the State of New Jersey.

Hospitals in New Jersey have continued with their mission to treat all who enter the hospital emergency room or clinics. Our state taxpayers have supported a Medicaid program for which they pay one-half of all costs.

In New Jersey, we also have a high cost of living where wages are higher and the costs of treating a patient in an urban setting force providers to deal with urban disasters such as crack-addicted babies, pollution-related illnesses and the severely injured from traffic-related accidents.

The ability for hospitals in New Jersey to withstand $2 billion of Medicare reductions, coupled with a projection of a 11 to 17 percent slash in Federal Medicaid spending, will seriously hurt the economic stability of New Jersey as well as the quality of healthcare delivery to which our residents have become accustomed.

Medicaid Disproportionate Share Hospital (DSH) funding is critically important to compensate New Jersey hospitals for the cost of providing care to the indigent and uninsured. Under the House Commerce Committee bill, New Jersey stands to lose $531 million over five years -- almost an 11 percent reduction in Federal DSH payments. High DSH states like New Jersey should not be unfairly penalized for demonstrating a commitment to providing safety net services for many of the state's most vulnerable residents.

Not only will these reductions have an impact on our hospitals' ability to keep their doors open, but the reductions will also harm the New Jersey workers employed at hospitals. Hospitals will be forced to freeze salaries -- or even worse -- initiate layoffs.

While New Jersey is prepared to accept its share of the national burden in the name of a balanced budget, the budget reductions might very well have the unintended consequences of harming not only the delivery of care but the economy of a strong vibrant state.

The Senate Federal Medicaid DSH funding reduction for New Jersey is almost $1 billion; and the House reduction is $531 million, neither of which is acceptable if New Jersey is to continue to deliver quality healthcare services for its residents. We urge you to take into account the impact of these reductions on New Jersey and other states, and to use your considerable leverage to mitigate these inequitable reductions as the Reconciliation spending bills go to conference.

If your efforts to alleviate the Medicaid reductions do not succeed, we urge your veto of the conference bill, and we hope you will consider our concerns as you negotiate the Reconciliation package in conference.

Sincerely,

Rep. Robert Menendez

Rep. Frank Pallone, Jr.

Rep. Donald M. Payne

Rep. Robert E. Andrews

Rep. Bill Pascrell, Jr.

Rep. Steven R. Rothman