

Withdrawal/Redaction Sheet

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Chuck to Governor Huckabee (2 pages)	10/28/1999	P6/b(6)
~~002. memo~~	~~Mickey Ibarra and Chris Jennings to the President re: ARKids First (3 pages)~~	~~10/29/1999~~	~~P5~~ <i>was 4/11/15</i>

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Devorah Adler
OA/Box Number: 20462

FOLDER TITLE:

ARKIDS [Folder 5]

2012-0463-S

rc717

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]

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

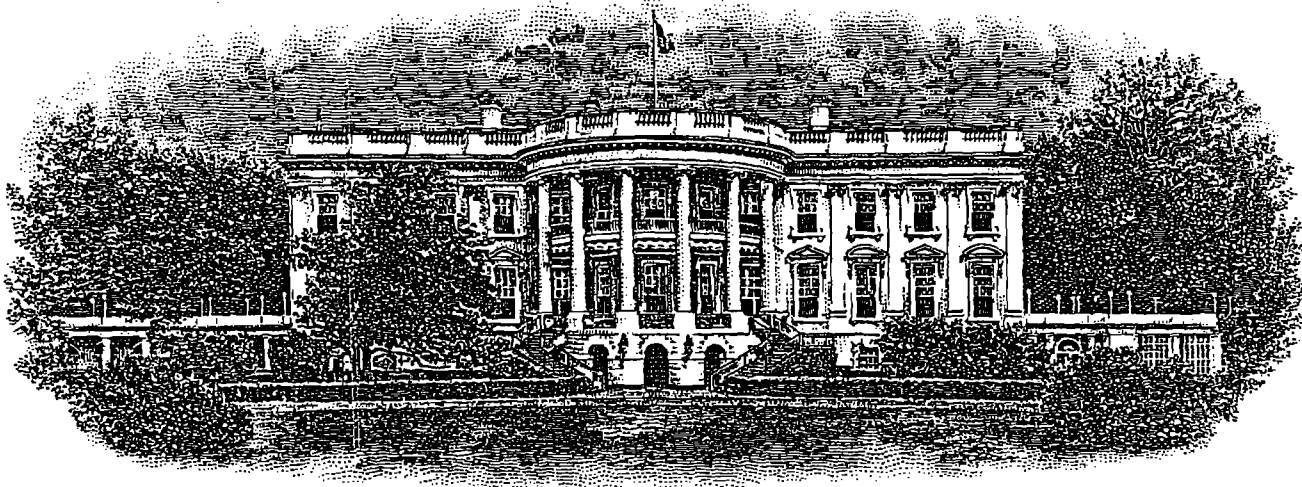
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).

RR. Document will be reviewed upon request.

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

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

THE WHITE HOUSE
OFFICE OF INTERGOVERNMENTAL AFFAIRS



FAX COVER SHEET

To:

Deborah

From:

Askine

Date:

No. of pages including cover:

6

Phone:

Fax:

65577

Phone: 202/456-7060

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Message:



The Morning

OF NORTHWEST ARKANSAS

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Huckabee lobbies

Elizabeth Caldwell
News Kids Rock Bureau

LITTLE ROCK — Gov. Mike Huckabee vowed Monday to continue allowing children of welfare-eligible parents to participate in a state-run insurance program, despite a federal directive to do otherwise.

Huckabee and President Clinton talked by telephone Monday about federal regulations that threaten the future of ARKids First, the state's Medicaid-funded insurance program for children.

The federal Health Care Financing Administration has told state officials to stop enrolling Medicaid-eligible children in the program.

In a letter dated last week, HCFA wrote the state Department of Human Services that the state was granted authority to serve only children who are not eligible for Medicaid. Under the law, Medicaid-eligible children are required to be enrolled in Medicaid, the letter said.

Huckabee said Clinton could direct HCFA to grant the state a waiver.

"We're going to continue the program, and the only way they can actually stop it at this point is they'll just have to quit paying the checks," Huckabee said.

Huckabee said, if the checks stop, "ARKids is dead. The day that happens, we uninsured the children."

Huckabee said that he had just gotten off the telephone with Clinton prior to a 1 p.m. news conference at the Governor's Mansion.

"He is aware that this is a successful program," Huckabee said of the president. "He does not want to see kids cut off."

Huckabee said many Arkansans will choose to go without coverage rather than be forced to switch to Medicaid.

The legislature adopted the \$44-million ARKids First program in 1997 and expanded it this year, after the Huckabee administration

assured lawmakers it from below-projected since 1997 would more any cost increase from state.

Under ARKids First, a small deductible for a limited health their children that much less coverage than through Medicaid.

In a letter dated Oct. officer David S. Cade to DHS officials the work with them in the procedures associated with ARKids First. He also talk about ways to more attractive to apply.

HCFA spokesman said the agency approved ARKids First waiver to children in Arkansas to insurance coverage. It made children in families up to 200 percent of level eligible.

But Flavin said the w

Fayetteville planners revoke

Charlie Alton
The Morning News

Patrons of Millennium 2000 won't be dancing the night away on New Year's Eve.

The Fayetteville Planning Commission went up and down Monday evening, like the ly intoned frequency of a bass line, while it considered whether to revoke a dance-hall permit for Millennium 2000.

ers considered a bevy of motions, twice voting on whether to revoke the permit.

The first vote to revoke went 5-4 against revocation. After more debate, however, that same motion was reconsidered and passed 7-2. The revocation means that Millennium 2000 can no longer have dancing, but it is that the club, restaurant, dart room, sports lounge and Hog

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DAYCO: Tax breaks available

From Page A1

on which to build a 100,000-square-foot building.

One site is at Emma Avenue and Monitor Road in Springdale. A second is in Fayetteville along Industrial Boulevard, and a third site has reported also to be in Springdale.

Springdale Chamber of Commerce officials have said the third site is on Arkansas 265 across from the Springdale airport and a couple of blocks north of its current facility.

Company officials have said that they want the new plant to be built and operating by next July.

The company also is eligible for the state's Enterprise Zone Program in Fayetteville.

Behrstedt said officials could announce the chosen site this week.

Company officials were at a Fayetteville City Council meeting earlier this month when that council motioned to extend Industrial Boulevard about 1,000 feet to the land Dayco might purchase.

In Fayetteville, Dayco officials have said they are considering the purchase of 14 acres at \$16,000 an acre, for a total of \$224,000.

The expansion of the road is expected to cost the city around \$225,000.

In Springdale, Dayco officials have offered a proposal to Industrial Commission members to buy 14 acres at Monitor and Mountain roads for \$25,000 an acre, a total cost of about \$350,000.

In the proposal, however, the company has asked the city to widen and improve Emma Avenue and Monitor Road, improvements some Springdale officials said could cost between \$350,000 and \$1 million.

The company, which manufactures tires, carenging belt-tension devices, plans to employ 274 people by 2003.

JEFF NIESE can be reached at jnie@mcronline.net

THE SECOND TAKE

HUCKABEE: Says many Arkansans don't want to be forced into welfare

From Page A1

the state to ensure a seamless process for enrollment so it is as easy to enroll in Medicaid as it is in ARKIDS First.

Huckabee had said one of the problems is that Medicaid enrollment is a complicated process that requires a parent to take off work to visit a state office, fill out papers and wait several weeks for approval.

Enrollment in ARKIDS First can be accomplished almost immediately with a telephone call, he said.

ARKIDS First was approved by the legislature in 1991 to provide health coverage for children whose parents could not afford health insurance but whose income was beyond the limits for Medicaid.

About 45,000 children are enrolled. About 30 percent to 40 percent of them are Medicaid eligible, said Ray Hanley, medical-services director for the state Department of Human Services.

Huckabee cited a recent survey by Arkansas Advocates for Children and Families, a nonprofit agency showing that parents of 30 percent of those in ARKIDS First would choose to go without coverage rather than enroll in Medicaid.

"People in Arkansas are proud, and they don't want their dignity taken from them by being forced into welfare when they'd rather put their kids on an insurance program like ARKIDS, which has as its hallmark personal responsibility," Huckabee said.

Hanley said federal officials began discussing the situation with the state in April and could not agree among themselves about the program until last week.

Huckabee said he tried to contact Clinton beginning Wednesday and also got some of Clinton's closest supporters to telephone him but got no response.

Huckabee said he let Clinton's supporters know early Monday that he had called the news conference and they made "urgent" calls to Clinton, resulting in the president's call to Huckabee 15 minutes before the news conference.

Clinton indicated that he would try to work with the state, Huckabee said.

Huckabee said the state must unite in favor of keeping Medicaid-eligible children in ARKIDS First.

"I want to make it very clear today that we have to draw a line in the sand. And that line in the sand is that we're not going to give up this program."

Huckabee said he believes Clinton is getting conflicting advice from people in his administration.

"I'm asking now that the people of Arkansas will join me in contacting the White House, contacting our congressional delegation. And let's tell them, 'Get these pencil pushers off our backs. Get these people off the backs of our kids,'" Huckabee said.

The Associated Press contributed to this report.

BUDGET: Clinton to sign third, short-term measure keeping agencies open

From Page A1

daily after the Senate's Oct. 18 rejection of the global nuclear test-ban treaty. For his veto to prevail, Clinton would have needed one-third plus one of either the House or Senate.

Clinton told reporters he believed he could have won but worried that Democrats would be "attacked by the Republicans for being against the defense budget that the Democratic Party has basically pursued."

Clinton's signature on the bill avoided exposing Democrats to a traditional GOP accusation that they are soft on defense. White House officials also hope it will sharpen attention on Clinton's battle with Republicans over his budget proposals and the GOP's plan to cut federal agencies' spending by 1.4 percent.

"I will not allow Congress to raise its own pay and fund its own pork-barrel projects, and still make devastating across-the-board cuts in everything from education to child nutrition to the FBI," Clinton said Monday. "I will not sign any budget that puts special interests above the national interest."

At the insistence of Senate Appropriations Committee Chairman Ted Stevens, R-Alaska, Republicans were considering reducing the size of the cut in agency spending to about 1 percent.

A move also is afoot by some rank-and-file Republicans to try to include lawmakers' salaries in the across-the-board reduction. Their pay set to rise to \$141,300 next year, currently would not be cut, because money for their salaries is not controlled by the spending bills.

Besides building up equipment depleted by the war with Yugoslavia, the defense bill would curtail production of the Air Force's F-22 "stealth" fighter and provide billions for weapons procurement that would be spent from coast to coast.

Included is \$375 million to begin building a helicopter carrier in the home district of Senate Majority Leader Trent Lott, R-Miss., including electrical equipment built by Pennsylvania subcontractors; \$28 million for five F-15 fighters to be built by Boeing Co. in the St. Louis area, represented by the House minority leader, Rep. Dick Gephardt, D-Mo.; and electronic equipment for missile defense systems built in Massachusetts.

Clinton said he would sign a third, short-term measure keeping agencies open while spending bills are completed, saying, "We are making some progress." The second one expires Friday night.

Clinton also vetoed a \$98 billion measure financing the departments of Commerce, Justice and State.

That bill, which lacked most of the \$1.3 billion Clinton requested to help communities hire thousands of police officers, is the third of the 12 annual spending bills for fiscal 2000 that he has vetoed. He has threatened to veto two others but has signed eight into law.

CRASH: Plane likely on autopilot until fuel ran out

From Page A1

Set apparently on autopilot, the jet cruised at a stable 45,000 feet or so, flying 1,500 miles — up the nation's midsection, across half

Borland's wife, Kate, said she contacted the private jet terminal Monday afternoon and spoke to an employee who had greeted her husband and confirmed he intended to

Stewart's jet was over Gainesville, Fla., said Tony Molinaro, an FAA spokesman in Chicago. The jet flew as high as 45,000 feet and the crew did not respond to repeated

ARENA:

Elton John to perform Friday

Dm - This initiative was started in the Jim Guy Tucker administration. It did not pass through the state legislature until

Gazette (Statewide)

last Oct. 14 and offered two options for keeping the hospital open: passage by Paris voters of a 1-cent sales tax to fund the hospital and expanded support from area physicians in providing cov-

eraged in recent weeks, largely because nearby residents have started choosing to use the Paris hospital rather than going to others. He said there were 11 to 13 patients in the hospital. See HOSPITAL, Page 3B

Ty Baldt of Dallas teaches Fayetteville High School students with the Lindy Lov Machine, a group of dancers that began a 19-city tour of the U.S. last week. The group is teaching swing dancing at clubs, schools and other facilities. Arkansas Democrat-Gazette/EREMY SCOTT

Drug-Free Red Ribbon Week



Woodland Junior High students Emily Adams (left), 13, and Sarah Horizen, 13, try to stay warm Friday morning as they wait for activities recognizing the Drug-Free Red Ribbon Week to begin. Student organizations decorated trees to commemorate the week. Events will take place at the school daily through Friday, ending with a free sock hop. Arkansas Democrat-Gazette/EREMY SCOTT

Agency directive may hurt ARKids, Huckabee says

BY MICHAEL ROWETT
ARKANSAS DEMOCRAT-GAZETTE

Gov. Mike Huckabee on Monday urged President Clinton to overrule a U.S. Health Care Financing Administration directive that would require the state to drop certain children from the ARKids First Medicaid program because they are eligible for the general Medicaid program.

In a news conference at the front gates of the Governor's Mansion near a bust of Clinton, Huckabee said the directive will "gut" the ARKids First program.

He said it would cause a loss of medical care for thousands of children whose parents are loath to enroll them in Medicaid, a health-care program associated with welfare, but who have enrolled them in the ARKids First Medicaid program.

Huckabee said he appealed in a telephone call to Clinton to stop the directive by the health-care administration, which administers Medicaid, which is financed by a combination of state and federal tax dollars.

If he can't persuade Clinton to See DIRECTIVE, Page 3B

accident about 120 a.m. Sunday. Gerald Hodges, director of the Benton County Office of Emergency Services, said Monday that officials believe the houseboat may have contained 30 to 50 gallons of gasoline. Two engines were also slowly leaking oil, Hodges said.

Officials didn't know Monday how much fluid had leaked into the water.

The Madison County Regional Water District intake center near Piney Point, the nearest of several water system intake points on the lake, is about two miles downstream from the spill.

Beaver Lake Fire Chief Andy Jaeger described the spill as small. Officials were checking to make sure none of the gasoline or oil made it into the water system, Jaeger said. Water District Superintendent Paul Richmond said the spill is not expected to make it to the intake center. If it does, the See SPILL, Page 3B

Commission to reconstruct permit proposal

BY BRIAN COFER
ARKANSAS DEMOCRAT-GAZETTE

The state Pollution Control and Ecology Commission, reacting to complaints by an industry group, will rework a proposed regulation that would deny permits to applicants with poor environmental records.

The commission was scheduled to vote on the proposed "bad actor" regulation Friday. But the commission's regulations committee voted earlier last week to send it back to the state Department of Environmental Quality.

The move followed complaints by the Arkansas Environmental Federation, a group that represents the interests of industries, that the regulation is too broad and takes liberties with a 1991 state law often cited as authorizing the proposed regulation. The law is Arkansas Code 8-1-106.

Randy Thurman, executive director of the federation made up of 400 member companies, said he sees no reason for the regulation in the first place.

"We already have a 'bad actor' law that spells things out," he said. See PROPOSAL, Page 3B

Directive

Continued from Page 1B

intervene, the state will ignore the directive, leaving it to the federal government to decide whether to end federal funding for ARKids First.

Huckabee said ARKids First rewards families who want to stay off welfare.

The health-care administration order also at having Medicaid-eligible children in the Medicaid program, but Huckabee said the order mocks welfare-reform initiatives embraced by both Clinton and Congress. As governor of Arkansas for 12 years before he was elected president, Clinton should recognize that, Huckabee said.

These (ARKids First) families view Medicaid as welfare, and a lot of Arkansians are too proud to go into a government office and fill out the required forms," Huckabee said. "If the Clinton administration does not reverse this decision, I can guarantee you thousands of our state's children will lose their health-insurance coverage."

Huckabee tied a yellow ribbon around the bust of Clinton to symbolize an uncertain future for ARKids First. The governor said he would remove the ribbon only when the state is allowed to continue the program in its current form.

A spokesman for the health-care administration said Monday the federal waiver that allowed ARKids First to be established restricted it to children whose families didn't qualify for Medicaid. It's against federal law for the state to enroll Medicaid-eligible children in ARKids First, the spokesman said.

Huckabee and Joe Quinn, a spokesman for the state Department of Human Services, said the state was never told it couldn't offer families a choice between Medicaid and the ARKids First version of Medicaid.

The federal government provides about 75 percent of the money for ARKids First, as it does for the state's other Med-



Arkansas Democrat-Gazette/BENJAMIN KRIAN

Gov. Mike Huckabee addresses reporters Monday about the ARKids First health insurance plan after draping a yellow ribbon around a bust of President Clinton in front of the Governor's Mansion.

icaid programs. Huckabee acknowledged that a loss of federal funding would force the state to abandon the program.

The Legislature, at Huckabee's behest, created ARKids First in 1997. The program provides medical coverage for uninsured children; some of them in families that earned too much to qualify for Medicaid apart from ARKids First. The state had to get a waiver from the health-care administration to implement the program as an expansion of Medicaid.

level. That would be \$33,900 per year for a family of four. To qualify for Medicaid, the same family of four could earn no more than \$22,211 annually, Quinn said.

Families of children enrolled in Medicaid pay no premiums, deductibles or co-payments. ARKids First requires a co-payment of \$5 to \$10 per doctor's visit and provides a less comprehensive benefits package. But Huckabee said most families would gladly accept a co-payment and less coverage to avoid the stigma associated with Medicaid, which is provided to families on welfare.

The health-care administration's directive was spelled out in an Oct. 18 letter to Ray Hanley, director of the state Human Services Department's Division of Medical Services. But state officials learned in April of questions from the health-care administration about ARKids First enrollees who would normally qualify for Medicaid.

The letter was from David Cade, director of the health-care administration's Medicaid Family and Children's Health Programs Group.

Cade and Andrew Fredrickson, director of the administration's Dallas regional office, did not return phone calls Monday afternoon.

A spokesman for the administration in Washington, D.C., said the terms of the state's ARKids First waiver require all children whose family incomes qualify them for Medicaid to be enrolled in the program. That's also a requirement of the original 1965 legislation that enacted Medicaid into law.

State Sen. Mike Beebe, D-Searcy, sponsored the legislation that set up the program. Beebe said Monday that he had called the White House earlier in the day to register his solidarity with the governor on the issue. "It's good public policy to let people have a choice," Beebe said. "Bringing people into a program where there's some co-payment — some financial obligation on the part of the family — saves taxpayers additional dollars."

ARKids First covers children in families who earn up to 200 percent of the federal poverty

Dinner pays tribute to Huckabees, raises cash for Republicans

BY ROB MORITZ
ARKANSAS DEMOCRAT-GAZETTE

An appreciation dinner honoring Gov. Mike Huckabee and his wife, Janet, on Monday night turned out to be a fund-raiser for the Republican Party after all.

Huckabee and his wife were each presented plaques and large black cowboy hats during the \$100-per-ticket affair at the Robinson Center. About 500 Republicans dressed in jeans, cowboy hats, shirts and vests for a country and western party theme.

Country music star Collin Raye, an Arkansas native who couldn't attend the event, sent a purple bass guitar to the governor. Ray, who signed the guitar, often lets the governor play bass with his band when he performs in De Queen.

"It's a wonderful privilege serving this great state," a smiling Huckabee told the crowd.

The event, originally to be held at Ricks Armory, the Arkansas National Guard facility in Little Rock, was moved to Robinson Center after some questioned whether it might be a political fund-raiser.

At first, Sheffield Nelson, former state Republican Party chairman and now on the party's national committee, and other Republican officials said it would not be. But after it was moved to the Robinson Center, organizers decided to try to raise a little cash while honoring the governor.

"I just thought with this many people and this many possibilities — the minute we got out of Ricks Armory we're going to make some money for the Republican Party," Nelson said.

Before the dinner, Nelson and his wife played host to a small reception at their home for about 75 influential state Republicans. That event raised about \$50,000, he said.

Chris Carnahan, executive director of the state Republican Party, said he didn't know exactly how much it cost to host the dinner, which included barbeque and all the fixings, but the two country music performers — John Conlee and Darryl Singletary — charged about \$12,000 to perform, he said.

"I think this means a coming-together," Nelson said about the event.

"We just haven't had, at least from the outsider's standpoint, the unity we need and I think this will convince everybody that we're a unified party," he said.

The state's Republican delegation to Washington, D.C., Sen. Tim Hutchinson, Rep. Asa Hutchinson and Rep. Jay Dickey could not attend the event but sent a letter of support to the governor, praising him for his initiatives during his first three years in office.

Lt. Gov. Windrop Rockefeller, wearing a purple shirt, jeans, cowboy boots and a hat, said the event is "good for the party."

"Obviously... for the Republican Party it means cash," he said. "But it's a way for Republicans to have a chance to be together, have a good evening fun and do something good for the party."

Former Republican Gov. Frank White, who presented Huckabee with his cowboy hat, praised the party and the current governor.

"This is a great effort by a lot of people who really like what the governor and Janet are doing," he said. "The money here will be used by campaigns. It will be used by the campaigns coming up next year."

Janet Huckabee was praised for her involvement in volunteerism throughout the state and for advocating issues that affect the youth, such as childhood immunizations.

Proposal

Continued from Page 1B

"We already have a 'bad actor' that spells

Boat

Continued from Page 1B

DEMOCRAT-GAZETTE

Adrienne K. Elrod

10/30/99 01:18:PM

Record Type: Record

To: Christopher C. Jennings/OPD/EOP@EOP, Mickey Ibarra/WHO/EOP, Ray Martinez/WHO/EOP@EOP
cc: Devorah R. Adler/OPD/EOP@EOP, Todd A. Bledsoe/WHO/EOP@EOP
Subject: Transcript: Republican Radio Address 10/30

Governor Huckabee's
Press Release
October 29, 1999

Governor Huckabee's Republican response to President
Clinton's weekly radio address:

PLEASE NOTE: THIS IS EMBARGOED UNTIL 10:06 A.M. CDT SATURDAY FOR USE
ON SATURDAY EVENING NEWSCASTS AND IN SUNDAY MORNING NEWSPAPERS

Little Rock--Oct. 29--The following is Gov. Mike Huckabee's Republican response to President
Clinton's weekly radio address:

"Hello, this is Gov. Mike Huckabee of Arkansas with a story from the front lines. I say the "front lines" because it seems as if governors across the country often are in battles with federal bureaucrats in Washington. These bureaucrats make our jobs as governors more difficult instead of helping us in our efforts to better educate our children and make sure they grow up healthy.

"Whether it is moving people from welfare to work, having an education system in which students and teachers are held accountable to high standards and results or any number of other policy issues, the real innovations have come at the state and local levels rather than at the federal level.

"Bill Clinton was governor of my state for 12 years and hails from my hometown of Hope. He was elected president in 1992 after promising to end welfare as we know it. While Bill Clinton talked about ending welfare, Republican governors such as Tommy Thompson of Wisconsin were actually doing it. Governors like Don Sundquist of Tennessee already were leading the fight for better health care. From George Bush in Texas, who is ensuring that children know how to read by the third grade, to George Pataki in New York, who has significantly reduced crime in his state, governors are making a difference

"When I became governor, I followed the example of other Republican governors and did what Washington hasn't done much of in recent years. I worked with Democrats and Republicans on a bipartisan basis to move people from welfare dependency to personal responsibility, and I committed to do all I could to give the children of our state a chance for a good life by starting the ARKids First program so parents could provide their children with access to health care. We've seen the number of welfare cases decline in our state from 26,588 cases to 12,028 cases in the almost seven years since Mr. Clinton left the state.

"We have done our part. But now it seems some pencil-pushing federal bureaucrats want us to roll back the clock to the days of welfare dependency and punish parents for choosing personal responsibility. The president says he wants one thing. The bureaucrats who work for him do just the opposite. Apparently they do not believe he is sincere because their actions do not match his words.

This is all too common with the Clinton-Gore administration whether the topic is education, the environment or welfare reform.

"In Arkansas, we adopted our comprehensive health insurance program for children months before the Clinton-Gore administration made insuring children a national priority. Since 1997, the ARKids First program has insured almost 55,000 kids of low-income working families. Recently, however, the federal bureaucrats told us we must force parents who might be eligible for Medicaid to choose that route instead of ARKids First. Placing children on Medicaid means these parents will have to go to a state welfare office, fill out several pages of paperwork and be put on a waiting list. The ARKids First enrollment process consists of a toll-free telephone call and virtually instant coverage. There is a small co-payment required. These parents have told us they don't want a handout. But they do need help. Our program gives parents a sense of personal responsibility since the co-payments are required. The bottom line is it works.

"Other governors have run into similar problems with federal bureaucrats when trying to design innovative programs that work in their states. In the current education debate, Republicans in Congress want to allow governors to choose whether they need to hire, retrain, reward or retain teachers. The president just wants to mandate and micromanage. He didn't want that when he was a governor. I want to thank Republicans in Congress for trying to finish the job for the American people as this session of Congress nears a conclusion. The Clinton-Gore administration continues to try to add unfunded mandates, and congressional Republicans keep fighting for local control. Every state might not need set numbers of new teachers and policemen. Those funds could go for computers, books and other things. Those are not decisions that need to be made in Washington.

"Why is this administration so afraid to empower parents to make decisions about their children? Why does this administration continue to pursue a path that would force families onto welfare when we've worked so hard in the states to get them off? Why does the Clinton-Gore administration want to make families wade through red tape when we have made it simple for them to insure their kids? Why jeopardize the health of the children of working parents when we've worked to make this program a national model?

"What governors and other elected officials outside Washington need more than anything is flexibility. They need federal bureaucrats to get a dose of reality and get off the backs of working families. Republican governors are creating welfare-to-work and children's insurance programs that empower working families. I can see how a bureaucrat working in a nicely appointed office building in Washington might not understand that forcing families who have never been a part of a welfare program to enroll in Medicaid would drive them away. Yet I would expect the president, who was a governor in my state for so long and met the same families I meet every day, to understand this fact of human nature. Please, Mr. President, don't forget where you're from. Don't forget you once were a governor demanding more flexibility from Washington so you could help the working families of your state."

Julia Lothrop, M.S.
Regional Affairs Specialist
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U.S. Dept. of Health and Human Services
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facsimile transmittal

To: Ray Martinez

Fax: (202) 456-2889

From: Julia Lothrop

Date: 10/25/99

Re: ARKids comments by Gov.
Huckabee

Pages: 4 (incl. cover page)

CC:

☒ For Review

☐ Please Comment

☒ Please Reply

☐ Please Recycle

Notes: Governor Huckabee's comments today regarding ARKids.

TO: Mickey Ibarra
Chris Jennings
Deborah Adler

Determined to be an Administrative Marking
VZ 07/06/2022 2012-0463-S

Little Rock--Oct. 25--This is a statement by Gov. Mike Huckabee regarding the threat to the ARKids First program:

"For more than eight years, I have resisted pressure to be openly critical of President Clinton even though there have been many people in the media and various political circles who have urged me to do so. In 1992, I even resisted pressure from the Republican National Committee to use my speech at the Republican convention to engage in Clinton bashing.

"I've been quiet for the seven years of his presidency, although many policy decisions and personal events have afforded ample opportunity to be harshly critical. I can no longer remain silent. This is not about my political future. It's not about politics at all. It's about the children of our state, and I will not sit idly by while the administration threatens the ARKids First program, which has been among the most successful health-care initiatives in the nation in enrolling uninsured children.

"When Bill Clinton was governor and left Arkansas for Washington, there were at least 110,000 children without any health care in this state. There were 21,164 adults and 52,104 children on welfare. Mr. Clinton was elected president after saying he wanted to end welfare as we know it and give children access to health care.

"We have done that in Arkansas, Mr. President. When I became governor, I did what Washington hasn't done much of. I worked with Democrats and Republicans on a bipartisan basis to move people from welfare to work, and I personally committed to do all I could to give the children of our state a fighting chance for a good life by helping their parents provide them with access to health care. Since 1997, the ARKids First program has insured almost 55,000 kids, and we've seen the welfare rolls reduced from 26,588 cases to 12,028 cases. We have reduced the welfare caseload by 14,560 families in

the
almost seven years since Mr. Clinton left the state.

We have done our part. Why should we go back now and say personal responsibility is a bad thing?

"Earlier today, Democratic Sen. Mike Beebe of Searcy, who helped me launch the ARKids First program by shepherding the legislation in 1997, affirmed his commitment to ARKids First. He would have been here with me today except for a previous speaking engagement.

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FOR MORE INFORMATION, CONTACT:

Rex Nelson, Director of Communications

(501) 682-3606 Fax: (501) 682-2614

Jim Harris, Director of Press

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BLANCHE LAMBERT LINCOLN
ARKANSAS

268 PARKSEN BUILDING
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e-mail: Blanche_Lincoln@Lincoln.Senate.Gov

COMMITTEES:
AGRICULTURE, NUTRITION, AND FORESTRY
ENERGY AND NATURAL RESOURCES
SPECIAL COMMITTEE ON AGING

United States Senate

WASHINGTON, DC 20510

October 26, 1999

President William Jefferson Clinton
The White House
Washington, D.C.

Dear Mr. President:

I am writing to voice my concern about the directive that the Health Care Finance Agency (HCFA) sent to the Arkansas Department of Health and Human Services regarding its ARKids First health care program for low-income children.

Since the inception of ARKids First, approximately 45,000 out of 110,000 eligible children have been enrolled in the program and are receiving health care benefits. Arkansas has been more aggressive than many states in enrolling children in its Children's Health Insurance Program. The key to ARKids First success is its "user friendly" design.

I commend state leaders and Arkansas Advocates for Children and Families for working together to design ARKids First which provides primary and preventive medical care to children of poor, working families. Thanks to ARKids First, these children now have access to a broad range of medical services that are virtually identical to what is offered under Medicaid. While I am proud of the ARKids First program, I believe that the initiative can be improved and efforts should be made to integrate ARKids First and Medicaid into a "seamless" health care program for low-income children.

Mr. President, I know you share my belief that there is no greater national priority than providing health care coverage to the uninsured -- particularly children. To expedite the enrollment of children under state CHIP programs, I recently introduced The Improved Maternal and Children's Health Coverage Act. We must remove barriers to enrollment for eligible families.

It is my understanding that HCFA will soon begin negotiations with the Arkansas Department of Health and Human Services to resolve their disagreements over ARKids First. It is clear that we need your leadership, Mr. President, in trying to help these two agencies find a reasonable compromise. No matter how long negotiations take or what the outcome, I firmly hope that no child currently enrolled in ARKids First loses his or her health care coverage over this statutory dispute.

Thank you for your commitment to the health of all children in Arkansas.

Sincerely,

A handwritten signature in cursive script that reads "Blanche L. Lincoln". The signature is written in dark ink and is centered on the page.

Blanche L. Lincoln

BLL/ed

October 27, 1999

TO: John Podesta, Steve Ricchetti, Karen Tramontano, Bruce Reed,
Gene Sperling, Bruce Lindsey, Mickey Ibarra, Joel Johnson

FROM: Chris Jennings, Jeanne Lambrew

RE: ARKANSAS AND REPUBLICAN RADIO ADDRESS

For your information, it appears that Governor Huckabee will deliver the Republican response to the radio address on Saturday and will, in part, complain about our position on their "ARKids" children's health insurance program. ARKids was created in 1997 through a Medicaid waiver that allows the State to limit benefits and charge copays to children who are not currently eligible for Medicaid. The program has been extremely successful in its outreach and enrollment efforts, covering over 50,000 children to date.

However, the State is not automatically enrolling children eligible for traditional Medicaid in that program, as required under the waiver agreement. Instead, they are informing parents about Medicaid but allowing them to enroll in ARKids if they so choose. State advocates argue that most of these children are getting the care that they need – but that the State has made Medicaid unattractive through an arduous application process (e.g., longer application; resource test; in-person interview) and calling it a welfare program. National advocates strongly believe that there is not a fair choice, that enrolling poor children in ARKids undermines Medicaid's entitlement, and that this practice goes against the bipartisan Congressional support for an identical provision in the Children's Health Insurance Program (CHIP). (The Arkansas delegation is generally supportive of the State, although most agree that there are barriers to Medicaid.)

Despite a call from the President assuring him that no child would lose coverage and promising to resolve this issue expeditiously, the Governor held a high-profile press conference on October 25. He alleged that the President will "force parents to put their kids on welfare instead of allowing them to choose the personal responsibility required by ARKids First. Placing children on Medicaid means parents will have to go to a Department of Human Services office, fill out pages of paperwork and be placed on a waiting list...." (see attached Governor's statement).

In response, we have set up a process to rapidly resolve this issue. The President spoke with the Governor on Monday, conveying our commitment to covering children and working with the State. Today, we met with Ray Hanley, the State Medicaid director, and set up meetings, including White House staff, to better understand the issues. As a note, our initial assessment is that we may not get to the more difficult questions of "choice" and "personal responsibility" since the Governor does not appear willing to remove State-imposed barriers to Medicaid. With these barriers in place, it is hard for the State to argue that the family is presented a fair choice, making our initial position more defensible.

GOVERNOR HUCKABEE'S STATEMENT, OCTOBER 25, 1999

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"I've been quiet for the seven years of his presidency, although many policy decisions and personal events have afforded ample opportunity to be harshly critical. I can no longer remain silent. This is not about my political future. It's not about politics at all. It's about the children of our state, and I will not sit idly by while the administration threatens the ARKids First program, which has been among the most successful health-care initiatives in the nation in enrolling uninsured children.

"When Bill Clinton was governor and left Arkansas for Washington, there were at least 110,000 children without any health care in this state. There were 21,164 adults and 52,104 children on welfare. Mr. Clinton was elected president after saying he wanted to end welfare as we know it and give children access to health care.

"We have done that in Arkansas, Mr. President. When I became governor, I did what Washington hasn't done much of. I worked with Democrats and Republicans on a bipartisan basis to move people from welfare to work, and I personally committed to do all I could to give the children of our state a fighting chance for a good life by helping their parents provide them with access to health care. Since 1997, the ARKids First program has insured almost 55,000 kids, and we've seen the welfare rolls reduced from 26,588 cases to 12,028 cases. We have reduced the welfare caseload by 14,560 families in the almost seven years since Mr. Clinton left the state. We have done our part. Why should we go back now and say personal responsibility is a bad thing?

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STATE OF ARKANSAS
OFFICE OF THE GOVERNOR
State Capital
Little Rock 72201

Mike Huckabee
Governor

FAX TRANSMITTAL
FAX NUMBER 501/682-1382
OFFICE NUMBER 501/682-3813

DATE: 10-28-99

TO: Chris Jennings FROM: Governor
Huckabee

FAX #: 202-456-6703

We are sending a 2 page transmission (including this page). If you do not receive all pages, call 501-682-8051 at _____.

Chris, Skip Rutherford asked me to send this to you. The President met David Gossow in Little Rock, and + called his family when he died the other day. This is their story of the Ark Kids First Program. We have thousands like it. This is what we are fighting. I want the President to have a name + face to this program. He will perhaps remember David..

Withdrawal/Redaction Marker

Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. email	Chuck to Governor Huckabee (2 pages)	10/28/1999	P6/b(6)

COLLECTION:

Clinton Presidential Records
Domestic Policy Council
Devorah Adler
OA/Box Number: 20462

FOLDER TITLE:

ARKIDS [Folder 5]

2012-0463-S

rc717

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]

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

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

RR. Document will be reviewed upon request.

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

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



Free & Low-Cost
Health Insurance:
Children You Know
are Missing Out

**State Income Eligibility Guidelines for Children's
Medicaid and Separate Child Health Insurance Programs**
(Percent of Federal Poverty Line)

STATE	Medicaid Infants (0-1) ¹	Medicaid Children (1-5) ¹	Medicaid Children (6-15) ²	Medicaid Children (16-19) ^{2/2}	Separate State Program ³
Alabama	133	133	100	100	200
Alaska	200	200	200	200	none
Arizona	140	133	100	30	200
Arkansas ^{4/5/6}	200	200	200	200	none
California	200	133	100	100	200
Colorado ⁶	133	133	100	37	185
Connecticut	185	185	185	185	300
Delaware	185	133	100	100	200
D.C.	200	200	200	200	none
Florida ⁸	185	133	100	100	200
Georgia	185	133	100	100	200
Hawaii	185	133	100	100	none
~~Idaho⁶~~	200	200	200	200	none
Illinois	200	133	133	133	185
Indiana	150	150	150	150	none
~~Iowa⁶~~	185	133	133	133	185
Kansas	150	133	100	100	200
Kentucky	185	150	150	150	200
Louisiana	150	150	150	150	none
Maine	185	150	150	150	185
Maryland	200	200	200	200	none
Massachusetts ⁹	200	200	200	200	400
Michigan	185	150	150	150	200
Minnesota ⁵	280	275	275	275	none
Mississippi	185	133	100	100	none
Missouri ⁵	300	300	300	300	none
Montana ⁶	133	133	100	48	150
Nebraska	185	185	185	185	none
Nevada ⁶	133	133	100	31	200
New Hampshire	300	185	185	185	300
New Jersey	185	133	133	133	350

New Mexico	235	235	235	235	none
New York	185	133	100	100	230
North Carolina	185	133	100	100	200
North Dakota ⁶	133	133	100	100	140
Ohio	150	150	150	150	none
Oklahoma	185	185	185	185	none
Oregon ⁶	133	133	100	100	170
Pennsylvania	185	133	100	37	235
Rhode Island ⁵	250	250	250	250	none
South Carolina	185	150	150	150	none
South Dakota	140	140	140	140	none
Tennessee ⁵	400	400	400	400	none
Texas ⁶	185	133	100	100	none
Utah ⁶	133	133	100	100	200
Vermont ⁵	300	300	300	300	none
Virginia	133	133	100	100	185
Washington	200	200	200	200	none
West Virginia	150	150	100	100	150
Wisconsin ⁵	185	185	185	185	none
Wyoming ⁶	133	133	100	52	133

1. To be eligible in the infant category, a child is under age 1 and has not yet reached his or her first birthday. To be eligible in the 1-5 category, the child is age 1 or older, but has not yet reached his or her sixth birthday. Minnesota covers children under age 2 in the infant category.

2. As required by federal law, states provide Medicaid to children age six or older who were born after September 30, 1983 and who have family incomes below 100 percent of the poverty line. By October 1, 2002 all poor children under age 19 will be covered. If the state covers children in this age group who have family incomes higher than 100 percent of the poverty line, or the state covers children born before September 30, 1983, thereby accelerating the phase-in period, it is noted in this column. States that have taken such steps have done so either through Medicaid waivers or the 1902(r)(2) provision of the Social Security Act.

3. The states listed use federal child health block grant funds to operate separate child health insurance programs for children not eligible for Medicaid. Such programs may provide benefits similar to Medicaid or they may provide a limited benefit package. They also may impose premiums or other cost-sharing obligations on some or all families with eligible children.

4. Children covered under Medicaid expansion programs in Arkansas receive a reduced benefits package pursuant to federal waivers.

5. The Medicaid programs in AR, MN, MO, RI, TN, VT and WI may impose some cost-sharing — premiums and/or co-payments for some children pursuant to federal waivers.

6. The states noted count assets in addition to income in determining Medicaid eligibility for children; Utah does not consider assets for young children. An assets test is *not* imposed on children covered under the Medicaid expansion program in Arkansas. Colorado and Oregon count assets in addition to income in determining eligibility for Medicaid and their separate child health insurance programs.

7. To be eligible in this category, a child is born before September 30, 1983 and has not yet reached his or her nineteenth birthday. States are required to provide Medicaid coverage to these children if their families would have qualified for AFDC under rules in effect in their state in July 1996. These standards typically require families to meet three income tests. First, they must have net income below the state's "standard of need," a measure of the amount of income determined by the state to be essential for a minimum standard of living. Second, they must have net income below the state's "payment standard," the maximum amount of assistance the state would grant a family with no income. In most states, the payment standard falls below the need standard.

Finally, the family must pass a gross income test which requires that gross income (net of up to \$50 in child support payments, EITC payments, and optional exclusions of a dependent child's income) fall below 185 percent of the state's standard of need.

8. Florida operates two CHIP-funded separate state programs. Healthy Kids is available in most counties and covers children age 5 through 19, as well as younger siblings of enrolled children in some areas. Medi-Kids covers children age 0 through 5 and is available statewide.

9. Children between ages 1 and 19 in families with income between 150 and 200 percent of the federal poverty line will receive either slightly reduced MassHealth benefits or assistance paying premiums for employer-based plans.

Center on Budget and Policy Priorities — November 1, 1999

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[State Verification Table](#) | [Related Analyses](#) | [Center on Budget](#)**

Start Healthy, Stay Healthy Campaign

Center on Budget and Policy Priorities

820 First Street, N.E., Suite 510

Washington, DC 20002

Phone: 202-408-1080

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E-mail: shsh@cbpp.org

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October 27, 1999

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Jim Harris, Director of Press Operations (501) 682-3508 Fax: (501) 682-2614

DRAFT—Predecisional

Dear Ray:

As agreed, we have thoroughly evaluated the proposals in your letter of November 12, 1999 regarding the traditional Arkansas Medicaid program and the Medicaid waiver program known as ARKids. Thanks for your understanding and patience as we reviewed both the original agreement with the State and the program as it has been implemented, as well as other precedents and child health activities in other States. We wanted to give these matters careful consideration and a thoughtful review.

Let me begin by saying that we welcome and applaud your proposals to simplify applications for all families and to streamline and coordinate the Arkansas process for determining eligibility.

--Your plan to develop a common application form for all public child health coverage should go a long way toward reducing needless paperwork and confusion.

--Your plan to end the requirement that families make a trip to the Arkansas DHS county office to apply for the traditional Arkansas Medicaid program and allow all families to mail in their applications (just as you do now for the ARKids Medicaid waiver program) will, as you note in your letter, "clearly eliminate the largest barrier, both real and symbolic, to applying for Medicaid."

--Your plan to create an umbrella to include the traditional Arkansas Medicaid program with both the ARKids Medicaid waiver program and the Arkansas State Child Health Insurance Program promises to go far toward accomplishing the goal you lay out (and that we share), i.e., to "eliminate the perception of stigma" for the traditional Arkansas Medicaid program.

All of these methods for administering Medicaid are permitted under Federal law without a waiver. A number of other States—such as Florida, South Carolina, Indiana, and New Jersey—have taken advantage of these and other options to create more seamless coverage systems and have done well in reaching families and actually getting children insured.

(I regret that Arkansas is unwilling to drop its assets test for families applying for the traditional Arkansas Medicaid program. This requirement—and the paperwork it requires—often serves as a deterrent to eligible families applying for coverage to which they are eventually eligible. ~~Most other States have dropped the assets test for children in their Medicaid program with no discernible problems or abuses.~~ Since the ARKids Medicaid waiver program does not have an asset test and the associated paperwork burden, it would certainly make it easier for all if the traditional program did not either.)

with cabinet

a that would

We cannot agree to the proposal to allow the State to receive federal matching funds to enroll children in a program that does not contain all the benefits and protections to which they are entitled under federal law. As you know, the traditional Arkansas Medicaid program includes significant health benefits (from hearing services to physical therapy to hospice care) that are not covered in the ARKids Medicaid waiver program. The traditional Arkansas Medicaid program also allows low-income families to get health services without deductibles or co-payments. For such reasons, the Congress has enacted (as part of the State Child Health Insurance Program (SCHIP)) a requirement that all States assure that children are enrolled in the appropriate program and that children who are eligible for Medicaid are provided full benefits and protections (the "screen and enroll" provision of SCHIP). The same policy should apply in relation to a traditional Medicaid program and a Medicaid waiver program. Expansions in coverage were not intended to lead to a diminution of coverage for lower income children.

the Schip

~~As you also know~~, the Federal waiver agreement with the State that created ARKids has always been clear that the State was responsible for ensuring that the waiver would be used to reach children that were "not otherwise eligible" for the traditional Arkansas Medicaid program. This was not a new provision in the HCFA letter of October 1999; it was a basic agreement between the State and Federal government from the beginning of the ARKids Medicaid waiver program. This agreement reflects the same policy as "screen and enroll" in the SCHIP law and is the right policy to assure that research and demonstration waivers do not compromise the basic rights of children or adults eligible for Medicaid.

Our common goal is to get the number of children covered and to ensure that the coverage is affordable and comprehensive. Arkansas' traditional Medicaid program could be transformed so that it operates much more like the Arkids waiver program. ~~Some~~ proposals to improve the Arkansas traditional Medicaid program will make an important difference.

the Schip

We stand ready to work with you to accomplish the proposals that we can agree to. I know that we will be talking in the near future.

Sincerely,

TMW



20

TOM DASCHLE

U.S. Senator for South Dakota

320 North Main, Suite B
Sioux Falls, SD 57104
605-334-9596

320 S. First Street, Suite 101
Aberdeen, SD 57401
605-225-8823

1313 West Main Street
Rapid City, SD 57701
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<http://daschle.senate.gov>

TELECOPY COVER SHEET

DATE:

TO:

Chris T.

FAX NO:

FROM:

MESSAGE:

accepted in Budget Committee

NO. OF PAGES (INCLUDING COVER SHEET):

3/30**Amendment Proposed by Senators Snowe, Wyden, and Gordon Smith*****Strike Section 202 and insert the following:*****Sec. 202 RESERVE FUND FOR PRESCRIPTION DRUGS**

(a) ALLOCATION. - In the Senate, spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation reported by the Committee on Finance to provide a prescription drug benefit for fiscal years 2001, 2002, and 2003, provided that this legislation will not reduce the on-budget surplus by more than \$20 billion total during these three fiscal years, and provided that the enactment of this legislation will not cause an on-budget deficit in any of these three fiscal years.

(b) EXCEPTION.-The adjustments provided in section (a) shall be made for a bill or joint resolution, or an amendment that is offered (in the Senate), that provides coverage for prescription drugs, if the Senate Committee on Finance has not reported such legislation on or before ~~July 15, 2000.~~
September 1

(c) ADJUSTMENT. - If legislation is reported by the Senate Committee on Finance that extends the solvency of the Medicare Hospital Insurance Trust Fund without the use of transfers of new subsidies from the general fund, without decreasing beneficiaries' access to health care, and excluding the cost of extending and modifying the prescription drug benefit crafted pursuant to section (a) or (b), then the Chairman of the Committee on the Budget may change committee allocations and spending aggregates by no more than \$20 billion total for fiscal years 2004 and 2005 to fund the prescription drug benefit if such legislation will not cause an on-budget deficit in either of these two fiscal years.

(d) BUDGETARY ENFORCEMENT.—The revision of allocations and aggregates made under this section shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.



Arkansas Department of Human Services

Division of Medical Services

Donaghey Plaza South

P.O. Box 1437

Little Rock, Arkansas 72203-1437

Telephone (501) 682-8292 TDD (501) 682-2117 FAX (501) 682-1197

May 13, 1997

Patricia McTaggart

Director

Office of State Health Reform

Demonstrations

Department of Health and Human Services

6325 Security Boulevard

Baltimore, Maryland 21207

Dear Ms. McTaggart:

As a follow-up to our teleconference on May 6, 1997 regarding the 1115 (a) waiver request for the ARKids First Program, we are submitting supplemental information. As you requested, we have followed the 03/14/95 Working Draft Proposal Guide for Section 1115 State Health Care Reform Demonstrations in developing the supplemental information.

It is our understanding that the 90-clock is running for our waiver request submitted on April 23, 1997 and this supplemental information will be included with the original request.

We request your prompt review and approval of this waiver request. If you have any questions, please contact me at (501) 682-8292.

Sincerely,

Ray Hanley
Director

RH/ba
Attachment

cc: Steve McAdoo

ARKids First Program

**A Waiver Request Submitted Under the Authority of
Section 1115 (a) of the Social Security Act**

to

Office of Demonstrations and Demonstrations Projects

Health Care Financing Administration

U.S. Department of Health and Human Services

by

The Arkansas Department of Human Services

April 23, 1997

**SECTION 1115(a) RESEARCH AND DEMONSTRATION
WAIVER APPLICATION
ARKANSAS DEPARTMENT OF HUMAN SERVICES
ARKIDS FIRST PROGRAM**

EXECUTIVE SUMMARY

Arkansas Governor Mike Huckabee has proposed a reform in health care coverage to be extended to Arkansas' children.

The Arkansas Department of Human Services is requesting a Section 1115(a) demonstration waiver to expand Medicaid eligibility and access to health care services for children age 18 and under who are at or below 200% of the Federal poverty level. The intent of the Waiver is to cover all children not otherwise Medicaid eligible at this income level statewide to expand access to preventative health care. Objectives are to offer the following:

- To provide benefits comparable to the State employees/ teachers insurance program.
- To require copayments/coinsurance beyond those for currently enrolled Medicaid recipients.
- To integrate uninsured children into the health care delivery system.

Eligibility will be based on family incomes at or below 200% of the Federal poverty level though eligibility will be for only those that are age 18 and under. **Applicants who have had health insurance, other than Medicaid, within the preceding twelve months or who are eligible for health insurance through an employer, will be deemed ineligible.** Eligibility for this group will be based on the Section 1902(r) (2) of the Social Security Act which provides for less restrictive eligibility methodology.

The application process will require the completion of an application by the individual or family. Application forms will be available at the local DHS offices, local health units, churches, licensed day care centers, hospitals, selected physicians' offices, clinics, public schools, community neighborhood centers, pharmacies or by mail, if requested.

There will be a simplified application form (See Attachment 1). Pertinent information such as name, date of birth, social security number and address will be obtained and copies of pertinent documents relating to citizenship/birth and residence will be required for processing. In addition, the applicant or family must provide documentation via W-2 forms to determine income eligibility at or below 200% of the Federal poverty level. An income test will be performed and a final determination made within 45 days from receipt of application. The application process will be performed at a central processing center in order to expedite eligibility determination. Though 45 days is the maximum allotted days for final application processing, it is expected greater than 50% will be processed in considerably less than 45 days. Denied applicants will have an opportunity for a fair hearing through the agency's appeals process.

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON TRADE
SUBCOMMITTEE ON SOCIAL SECURITY

Sander M. Levin
Congress of the United States
12th District, Michigan

WASHINGTON OFFICE:

2268 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4961
TOLL FREE: 1-888-810-3880

DISTRICT OFFICE:

ROOM 130
2107 E. 14 MILE ROAD
STERLING HEIGHTS, MI 48310
(810) 268-4444

FAX COVER SHEET

Date: 3-23-00

To:

John Podesta

Fax:

456-1907

From:

Sandy Levin

Pages:

2

(including cover sheet)

Notes:

If there are any problems with this transmittal, please call (202) 225-4961.

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON TRADE

SUBCOMMITTEE ON SOCIAL SECURITY



Sander M. Levin
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(810) 268-4444

March 20, 2000

✓ cc: Chris Jennings

The Honorable William Jefferson Clinton
President of the United States
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

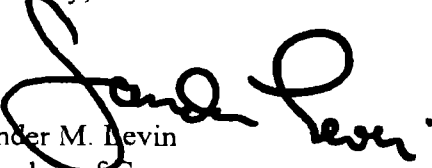
Dear Mr. President:

I am writing to express my concern about the state of Arkansas' request for a waiver to enroll Medicaid-eligible children in a separate state program. I believe granting Arkansas' request would set a dangerous precedent of allowing states to collect a Medicaid match without providing Medicaid's guaranteed benefit package and protecting our lowest-income families from cost-sharing they cannot afford. Such a waiver would also violate Congressional intent, since we specifically required states to limit Children's Health Insurance Program (CHIP) enrollment to children who did not have access to Medicaid or private health insurance.

As you know, the decline in Medicaid enrollment is a key factor in the increasing numbers of uninsured people. I applaud you for your efforts to reverse the declines by increasing outreach and monitoring of state Medicaid offices. I believe that allowing states to enroll Medicaid-eligible children in programs other than Medicaid will send states the wrong message about our commitment to Medicaid outreach.

I share your commitment to providing the best possible health insurance for low-income families. I hope you will agree that granting Arkansas's waiver request would not advance that goal.

Sincerely,


Sander M. Levin
Member of Congress

11-8-99

11-8-99

THE WHITE HOUSE

WASHINGTON

October 29, 1999

copied
Jennings
Ibarra
Podesta

MEMORANDUM TO THE PRESIDENT

FROM: Mickey Ibarra and Chris Jennings

SUBJECT: ARKids First - Governor Huckabee's response

CC: John Podesta, Bruce Reed, Bruce Lindsey, Karen Tramontano, Maria Echaveste, Ray Martinez

*Chris
Key trying
to work this out
BJ*

Governor Huckabee shot back the attached letter to you today in response to your letter on the ARKids First program issue. As you will note, his letter strongly suggests that the reason we are not immediately intervening to overturn the HCFA compliance notification is because we are caving to the politics of the left. He cites comments that he says both you and your aides have made. Attached is a copy of the letter sent by Governor Huckabee, background information, and some suggested Q's & A's.

BACKGROUND

Since the unpublicized Health Care Financing Administration (HCFA) letter was sent to Arkansas, Governor Huckabee has: (1) held a tasteless press conference questioning your commitment to the children of Arkansas; (2) sent you a letter using highly volatile language that can only be designed to politicize this issue and make it more difficult to come to resolution; and (3) taped tomorrow's Republican Radio Address that apparently will include the ARKids issue to criticize you and the "Washington knows best" approaches to delivering health care.

Ray Hanley and Amy Rossi are disassociating themselves from these tactics. They did not know the Governor responded to your letter and are both privately lamenting it. They are worrying that it will make it more difficult to resolve this complicated issue. At least as important, they also fear it will only invite the Washington advocates to highlight shortcomings in the Arkansas Medicaid program, which will undermine the possibility of working out an agreement that they think is in the best interest of the State and the children of Arkansas. (In fact, Families USA wrote Secretary Shalala yesterday saying that the Arkansas request to enroll Medicaid eligible children in non-Medicaid benefit plans should be denied, concluding that "to do otherwise would be both unlawful and seriously harmful to poor families with children.") Also attached is a letter we just received today from Arkansas ACORN.

Late this afternoon, Governor Huckabee's staff indicated that he would not release his letter publicly until and unless we released your letter. While some interested Members of the Arkansas' Delegation have received it, we have urged all of them to keep it confidential. No press or consumer representative has seen your letter. Regardless, we fully anticipate that the Governor's office desires to and will release his response to the press within the next 48 hours - if they have not done so already.

As a result of the Governor's continued political posturing, we anticipate that the ongoing discussions with the state will become more difficult. It is worth noting that you and all of your Administration representatives have urged a low profile handling of this issue to make it possible to resolve this matter more easily and quickly. While we will continue to pursue this strategy, we do expect that the Governor's recent maneuvering and tactics may prolong the resolution.

QUESTIONS AND ANSWERS

The following are some suggested responses to questions regarding this matter. In general, we believe that you and your staff should capture the high-ground on this issue and avoid responding in kind to the type of partisan political posturing being used by the Governor.

Q: There is broad, bipartisan support for ARKids. Recognizing this, why can't you commit to allowing the parents of Arkansas the choice of enrolling their children in the new ARKids program, rather than the old Medicaid program?

A: First, it is impossible to have a free choice if there are serious barriers to parents choosing one option over another. The Governor and his representatives acknowledge that there are numerous barriers to enrolling in Medicaid that are not present for parents signing up for the ARKids program. Specifically, requirements for Medicaid that are not existent for those in the ARKids program include: a complicated assets test, a separate face-to-face interview, and an overall more complicated and intimidating application process. We can and should have the discussion about the issue of choice, but there must be a fair choice first. In this regard, we will continue to offer our assistance to helping the state simplify the Medicaid eligibility process. We believe we must avoid unhelpful rhetoric and move forward to constructive dialogue on this matter. And we are committed to doing just that.

Q: Mr. President, are you letting the politics of Washington jeopardize the delivery of health care to the children of Arkansas?

A: Absolutely not. There are clearly many parties in and outside of Arkansas interested in this issue. We cannot forget that decisions affecting one state's Medicaid program has potential major implications for all others. However, the decision about this and any other Medicaid issue will be made strictly on the merits with the best interest of children in mind. For this reason, I have instructed HHS to not take any action that would threaten the loss of health coverage for any child in the state.

Q: The Governor suggests that your aides have said that the "lefties" are influencing you to uphold the HCFA compliance letter and that is the reason why you are not responding directly to his request. How do you respond?

A: My concern on this issue is for the best interest of the children of Arkansas. Any decision on this matter will be made with their best interest in mind. They should be our only priority.

Q: Are you offended by the tactics the Governor is using and his apparent attempt to embarrass you on this matter?

A: I am not going to characterize the Governor's tactics. As I told the Governor in my conversation with him on Monday, I am committed to working with him to resolve this issue with the best interest of the children of Arkansas in mind.

Q: What is your plan to resolve this issue and end this conflict?

A: We have already set up a process with the Governor's staff and held the first meeting this past Wednesday. We agreed to work quickly to resolve this matter and decided that we needed to jointly conduct a review of the states' current Medicaid enrollment practices. The conversations have been cordial and constructive, and we hope and expect they will continue to be so.



STATE OF ARKANSAS
MIKE HUCKABEE
GOVERNOR

'99 OCT 29 PM 5:01

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

Dear Mr. President:

When I talked to a member of your staff late Thursday, Oct. 28, he indicated we might receive a letter from you regarding our request for you to intervene with the Health Care Financing Administration to save the ARKids First program, which has been very successful in giving uninsured children in our state preventive and primary health care. Our office did not receive your letter until just before noon Friday after employees of the state Department of Human Services informed us they had received a letter from you addressed to me.

We have made it clear we will not and cannot negotiate on the issue of parental empowerment in choosing what coverage children receive. We are willing to make Medicaid more accessible and continue giving maximum coverage to a maximum number of children, but we are not willing to force parents into a decision that might leave their children without health insurance coverage. I was glad your letter indicated your administration "will not take any action that will cause Arkansas children to lose health coverage." While we could assume this indicates your agreement that we need to protect parents' right to choose, we would be much more comfortable with specific language to address that issue.

This program has worked beautifully in Arkansas and has been free from politics. It has been embraced by Republicans and Democrats alike, and people from both parties have worked hard to make it a success. In my conversations with members of your staff and you Monday, it was stated that the reason you could not immediately intervene and provide us assurances the program would continue without disruption was because of the political obstacles you face in Washington. One of your aides stated to Arkansas Medicaid Director Ray Hanley and me that the "lefties" insisted on entitlements for Medicaid-eligible families, even those who fully understand their options and yet still choose ARKids First.

Mr. President, please don't let the politics of Washington jeopardize the efficient delivery of health care to Arkansas children. ARKids First has been successful in part because it hasn't been a political issue in Arkansas. It has brought all of us together to solve a problem for our children. We urge you not to let the political pressure you and your aides described be imported to Arkansas and put these children and their families at risk.

President Bill Clinton

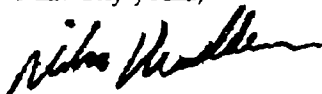
-2-

October 29, 1999

We are willing to make the choice of Medicaid as simple as possible for parents who are eligible. We are not willing to risk uninsuring thousands of children to satisfy any political agenda, whether from the left or the right.

We hope you can give us language that will protect parental choice and secure health insurance coverage for as many Arkansas children as possible.

Sincerely yours,



Mike Huckabee

ACORN

2101 S Main Street, Little Rock, AR 72206
(501) 376-7151

October 29, 1999

President William Jefferson Clinton
The White House
1600 Pennsylvania Avenue
Washington, DC 20500

Dear President Clinton:

We are writing to express our strong support for the position you have taken with respect to Arkansas' request for permission to enroll children who are eligible for the full Medicaid benefit package and cost-sharing protections into ARKids First.

We believe that Governor Huckabee's request for a waiver is not in the best interest of low-income children in Arkansas and nationwide.

We are an organization of 6,000 member families in Arkansas, and we believe that all children deserve a simple, streamlined, non-stigmatized health care coverage program. Arkansas has shown that it is possible to create such a program within the context of Medicaid; ARKids First, after all, is a Medicaid program. Yet, our state has not carried over the features of ARKids First that make it attractive to families to the regular Medicaid program. This has meant that poorer families have had to contend with in-person interviews at County DHS offices and other barriers to get their children enrolled and to keep them enrolled in Medicaid. By contrast, higher income families have not had to contend with these burdensome requirements and are made to feel good about enrolling their children in publicly funded coverage.

The Governor's solution is to bypass the regular Medicaid program and to let all families enroll in ARKids First. This is not a good solution. First, it forces families that prefer the better treatment offered to the public by ARKids First to give up their child's right to certain health care benefits and requires them to pay co-payments that they may not be able to afford.

Second, it leaves the families that remain in the regular Medicaid program even more marginalized. It should be noted that the children enrolled in Medicaid are disproportionately children of color. The Governor is setting up a two tiered health system in Arkansas that has significant racial overtones.

We cannot understand why the Governor would continue to stigmatize poor families. We have not forgotten the unfortunate remarks he made some years back about women on welfare sitting around all day watching Oprah.

Third, the Governor's solution would set a dangerous precedent for the country. Other states would point to Arkansas and ask the federal government for permission to allow them to bypass Medicaid as well and to enroll Medicaid eligible children in those states in separate CHIP funded programs. While many of these programs provide broad coverage to low-income children, they do not offer the protections and coverage guarantees that are key features of the Medicaid program.

Our members want all children in Arkansas to be able to enjoy the benefits of a family-friendly, affordable health coverage program. This Administration has stood firmly behind that goal, and we applaud your efforts to assure that this goal becomes a reality for all of Arkansas' children.

Sincerely,

Hattie Taylor

Hattie Taylor
Member
Arkansas ACORN State Board

CC: Secretary Donna Shalala
US Department of Health and Human Services
1000 Independence Avenue
Washington, DC

Nancy Ann M... DePalle
Administration
Health Care Financing Administration
US Department of Health and Human Services
1000 Independence Avenue
Washington, DC

THE WHITE HOUSE

WASHINGTON

October 28, 1999

The Honorable Mike Huckabee
Governor of Arkansas
Little Rock, Arkansas 72201

Dear Mike:

Thank you for sharing your concerns about the Department of Health and Human Services (HHS) letter about enrolling Medicaid-eligible children in ARKids. Expanding coverage to children has been a priority for me, and I applaud your leadership in making ARKids outreach efforts among the most successful in the nation.

As we discussed on Monday, I want to reiterate my commitment to putting the children of Arkansas first and foremost in any discussion that we have on the ARKids issue. I want to assure you that, during the process to resolve this issue, my Administration will not take any action that will cause Arkansas children to lose health coverage.

I have instructed White House and HHS staff to work with your Director of Medical Services, Ray Hanley, to rapidly resolve this issue. I was encouraged to learn that we share a mutual interest in making Medicaid as user-friendly and accessible as the ARKids program.

I am confident that, given the priority that we both place on the health and well-being of our children, we can develop a solution that best serves the children of Arkansas. I look forward to working with you in this regard.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bill Clinton", with a long horizontal flourish extending to the right.