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Children's
National Medical Center.

Serving Children and Their Families Since 1870

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Anne Heather

~~Confidential~~

MEMORANDUM

TO: Melanne Verveer, Assistant to the President & Chief of Staff to the First Lady
Fax: 202-456-6244

FROM: Jacqueline D. Bowman, Vice President
Government & Public Affairs

DATE: September 27, 1999

SUBJECT: Meeting with the Mayor of the District of Columbia (White Paper)

DETERMINED TO BE AN ADMINISTRATIVE MARKING
INITIALS: RLCR DATE: 02/15/12
2012-0254-S

Thank you for taking the time to allow us to explain some of the major issues confronting Children's Hospital as we and the District Government struggle to cope with important issues that affect the lives of many of our patients and children throughout our community.

We appreciate any mention the First Lady may have an opportunity to make with respect to these issues when she meets with Mayor Williams. *A more genuinely collaborative approach by the District in working with ~~traditional providers will~~ move us toward actual Medicaid Program reform and improved access to care for children and adults much more quickly.*

We have attached two documents. The first focuses on Medicaid enrollment and eligibility issues. The second describes: 1) the issues surrounding the District's Medicaid expansion plan which eliminates the DSH Program, 2) the $9-$26.3 million in federal DSH funds we are already working with the Clinton Administration to obtain, and 3) the less risky approach toward expansion we're encouraging the District to adopt.

Again, thank you for your interest, and please feel free to have your staff (I have forwarded this document to Shirley Sagawa, Ruby Shamir & Chris Jennings.) contact me at 202-884-4933 if you have any questions or need additional information.

cc: Shirley Sagawa (202-456-6244)
Ruby Shamir (202-456-5690)
Chris Jennings (202-456-5557)

Attachment

Hope Grant
meeting

District of Columbia Medicaid
Eligibility Determination

CNMC is the only institution of its kind in the District of Columbia and the surrounding area. The largest single provider of pediatric primary care services, Children's also provides pediatric tertiary care along with over 40 pediatric specialties and subspecialties. With over 125 years of experience, Children's is also the largest provider of pediatric services to Medicaid enrollees. This experience has earned Children's the trust of families and the wider community. Public health authorities should seek to capitalize on this asset to buttress efforts to expand access to pediatric health care services.

Enrollment/Eligibility Status Report

The District of Columbia Medical Assistance Administration estimates that approximately 8,000 children are uninsured in the District of Columbia (national estimates of the number of uninsured have been higher.) Since October of 1998, the MAA has, to its credit, adopted a short SCHIP application form and contracted for outreach services. By June, the District reported only 1,905 new SCHIP eligible enrollments. About 2,500 children previously eligible for the regular program were enrolled. Over 4,100 parents were enrolled (approximately 20,000 people are currently eligible for the regular Medicaid Program, but remain unenrolled

Eligibility Issues

- The District's Medicaid policy, planning, outreach and administration is the responsibility of the Medical Assistance Administration (MAA), but enrollment is the responsibility of the Income Maintenance Agency (IMA)
- IMA was sued (settled) for noncompliance with Medicaid requirements.
- Despite the availability of the short form, families that may apply for other forms of public assistance simultaneously continue to use the long complicated common form
- The District is not set up to accept applications electronically which would eliminate many delays and reduce the number of clients who never complete the paper process.
- HCFA requires states to post state eligibility workers at DSH hospitals, but the District continues to only post them at the public hospital.
- Although special outreach programs may be in effect, they are uneven and access to these initiatives does not appear to be open to all providers.
- Hospitals have both a mission oriented and financial incentive to expend hundreds of thousands of dollars to enroll individuals on Medicaid, but the District has no such goal/incentive for which MAA/IMA administrators can be held accountable.
- MAA staff recently encouraged hospitals to cease taking what they have termed the "extraordinary" steps that hospitals occasionally take to ensure compliance by socially and economically disadvantaged (less compliant patients & families) with procedures necessary to complete the Medicaid application/interview process.
- Federal rules require states to reimburse hospitals for eligibility/enrollment costs. Contrary to its own rules, the District pays a small portion of the costs.
- The District uses presumptive eligibility for pregnant women but refuses to adopt the policy for children

Recommendations

Self-Attestation

Some jurisdictions have eliminated the need for families to attach documentation to the Medicaid application (Florida and Wisconsin). States have a variety of methods for verifying income. For example, it is possible to match data supplied on a Medicaid application to wage or income tax returns. Similarly, collateral databases from the public schools, WIC, school lunch or other programs could be used to verify information supplied by parents seeking Medicaid coverage for their children.

Alabama, Utah, Washington, Florida and California do not require families to document family income as part of the SCHIP application process. The family member is required to sign a statement that all of the information provided on the application is true. This and similar techniques result in a smooth, efficient and less costly process. Children can be rapidly enrolled in Medicaid and assured of access to adequate pediatric health care services.

Presumptive Eligibility

For many years several states have exercised the option under federal law to make pregnant women presumptively eligible for Medicaid services. This feature of the program permits pregnant women to receive enrollee services while the application is being processed.

A provision in the Balanced Budget Act of 1996 enacted a similar state option for children, as well. The District has adopted the process for pregnant women, but has rejected providing presumptive eligibility for children or even for especially vulnerable pediatric populations.

A specific time period (60 days) is established for presumptive eligibility, and parents must answer questions on income and employment, for example. *New York has established this process for the SHIP, and will move to presumptive eligibility for regular Medicaid in January, 2000.* Experience, to date, indicates that almost 100% of those receiving services under this process are determined to be eligible.

The District can work with providers to ensure adequate follow-up verification rather than insisting that a confused and worried parent attend to a some times intimidating application process, often while a child is in the midst of an illness.

Presumptive eligibility is consistent with the District MAA's position that very little time or data are required when using the new short application form.

District of Columbia Medicaid
Disproportionate Share Hospital Program & Medicaid Expansion

Children's National Medical Center has a mission of Care, Advocacy, Research and Education. One of our principle goals has been to ensure the broadest possible access to health care services for children, including insurance coverage. Children's has enrolled as many as 2,000 children in Medicaid, annually, and our staff is very familiar with the cracks through which children frequently fall. Children's strongly supports effective efforts to expand health insurance coverage. These initiatives must be based on concrete data, sound analysis, appropriate funding and a clear understanding of the target population and its particular health care requirements.

Medicaid Expansion and Technical Correction Status Report

Children's joined several major Medicaid hospitals, but failed to convince the District to work to correct the approximately $26.3 million mistake in the 1997 BBA cap on the federal matching portion of the District's Medicaid Disproportionate Share Hospital Program. The hospitals successfully sought Administration (Carol Thompson Coles & Jacob Lew) and Congressional (Eleanor Norton) support for a technical correction. Action is currently pending on this item before the Appropriations Committees on Labor, Health and Human Services and Education.

Simultaneously, and with no consultation with providers, MAA proposed a major Medicaid expansion that would leave 25,000 of the target population uninsured while eliminating the only public support for hospitals (even though they would likely continue to provide significant levels of uncompensated care. The District Council refused to implement the proposal this year, but gave the Mayor the authority to proceed in FY 20001. A Commission is also to submit recommendations regarding the troubled health delivery system.

Expansion Issues

- The Medicaid expansion plans prepared by the MAA and its consultants relies upon existing resources (DSH is less than 4% of DC Medicaid) that currently fund the District's safety net -- health care providers that serve the bulk of the Medicaid population and the uninsured.
- The MAA's plan will use funds currently used to subsidize services for children to fund a managed care insurance program for adults.
- The MAA's plan uses funds previously available for uncompensated care to pay for insurance coverage for coverage for 9,000 persons who already have private insurance.
- The MAA's plan requires a massive redistribution of resources but is based entirely upon enrollment assumptions, service utilization, cost, and critically essential demographic, financial and other data points that the District's Medicaid Program does not measure.
- The MAA's plan is based upon inadequate extrapolated national data.
- Expansions must be budget neutral. The MAA's administrative planning process historically underfunds program obligations (including DSH) in a manner that makes this massive plan an even greater risk for current and new enrollees as well as traditional providers
- MAA plans exceed historic administrative capacity to manage major new programs:
  1) working for HCFA approval of the extension of the 1915 waiver for the TANF population;
  2) the publication and review of new managed care contracts for the same population;
  3) coping with the potential bankruptcy/sale of the largest HMO in the TANF program;
  4) extending the 1915 Waiver to include foster care children;
  5) extending the 1915 Waiver to include special needs children now covered by an 1115 Waiver;
  6) negotiating with HCFA on a new Medicaid expansion 1115 Waiver to cover childless adults;
  7) amending the 1115 application to include a one-year 2400 person ($6 million) pilot project.

Recommendations

The District of Columbia must:

Implement Administrative & Program Improvements to Maximize Enrollment

- work with providers and HMOs to obtain accurate costs for Medicaid budget projections
- incorporate electronic eligibility determination, claims submission & claims payment systems
- regularly update inpatient codes that ensure efficient, proper and prompt payment of inpatient claims and accurate patient diagnosis and discharge data collection
- regularly update physician and outpatient services codes and payment rates to reflect true costs of care, and provide incentives for delivering primary/preventive health care services.
- establish program policies clearly understood by Medicaid staff, financial intermediaries and providers that are based fully on District state plan and federal regulations.
- in conformity with federal rules, extend outstationed eligibility workers to DSH hospitals.
- extend outstationed eligibility workers to non-DSH hospitals

Seek Federal Resources to Support Local Commitment to Insure New Populations

- advocate for restoring the $26.3 million in federal DSH funds mistakenly eliminated by the 1997 BBA in order to fund new insurance coverage
- strongly consider using the DSH technical correction funds to expand Medicaid eligibility while preserving the current DSH Program to support safety net hospitals
- include the local matching funds required for drawing down the federal technical correction funds in the local Medicaid budget (for example, if the FY 2000 appropriations process yields a $9 million increase in federal DSH, then DC must provide $3.9 million)

Adopt Achievable Goals for the Most Vulnerable Populations

- use new local and appropriate federal resources to expand Medicaid enrollment in order to ensure that new enrollments are properly financed and sustainable
- phase-in coverage for the most vulnerable populations in order to measure actual enrollment take-up rates, utilization of services, and costs
- target smaller population groups by income and age (19 to 27 year-olds and/or 50-64 year-olds) in order to develop a manageable expansion program with rational utilization/cost projections that do not risk undermining the broader systems of care required by all citizens
- initially provide expanded coverage on a fee-for-service basis (historic rates) in order to properly plan and accurately project a transition to managed cared plans.

Melanne Verveer

Heather –
Pls send to
me about this.
MV

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May 22, 2000

Ms. Melanne Verveer
Chief of Staff to the First Lady
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20050

Dear Melanne:

A brief note and some enclosures harking back to the heath care coverage issues I've been raising – in particular, about implementation problems in the Children's Health Insurance Program, the centerpiece of the Vice President's, and also the President's, health care proposals.

Attached is a rather alarming article that appeared in Sunday's *New York Times*, pointing out the obvious, but not-well-known fact that welfare reform has made it very problematic to provide health care coverage to families in poverty who previously received cash assistance. This is exactly the kind of issue I was worried would be raised in the primary, or later during the general, with specific reference to CHIP. Shortly after my alarm bells to you, it *was* raised by Bradley at the Apollo Theatre debate in New York, but thankfully not in any detail, and it did not stick. The fact that these issues are coming up now in the press, however, makes it clear that this accusation *will be raised in the general.* The charge will be that CHIP (plus other attempted fixes) is simply ineffective and thus that building entire healthcare proposal on CHIP makes no sense. All proposals that require *outreach that we apparently do not know how to do* are precarious. I'm worried now that this article and these issues could become a landmine for the Vice President in campaign 2000. And for the First Lady in New York, the last thing we need is another health care debacle. So these issues have urgency.

That's why I have been pressing you all to try to get the relevant data to at least be able to substantiate increased enrollment rates in each State as a function of improved outreach efforts that have been tried – to enroll those eligible. In addition, help is also needed to enable and to induce States – with *workable incentives,* best-practice examples/guidelines, and accountability – to *actually do* whatever outreach is needed, as the devolution now in place is not working. What I've suggested, as you know, as one route to improved implementation, is *Enroll-ER* – my term for tapping the physicians of first resort for people in poverty, those in emergency rooms around the country. There are no doubt other ways as well. But something needs to be done. Finally, proactive campaign communications are needed to head off at the pass any criticisms along these lines with sensible policy proposals and informed discussion of the challenges we face.

In this spirit, I'm enclosing two other letters about these specific issues that I wrote (in March and in April) to Jill Iscol, who passed them on to Nancy Hoit. My hope then was that they'd get a hearing by the Vice President's staff and by the campaign. You may find them of interest. Hope so.

All best, as ever,

Cash to Ensure Health Coverage for the Poor Goes Unused

By ROBERT PEAR

WASHINGTON, May 20 — Hundreds of millions of dollars set aside by the federal government to help provide health insurance to poor people leaving welfare remains unused because states have not claimed the money, a new accounting by the Department of Health and Human Services shows.

As a result, many people who were pushed off welfare and are eligible for comprehensive health benefits under Medicaid are not getting coverage.

Congress foresaw the problem in 1996, when it rewrote the nation's welfare laws. It set aside $500 million to ensure that children and their parents would not lose Medicaid coverage when they lost cash assistance.

But figures from the Department of Health and Human Services show that more than three-fourths of the money — $383 million — remains unspent.

Melissa T. Skolfield, a spokeswoman for the department, said: "It's free money. We would really like to see states use it."

After repeated requests this week, the Department of Health and Human Services provided a tabulation of state spending through Dec. 31, the latest data available. The figures showed that 21 states had spent less than 10 percent of the money they were allocated to help preserve Medicaid for people leaving welfare.

The department said that Georgia, Hawaii, Louisiana, Nebraska, Tennessee and Texas had not spent any of their money. Connecticut spent less than 1 percent of its $5.8 million allocation, and New Jersey spent all of its $11 million allocation.

New York spent 10.6 percent of its money and still had $33 million available, the federal government reported. Robert C. Kenny, a spokesman for the New York Health Department, said the state intended to spend the rest of its money, but he could not say when.

States can use the money for a wide range of activities: to let people know that health insurance is available through Medicaid, to find those who might be eligible and to help them apply; to print brochures and simplify application forms; to fix computer systems used to evaluate eligibility; to hire or train state and local government employees who work on Medicaid and welfare.

Most states have not claimed money to help provide health insurance for people leaving welfare.

In addition, states can give money, as Michigan has done, to local hospitals, health departments and community groups to find eligible low-income families and to help them enroll.

The money can also be used to hire interpreters or to translate application forms into Spanish and other languages for people who do not read English.

Access to Medicaid is important to people leaving welfare because they often take low-wage jobs with no health benefits. Even if an employer offers health insurance, low-wage workers may be unable to afford the premiums.

Representative Nancy L. Johnson, Republican of Connecticut, said she and other lawmakers, especially Senator John H. Chafee, Republican of Rhode Island, "worked very hard in 1996 to make sure that no child would lose Medicaid coverage as a result of welfare reform."

Accordingly, Mrs. Johnson said, "The collapse in the provision of Medicaid benefits to eligible children has been a significant disappointment."

Matt D. Salo, a health policy expert at the National Governors' Association, said the federal government had made it difficult for states to spend the $500 million because it initially defined "very narrow acceptable uses" for the money.

Mr. Salo insisted that states were taking "aggressive actions" to ensure that eligible families receive Medicaid.

A recent survey of 21 states by the Kaiser Commission on Medicaid and the Uninsured found that Medicaid enrollment increased slightly from June 1998 to June 1999, but was still below the level of June 1997.

Representative Benjamin L. Cardin, Democrat of Maryland, said some of the decline had occurred because of "benign neglect" by officials in some states.

Elaborating on this point, Laurie Rubiner, a former aide to Mr. Chafee who worked on the 1996 law, said: "State officials have their eye on the bottom line. The desire to reduce Medicaid coverage and control costs appears to be a factor contributing to the decline in Medicaid rolls."

Jocelyn Guyer, a health care expert at the Center on Budget and Policy Priorities, a research and advocacy group, said that "in most states, more than half of parents and more than one out of three children in families leaving welfare lose Medicaid," even though virtually all the children and most of the parents remain eligible for Medicaid.

Joan C. Alker, a lobbyist at Families USA, a consumer group, said: "There's clearly a problem here, and states have the money to fix it. In many cases, computer systems kicked families off Medicaid by mistake. Or the rules were so complex that caseworkers did not understand the family's right to receive health care services."

Prior to the 1996 welfare law, people who received cash assistance were automatically enrolled in Medicaid. Congress severed the link between the two programs in 1996. States were free to change their welfare eligibility rules, but had to provide Medicaid to any low-income family that would have qualified under the standards in effect in July 1996.

Congress set aside the $500 million because it anticipated that states would incur new costs, running separate systems to assess eligibility for Medicaid and welfare.

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April 30, 2000

Jill Iscol, Ed.D, President
Iscol Family Foundation
63 Lyndel Road
Pound Ridge, NY 10576

Dear Jill:

On the topic of the health care proposals in the Gore campaign and our prior discussions about the implementation of the Children's Health Care Program, something has come up in the campaign that it seems to me is likely to come up again.

In particular, C-SPAN aired a program a little while ago in which Kathleen Begala gave viewers a glimpse of Gore Headquarters in Nashville and fielded questions from callers. One caller, a conservative Republican, was angry at programs in Tennessee that he indicated the Clinton-Gore Administration was responsible for that target what he called the "uninsured and uninsurable" who are "tracked down" to enroll them in this "big government program."

It's hard to imagine that people would not want government to try to find effective ways to bring services to people, i.e., to make services that are available work better for people in their lives. But apparently this caller was offended and tried to portray it as Big Brother tracking down hapless citizens (who by implication don't deserve it, may not want it, and for whom we should not be providing it). The caller referred to the program, if I heard it correctly, as Tennessee's "Tenn Care" program, and disgustedly referred to it as filled with flaws and inefficiencies. The call sounded very much like it had been set up by folks on the other side.

One element of this is that it is the familiar ideological attack on any government program, which will be directed at CHIP and its expansion during the campaign. Another element is that it explicitly attacks efforts to improve the implementation of existing programs – and targets those procedures in place in the Vice President's home state to help enroll people in health care coverage. This is unnerving and important in that it may reveal that Republicans are going to attempt to short circuit any heightened efforts to implement CHIP more effectively – or any *proposals* to do so.

My view, as you know, is that it is of the essence that CHIP and its expansion are effectively implemented, by systematic enrollment outreach, so that these programs will work in accomplishing the aims for which they are designed – to arrange that more Americans have health care coverage. It seem to me that this is a concept that can be framed for voters and defended *proactively*, and that it should be.

But when Kathleen Begala attempted to field this question, she did so by ignoring its substance, and giving a boilerplate health care response of the kind one might expect. Wouldn't it make more sense to respond directly to the charge so as not to look evasive or as if one is not listening, and also to head it off at the pass? Wouldn't it be better to offer explicit reasons for why it is the role of government to find innovative ways to make sure that government programs that Americans want and that do exist are accountable and responsive? The idea is to improve lives where possible – in practice, not only in principle. This is the overarching purpose of the Vice President's National Partnership for Reinventing Government and I'd think that its spirit and accomplishments should be touted where possible.

Minimally, the campaign should be vigilant about the emergence of these kinds of questions and attacks relevant to CHIP, so that they can be explicitly countered in a reply. Ideally, I'd think a more proactive response to characterizing the problem and the issues at hand for helping to extend health insurance coverage to all Americans should be fashioned so that Americans are helped to understand the nature of the problem; if this is done, the existence of outreach efforts will make perfect sense.

Hope this may be of some use.

All Best,

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March 19, 2000

Jill Iscol, Ed.D, President
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Dear Jill:

It was good to talk with you yesterday, and thanks for passing this letter along to Nancy Hoit, as you kindly offered to do – on the concerns I've been raising about CHIP in letters to Melanne (which I just re-faxed you so they're handy). I'd be happy to talk with her or anyone else, of course. And, in case you may want more clarification --

• The policy I'm proposing for extending outreach efforts is Enroll-ER. Because emergency rooms are the healthcare provider of first resort for people in poverty, they provide a context for enrolling people in CHIP on a much-expanded basis -- *if* streamlined procedures can be used at emergency rooms, and Pam Johnson indicates they can be. I assume this is the kind of issue that Nancy and others would find of interest.

• Do the parents of the kids eligible for CHIP in fact know their children have healthcare coverage and are their kids enrolled? More inclusive outreach efforts are likely to be needed to effectively implement CHIP, and this is crucial given that it is to be the basis for expanded healthcare coverage. Enroll-ER would expand upon current efforts to use school lunch programs for identifying and enrolling eligible children. (Enrolling eligible kids at birth offers another superb solution.)

• The overall question: How well is CHIP working in providing children in poverty with healthcare coverage? The more specific questions: (a) How bad have the consequences of welfare reform been for children in poverty in terms of their healthcare coverage? And, (b) has the proportion of children eligible for CHIP who are in fact enrolled improved with recent improvements in outreach?

• The figure that answers this question is the percentage of kids eligible who are actually enrolled. This the number of kids eligible for CHIP (i.e., in poverty) in each State divided by the number enrolled. We need this figure calculated for each State and it is not currently on the boost4kids website. Instead, the website presents number of kids eligible divided by the State's population, which makes no sense. It also underestimates the kids *not* enrolled by about half. I'm hoping Pam is now reviewing the correct figures,

which are of the essence for program evaluation and accountability. (I did not mean to imply in prior letters that we are underestimating the number of kids in poverty, as I have no information on this, although it may well be true.)

• Moreover, the numbers on the website cover 1994-96 and not the post-welfare reform years (1997, 1998, 1999). To see whether welfare reform had a negative impact on children in poverty having healthcare coverage, we simply compare the percentage noted above in 1994-1996 with the same percentage in 1997-1999. To see if recent outreach efforts have improved the situation, we compare 1999 with 1997 or with 1998.

• If the current figures show improvements are solid, this would provide incontrovertible evidence that using CHIP as the basis for expanding healthcare coverage in this country is good policy and the right thing to do, as a step-by-step approach. It would be also provide a compelling argument (a) for the effectiveness of this government program – in accord with reinventing government and making government accountable; and (b) the notion that Al Gore knows how to make government work in our country to get things done. If they do not, then it is a make-or-break issue that new outreach efforts become part of the new legislation to extend CHIP to parents. Otherwise, both the President and Vice President can be accused of proposing an enormous expansion of a government program that is known to be ineffective because we can't find and enroll those eligible for it.

Best of luck with this, of course. And thank you.

Great to chat with you.

Cheers,

Susan M. Andersen
Professor of Psychology

S-CHIP REDISTRIBUTION
July 10, 2000

What is the Administration's position on redistribution of unspent S-CHIP funds?

We have taken the position that we will enforce current law should the Congress fail to pass any modifications to the S-CHIP distribution formula. We have explicitly indicated our support for a two-year extension of the availability of unspent S-CHIP funds should the Congress pass coverage expansion legislation through S-CHIP or Medicaid consistent with the proposals in the President's FY 2001 budget.

EXECUTIVE OFFICE OF THE PRESIDENT
COUNCIL OF ECONOMIC ADVISERS
WASHINGTON, D.C. 20502

THE CHAIRMAN

STATEMENT BY MARTIN N. BAILY,
CHAIRMAN, PRESIDENT'S COUNCIL OF ECONOMIC ADVISERS

THE NATIONAL PRESS CLUB, SEPTEMBER 5, 2000.

ON THE RELEASE OF THE COUNCIL'S REPORT
REACHING THE UNINSURED: ALTERNATIVE APPROACHES TO EXPANDING HEALTH INSURANCE ACCESS

Over 44 million Americans lack health insurance coverage today. Expanding coverage to these American families is a vital priority for public policy. People without health insurance often don't seek the medical attention they need. Lack of early or preventative care often leads to costly hospitalization that could have been avoided.

Affordability is the most important reason why so many families lack coverage. 56 percent of the uninsured have incomes of less than 200 percent of poverty. Low-wage jobs are less likely to offer affordable health care coverage. In addition, because lower-income families have low marginal tax rates, the deductibility of employer-provided insurance premiums provides little effective subsidy for them.

But, affordability is not the only barrier to coverage. Many Americans, even those with incomes well above poverty, lack coverage. Under the current system, many individuals and small businesses find it extremely difficult to obtain quality insurance at reasonable rates.

As we seek to expand access to affordable, quality health care coverage, it is important to examine the effectiveness and efficiency of alternative approaches. At CEA, we have undertaken a study to evaluate the relative merits of direct provision, tax credits and tax deductions as methods to increase access to health insurance.

According to our findings, the most effective way to expand coverage for low income families is through direct provision, such as expansion of S-CHIP or Medicaid. Tax deductions are not an effective way to expand coverage. Refundable tax credits, can provide a complement to direct provision and may help address the inequity in the current tax treatment of health insurance.

Expanding tax deductions for health care insurance would do very little to expand insurance coverage. Simulations reviewed in our study suggest that the proportion of people who would become newly insured because of an expanded tax deduction is about one-third the proportion of participants who would be newly insured under a refundable tax credit plan.

The contrast between tax deductions and direct provision is even starker. The proportion of participants who would become newly insured under a tax deduction plan would be only about one-tenth the proportion of participants who are newly insured under a direct provision plan.

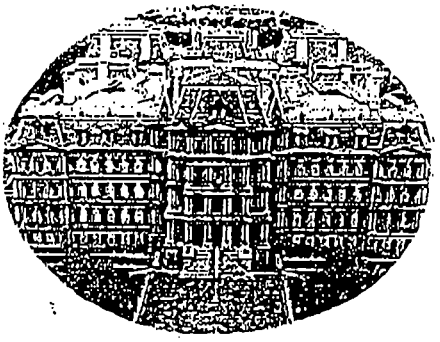
Providing refundable tax credits for the purchase of health insurance is more effective than tax deductions at reaching the uninsured. That is because refundable tax credits reach even those families who pay little or no tax. However, this approach to extending coverage is problematic. By itself, it does not ensure that people can actually secure affordable, quality coverage. And large, refundable tax credits could encourage people who currently have group insurance to switch into the more expensive individual market—raising the cost per newly insured person.

The case for refundable tax credits is that they could eliminate the current tax advantage enjoyed by those who have employer-provided group insurance. In addition, tax credits could be coupled with public program expansions--e.g. by allowing the application of tax credits towards coverage through Medicare, Medicaid or SCHIP buy-ins or through individual health insurance with reforms.

Simulation results indicate that direct provision of health insurance, such as the proposed plan to insure parents of children in SCHIP and Medicaid, effectively reaches the uninsured at a relatively low cost for the benefits provided to the newly insured. The simulations reviewed in this paper suggest that over two-thirds of the participants would be newly insured. Thus, this is the best first step in expanding health coverage to the uninsured.

EXECUTIVE OFFICE OF THE PRESIDENT

Council of Economic Advisers



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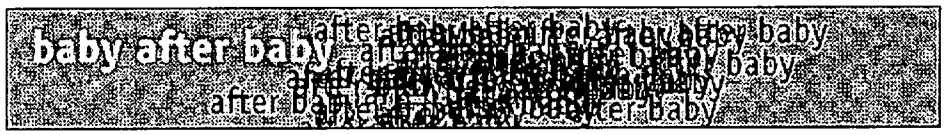

September 5, 2000

E-Mail This Article

Expand Kids Health Care to Parents?

Filed at 10:37 a.m. EDT

By The Associated Press

WASHINGTON (AP) -- The White House presented two reports Tuesday that support expanding children's health care programs to parents and portray the use of tax credits as an inefficient way to improve the health of elderly Americans. The reports came out as George W. Bush was spelling out his ideas to improve Medicare.

Bush has supported a tax credit of up to $2,000 per family to help low-income working people buy health insurance but one of the reports, prepared by the White House Council of Economic Advisers, called that an expensive method. The report favored expanding existing programs -- an approach Bush's Democratic rival for president, Al Gore, also supports.

The Bush program would cover the cost of Medicare premiums for seniors whose income is as much as 35 percent over the poverty line and would subsidize the cost of prescription drug coverage for seniors whose income is as much as 75 percent over the poverty line.

''It's clear the program the Republicans and Bush have laid out will not cover all the seniors who need a prescription drug benefit,'' White House press secretary Joe Lockhart said Tuesday.

Noting that Bush issued the details of his program after a Republican ad attacking Gore's health proposals started running on television, Lockhart said, ''You always have to be a little wary of a policy that went out after the ad went on the air. ... That doesn't necessarily demonstrate a deep commitment to providing prescription drugs for seniors.''

A study from the liberal Center on Budget and Policy Priorities found that allowing parents to apply for aid under the government health programs for children makes it more likely that their children will be covered.

Separately, a White House review of various studies on the subject concludes that expanding existing coverage or federal support for health care programs was superior to offering parents tax deductions or credits for health care.

Congress is considering legislation to expand coverage or provide additional tax breaks for health care programs. Most Republicans favor tax breaks, while most Democrats favor a bill that would expand eligibility under existing programs.

Most poor children are eligible for health care through either Medicaid or the Children's Health Insurance Program (CHIP). CHIP was created in 1997 to help kids whose families earn too much to qualify for Medicaid but can't afford private insurance. Congress has been considering legislation to expand these programs to other family members.

An estimated 7 million children remain uninsured, although they are eligible for health care assistance. Leighton Ku, who wrote the center's report, said some parents don't know about the programs, while others don't take the time to apply for them.

In Oregon, Hawaii and Tennessee, which expanded Medicaid coverage to parents in 1994, coverage of eligible children 6 or younger rose from 51 percent to 67 percent from 1990 to 1998, an analysis of census data found. In states that didn't expand their programs, the proportion of children insured increased only 3 percentage points to 54 percent.

''When you make the program broader so the parents can join or maybe some older siblings can join then they say it becomes worthwhile,'' Ku said in an interview.

Since 1998, the District of Columbia and nine states -- California, Connecticut, Maine, Missouri, New Jersey, New York, Ohio, Rhode Island and Wisconsin -- approved or carried out expansions to their Medicaid programs to cover more low-income families, including parents, the report said.

The second report, a summary of various studies compiled and released by the White House Council of Economic Advisers, concluded that tax credits would encourage some individuals to pay for group insurance or even the more expensive individual insurance. But this is still less of an incentive -- and is more

expensive for the government -- than expanding existing programs or using a combination of the two, the report concluded.

Bush's approach supports a tax credit of up to $2,000 per family to help low-income working Americans buy health insurance and an expansion of tax-free medical savings accounts that can be used to pay for health expenses.

Gore favors expanding coverage for children and parents and a tax credit so uninsured people can purchase individual health policies.

Ku said his findings support the passing of a bipartisan bill proposed last month that would spread $50 billion across the country during the next 10 years so states could insure parents whose children are enrolled in Medicaid and CHIP.

The bill also would let states set up insurance programs for legal immigrant children and pregnant women, allow people leaving welfare for work to keep Medicaid coverage for one year and expand outreach programs to enroll more people. Those programs would cost an estimated $12 billion over 10 years.

Most Republicans oppose the plan. They would rather see the government provide tax breaks so parents could choose a private insurer. The measure fell nine votes short of Senate approval when it was initially offered in July.

On the Net:

Center on Budget and Policy Priorities: http://www.cbpp.org

Council of Economic Advisers: http://www.whitehouse.gov/WH/EOP/CEA/html/index.html

Record Type: Record

To: Sonya N. Hebert/WHO/EOP@EOP, Jason H. Schechter/WHO/EOP@EOP, John Pollack/WHO/EOP@EOP

cc: Joshua S. Gottheimer/WHO/EOP@EOP, Karin Kullman/OPD/EOP@EOP, Stephanie A. Cutter/WHO/EOP@EOP

Subject: factoids on the two reports

Folks were asking this morning for the highlights of the CEA and CBPP reports that are being released on Tuesday. I have more information if you need it, but here's the basics:

CEA

Tax deductions do little to improve coverage. Studies indicate that extending tax deducitibility to non-groups policies would do very little to expand insurance coverage to low-income families, covering only 1/4 to 1/12 the number of uninusred that tax credit or direct subisidies do. *(Republican approach)*

While more effecitve than tax deductions, tax credits are still not the most efficient way to expand coverage. The cost for newly insured using tax credits is higher than the cost in direct subsidy programs. In order to expand coverage to significant numbers of the uninsured, the tax credit must be refundable and used for affordable and accessible insurance products. The consequence of making the credit large enough to encourage participation is that it becomes more valuable than the deduction for group insurace, resulting in a shift to the individual insurance market that undermines the group market and new spending on people who already have insurance. *(Republican approach)*

Direct provision of health insurance through public programs is the most efficient way of targeting low-income families. The direct provision of health insurance through programs such as Medicaid and CHIP, effectively reaches the uninsured for a relatively small total costs -- one third to over one-half the cost per newly insured as the tax credit proposals. *(Our approach)*

CBPP Report *(Our approach)*

Medicaid expansions that include parents increase enrollment among children already eligible but unenrolled in the program by nearly 25 percent. In those states that have expanded coverage through Medicaid to parents experienced a greater increase in Medicaid participation among low-income children under six (51 percent in 1990 to 67 percent in 1998).

States can reduce the proportion of the uninsured through broad Medicaid expansions including parents. They can do so with minimal displacement of employer sponsored health coverage; earlier studies indicate that 80 to 90 percent of the participants enrolled in Medicaid as a result of an eligibility expansion would otherwise have been uninsured (unlike tax credit approaches).

Broad Medicaid expansions that include parents can susbtantially improve health care access and utilization for both adults and children. Newly covered people make greater use of preventive health services, such as pap smears for women and dental check-ups for children, have fewer unmet medical needs, and have better continuity of medical care than do individuals without coverage.

Call if you have more questions, Devorah

Q: Why are you withholding SCHIP funds from New York?

A: We're not. New York's SCHIP plan was approved in April 1998 and we've provided the state with federal matching funds on a regular basis since then.

[BACKGROUND: Federal funds started flowing In April 1998, when the plan was approved; it was later amended in September 1999. New York had asked for a retroactive match, which was denied because their copayments and cost-sharing policies were not in compliance with the SCHIP law - and while a provision in the law "grandfathered in" their existing benefit package, it did not grandfather in their cost-sharing arrangements.]

Q: But Rep. Lazio says you owe the state money. Do you? Are you stalling on providing additional funds?

A: Under the federal SCHIP law passed by Congress, states have three years to spend their SCHIP allotments. The three years run out on September 30, and we intend to move quickly to reallocate any unused funds to states like New York which have spent their full allotments, once we know how much is available. But the law does not allow us to reallocate those funds until after September 30.

Q: Rep. Lazio says you're not providing the full federal match. Are you?

A: We're not sure what he's referring to. New York's SCHIP plan was approved in April 1998 and we've provided the state with the federal matching funds on a regular basis since then.

Neera -

Q+A from HHS on My CHIP

-Heather

8/?. welcome

CHIP piece

[illegible]
Rudy
270-390

Gingrich letter

Shalala mtg.
$ in budget?
talked to NGA
negotiations - BBA

went into BBA - how did that get done?
we included it in our budget
did we get her people

conceptualization
enactment
implementation
outreach

1994 - failure of HC
letter to Gingrich - just HC
ie thing - HI for kids
1995 - Gingrich took over
Started push to blockgrant Medicaid
Vetoed + closed govt
HRC was vocal about blockgrant
vetoed popular welfare b/c undermined
medicaid entitlement -

1996 - HIPA. Insurance reforms
Kennedy-Kassebaum
1997 - CHIP proposal
SOTU
in our budget
closest to our proposal -- supported Hatch-Kennedy - Medicaid exp
shepherded HHS
Senate Finance - insisted - separate
private opt

Budget
in negotiations insisted - on 98 billion cuts to

Signed bill
Op-Ed - now law & implementation

involved in outreach

TO: MELANNE

FR: HEATHER

I have drafted a chronology of HRC's efforts on CHIP, a copy of which is attached. Also attached are the following supporting documents:

- POTUS letter to Newt Gingrich (12/94)
- 1997 State of the Union, introducing the children's health initiative. Unfortunately, it does not mention HRC.
- POTUS statement on signing Balanced Budget Act. (8/5/97) Also does not mention HRC.
- POTUS remarks at children's health outreach event. (2/23/99) He thanked HRC for "her tireless efforts to make this campaign possible and for her lifelong commitment to ensuring a healthier future for our children."
- NY Times opinion piece by HRC (8/5/97)
- Three columns: 5/20/97; 8/5/97; 2/24/98.

I am also attaching the chronology I did on children's hospitals, and the most recent children's health accomplishments piece, which includes information on the number of drugs that have received new pediatric labeling as a result of HRC's efforts.

CHIP Chronology

1994

- After the election and the failure of health care reform, the President wrote to Newt Gingrich outlining health care goals and priorities. Expanding insurance coverage for children was one of the issues raised.

1995

- Republicans took over the House, and started the push to block grant the Medicaid program. The President vetoed the attempts, and shut down the government
- HRC was a vocal opponent of block granting Medicaid, which she argued would have undermined the Medicaid entitlement and been particularly harmful to children.
- Block granting Medicaid was also an issue in welfare reform. The President vetoed several welfare reform bills because they would have undermined the Medicaid entitlement; HRC opposed these efforts as well.

1996

- The Health Insurance Portability and Accountability Act (Kennedy-Kassebaum) enacted.

1997

- The Administration's children's health proposal was included in both the FY 1998 budget and the State of the Union address. HRC was a strong advocate for the program, talking to HHS (she convened a meeting with Shalala), and internally, making sure that OMB, DPC and NEC worked together to develop and promote the proposal.
- HRC was in close contact with Kennedy as he pushed the Kennedy-Hatch proposal, which the Administration supported. (There were many debates about whether to have a Medicaid expansion or to have a separate private insurance option).
- May 1997 column about children's health insurance needs. HRC discussed the Administration's efforts to ensure that the children's health proposal remained part of the balanced budget. She said that plan and others on the Hill were a good start, but encouraged Congress to create a plan to ensure that all children are covered.
- June -- National Governor's Association speech *(still can't find a copy)*
- Budget negotiations – CHIP was one of the last remaining issues. The White House insisted on $24 billion over 5 years and secured that amount.
- August 5 – the President signed the Balanced Budget, which included CHIP.
- That same day, recognizing that the success of CHIP depended on state implementation and parents enrolled their children, HRC wrote an opinion piece for the New York Times about CHIP implementation and outreach to parents. She urged states to participate in the program, and called for a joint effort, involving the Federal government, states, localities, advocacy groups, foundations, health care providers, insurers and businesses, to work to inform families about insurance options for their children.
- Also on August 5, HRC wrote her column about the Balanced Budget Act and mentioned the children's insurance provision (only one paragraph of the column).

Outreach/Implementation Efforts

Recognizing that one of the key reasons that so many eligible children go uninsured is a lack of awareness of Medicaid and CHIP options, HRC convened several meetings with corporate leaders, volunteer organizations, and media groups to develop an outreach campaign.

- February 1998 – the President and HRC initiated the CHIP outreach campaign, and directed several Federal agencies to develop ways to do outreach.
- 2/24/98 column on the need to notify parents of CHIP, and announcing the Administration's outreach initiatives.
- 7/9/98: HRC convened a meeting of corporate partners -- 30 representatives from major corporations—all of whom had made specific commitments toward a private sector outreach campaign. The centerpiece of the event was the unveiling of a national ad campaign. America's Promise, Colin Powell's group, was a partner in developing the media campaign. The Ad Council committed to developing at least one ad.
- 2/2/99: With the President, HRC launched the nationwide "Insure Kids Now" campaign aimed at enrolling eligible but uninsured children in Medicaid and CHIP. The campaign included commitments from major radio and TV networks to broadcast PSA's, and commitments from consumer product manufacturers to print the new toll-free number on commonly used products. The event launched the toll-free "1-877-KIDS-NOW" hotline, and previewed HRC and NBC PSA's.
- These outreach efforts are ongoing.

Feb 18, 1998 - Kick off outreach at children's medical

ME.

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HE

THE WHITE HOUSE

WASHINGTON

December 27, 1994

Dear Newt:

While we could not achieve broad-based agreement on a health reform initiative last year, there can be little disagreement that we still face the enormous problems of increasing health care costs and decreasing coverage. We need to confront these problems on a bipartisan basis and address the insecurities that too many Americans have about their health care. I am writing to reiterate my strong desire to work with you in this regard.

I remain firmly committed to providing insurance coverage for every American and containing health care costs for families, businesses, and Federal, State, and local governments. In the upcoming session of Congress, we can and should work together to take the first steps toward achieving these goals. We can pass legislation that includes measures to address the unfairness in the insurance market, make coverage more affordable for working families and children, assure quality and efficiency in the Medicare and Medicaid programs, and reduce the long-term Federal deficit.

We look forward to talking with you in the upcoming weeks about a bipartisan effort to deliver health care reform to the American public. Hillary and I send our best wishes for a safe and happy holiday season.

Sincerely,

Bill Clinton

COPY

The Honorable Newt Gingrich
House of Representatives
Washington, D.C. 20515

to breast cancer and ovarian cancer, and medication that stops a stroke in progress and begins to reverse its effect, and treatments that dramatically lengthen the lives of people with HIV and AIDS.

Since I took office, funding for AIDS research at the National Institutes of Health has increased dramatically -- to $1.5 billion. With new resources, NIH will now become the most powerful discovery engine for an AIDS vaccine, working with other scientists to finally end the threat of AIDS. (Applause.) Remember that every year -- every year we move up the discovery of an AIDS vaccine will save millions of lives around the world. We must reinforce our commitment to medical science.

To prepare America for the 21st century, we must build stronger families. Over the past four years, the Family and Medical Leave law has helped millions of Americans to take time off to be with their families. With new pressures on people in the way they work and live, I believe we must expand family leave so that workers can take time off for teacher conferences and a child's medical checkup. We should pass flex-time, so workers can choose to be paid for overtime in income or trade it in for time off to be with their families. (Applause.)

This is all he said

We must continue -- we must continue, step by step, to give more families access to affordable, quality health care. Forty million Americans still lack health insurance. Ten million children still lack health insurance -- 80 percent of them have working parents who pay taxes. That is wrong. (Applause.)

My balanced budget will extend health coverage to up to 5 million of those children. Since nearly half of all children who lose their insurance do so because their parents lose or change a job, my budget will also ensure that people who temporarily lose their jobs can still afford to keep their health insurance. No child should be without a doctor just because a parent is without a job. (Applause.)

My Medicare plan modernizes Medicare, increases the life of the trust fund to 10 years, provides support for respite care for the many families with loved ones afflicted with Alzheimer's. And for the first time, it would fully pay for annual mammograms. (Applause.)

Just as we ended drive-through deliveries of babies last year, we must now end the dangerous and demeaning practice of forcing women home from the hospital only hours after a mastectomy. (Applause.) I ask your support for bipartisan legislation to guarantee that a woman can stay in the hospital for 48 hours after a mastectomy. With us tonight is Dr. Kristen Zarfos, a Connecticut surgeon whose outrage at this practice spurred a national movement and inspired this legislation. I'd like her to stand so we thank her for her efforts. Dr. Zarfos, thank you. (Applause.)

In the last four years, we have increased child support collections by 50 percent. Now we should go further and do better by making it a felony for any parent to cross a state line in an attempt to flee from this, his or her most sacred obligation. (Applause.)

Finally, we must also protect our children by standing firm in our determination to ban the advertising and marketing of cigarettes that endanger their lives. (Applause.)

To prepare America for the 21st century, we must build stronger communities. We should start with safe streets. Serious crime has dropped five years in a row. The key has been community

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release August 5, 1997

STATEMENT BY THE PRESIDENT

Potus Statement on Signing BBA

It is with great pleasure that I have signed into law today H.R. 2015, the "Balanced Budget Act of 1997." This Act, together with the tax cut legislation that I have also signed today, implements an historic agreement that will benefit generations of Americans.

These bills will balance the budget in a way that honors our values, invests in our people, and cuts taxes for middle-class families. They are a victory for all parents who want a good education for their children and for all families working to build a secure future. This package is the best investment we can make in America's future, and it prepares our Nation for the 21st century. After decades of deficits, we have put America's fiscal house in order again.

The Balanced Budget Act of 1997 is a balanced package of spending provisions that includes targeted program cuts while it invests in America's future. It includes the following noteworthy features.

nothing about HRC, unfortunately

First, it strengthens our families by extending health insurance coverage to up to 5 million children. By investing $24 billion, we will be able to provide quality medical care for these children -- everything from regular check-ups to major surgery. I want every child in America to grow up healthy and strong, and this investment takes a major step toward that goal. I am also pleased that the Congress agreed to pay for this investment in our Nation's children in part with a 15-cents-a-pack tax increase on cigarettes. Not only will this new revenue help to pay for health care, it will help prevent children from taking up smoking in the first place.

Second, the bill helps finish the job of welfare reform, providing $3 billion to move welfare recipients to private sector jobs and $1.5 billion in Food Stamp assistance for people who want to work, but cannot find a job. In addition, it keeps my promise to provide $12 billion to restore disability and health benefits for 350,000 legal immigrants.

Third, H.R. 2015 honors our commitment to our parents by extending the life of the Medicare Trust Fund for a decade. It also provides structural reforms that will give Medicare beneficiaries more informed choices among competing health plans, authorizes a number of new anti-fraud provisions, and establishes a wide array of new preventative benefits.

The bill includes proposals to revitalize the District of Columbia. It includes my proposals to assume financial and administrative responsibility for certain District pension plans and to increase the Federal contribution to the District's Medicaid program. The revitalization measures will benefit the city and the region by reducing the city's financial burdens and improving the delivery of city services. The Federal assumption of these State-like responsibilities will enable the District Government to focus more intensively on local issues, such as education and law enforcement.

The bill also establishes a sentencing commission made up of District and Federal representatives charged with developing a Truth-in-Sentencing system. The bill also provides for the

Federal Government to assume the costs and responsibilities of the District of Columbia's courts, public defender, and pretrial services systems as well as for felony offender incarceration, supervision, and parole. This assistance will strengthen the District's criminal justice system and improve public safety. Unfortunately, the Act fails to guarantee that the Justice Department's Bureau of Prisons will have the time, management flexibility, and resources needed to achieve a safe transition of responsibility for District of Columbia inmates. I look forward to working with the Congress to rectify these problems.

I am also pleased that the bill responds in part to my proposal to narrow the gap between the treatment of insular areas and States with respect to Medicaid payments, and I look forward to working with the Congress to provide more equitable funding for children's health care in the insular areas.

The Department of Justice has identified a number of Establishment Clause constitutional concerns with respect to section 4454 of H.R. 2015, entitled "Coverage of Services in Religious Nonmedical Health Care Institutions Under the Medicare and Medicaid Programs," and with respect to section 4001, concerning the Medicare Plus program and treatment of religious fraternal benefit society plans. The Department of Health and Human Services will consult with the Department of Justice regarding how best to address these concerns.

Section 4422 of the bill purports to require the Secretary of Health and Human Services to develop a legislative proposal for establishing a case-mix adjusted prospective payment system for payment of long-term care hospitals under the Medicare program. I will construe this provision in light of my constitutional duty and authority to recommend to the Congress such legislative measures as I judge necessary and expedient, and to supervise and guide my subordinates, including the review of their proposed communications to the Congress.

The bill also broadens and extends the Federal Communications Commission's authority to auction the right to use the radio and television spectrum. This authority has been a successful means of streamlining the spectrum licensing process and for facilitating the deployment of new and innovative information technologies into the market place. I remain concerned, however, about the lack of a firm date for the termination of analog broadcasting, which made it necessary to find alternative and troubling savings from the universal service fund. I am also concerned about the waiver of media concentration rules.

This legislation represents an historic compromise. Together with its companion tax cut legislation, H.R. 2015 is a monument to the progress that people of goodwill can make when they put aside partisan interests to work together for the common good and our common future. It reflects the values and aspirations of all Americans.

This summer, we had an historic opportunity to strengthen America for the 21st century -- and we have seized it. Now our Nation can move forward stronger, more vibrant, and more united than ever. For that, I am profoundly grateful.

WILLIAM J. CLINTON

THE WHITE HOUSE,
August 5, 1997.

Draft 2/22/99 6:15pm
Tamagni

PRESIDENT WILLIAM J. CLINTON
REMARKS FOR CHILDREN'S HEALTH OUTREACH EVENT
THE EAST ROOM
February 23, 1999

I want to begin by thanking the First Lady for her tireless efforts to make this campaign possible and for her lifelong commitment to ensuring a healthier future for our children. I want to thank Secretary Shalala for everything she is doing to make sure more of our children have the health care coverage they need to thrive. I want to thank Governors Carper and Leavitt for being here today and for all the ways the National Governors Association is helping us meet this challenge. Finally, I want to thank all the organizations represented here today for your dedication to our children's health.

As you have already heard today, ten million children in this country don't have health insurance. For the families of those ten million children, the slightest cough, the smallest accident, can cause enormous worry -- a serious illness can cause financial ruin, and even tragedy. I believe that this is simply unacceptable in a nation with the best health care system in the world -- a nation at the height of its prosperity -- a nation that values its children.

Two years ago, we took action to provide health care to millions of children when I signed into law our $24 Billion Children's Health Insurance Program. But we knew then that it would take more than money to reach these children. We knew that to make our children's health insurance program more than an empty promise, all of us would have to do our part -- at every level of government, in our businesses and health care organizations, in every community and in every family.

Last week at a health care roundtable in New Hampshire, I met Christine Monteiro. For 11 years, Christine and her husband have worked hard running a solar energy business. Like all small business owners, they've had their ups and downs -- but for the Monteiro's, the hardest times came when they could no longer afford health insurance for their daughters. Last month, one of their children fell ill. Fearing mounting medical bills, Christine brought her daughter to a clinic where she learned about the CHIP program. She signed up immediately, and now, all of her daughters' doctors visits have been covered -- visits which would have cost the Monteiro's more than $1,000 in one month alone.

The Monteiro's were lucky -- but learning about children's health insurance shouldn't take luck. There are still far too many hard-working parents who simply don't know that their children may be eligible for health insurance -- and we have to reach them. I believe we have an obligation to use every tool we possess, every resource at our disposal, to meet this challenge.

First, government must do its part. We have already heard about the remarkable effort by the NGA in partnership with our administration and Bell Atlantic to set up a national toll-free number -- 1-877-KIDS NOW -- that gives parents state-specific information about children's health insurance. And Secretary Shalala just told you about some of the other steps our administration is taking to reach more uninsured children.

But to make sure that more parents make the call that can keep their children growing healthy and strong, the private sector must also do its part. Today, I am pleased to announce unprecedented new commitments from the media to business, from the health care industry to grassroots organizations all over the country.

Let me give you just a few examples. NBC is unveiling a new prime-time PSA campaign to raise awareness about the CHIP program, and ABC and Viacom/Paramount will also begin airing a PSA the First Lady made to inform families about the Insure Kids Now toll-free number. The National Association of Broadcasters will make the First Lady's PSA available to all of its member stations, and Black Entertainment Television will also run the ad. Univision will run a PSA with the Insure Kids Now number in Spanish. We have some of these ads here with us today, so let's take a look. [*THE PSAs are shown*]

And that's not all. Major corporations from K-Mart to McDonalds to General Motors -- from American Medical Response to the Blue Cross Blue Shield Association to Pfizer -- will help us make sure that the Insure Kids Now toll-free number appears on grocery bags and restaurant placemats, on school buses and in doctors offices, even on toothbrushes that dental hygienists give their patients. And with the help of organizations like America's Promise, the United Way, and a host of community-based groups, families will hear about health insurance from the people they trust they most -- teachers and school principals, doctors and nurses, rabbis and ministers. Our goal is to reach every eligible family in America, from the largest city to the most remote rural area.

But we know that ultimately, parents must take responsibility for their children's health. Our message to parents must be: What you do not know can hurt your children. You have to find out if your child is eligible for this health insurance. Call the toll-free number -- 1-877-KIDS-NOW. Don't wait until illness strikes to give your children that security.

If we do this -- working together in partnership, government, business, community, and families -- I believe we have can change the lives of millions of children and build a stronger nation in the the 21st Century. I thank you all for doing your part.

The New York Times

View Related Topics

August 5, 1997, Tuesday, Late Edition - Final

SECTION: Section A; Page 19; Column 1; Editorial Desk

LENGTH: 748 words

HEADLINE: Our Chance for Healthier **Children**

BYLINE: By **Hillary** Rodham **Clinton**

DATELINE: WASHINGTON

BODY:

The historic balanced budget bill that the President is set to sign today offers hope that as many as five million uninsured boys and girls will receive the **health** care they need, from checkups to antibiotics to complicated surgery. As the largest expansion in **children's health** coverage since Medicaid's creation 30 years ago, the bipartisan legislation could move the United States closer to shedding its status as the only Western industrialized nation that does not provide basic **health** benefits to all **children.**

Even as we celebrate this progress, we should recognize that passage of a bill, no matter how historic, does not guarantee success. Whether this legislation fulfills its promise depends on how hard we are willing to work in the months ahead.

Finding uninsured **children** who are scattered across the country, and then insuring them, will not be easy. As successful as Medicaid has been, an estimated three million eligible **children** are still not enrolled, because their parents don't know about the program, are unclear about whether they qualify, are reluctant to accept "government" help or are confused by complex eligibility rules.

Millions of other uninsured **children** have working parents who are employed by businesses that don't provide **health** insurance or who are low-wage workers unable to afford their share of insurance premiums. Still others lose coverage when their parents lose jobs.

For this new bill to fulfill its promise, states first have to agree to participate and build on successful efforts that many have already made. While $24 billion in Federal aid over five years should be a significant incentive, dollars alone may not induce participation across the board. That's why our most urgent task is to educate citizens, especially parents, about what is at stake, and to encourage state officials to join the program and assure adequate benefits for all **children.**

Meeting this challenge will require a joint effort involving the Federal Government, states, localities, advocacy groups, foundations, **health** care providers, insurers and businesses -- all of whom will have to work to inform families about insurance options for their **children.**

The Federal Department of **Health** and Human Services, for example, will offer guidance to state officials by helping to interpret key portions of the law and provide technical assistance to states with little or no experience in **children's health** programs.

Health care providers and insurers, who will benefit from a population of newly covered patients, can play a pivotal role in designing high-quality **health** plans and enrolling uninsured **children** who come to the hospital or emergency room for care.

Finally, states will have to meet the law's requirement that new dollars not be used to replace or supplant existing coverage. Otherwise, the legislation could have the perverse effect of reducing current public

and private commitments to **children's health.**

Luckily, many states have already taken the lead in enrolling **children** in **health** plans. Florida works through schools to educate parents about signing up. Pennsylvania has adopted outreach efforts that help eligible families find the program best suited to their needs. Minnesota has chosen to use Federal dollars to expand its successful Medicaid program.

Parents will have the most significant role of all. They will have to learn about the programs, demand quality benefit packages, enroll their **children** if they are eligible, and take advantage of the services provided.

While this law will not fully achieve the universal coverage that I believe is in the nation's best interest, Americans should be proud that our Government has made another down payment on the President's goal of providing **health** insurance for all citizens.

In the last three years we have also taken other steps to bring better **health** care to the nation's young people, from passage of the Kassebaum-Kennedy bill to the President's successful efforts to increase immunizations, protect Medicaid, restrict tobacco advertising and sales to minors, extend hospital stays for mothers and their newborns, and expand financing for nutrition and education programs for poor women and their **children.**

Now we have a chance to build on these achievements in the most profound way yet: by giving millions of **children** access to the **health** care they deserve and by offering them genuine hope for a healthy future. It's an opportunity we can't afford to miss.

LANGUAGE: ENGLISH

LOAD-DATE: August 5, 1997

TALKING IT OVER
BY HILLARY RODHAM CLINTON
FOR IMMEDIATE RELEASE

5/20/97

When our daughter, Chelsea, was 9, she had to have her tonsils taken out. Though we knew it was a low-risk medical procedure, Bill and I were nervous wrecks. But our family was lucky because we had health insurance. Paying for Chelsea's hospital stay was the least of our worries.

Given the stress we felt when our child was hospitalized overnight for a relatively minor procedure, I can barely imagine the heartache experienced by parents who can't afford health insurance for their children each time a child becomes ill. In too many cases, they are overwhelmed by questions not only of how and when their sick child will respond to treatment but whether they will be able to afford the necessary medical care in the first place.

The time is long overdue for all of us to address what I believe is an economic, social and moral crisis in our country. The United States is the only industrialized nation that does not extend health coverage to all of its children. There is no good reason our country, which is blessed with the most advanced and innovative medical facilities and talent in the world, continues to allow so many children to grow up without regular access to basic health care.

Today, nearly 10 million American children under 18 have no health insurance. A recent study showed that 20 million children were without insurance for at least one month over a two-year period. As health-care costs and insurance premiums keep rising, fewer employers are offering health insurance to their workers. And more and more working parents are finding that, after paying the rent, heat, electricity and grocery bills, they cannot afford coverage for their children.

What is most surprising is that the majority of our uninsured children are not poor. At least two-thirds of all uninsured children are being raised by working parents whose incomes are above the official poverty level. In fact, the number of poor, uninsured children has been decreasing (thanks to Medicaid), while the number of uninsured middle-class children has been increasing.

What this means is that too many children who have trouble seeing a blackboard do not get the glasses they need to correct their vision. Too many nagging coughs go untreated until they worsen into life-threatening conditions that require costly treatments and lengthy hospital stays. And many parents,

faced with the threat of an uninsured injury, forbid their children to play sports or visit the playground.

Some people believe we cannot guarantee health care to all children because of cost. But, as other countries have already found, a sensible child health insurance system is a critical, cost-effective investment in the future. That's because most children who become seriously ill or injured are eventually treated somewhere and at a much greater cost than their parents -- or we -- would have paid if their symptoms had been treated earlier.

In negotiations over the new balanced budget, the President has made sure that as many as 5 million children currently living without health insurance can get the coverage and care they deserve. And this spring, several bills are making their way through Congress that build on innovative efforts begun in individual states to cover all uninsured children and make it easier for working parents to buy health insurance for their children.

In recent years, many states have been able to insure thousands of children by expanding Medicaid benefits to include older children and children living in families whose incomes are slightly above the poverty level. Others have created new state-funded child insurance programs or joined forces with private insurance companies to subsidize premiums for needy families.

These efforts represent a good start. But the question of whether a sick American child gets needed medical treatment should not depend on where he or she lives. We must encourage members of Congress to create a plan that ensures every single child in our country enjoys the same health care and security Bill and I are able to give our own daughter.

Providing health care to all of our children is more than just a political challenge. It is a test of our faith in the future and of whether our rhetoric about family values will be translated into action on behalf of our children.

May 20, 1997

8/5/97

TALKING IT OVER
BY HILLARY RODHAM CLINTON
FOR IMMEDIATE RELEASE

The evening before the President was to sign the historic balanced budget agreement, there was a discussion at the White House about who would attend the South Lawn ceremony. With members of Congress and other dignitaries set to come, space would be tight.

There was concern that there might not be room for the interns -- the young people who spend the summer as volunteers at the White House. Someone pointed out that the interns were the most important guests of all. They had to be invited for the simple reason that the balanced budget was for them and for the entire generation that will lead our nation into the 21st century. Extra chairs were brought in. And as I looked out over the crowd at the signing, it gave me real joy to see their young faces.

The balanced budget the President signed is historic. There has never been a national budget that has done more to support America's parents in the hard work of raising their children and sending them to college. The budget meets this responsibility in three crucial ways.

First, it is good for our economy, and a strong economy is good for our families. Since my husband came to office, the federal deficit has been reduced by more than 80 percent. That, in turn, has sparked the prosperity we enjoy today. By finishing the work of balancing the budget, we will continue to keep interest rates down, investment up and our economy on track.

What's more, by putting our fiscal house in order, we will see to it that when it is our children's turn to lead America, they will have the freedom to invest in their national priorities. They won't have to expend resources paying off reckless spending run up by previous generations. Children should not be responsible for their parents' bills. This budget sees to it that they won't be.

Second, this balanced budget makes it easier for families to raise their children. Roughly 27 million families that earn less than $110,000 and have children under the age of 17 will be eligible for a $500-per-child tax credit. For hard-working parents -- from firefighters and nurses to police officers and teachers -- that could mean extra money for a mortgage, school supplies or repairs on a car that doesn't act quite as reliably as it used to.

One of the biggest concerns parents have is health care. I've been told by countless parents that their main worry is whether they will be able to afford medical

attention for a sick child. This balanced budget will help extend health insurance coverage to up to 5 million children -- for everything from regular checkups to antibiotics to major surgery. Our $24 billion investment -- paid for in part by a 15-cents-a-pack tax on cigarettes -- marks the largest expansion of children's health coverage since the passage of Medicaid in 1965.

Another big concern families have is education: Parents wonder if their children are learning what they need to know; they worry about how they will pay for a child's college tuition.

This landmark agreement will help. Now, parents will get added support sending their children to college, with $35 billion in tax relief to help pay for education and training. That includes a $1,500 HOPE Scholarship for the first two years of college as well as a 20 percent tuition tax credit for the last two years of college and for education throughout a lifetime.

This balanced budget also contains the most significant increase in education funding in more than 30 years. It will expand Head Start and fund the President's literacy initiative for children.

Combined with other reforms that will make it easier for families to buy and sell a home or to save money in tax-free accounts for education, these tax credits and initiatives will lighten the heavy load America's parents are carrying.

Third, this balanced budget helps families by supporting those sectors of society that support us all. Families can't go it alone. It takes a village. And this budget strengthens the village in important ways.

The budget agreement will help to make our neighborhoods safe by continuing the President's effort to put 100,000 community police officers on the streets. Public schools that are falling down will be rebuilt. By tripling the number of empowerment zones across the country, this budget will bring new hope to families who live in hard-pressed inner cities and rural areas. The budget also includes funds to clean up toxic waste sites and to preserve the National Parks that millions of families visit on vacation.

This balanced budget is about more than dollars and cents; it is a reflection of who we are as a people. The bipartisan agreement shows that our leaders can come together across party lines to do the right thing for America. It shows that we will support our parents and families as we prepare for the 21st century. It shows, truly, that we can put our values into action.

August 5, 1997

2/24/98

TALKING IT OVER
BY HILLARY RODHAM CLINTON
FOR IMMEDIATE RELEASE

Think about the children you know or come in contact with every day. Do any of them have parents who work but cannot afford health insurance? Do any of them qualify for Medicaid but for whatever reason don't receive it?

Last week, I met just such a family. Linda Havemann is a full-time homemaker in Williamsburg, Va. Her husband, Tom, has a good job working as a mechanic for a construction company, but they cannot afford health insurance for their sons Raymond, 6, Michael, 3, and Andrew, 18 months. The two youngest have suffered with ear infections since birth, but they've never had regular doctor's visits because they don't have insurance.

I'm sure every parent can remember feeling panicked and helpless sitting up with a sick child. I can. Imagine how you would feel if, when your child had a temperature or an ear infection, you couldn't call a doctor.

This is what Linda and Tom had to live with until a Salvation Army social worker informed them that Michael and Andrew were eligible for Medicaid. When the Havemanns finally took the boys to the doctor, they found that Andrew had already lost 20 percent of his hearing and that his speech was delayed. Two weeks ago, after surgery to insert tubes in his ears, he said his first words: "Mama," "Dada," "bubble" and "shoe."

That's the good news, but the bad news is that 6-year-old Raymond is too old to qualify for Virginia's Medicaid program. In an effort to help states extend health coverage to 5 million children in Raymond's shoes, last year's balanced budget agreement included a $24 billion initiative. Called the Children's Health Insurance Program, or CHIP, this program targets children of working families who do not qualify for Medicaid.

There is no excuse in this country for children to go without proper medical care. And yet, 10 million American children -- that's one in seven -- do. Three million of these, like Michael and Andrew, are eligible for Medicaid, but for a variety of reasons, their parents don't enroll them. Some don't know they qualify. Some can't deal with the complex enrollment forms. Others are simply ashamed to ask for help.

We must do everything we can to find and enroll those kids who are eligible for Medicaid or CHIP. We can pass all the laws we want, but if parents don't know their

children are eligible, or if they can't or won't fill out the forms, these laws will never fulfill their promise.

Last week, the President announced a series of initiatives that will help. First, he ordered federal agencies to develop a national outreach program -- distributing information, coordinating toll-free numbers, and simplifying the application process.

To complement this effort, he also described some extraordinary contributions from the private sector. Within a month, Bell Atlantic will have up and running a toll-free number to help states enroll uninsured children. Safeway will print the number on all its shopping bags, and chain drug stores will provide it to their customers.

The Robert Wood Johnson Foundation and the Kaiser Family Foundation together will spend $23 million to research, design and fund outreach initiatives, and Pampers will offer information about available health insurance options in its childbirth education packages, which are given to 90 percent of first-time mothers.

This administration is committed to making sure that every American has access to adequate and affordable health care. In 1996, the President signed a law that keeps an estimated 25 million Americans from losing their insurance if they change jobs, are self-employed or have pre-existing medical conditions.

And just last week, he signed a directive ensuring that everyone covered by a federal health plan -- fully a third of all Americans -- will be protected by a Patient's Bill of Rights. And he announced a new initiative to eliminate, by the year 2010, the disturbing disparities in infant mortality, diabetes, cancer testing and treatment, heart disease, AIDS and immunization among various ethnic and racial groups in this country.

But no goal is more important than providing adequate medical care to our youngest and most vulnerable citizens. Everyone can help. Besides social workers, we need doctors and nurses to inform parents about programs available for their kids. In addition, teachers, guidance counselors and coaches, neighbors and friends, camp counselors and mentors, tutors and members of the clergy -- everyone in the village -- can be on the lookout for children in need.

The health and well-being of our children is everybody's concern. If we work together, our efforts will help assure that America's children get the healthy start they need to live long and productive lives.

February 24, 1998

CHIP Chronology

1994

- After the election and the failure of health care reform, the President wrote to Newt Gingrich outlining health care goals and priorities. Expanding insurance coverage for children was one of the issues raised.

1995

- Republicans took over the House, and started the push to block grant the Medicaid program. The President vetoed the attempts, and shut down the government
- HRC was a vocal opponent of block granting Medicaid, which she argued would have undermined the Medicaid entitlement and been particularly harmful to children.
- Block granting Medicaid was also an issue in welfare reform. The President vetoed several welfare reform bills because they would have undermined the Medicaid entitlement; HRC opposed these efforts as well.

1996

- The Health Insurance Portability and Accountability Act (Kennedy-Kassebaum) enacted.

1997

- The Administration's children's health proposal was included in both the FY 1998 budget and the State of the Union address. HRC was a strong advocate for the program, talking to HHS (she convened a meeting with Shalala), and internally, making sure that OMB, DPC and NEC worked together to develop and promote the proposal.
- HRC was in close contact with Kennedy as he pushed the Kennedy-Hatch proposal, which the Administration supported. (There were many debates about whether to have a Medicaid expansion or to have a separate private insurance option).
- May 1997 column about children's health insurance needs. HRC discussed the Administration's efforts to ensure that the children's health proposal remained part of the balanced budget. She said that plan and others on the Hill were a good start, but encouraged Congress to create a plan to ensure that all children are covered.
- June -- National Governor's Association speech (*still can't find a copy*)
- Budget negotiations – CHIP was one of the last remaining issues. The White House insisted on $24 billion over 5 years and secured that amount.
- August 5 – the President signed the Balanced Budget, which included CHIP.
- That same day, recognizing that the success of CHIP depended on state implementation and parents enrolled their children, HRC wrote an opinion piece for the New York Times about CHIP implementation and outreach to parents. She urged states to participate in the program, and called for a joint effort, involving the Federal government, states, localities, advocacy groups, foundations, health care providers, insurers and businesses, to work to inform families about insurance options for their children.
- Also on August 5, HRC wrote her column about the Balanced Budget Act and mentioned the children's insurance provision (only one paragraph of the column).

Outreach/Implementation Efforts

Recognizing that one of the key reasons that so many eligible children go uninsured is a lack of awareness of Medicaid and CHIP options, HRC convened several meetings with corporate leaders, volunteer organizations, and media groups to develop an outreach campaign.

- February 1998 – the President and HRC initiated the CHIP outreach campaign, and directed several Federal agencies to develop ways to do outreach.
- 2/24/98 column on the need to notify parents of CHIP, and announcing the Administration's outreach initiatives.
- 7/9/98: HRC convened a meeting of corporate partners -- 30 representatives from major corporations—all of whom had made specific commitments toward a private sector outreach campaign. The centerpiece of the event was the unveiling of a national ad campaign. America's Promise, Colin Powell's group, was a partner in developing the media campaign. The Ad Council committed to developing at least one ad.
- 2/2/99: With the President, HRC launched the nationwide "Insure Kids Now" campaign aimed at enrolling eligible but uninsured children in Medicaid and CHIP. The campaign included commitments from major radio and TV networks to broadcast PSA's, and commitments from consumer product manufacturers to print the new toll-free number on commonly used products. The event launched the toll-free "1-877-KIDS-NOW" hotline, and previewed HRC and NBC PSA's.
- These outreach efforts are ongoing.

CHIP Chronology

- 1994, after the election and the failure of health care reform, POTUS letter to Gingrich outlining health care goals and priorities. Expanding insurance coverage for children was one of the issues.
- Republicans took over the House, and started the push to block grant the Medicaid program. The President vetoed, and shut down the government
- HRC was vocal in arguing against block granting Medicaid, which would

Critical players – admin.
support for ~~CHIP initiative~~ CHIP

(1) letter
(2) block save Medicaid
* welfare reform → involved internally

(3)

Jan 1997 → $ in budget – how much?

NEC, DPC, OMB, HHS (Shalala)

mtg

energy's

talking to Kennedy – Children's HC Stay advocate

SOTH – what did he say?

(4) Kennedy – Hatch – we working w them
close touch w Kennedy
May – column
June – NGA

(5) budget negotiations – July '97 – insist on 48 billion

(6) Aug 5 – signing

(7) move on to implementation

why have a House counterpart? who behind it?

8) Outreach – county people

7/10/98 – corporate, etc. Ad-council

2/99 – outreach event w/ POMS

outreach ongoing

6/20 Chris T. / Bernard Neera, Laura

HC proposals

Tues - HRC plans for access - political
layout vision

Fri commencement - broad HC speech - official

worked to do targeted reforms - proud / achievements from HSA
want to build on those

how to refer to HSA - too much too quick
don't apologize for goal
committed to doing it step-by-step

debate about this year's budget
projected savings from baseline - spending
less a HC than we thought to - economy
better, fraud + abuse, better mgt.

surplus should go to expanding access
prescription drugs
Medicare solvency
long term care

There are greater priorities than tax cuts

Family Health Plus nationally - minimum HRC does

(2)

cover parents, kids
then single working adults

postponing things —
providing givebacks — teaching facilities — H
* home health care — ability to stay at home
[instead of nursing homes]

States who have done the right thing shouldn't be penalized
— that's the law — $ not spent should go
to those are expanding — don't $ the law
* chip reallocation
[appropriators are double counting CHIP $ not spent]

upper payment limit — misuse of Medicaid $
probably helps public H + nursing homes
CJ — we will stop the bad practice
HRC — wrong is wrong, but don't do in a way that harms
CJ — policy is unsustainable — will bankrupt
she can't say it's ok for States to use $ for bridges
— Repress misusing funds

Coverage → single workers — 100 billion

providers — coverage, long term, provider payments
Lazio — b/c of tax cuts can't pay for it

vision — surplus $ came from HC + should go to HC

endorse - 250% CHIP expansion
- not just about coverage - have to enroll
- all states should be held accountable for enrolling

tax credit - Medicare buy in -

Family Health Plus - NY has adults to 120%
- will get now the enhanced match giving real $

admin families - to 200 (Family Health Plus does for parents already 200)
HRC would do parents to 250

single adults

point for Friday speech

- Medicare - protect from being raided - off budget
support UP proposals - protect solvency - only used for Medicare in interim, want to bring down debt

CT - provider angle -
appeals to beneficiaries - my taxes going only to Medicare providers - have historically cut Medicare & need some arbitrary spending goal
now - if Medicare is off budget
no reason to cut Medicare for any other reason than Medicare - not cutting for false reasons

Friday - support

Quality issues - PBR - blame Congress - it's been sitting for too long
long term care

6/7 Jackie Bowens - Children's

884-4933

D.C. not doing very well in enrolling kids in CHIP

got $ & put in infrastructure & do outreach

working w/ them

① have outstation workers in hospitals

Medicaid law - DSH H's shall have outstation workers able & certified

only DC General has outstation workers Sick kids disprop. share don't have

Children's would hire & pay - just need certification

② come up w/ more ways to reach out into community why aren't kids being signed up

no one even runs the CHIP program for the city

★ Can arrange briefing on D.C.'s problems - Bell group overview of what's happening

(3) presumptive eligibility

5/30

D.C. CHIP

Rachael Bar
Kate (CMS)
Kirsten
Joyce Smith

presumptive eligibility
eligibility workers - at the hospitals
school-based efforts? school lunch, Head Start, etc

Q: why is DC. CHIP enrollment low? Can we identify?
what can we do?

- can school lunch program share info w/ CHIP
- are there eligibility workers at the hospitals?

Kate
57815

Children's
ask ~~Kate~~ how they are helping other states -
~~DC - Boston~~ maybe provide

~~Medicaid~~ - 70/30
CHIP - maybe 85%

Dave Garrison - HHS - they often help w/ D.C.

what Children's is recommending is consistent w/ what we've recommended

What are 1 or 2 things we can do?

send: HCPA technical assistance
HCPA letter

Health Care for Over 3,000 Uninsured Children in the District of Columbia: In 1997, President Clinton passed the largest single investment in health care for children since 1965 -- an unprecedented $24 billion over five years to cover as many as five million children throughout the nation. This investment guarantees the full range of benefits that children need to grow up strong and healthy. Two million children nationwide have health care coverage thanks to the President's plan, including 3,029 in the District of Columbia. [HHS, Health Care Financing Administration, FY99 SCHIP enrollment data]

D.C. accomplishments

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 19, 2000

CLINTON-GORE ADMINISTRATION UNVEILS
MAJOR NEW HEALTH INSURANCE INITIATIVE
January 19, 2000

Today, President Clinton will unveil a 10-year, $110 billion initiative that would dramatically improve the affordability of and access to health insurance. The proposal would expand coverage to at least 5 million uninsured Americans and expand access to millions more. It addresses the nation's multi-faceted coverage challenges by building on and complementing current private and public programs. Specifically, the initiative will: (1) provide a new, affordable health insurance option for families; (2) accelerate enrollment of uninsured children eligible for Medicaid and S-CHIP; (3) expand health insurance options for Americans facing unique barriers to coverage; and (4) strengthen programs that provide health care directly to the uninsured.

The Challenge of the Uninsured and Its Implications. Over 44 million Americans lack health insurance. Although there are many causes of this problem, it generally results from lack of affordability and/or access to coverage. Family health insurance premiums cost on average $5,700 -- which represents a large share of income for a family trying to make ends meet. Purchasing affordable, accessible insurance is a particular challenge for many older people, workers in transitions between jobs, and small businesses and their employees. Lacking health insurance has serious consequences. The uninsured are three times as likely not to receive needed medical care, 50 to 70 percent more likely to need hospitalization for avoidable hospital conditions like pneumonia or uncontrolled diabetes, and four times more likely to rely on an emergency room or have no regular source of care than the privately insured.

The President's four-pronged initiative significantly expands coverage and improves access by:

I. providing A NEW, affordable health insurance OPTION FOR families ($76 billion over 10 years, about 4 million uninsured covered). Over 80 percent of parents of uninsured children with incomes below 200 percent of poverty (about $33,000 for a family of four) are themselves uninsured. Yet, while states have aggressively expanded insurance options for children through Medicaid and the State Children's Health Insurance Program (S-CHIP), parents are often left behind. There are about 6.5 million uninsured parents with income in the Medicaid and S-CHIP eligibility range for children. These parents frequently do not have access to employer-based insurance, and when they do, cannot afford it. Recognizing that family coverage not only helps a large proportion of the nation's uninsured adults but increases the enrollment of children, the Vice President, the National Governors' Association, and a wide range of groups including Families USA and the Health Insurance Association of America have called for building on S-CHIP to cover parents. The Administration's budget adopts this approach by:

- Creating a New "FamilyCare" Program. This proposal, which has been advocated by Vice President Gore, would provide higher Federal matching payments for state coverage of parents of children eligible for Medicaid or S-CHIP. Under FamilyCare, parents would be covered in the same plan as their children. States would use the same systems and follow most of the same rules as they do in Medicaid and S-CHIP today, and the program would be overseen by the same state agency. State spending for FamilyCare would be matched at the same higher matching rate as S-CHIP (up to 15 percentage

points higher than the Medicaid rate). To ensure adequate funding, $50 billion over 10 years would be added to the current state S-CHIP allotments. To access these higher allotments, states would have to first cover children to 200 percent of poverty as 30 states now have done. Given states' enthusiastic response to S-CHIP and the NGA support for this option, we expect strong state response and significant expansion to parents under FamilyCare. If, after 5 years, some states have not expanded coverage of parents to at least 100 percent of poverty ($16,700 for a family of 4), a fail-safe mechanism would be triggered to require states to expand coverage to that level.

- Assisting Families in Affording Private Employer-Based Coverage. FamilyCare would also facilitate the option to pool state funding with employer contributions toward private insurance, which can be a cost-effective way to expand coverage. Under this option, families otherwise eligible for FamilyCare coverage could get assistance in purchasing their employers' health plan if it meets FamilyCare standards and their employer pays for at least half of the premium. This minimum employer contribution, along with the S-CHIP crowd-out policies, should discourage employers from reducing or dropping coverage. This option is supported by the National Governors' Association as well.

II. acceleratING enrollment of uninsured children eligible for Medicaid and S-CHIP ($5.5 billion over 10 years, an additional 400,000 uninsured children covered). The State Children's Health Insurance Program (S-CHIP) helps children in families with income too high to be eligible for Medicaid but too low to afford private insurance. Enrollment in S-CHIP doubled to 2 million children in 1999. However, despite this encouraging trend, millions of children remain eligible but unenrolled in both S-CHIP and Medicaid. The Administration's budget includes ideas advocated by the Vice President that would give states needed tools to increase coverage by:

- Allowing School Lunch Programs to Share Information with Medicaid ($345 million over 10 years). Since 60 percent of uninsured children are in the school lunch program, sharing eligibility information can efficiently help outreach efforts.

- Expanding Sites Authorized to Enroll Children in S-CHIP and Medicaid ($1.2 billion over 10 years). This includes schools, child care resource and referral centers, homeless programs, and other sites.

- Requiring States to Make their Medicaid and S-CHIP Enrollment Equally Simple ($4.0 billion over 10 years). Most states have carried over their S-CHIP simplification strategies like eliminating assets tests and using mail-in applications into the Medicaid program. This proposal would have all states do so to make enrollment easier for both programs.

III. EXPANDING health insurance options for AMERICANS facing unique barriers to coverage ($28.7 billion over 10 years, about 600,000 million uninsured people covered). Some vulnerable groups of Americans lack access to employer-sponsored insurance and insurance programs like Medicare or Medicaid. These include older Americans, people in transition (between jobs, turning 19 and entering the workforce, leaving welfare for work), and workers in small businesses. This plan addresses these and other problems by:

- Establishing a Medicare Buy-In Option and Making It More Affordable Through a Tax Credit ($5.4 billion for both the buy-in and credit over 10 years). The rate of uninsured is growing fastest among people ages 55 to 65 and is expected to increase even faster in the future. Recognizing this, the President and Vice President are calling on Congress to pass legislation that allows people ages 62 through 65 and displaced workers ages 55 to 65 to pay premiums to buy into Medicare. The proposal also would require employers who drop previously-promised retiree coverage to allow early retirees with limited alternatives to have access to COBRA

continuation coverage until they reach age 65 and qualify for Medicare. This year, to make this policy more affordable, the President proposes a tax credit, equal to 25 percent of the premium, for participants in the Medicare buy-in. Coupled with the tax credit for COBRA (described below), this policy will address access to and the affordability of health insurance for this vulnerable group.

- Making COBRA Continuation Coverage More Affordable ($10.3 billion over 10 years). Consolidated Omnibus Budget Reconciliation Act (COBRA), passed in 1985, allows workers in firms with greater than 20 employees to pay a full premium (102 percent of the average cost of group health insurance) to buy into their employers' health plan for up to 18 to 36 months after leaving their job. This policy is intended to improve the continuity of health coverage as workers change jobs. However, fewer than 25 percent of people eligible for this coverage participate, in part due to cost. The Administration?s budget includes a 25 percent tax credit for COBRA premiums to reduce the number of Americans who experience a gap in coverage due to job change.

- Improving Access to Affordable Insurance for Workers in Small Businesses ($313 million over 10 years). Nearly half of uninsured workers are in firms with fewer than 25 employees. The President proposes to give small firms that have not previously offered health insurance a tax credit equal to 20 percent their contribution -- twice the credit he proposed last year -- towards health insurance obtained through purchasing coalitions. In additional, tax incentives would be given to foundations to help pay for start-up costs of these coalitions, and the Federal Employees' Health Benefits Program would make available technical assistance to purchasing coalitions.

- Expanding State Options to Insure Children Through Age 20 ($1.9 billion over 10 years). Nearly one in three people ages 18 to 24 are uninsured mostly because they age out of Medicaid or S-CHIP or no longer are dependents in private plans. However, they often do not have jobs that offer affordable coverage. The budget would gives states the option to cover people ages 19 and 20 through Medicaid and FamilyCare.

- Extending Transitional Medicaid ($4.3 billion over 10 years). Many people leaving welfare for work take first jobs that do not offer affordable health insurance. Recognizing this, Congress passed a requirement in 1988 that extends Medicaid coverage for up to a year for those losing it due to increased earnings. This provision was extended in the welfare reform law to 2001. The President's budget makes this provision permanent and simplifies the state and family requirements to promote enrollment.

- Restoring State Options to Insure Legal Immigrants ($6.5 billion over 10 years). States are prohibited from providing health insurance for certain legal immigrants who entered the U.S. after the enactment of welfare reform. The uninsured rate for people of Hispanic origin, some of whom are legal immigrants, was 35 percent in 1998 -- over twice the national average of 16 percent. The proposal would give states the option to insure children and pregnant women in Medicaid and S-CHIP regardless of their date of entry. It would eliminate the 5-year ban, deeming, and affidavit of support provisions. The proposal would also require states to provide Medicaid coverage to disabled immigrants who would be made eligible for SSI by the FY 2001 budget's SSI restoration proposal.

IV. STRENGTHENING Programs that Provide Health Care Directly to the Uninsured (At least $1 billion over 10 years). In the absence of a universal health insurance system, public hospitals, clinics, and thousands of health care providers give health care of the uninsured and receive inadequate compensation for doing so. Despite a rising need, reductions in government spending and aggressive cost cutting by private insurers has left less money in the health care system to address these needs. The

President will renew his commitment to helping these providers by:

- Increasing Funding for Increasing Access to Health Care for the Uninsured (+$100 million for FY 2001, $1 billion over 5 years). Last year, the President and Secretary Shalala proposed an historic new program to coordinate systems of care, increase the number of services delivered and establish an accountability system to assure adequate patient care for the uninsured and low-income. The Congress funded an initial $25 million investment for this program. This year, the President proposes funding this initiative at $125 million, a $100 million increase over 2000, representing a down payment on the President's proposal to invest $1 billion over 5 years. The Administration will also aggressively pursue an authorization to ensure that the program becomes a core element of the health care safety net.

- Investing in Community Health Centers (+$50 million for FY 2001). The budget proposes an increase of $50 million to support and enhance the network of community health centers that serve millions of low-income and uninsured Americans -- for total funding of over $1.069 billion in FY 2001.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release January 19, 2000

PRESS BRIEFING BY SENIOR ADMINISTRATION OFFICIALS ON HEALTH CARE INITIATIVE

The Briefing Room

12:24 P.M. EST

MR. SIEWERT: Here to brief on the President's new health care initiative are two senior administration officials who should be familiar to all of you. I'll let them start.

SENIOR ADMINISTRATION OFFICIAL: I'd like to be referred to as senior official one. We'll be brief, so we can take your questions.

The President's announcement today is clearly a critical component of the President's overall health agenda and the new opportunity agenda that he will be discussing in his State of the Union. We believe that this is a cost effective, substantial and politically achievable health care package. We believe that it is well designed for coverage, for helping middle class families deal with the burdens of long-term care, and that it is politically achievable to pass it this year.

We feel that the forces of public opinion and momentum are moving in the direction of action on health care, on long-term care, on doing more for coverage for lower income families and children. And I think that, as part of an overall opportunity agenda it will be seen as a component ensuring that in this period of prosperity we're ensuring that all Americans are becoming full partners in our prosperity.

Let me turn it over to my colleague to just give you a quick layout of our steps. We'll be brief and then we're available for any questions you have.

SENIOR ADMINISTRATION OFFICIAL: I'll be brief. I think you've seen the paper. I want to give you a little bit of context and I'll go quickly to the summary and then we'll just do questions.

Clearly, we believe that we have an opportunity this year to get a significant health care coverage initiative passed and enacted. There are many, many issues on health care that there's much greater attention to and I think much greater support for on Capitol Hill -- the patients' bill of rights, long-term care, Medicare prescription drugs and coverage. And all of them are part of a larger -- a piece of larger cloth, a piece of whole cloth that really needs to be webbed together, but certainly are very, very doable. And we've had very encouraging discussions with people on all sides -- very encouraging.

Many of you have written about and talked about the HIAA work, Harry and Louise coming back for coverage. I think it's interesting that Families USA on the other side, the consumer advocates, are also very supportive of initiatives such as the one the President has unveiled today.

There's really four major components of the health care initiative. The first is building on what we now believe is becoming a very successful program. That is the so-called CHIP program, the Children's Health

Insurance Program. That initiative, just this year, doubled enrollment to 2 million. We're seeing a lot of signals that that's increasing more significantly into the future.

There are barriers to enrollment, which we're going to talk about, but it certainly is a good base to start from and build on, and we think it has a very nice private-public interaction, either -- that have been very, very successful.

The parents component initiative that we are unveiling today is something that is not new. It is something that the Vice President and other health policy experts have been advocating in the last year as the most logical next step for coverage expansions. This initiative will provide increased funding for states to provide health coverage for parents. And as they provide coverage for parents and family care policies, it will have the indirect benefit of picking up children, too. When you have a family coverage benefit, you have greater incentives to cover both family and children and we think it will have a double benefit.

That initiative, modeled very carefully after the CHIP program, is $76 billion over 10 years, and would cover about 4 million uninsured parents and provide access to more affordable coverage for more.

Secondly, as we discussed last week, we are unveiling -- including in our health care initiative -- a whole series of provisions designed to eliminate barriers and enhance enrollment in the Children's Health Insurance Program. Right now, a number of states cannot do presumptive eligibility, enroll kids at schools, at child care centers, at homeless centers. We want to eliminate that barrier, make that an option for the states to do that. We want to eliminate all sorts of other barriers, as well, for the Medicaid program and CHIP programs to finish the job of covering the children and our goal of up to 5 million kids.

Thirdly, we have a whole host of initiatives designed to address the Americans who have very unique barriers to accessing coverage. As the President indicated earlier today, the most rapidly increasing number of uninsured, in terms of rate of uninsured in this country, are seniors, near elderly, 55 to 65-years-olds. They're facing the greatest challenge is finding affordable health coverage.

And as you know, we've been advocating this Medicare buy-in proposal. Now, what we're trying to do is address some of the issues of affordability by superimposing upon that a new tax credit, a 25-percent tax credit to significantly reduce the cost of that option. And we believe it will make it even more attractive, hopefully, to the Congress and also, obviously, to the public as a whole.

Secondly, as the President and my colleague have mentioned, in a very, very successful economy we also are seeing great transitions between the work force, from job to job over periods of times. People get laid off within this economy for periods of time. And if you look at and talk to the experts about uninsured numbers, they'll tell you that one of the biggest numbers that tends to influence the high number of uninsured is there's a lot of people who are uninsured for a period of time during the course of the years. These are the so-called workers in between jobs.

This option provides a 25-percent tax credit for those individuals who take advantage of the COBRA benefit that currently is available for people who get laid off, making it affordable and making it able to enjoy that stop-gap protection. Also it enables them to continue their protection under the Kennedy-Kassebaum legislation on portability. You do not want to have a gap in coverage because you can lose that portability protection under Kennedy-Kassebaum, and this protection will help ensure that does not occur.

Just very quickly, a few others. We doubled the tax credit that we had provided last year for small businesses to form voluntary purchasing coalitions. We extend coverage options for the Medicaid program to cover and CHIP to extend coverage to children from age 18, now, through 19 and 20. It's a population that are aging out of these Medicaid and CHIP programs and frequently don't have access to affordable coverage. And we want to give the options to states to extend that.

And we want to extend something called the transitional Medicaid provisions for people going from welfare to work, so when they do go from welfare to work, they have the ability to access coverage for up to a year. That provision is set to expire in 2001, and if we don't extend it, it will no longer be law. We want to make that a permanent extension. And, lastly, we want to and will continue to advocate for the restoration of a Medicaid option for states to cover legal immigrants, a priority for the President for a number of years.

And then lastly, the fourth prong of this initiative deals with those providers who are providing care directly to the uninsured today. They tend to be the public hospitals, the community health centers, the world health clinic -- these are the entities who are really are incurring significant burdens as we have more and more uninsured in this country, and also as reimbursement rates becomes more and more constrained both in the private sector and the public sectors. And there's a real need to have an investment in that infrastructure, not just to ensure that they continue to be able to provide those services for the uninsured, but also so they can use new technologies to link potential eligible populations of the uninsured into these programs. There is a real belief, both within the department and elsewhere, that this is going to be a critical component that supplements this overall coverage initiative.

So with that, the total package is $110 billion over 10 years. We anticipate when fully implemented, it will be $5 million to add to our CHIP goal of, and Medicaid goal, of up to $5 million. We think it will be at least 10 million people covered if we get this enacted into law. It will be a high priority of this administration. We'll work hard to do it, along with our other health care initiatives we have in this year's budget.

So, with that, I'll turn it back to my colleague and any other general questions you may have.

Q This would still leave 34 million people uninsured; is that correct? And what happens to them?

SENIOR ADMINISTRATION OFFICIAL: Well obviously, this administration did make a major push in the first term for universal coverage. Since then, what we have tried to do is expand coverage in the most cost-effective and realistic way so that we could move incrementally towards that goal.

If you look at the people who are uninsured, it makes sense to look at those in that range of 100 percent to 250 percent of poverty as the ones who would have the most difficulty buying health insurance on their own. The five million that are covered through CHIP, and the additional five million, this 10 million makes up a fairly substantial percentage of the uninsured in the lower income rings.

And so I think that while it covers a substantial chunk of the overall insured, it's an even greater and more substantial percentage of the uninsured families who would have the hardest time purchasing health care on their own. And our hope is that we can move -- continue to move incrementally in a way that covers as many people as possible.

We should know that the CHIP parents initiative at $76 billion would be a historic achievement. The children's initiative was $48 billion over

10 -- you start putting these together, you are getting again a substantial chunk of the families who are uninsured who have the hardest time affording health care on their own. And it's what we think that we can effectively get done this year.

And I think that we want to continue the vision of moving toward universal coverage; it's something we ultimately believe in. But we also want to make sure that in our last year, we're doing what we can practically and tangibly to cover people, because for those five or 10 million people, that's an extraordinary number of people, and for those people, this is a huge initiative.

Q Will the President propose using any of the budget surplus to pay for this program?

SENIOR ADMINISTRATION OFFICIAL: This will be proposed as part of an overall initiative that will deal with Social Security solvency, Medicare solvency, and seek to pay off the debt within 15 years. So it will be -- we are proposing this as we always have as part of an overall comprehensive, fiscally-disciplined plan that would pay off our nation's debt within 15 years.

I would look at 1997 as a model where, in that balanced budget initiative, we had a significant expansion of children's health coverage, but we did it in the context of a significant deficit reduction package, a balanced budget package that also had significant improvements for Medicare solvency. So our model would be to do this together as part of a fiscally responsible plan that's paying off the debt, as opposed to different pieces that, while worthy in themselves, need to be packaged together with something that we know maintains the fiscal discipline that's been so important for our prosperity.

Q Well, in simple terms, there are no offsets for this, it comes out of the non-Social Security surplus?

SENIOR ADMINISTRATION OFFICIAL: That is correct.

Q The President was kind of joking around about Harry and Louise, but he was optimistic. Have you looked at the health industry -- what do they call it -- the Insure USA Plan -- which would cost about $50 billion a year, and do you see anything in there that you can work with them on? Is there reason for optimism here for compromise?

SENIOR ADMINISTRATION OFFICIAL: I honestly believe it is -- -- this might be one of those moments in time where you can get something done. The conventional wisdom, obviously, in Washington is in an election year you can't, but if you look at the players who have been involved in health care reform over the years who everyone goes to to talk about coverage expansion and where they all are and whether they're in conflict or not, just last week there was a conference in which the Health Insurance Association of America -- Chip Kahn, President and former staff member to the Republican Ways and Means Committee, as well as Ron Pollack, who is head of Families USA, who is the advocate for low-income individuals across all age groups -- united on a number of key issues.

One was if you are going to significantly expand coverage, you should look at targeted enhanced reform, such as Medicaid expansions or CHIP enhancements, like the parents policy. I have talked with both of them in the last 24 hours and they're both very, very excited about this. I think that they'll say that this is something that is a very important down payment on moving towards significant expansion of coverage.

And, yes, in the context of this year, we think something can get done because the two groups that have historically been in conflict with one another are coming together, and it's something we hope to be their

partners. I think the President was jesting a little bit, but we'll take any alliance that we can to expand coverage, and we're feeling very, very optimistic that something can happen.

Q You don't see, this year, getting bogged down with Republicans over MSAs?

SENIOR ADMINISTRATION OFFICIAL: I think that in the context of -- for example, you have the patient bill of rights legislation today in conference, and there are access provisions in that. There's tax deductions, there's MSAs, et cetera. There will be people who have different views about how to extend coverage, but no one is arguing that MSAs or tax deductions will significantly pick up coverage.

As Gene mentioned, the most cost-effective approach to expand coverage will be proposals such as the one that the Vice President and the President are advocating. I think that when you have the Health Insurance Association of America and others, almost all health care experts in this country validating that point, I think we can turn this thing around.

And remember one other thing: The CHIP proposal was a great achievement for the President, but it was a bipartisan achievement. It was Republicans and Democrats working together to design a proposal. We're building on that. And I think with that in mind, the concept of going beyond that and extending to parents that, sure, that not only parents get coverage but more children get coverage is something that governors, Democrats, Republicans can all agree on, and our hope is that that will spur this on forward.

SENIOR ADMINISTRATION OFFICIAL: I actually want to just make sure I clarify the answer to your first question. When we were proposing this, as I said, we were proposing it as an overall fiscal discipline package that does deal with debt reduction and Medicare insolvency. Within that overall context, this initiative would be coming out of the non-Social Security surplus. But I don't want to suggest that that means one can simply pull pieces out of -- that one can pull pieces out of our initiative and deal with them alone.

In other words, I think that we have always felt that the -- we have always, when we've talked about first things first, said that first you have to make sure that you are dealing with the fiscal discipline and solvency issues, and that in that context, it can be acceptable to use the non-Social Security surplus for other important issues. That is how we are presenting it.

The question of whether or not one could pull something out and just have it play to the surplus is not one we are -- that is not what we are proposing. We are proposing this as part of an overall fiscal discipline package.

Q You're saying that if Congress is not willing to put a certain amount of the surplus to paying down the debt, you don't want this, either?

SENIOR ADMINISTRATION OFFICIAL: I'm not -- you know, I'm not going to try to pose every hypothetical that would come down the pike. I think what I'm telling you is that what we are proposing and what we will be fighting for is an overall plan that meets our fiscal discipline. One, I think, could pull out elements of anyone's package, Republicans' and our package, and if one did them alone with no fiscal discipline measures, one might decide that even though those are worthy objectives, that without commitments to debt reduction or Medicare solvency, it would not be part of a responsible package.

Q Just one question. I don't know if you have projections for this, but given that the number of uninsured is rising, what's your

projection for, if this passed and was fully phased in, what would be the number of uninsured in 2005?

SENIOR ADMINISTRATION OFFICIAL: In all honesty, I don't have it, but I will say that the most recent data by CPS and others seems to suggest that there is a slowing down of the number of uninsured. I think that we may be capping out. We still have a huge problem. So to project forward about what a baseline is, is really almost impossible to do.

Q Republicans have used the minimum wage bill in the past as a vehicle for access provisions. Given that you have such a focus on this this year and you want it done this year, you previous have insisted on clean minimum wage bills. Do you think that that might be legislation that you could attach to some of those?

SENIOR ADMINISTRATION OFFICIAL: As you said, our view is that with 4.1 percent unemployment, with a previous dollar minimum wage increase over two years that had no negative impact on jobs, we do not think that a modest dollar minimum wage increase over two years with the wage -- with the job market as tight as it is now, requires additional packages that, as you know, often turn into more Christmas trees. So we would continue to press forward proposing the minimum wage as a clean bill.

Whether or not there could be a construction of tax cuts or measures that were fiscally responsible and progressive and reasonable that could be part of an overall package, I don't know. I haven't seen such a bill so far.

Q Does the administration support any of the provisions the House passed -- patients' bill of rights that's now in conference? Does the administration support any of the Republican access proposals passed by the House?

SENIOR ADMINISTRATION OFFICIAL: Historically, we have supported, for example, the self-employed tax deduction provision. If there's a move towards accelerating that it would not be something that I could imagine us opposing at all.

I think where you get to a problem is when you have a tax deduction on the individual level that's very regressive, that does not cover anyone by the Joint Committee on Taxation's own numbers, that we think is the best way to target dollars? The President asked us to find the most cost-effective way to most significantly expand coverage. This policy that he's unveiling today does just that. We've clearly been on record opposed to medical savings accounts. We think that we should wait until the demonstrations have been completed before we expand those things.

But I think this is a time where we want to say that we believe this year we can get patients' bill of rights done with or without an access component. But our belief is that we can get an access piece done and it can complement the patients' bill of rights. You all remember in the debate on the House side last fall on patients' bill of rights, many Republicans said there should be significant expansions to coverage. Well, if that's really where they are, and I take them at their word, then I think they'll want to work again to build on a bipartisan team that we worked on back in 1997. And we hope and expect that will be the case.

Q Do you have a calculation about how much of this is raw, just tax credits or tax cuts?

SENIOR ADMINISTRATION OFFICIAL: In the package? If you want the full package, then you would need to add the $110 billion announced today, with the $26.6 billion that were announced yesterday. I think -- we can do that for you.

Q -- the long-term care?

SENIOR ADMINISTRATION OFFICIAL: Yes.

Q No, but of this $110 billion, this isn't all tax cuts?
SENIOR ADMINISTRATION OFFICIAL: It's about $15 billion or so -- $14 billion or $15 billion is that, tax cuts, plus the long-term care is $26.6 billion. So you're about $40 billion.

SENIOR ADMINISTRATION OFFICIAL: The $26.6 billion is the total for the long-term care tax credit. A portion of that, about a third of that had been proposed last year. So the total package would be about, then around $136 billion and I think about $40 billion of that is tax cut. But we can get that for you more exactly.

Q Are the pharmaceutical people still coming tomorrow? And are you optimistic, have you had any private talks prior to this? Is this just going to be a getting to know you, how do you do? Or is this going to get serious?

SENIOR ADMINISTRATION OFFICIAL: I have met -- my colleague and I have had a meeting with Gordon Binder and Mr. Holmer. So we have had a meeting with them. They came to speak with us and we're very clear that they wanted to play a constructive role. And we made very clear to them that we wanted to work with anyone who wanted to be part of the solution. So we have had discussions with them and we thought they were productive and hopeful. But we'll still, obviously, have to see as it progresses, but they're going to come in for further discussion tomorrow with John Podesta.

Q We heard the first one really didn't go all that well.
SENIOR ADMINISTRATION OFFICIAL: That's not true.

Q What time do they come tomorrow?

SENIOR ADMINISTRATION OFFICIAL: I would encourage you to ask them, specifically.

Q What time are they coming tomorrow? When do they meet with Podesta tomorrow?

SENIOR ADMINISTRATION OFFICIAL: I don't know. We'll find out.

Q Since this is an election year, do you think somebody is playing politics on Capitol Hill about the health bill?

SENIOR ADMINISTRATION OFFICIAL: I think that election years are unpredictable, and I think people are very sensitive, maybe more sensitive to public opinion, public moods. But I think that what's important is that that can often work in the direction of getting legislation, and I think people too often make the mistake of thinking in an election year nothing will get done.

I think the sensitivity to public sentiment, particularly in the case of health care where there is such strong sentiment for action on health care bill of rights, on prescription drugs, on Medicare solvency and coverage, could very well help this be a very legislatively productive year.

THE PRESS: Thank you.

END 12:50 P.M. EST

THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 12, 1999

THE CLINTON-GORE ADMINISTRATION TAKES NEW STEPS TO INCREASE ENROLLMENT OF UNINSURED CHILDREN

October 12, 1999

Today, in an address to 8,000 pediatricians at the annual meeting of the American Academy of Pediatrics, the President will unveil a series of new actions to target and enroll millions of uninsured children who are eligible for Medicaid and CHIP. These new actions include: 1) dedicating over $9 million in research funds to identify effective children's health insurance strategies; 2) directing Cabinet Secretaries to develop strategies to institutionalize school-based outreach; 3) sending new guidance to states and schools on funding options for school based outreach; and 4) releasing a report detailing new activities on outreach. The President also will announce that over 1,500 schools in 49 states have pledged to join the Insure Kids Now campaign.

During his speech, the President will challenge Congress to pass a number of critically important health care initiatives for children. He will call for passage of a strong, enforceable Patients' Bill of Rights, and for passage of the Jeffords-Kennedy-Roth-Moynihan Work Incentives Improvement Act. He also will criticize the Republican leadership for supporting budget and appropriations bills that reject the Administration's proposals to prevent youth smoking, and to increase funds for childhood immunizations, children's health insurance outreach, graduate medical education at children's hospitals and the nation's safety net providers.

Today, President Clinton will:

ANNOUNCE NEW FEDERAL EFFORTS TO IDENTIFY AND ENROLL UNINSURED CHILDREN. There are over 10 million uninsured children nationwide, and aggressive implementation of CHIP has enrolled over 1 million children. States report that enrollment should more than double over the next year, but we must do more to ensure the success of this program.

Today, the President will:

- Release the first annual Interagency Report on Children's Health Insurance Outreach detailing the hundreds of outreach activities being conducted by 11 Federal Departments and agencies. Today, the Federal Interagency Task Force on Children's Health Insurance Outreach, created by President Clinton last year, reported on their accomplishments and proposed new activities to identify and enroll eligible children in CHIP. Highlights of new activities include:

- Adding AmeriCorps to the Task Force. Every new AmeriCorps and AmeriCorps*VISTA member working with youth and in health care settings will receive information on CHIP and Medicaid outreach techniques in new member orientation materials. With this information, thousands of volunteers nationwide will be able to link uninsured children to the new health insurance options available.

- Advising grandparents about new health insurance options for kids. Recognizing the importance of grandparents as caregivers, HHS and SSA are including information on CHIP and Medicaid in this fall's cost-of-living adjustment (COLA) notices and the "Medicare and You" handbook, sent to all 39 million Medicare beneficiaries annually.

- Reaching families as they file their taxes. During the upcoming tax season, the IRS will provide information on CHIP and Medicaid to over 8,000 Voluntary Income Tax Assistance volunteers helping families to complete their income tax returns.

- At the Vice President's request, direct Cabinet Secretaries to develop strategies to integrate children's health insurance outreach into schools. Today, the President will sign an executive memorandum instructing the Secretaries of HHS, Education, and Agriculture (which has jurisdiction over the school lunch program, serving more than 25 million children daily) to report to him in six months on steps the Federal government can take to institutionalize school-based outreach and enrollment and to highlight successful ongoing programs. Using schools to target enrolled children is a strategy that has been strongly promoted by the Vice President. It builds on innovative programs some states are already implementing. For example, both Indiana and New Jersey are using their Federal authority to conduct on-site enrollment of children in schools.

- Release new administrative guidance on CHIP funding options for school-based outreach to state health and education officials. This week, the Secretaries of Health and Human Services and Education will send guidance to every relevant state agency describing the financial, administrative, and technical assistance that CHIP offers for school-based outreach. It will clarify how states and schools can use a portion of the multibillion dollar CHIP allotment to provide outreach in schools. It also will suggest that states allow schools to provide immediate eligibility for Medicaid and CHIP to children who appear to be eligible for those programs; and it will promote the upcoming national and regional conferences on school-based outreach.

- Announce that more than 1,500 schools have already responded to the call to join the Insure Kids Now campaign. At the National Governors' Association meeting last August, the President announced that Secretary of Education Riley was requesting school superintendents and principals to conduct outreach for and enrollment in Medicaid and CHIP as part of their back to school activities. In response, more than 1,500 schools in 49 states committed to new steps to help children, including providing information on CHIP and Medicaid (including the national toll free number for children's health insurance outreach - 1877 KIDS NOW) at parents' nights, registration and school physicals, and in letters sent to parents about immunization.

- Announce over $9 million public-private partnership to identify effective children's health insurance strategies. Today, the President will announce that HHS and The David and Lucille Packard Foundation will join forces to fund over $9 million in research on best practices in outreach techniques, and in how health insurance programs improve the quality of, and access to, health care for low-income children. These projects will focus on minority children and children with special health care needs. The results will be widely disseminated to Federal and state policy officials and will help refine Medicaid and CHIP to meet more effectively the needs of children.

WELCOME NEW PRIVATE SECTOR PARTNERS IN THE INSURE KIDS NOW CAMPAIGN. The President is pleased to announce the addition of Parmalat and Swiza Foods to Insure Kids Now campaign, joining Safeway, General Motors, Kmart, McDonalds, and other private sector partners.

URGE CONGRESS TO PASS INSURANCE REFORM INITIATIVES ESSENTIAL TO CHILDREN'S HEALTH. The President will call on the Congress to:

- Pass a strong, enforceable Patients' Bill of Rights. Last week, a

strong bipartisan majority in the House passed the Norwood-Dingell Patients' Bill of Rights, a major victory for every family in every health plan - but there is still more work to be done. The President will urge Republican leaders to resist weakening the patient protections guaranteed in the Norwood-Dingell bill or undermining the bill's bipartisan support in conference. Finally, he will urge the Congress to ensure that the Patients' Bill of Rights is paid for without using the Social Security surplus.

- Build on its success in acting on the Patients' Bill of Rights to pass a bill with even greater bipartisan support: the Work Incentives Improvement Act. This bill passed the Senate unanimously and has been co-sponsored by a majority of the House of Representatives. The President will encourage the House to act now and send him this bill to sign before Congress recesses for the year.

THE REPUBLICAN LEADERSHIP MUST MOVE FORWARD ON BUDGET PROPOSALS THAT ARE CRITICAL TO CHILDREN'S HEALTH. The President will criticize the Republican leadership for:

- Failing to address the problem of youth smoking. The President will criticize the Republican leadership for rejecting the Administration proposal to increase the price of cigarettes by 55 cents a pack. He will reiterate that of the more than 400,000 Americans who die each year from smoking related diseases, almost 90 percent of them started smoking as teenagers. The President will point out that increasing the cost of cigarettes is not only one of the most effective ways to prevent kids from starting to smoke, it is good fiscal policy because revenue raised by this increase will help save the Social Security Trust Fund.

- Failing to invest in children's health insurance outreach. Neither the House nor the Senate bills include the Administration proposal to remove the sunset from the $500 million fund on TANF-Medicaid outreach. To date, only $50 million has been spent, yet for most states, the funding ends in the next few months.

- Jeopardizing childhood immunization rates. The House bill provides almost $85 million below the President's request of $526 million for the CDC's Childhood Immunization program. This low level of funding would result in approximately 170,000 children not receiving the full complement of recommended childhood vaccines.

- Short-changing graduate medical education at children's hospitals. The Senate bill does not fund the Administration's $40 million proposal to fund graduate medical education at children's hospitals, where one-third of pediatricians and over half of many pediatric sub-specialists are trained.

- Under-funding care for the uninsured. The Senate bill does not fund the Administration's initiative supporting the nation's health care safety net. Most of the uninsured are employed, but lack affordable health insurance options, relying on public hospitals and other safety net providers for needed health care.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release October 12, 1999

October 12, 1999

MEMORANDUM FOR THE SECRETARY OF HEALTH AND HUMAN SERVICES
THE SECRETARY OF EDUCATION
THE SECRETARY OF AGRICULTURE

SUBJECT: School-Based Health Insurance Outreach for Children

The lack of health insurance for millions of Americans remains one of the great challenges facing this Nation. To help address this issue, I worked with the bipartisan Congress to create the Children's Health Insurance Program (CHIP), the single largest expansion of children's health insurance in 30 years. The 1997 Balanced Budget Act allocated $24 billion over 5 years to extend health care coverage to millions of uninsured children in working families. CHIP builds on the Medicaid program, which currently provides health coverage to most poor children, and together, these programs could cover most uninsured children.

Yet too few uninsured children eligible for CHIP or Medicaid participate. Barriers to enrollment include parents' lack of knowledge about the options; cultural and language barriers; complicated application and enrollment processes; and the "stigma" associated with so-called welfare programs. The Vice President and I have made removing these barriers to enrollment a high priority. In 1997, I launched a major public-private outreach campaign called "Insure Kids Now." Foundations, corporations, health care providers, consumer advocates, and others have participated through activities such as setting up enrollment booths at supermarkets and promoting the national toll-free number (1-877-KIDS NOW) on grocery bags, TV and radio ads, and posters. In addition, we created a Federal Interagency Task Force on Children's Health Insurance Outreach in February 1998, which has implemented over 150 new activities to educate and train Federal workers and families nationwide about the availability of Medicaid and CHIP.

Today I am directing the Secretaries of Health and Human Services, Education, and Agriculture to focus children's health insurance outreach on a place where we know we can find uninsured children: schools. State experience indicates that school systems are an ideal place to identify and enroll uninsured children in Medicaid or CHIP because schools are accepted by parents as a conduit for important information. In addition, health insurance promotes access to needed health care, which experts confirm contributes to academic success. We have learned that children without health insurance suffer more from asthma, ear infections, and vision problems -- treatable conditions that frequently interfere with classroom participation; and children without health insurance are absent more frequently than their peers. As we strive for high standards in every school and classroom, it is essential that we help families ensure their children come to school ready to learn.

Therefore, I hereby direct you, in consultation with State and local agencies, to report to me a set of recommendations on specific actions to encourage and integrate health insurance enrollment and outreach for children into schools, consistent with the mission of your agency. This report shall include:

- Specific short- and long-term recommendations on administrative and legislative actions for making school-based outreach to enroll children in Medicaid and CHIP an integral part of school business. These may include:

  Technical assistance and other support to school districts and schools engaged in outreach;

  Suggestions on how to effectively use the school lunch program application process to promote enrollment in health insurance programs;

  Lists of practices that have proven effective, such as integration of outreach and enrollment activities into school events such as registration, sports physicals, and vision and hearing testing; and

  Model State CHIP and Medicaid policies and plans for school-based outreach.

- A summary of key findings from the national and regional conferences scheduled for this fall on the topic of school-based outreach. These conferences will bring together national and State education officials, Medicaid and CHIP directors, public policy experts, and community-based organizations to examine the use of schools to facilitate the enrollment of children in Medicaid and CHIP; evaluation tools to monitor the effectiveness of current school-based outreach efforts; and best practices in school-based outreach and enrollment for children's health insurance.

- Recommendations on methods to evaluate CHIP and Medicaid outreach strategies in schools. Performance measures should be an integral part of school-based CHIP and Medicaid outreach strategies, as they can inform policy-makers on the effectiveness of these strategies, as well as help to identify areas of improvement.

I direct the Department of Health and Human Services to serve as the coordinating agency to assist in the development and integration of recommendations and to report back to me in 6 months. The recommended actions should be consistent with Medicaid and CHIP rules for coverage of appropriate health- and outreach-related activities. They should be developed in collaboration with State and local officials as well as community leaders and should include recommendations on fostering effective partnerships between education and health agencies. These recommended activities should be complementary, aggressive, and consistent with my Administration's overall initiative to cover uninsured children.

WILLIAM J. CLINTON

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THE WHITE HOUSE

Office of the First Lady

For Immediate Release April 20, 1999

FIRST LADY HILLARY RODHAM CLINTON ANNOUNCES THAT ALMOST ONE MILLION CHILDREN ARE ENROLLED IN THE CHILDREN'S HEALTH INSURANCE PROGRAM

April 20, 1999

Today, at a speech at Hofstra University, First Lady Hillary Rodham Clinton announced that the Department of Health and Human Services is reporting that almost one million children enrolled in the State Children's Health Insurance Program (CHIP) in 1998. The President worked with the Congress to enact CHIP in 1997 as part of the Balanced Budget Agreement. It provides $24 billion dollars over five years for health insurance for children. This enrollment in CHIP, combined with efforts to sign up the millions of eligible but unenrolled children in Medicaid, shows significant progress in meeting the President's goal of reducing the number of uninsured children in the United States by 5 million.

PROGRESS TOWARD REDUCING NUMBER OF UNINSURED CHILDREN. The Department of Health and Human Services released estimates today that show:

Almost one million children enrolled in CHIP during 1998. In its first release of state enrollment data, the Department of Health and Human Services (HHS) reported that approximately 982,000 children enrolled in CHIP in the 43 states with programs operating during 1998. This indicates that states met the HHS enrollment estimates for 1998 and that states are well on their way to enrolling their target of 2.5 million children by 2000.

Almost equal enrollment in Medicaid and separate state programs. CHIP enables States to insure children from working families with incomes too high to qualify for Medicaid through non-Medicaid State programs, Medicaid expansions, or a combination of both programs. Slightly more children were enrolled in the separate state programs. Of the approximately 982,000, approximately 540,000 were in separate programs while approximately 442,000 were in Medicaid expansions adopted by the states.

Enrollment will continue to increase as states fully implement their plans. Seven programs (ID, IL, IN, MA, OH, OK, and PR) were enrolling children throughout the entire year and 10 out of the 43 programs did not start enrolling children until after October 1. The 10 CHIP programs that have been operating the longest (Alabama, California, Idaho, Illinois, Indiana, Massachusetts, New Jersey, Ohio, Oklahoma, and Puerto Rico) are responsible for about 34 percent of the total enrollment. The average enrollment period was about 6 months. Given the challenges of setting up major new programs, many states are just beginning to enroll children in CHIP.

New children are enrolling in the traditional Medicaid. Although CHIP is its centerpiece, the President's initiative to reduce the number of uninsured children also included policies to increase enrollment of poor children in Medicaid. According to the NGA, 26 states have opted for "strategies such as continuous eligibility" and 12 states use "presumptive eligibility" -- both of which were included in the Balanced Budget Act of 1997 to increase traditional Medicaid enrollment. Additionally, families that apply for CHIP but whose children are eligible for the traditional Medicaid will have

their children automatically enrolled. Finally, outreach efforts by the Administration, states, and the private sector have not focused solely on CHIP -- they have also included Medicaid. Information on traditional Medicaid enrollment will be available later this year.

INTENSIVE PUBLIC-PRIVATE OUTREACH EFFORTS TO IDENTIFY AND ENROLL ELIGIBLE, UNINSURED CHILDREN

One of the highest priorities of the Administration -- as well as the nation's Governors and the bipartisan Congress -- has been reducing the number of uninsured children. To ensure that every eligible child benefits from Medicaid and the new Children's Health Insurance Program (CHIP), the President launched a public-private outreach campaign. Highlights of this campaign include:

Engaging the private sector in the nationwide "Insure Kids Now" Outreach Campaign. One of the major barriers to insuring children is education: too many families do not know that their children may be eligible. To get the word out, the nation's top media organizations, corporations, and non-profits have teamed up to launch a nationwide campaign. It includes:

"1-877-KIDS NOW" Hotline. The National Governors Association, Bell Atlantic, and the Administration have together launched 1-877 KIDS NOW, a new toll-free number to provide state-specific information about Medicaid and CHIP to families in all 50 states.

Public service announcements on national television and radio. NBC, ABC, Univision, the National Association of Broadcasters, Black Entertainment Television, and Viacom/Paramount are airing public service announcements promoting the toll-free number. Radio ads on Insure Kids Now will also be run nationwide.

Printing the Insure Kids Now toll-free number on products. Building on a series of commitments made in 1998, K-Mart, General Motors, the American Dental Hygienists Association, among others, have pledged to put the new toll-free number on grocery bags, toothbrushes, diaper boxes, pharmaceutical products, child safety seats, and school buses.

Finding families through other Federal programs. Recognizing that millions of low-income, working families come in contact with Federal programs, the President ordered nearly a dozen agencies to develop strategies to educate families about health insurance for children. These agencies formed a Task Force that has identified and started implementing over 150 actions to help enroll uninsured children. Examples of actions include:

Encouraging states and schools to distribute information through the 94,000 school lunch programs that serve 15 million children.

Educating 6 million families in low-income housing programs through 3,400 Public Housing Authorities and 25,000 owners and managers of multi-family properties.

Distributing 145,000 posters with the Insure Kids Now toll free number to over 20,000 health centers.

Reducing and eliminating barriers to enrollment. Throughout 1998, the Administration provided guidance and examples of how to streamline the application and enrollment process, making it easier for families to sign up their children. Last month, HHS also released new guidance on ensuring Medicaid coverage for families and

children affected by welfare reform. Efforts will continue to strip away all unnecessary administrative barriers.

Investing in children's health insurance outreach. The President's FY 2000 budget includes about $1 billion over 5 years for outreach efforts. New funds will enable states to simplify enrollment systems, educate community members, outstation eligibility workers, and conduct other efforts that identify and enroll uninsured children in Medicaid and CHIP.

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THE WHITE HOUSE

Office of the Press Secretary

For Immediate Release February 23, 1999

PRESIDENT CLINTON AND FIRST LADY HILLARY RODHAM CLINTON
LAUNCH THE INSURE KIDS NOW CAMPAIGN
PROMOTING CHILDREN'S HEALTH INSURANCE OUTREACH

February 23, 1999

Today, the President and First Lady, along with Governors Carper and Leavitt and Secretary Shalala, launch the nationwide "Insure Kids Now" campaign designed to enroll eligible but uninsured children in Medicaid and the new Children's Health Insurance Program (CHIP). Building on prior efforts, this campaign will engage a broad-based, bipartisan, public-private coalition to use a variety of means to educate and assist families in insuring their children. Initial activities include launching a nationwide, toll-free number set up by the National Governors' Association in partnership with the Administration and Bell Atlantic to provide families with essential information about Medicaid and CHIP; placing the toll-free number on corporate products; airing public service announcements on TV and radio; enlisting grass-roots organizations to get the word out; and stepping up activities by over 10 Federal agencies that interact with working families.

CHILDREN'S HEALTH INSURANCE INITIATIVE The President and First Lady have made improving children's health a priority. Studies show that children without health insurance are more likely to be sick as newborns, less likely to be immunized as preschoolers, and less likely to receive medical treatment when they are injured.

Historic new options for children. In 1997, the President, with bipartisan Congressional support, created the Children's Health Insurance Program (CHIP), which devotes $24 billion dollars over five years for health coverage for children. Today, 47 states have implemented CHIP; they expect to enroll over 2.5 million children by September 2000.

The challenge of enrolling children. Ensuring that all eligible children get enrolled in health insurance programs is a formidable challenge. Barriers like complicated applications, lack of coordination between programs, and misinformation about eligibility criteria prevent uninsured children from getting the coverage that they need. To remove these barriers, the President has taken numerous actions to encourage states to streamline their application and enrollment processes, accept mail-in applications, and place eligibility workers in convenient locations. He also ordered federal agencies to provide active assistance in enrolling children through their many programs serving working families.

NEW NATIONWIDE "INSURE KIDS NOW" OUTREACH CAMPAIGN Building on last year's efforts, today the President and First Lady launch the "Insure Kids Now" public-private campaign. For the first time, major TV and radio networks, corporations, health care organizations, religious groups, and other community-based organizations will join federal agencies in disseminating information about children's health insurance.

Launching "1-877-KIDS NOW" Hotline. Today, Governors Carper and Leavitt unveiled 1-877 KIDS NOW (1-877-543-7669), a new toll free number developed by the National Governors Association in partnership with Bell Atlantic and the Clinton Administration, to provide state-specific

information about Medicaid and CHIP to families in all 50 states. Families calling this number will receive information about eligibility criteria, benefits, and how to apply for coverage. Beginning in October, the Department of Health and Human Services (HHS) plans to assume responsibility for operating this toll-free line.

Running public service announcements on national television about Insure Kids Now. Beginning today, ABC, NBC, Univision, Turner Entertainment, the National Association of Broadcasters, and Viacom/Paramount will air public service announcements providing information about the importance of health insurance and promoting the Insure Kids Now number.

Airing radio advertisements about Insure Kids Now. Today, HHS will begin funding radio ads on Insure Kids Now nationwide, starting with Alabama, Arkansas, California, Colorado, Connecticut, Illinois, Maine, New Jersey, North Carolina, Ohio, and Utah. Later this year, Bonneville radio network will run similar ads nationwide. Radio reaches 77 percent of consumers daily, making radio ads a highly effective way to reach the millions of families with children eligible for Medicaid or CHIP.

Publishing information about Insure Kids Now. This spring, USA Today will publish an editorial and Blue Cross/Blue Shield will publish a full page advertisement in the April issue of Time Magazine on children's health insurance. In addition, Pfizer, the American College of Emergency Physicians, the American Nurses Association, the United Way, the American College of Physicians, the National Collaboration for Youth, the Association of State and Territorial Health Officials, Wyeth Lederle, Kaiser Permanente, Volunteers of America, the March of Dimes, the Points of Light Foundation, Hope for Kids, the Veterans of Foreign Wars, the National Education Association, and religious organizations from across the country have agreed to put information on Insure Kids Now in their product handbooks, circulars, and mass mailings, as well as to distribute posters featuring the Insure Kids Now number to their clients and constituents. Print media is an effective educational tool, especially when used together with other media, because it allows the reader to reread and thoroughly digest the information.

Printing the Insure Kids Now toll free number on commonly used products. Building on a series of commitments made in 1998, K-Mart, General Motors, the American Dental Hygienists Association, and American Medical Response have pledged to put the new toll-free number on grocery bags, toothbrushes, diaper boxes, pharmaceutical products, child safety seats, and schoolbuses.

Expanding federal efforts to promote children's health insurance outreach. The President's FY 2000 budget includes over $1.2 billion to assist states to engage in children's health outreach activities. In addition, the Federal Interagency Task Force on children's health outreach has begun new outreach efforts include launching the new "www.insurekidsnow.gov" website; distributing 145,000 posters to over 20,000 health centers, providers, and other grantees; providing 92,000 USDA employees with information about outreach, including the new toll-free number on their wage and earning statements; and sending a letter and posters with the Insure Kids Now number to all 170 sites in the Department of Justice's Operation Weed and Seed program, a crime prevention and community revitalization initiative.

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DOMESTIC POLICY COUNCIL

Date: 6/1

To: Neera

Telephone: Fax:

From: Heather Howard

Telephone: 456-7263 Fax: 456-2878

Subject:

Pages: 5 (Including this cover sheet)

Comments: Gore's CHIP proposals - I think they worked from a nice base for a set of proposals - I will keep pushing for an additional angle for us.

SECOND FLOOR WEST WING ❖ WASHINGTON, DC 20502
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Heather Howard (Subject Files)
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FOLDER TITLE:
CHIP [Children's Health Insurance Program] [Binder]

2012-0254-S
rc659

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 advice 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]

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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]

Editorial

June 16, 2000

Giuliani HC plan

Reaching Out to the Uninsured

Forum
• Editorials

Mayor Rudolph Giuliani has proposed an innovative and ambitious plan to enroll some 900,000 eligible but uninsured New York City residents in Medicaid and other government health insurance programs. He cites his own experience with prostate cancer as one reason he has become more attuned to the needs of the uninsured.

Mr. Giuliani's illness caused him to withdraw from the Senate race, but that difficult decision has now made it possible for him to devote his administrative talents to solving a significant social problem. His new plan, if successful, could be a model for the rest of the nation and become one of his most important legacies to the city.

This is an interesting and positive departure for a mayor who has favored tightening social service programs and indeed has been criticized for being too tough on welfare recipients. No new program would be created, and federal and state governments will pay most of the costs for new enrollees. But the city's share could amount to more than $150 million as enrollment increases.

Currently there are an estimated 1.5 million low-income uninsured individuals in the city. More than half could have health insurance under existing public programs. More than 200,000 very-low-income children and adults in the city are eligible for Medicaid coverage but are not enrolled. Hundreds of thousands of other low-income children are eligible for subsidized health insurance under Child Health Plus, a state-run program, and by next January, thousands of low-income adults will also become eligible for subsidized care under Family Health Plus, a new state program.

Yet these eligible individuals -- two-thirds of whom are working -- are not enrolled because they do not know about these programs, or have been put off from seeking coverage in light of city efforts to

reduce welfare rolls and other public services. Finding these individuals and helping them sign up is a bureaucratic challenge.

Though some nonprofit groups are trying to help families enroll, private groups do not have the resources to reach large numbers of people. Mr. Giuliani's plan would take a systematic citywide approach, setting up shop in schools, firehouses, housing developments and other places where people can obtain information.

Like the successful "Compstat" model used by police to monitor crime hot spots, the plan will use continuous tracking of enrollments. The city will be divided into eight "Health Stat" regions, each with a manager. The city will hold weekly meetings to monitor the number of uninsured being signed up and assess tactics.

This project will require investment for training and outreach workers. The payback in benefits to low-income children and working families that need insurance will far outweigh those costs.