Withdrawal/Redaction Sheet
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. form	re: Field Grade Officer Performance Report [2 copies] (4 pages)	01/18/2001	b(6)
002. form	re: Officer Evaluation Report [2 copies] (8 pages)	01/00/2001	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Lisel Loy
OA/Box Number: 20899

FOLDER TITLE:
[Too Late to File-January 2001]

2019-0680-S
rs3264

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]

10-27-00

DAVE BARRAM

October 10, 2000

President Bill Clinton
The White House
Washington, DC

Dear Mr. President,

I was shocked to recently discover that you will not be President sometime in January. So, it must be time for me to go.

Joan and I had always intended to return to California, well before now. But, I took on some serious challenges at GSA and across government that I couldn't, in good conscience, leave without closure. And, I accepted your request that we all not get sidetracked during this election year.

But, now I feel confident that I can leave sometime early in November. I intend to submit a letter of resignation to you in a few weeks. I would like your counsel on the timing. Although I don't see any reason for concern, I don't want to negatively affect any election races.

My resignation letter will tell you that you gave me a great honor by asking me to do two important jobs in your Administration. I am confident that I did my best and hope you feel your trust was well-placed. I believe you have been a great President and I will always be proud to have been on your team.

Great political leaders have to be good at communicating to the public. You are the best. I remember <u>always</u> knowing you would find the right way to speak to America, in the big and the small events. Others remember times like Oklahoma City. I recall you in the East Room with Bush, Carter and Ford arguing for NAFTA. And I can still feel the deep emotion in that same room, a few years later, when you followed Bernice King to the podium. I knew you would say the right thing and you did.

I will proceed with my idea to resign around the first of November, unless you see any difficulties with that timing.

Dave

PHOTOCOPY
WJC HANDWRITING

10-27-00

Should we handle or someone in the Oval Office call Barram and tell him okay

RETURN TO BETTY TO HANDLE; RETURN LETTER TO US SO WE CAN PREPARE A REPLY. Carol ⓦ 10-27-00

Mr President

fyi

B—

PHOTOCOPY
WJC HANDWRITING

01/09/01 TUE 11:18 FAX

****
*** TX REPORT ***
****

TRANSMISSION OK

TX/RX NO	2458	
CONNECTION TEL		61647 Cadenza
CONNECTION ID		
ST. TIME	01/09 11:17	
USAGE T	01'27	
PGS. SENT	6	
RESULT	OK	

THE WHITE HOUSE

Washington, DC

OFFICE OF THE STAFF SECRETARY

Fax Transmittal Sheet

To: Sarah Wilson

Fax Number: 456-1647 Telephone Number: 456-2144

From: Lisel Loy

Subject: Resignation Letters

Date: 1/9/01

Number of Pages (including cover sheet):

1.9.01

THE WHITE HOUSE

Sarah -
Per my voicemail, attached are
PPO draft resignation acceptance
memo and last such, from 1993.
Lisel

1.9.01

THE WHITE HOUSE

Sarah -
Per my voicemail, attached are
PPO draft resignation acceptance
memo and last such, from 1993.
Lisel

Samuel J. Williams
01/08/2001 03:54:13 PM

Record Type: Record

To: See the distribution list at the bottom of this message

cc: Bob J. Nash/WHO/EOP@EOP, Maria L. Haley/WHO/EOP@EOP, Peter A. Dagher/WHO/EOP@EOP
Subject: Resignation Acceptance DRAFT

MEMORANDUM FOR THE TRANSITION CORDINATING TEAM

FROM: MARIA HALEY

SUBJECT: Resignation Acceptance Draft

The following attachment is a draft of the Resignation acceptance memo. Please review and respond with comments/edits.

Resignation Acceptance Memo.d

Message Sent To:

Maria Echaveste/WHO/EOP@EOP
Lisel Loy/WHO/EOP@EOP
Beth Nolan/WHO/EOP@EOP
Thurgood Marshall Jr/WHO/EOP@EOP
Michele Ballantyne/WHO/EOP@EOP
Mark F. Lindsay/WHO/EOP@EOP
Michael Malone/OA/EOP@EOP
Sarah Wilson/WHO/EOP@EOP
Kris M Balderston/WHO/EOP@EOP
Irene Bueno/WHO/EOP@EOP
Katie Hong/WHO/EOP@EOP

DRAFT January __, 2001 **DRAFT**

MEMORANDUM FOR CABINET SECRETARIES, AGENCY HEADS AND POLITICAL APPOINTEES

FROM: JOHN PODESTA [**OR** BOB NASH]
<<TITLE>>

SUBJECT: Resignation Acceptance

On November 29, you received a memorandum conveying the President's request that you submit your resignation, effective noon, January 20. This request was made in order to assist in an orderly transition to the incoming administration. Practically all who received this request have complied with it. If you have submitted your resignation effective on or before noon, January 20, this memorandum serves to inform you that the President accepts your resignation. It also serves to notify those who have not yet submitted their resignations and serves at the pleasure of the President, that their appointments are terminated effective noon, January 20, 2001.

In addition, it order to assure that authority exists within each department and independent agency to meet vital legal requirements, each cabinet secretary and head of independent or

regulatory agencies are asked to identify one Senate-confirmed individual or an appointee of the President to remain in place until the incoming administration has one person appointed who is able to assume legal responsibility. This one individual will be the department or agency head or his or her designee. Cabinet and agency heads who have not notified me in writing of this designee are requested to please provide this by close of business _____, January __, 2001.

This course of action has been shared with the President-elect's transition team by President Clinton's transition team.

THE WHITE HOUSE

WASHINGTON

January 13, 1993

MEMORANDUM FOR CABINET SECRETARIES AND AGENCY HEADS
PRESIDENTIAL APPOINTEES

FROM: CONSTANCE HORNER CH
ASSISTANT TO THE PRESIDENT
AND DIRECTOR OF PRESIDENTIAL PERSONNEL

SUBJECT: Letters of Resignation

On December 22, you received a memo conveying the President's request that you submit your resignation, effective noon, January 20. This request was made in order to assist in an orderly transition to the incoming administration. Practically all who received this request have complied with it. If you have submitted your resignation effective on or before noon, January 20, this memo serves to inform you that the President accepts your resignation. It also serves to notify those who have not yet submitted their resignations or who have submitted their resignations "at the pleasure of the President" rather than with an effective date that it is the pleasure of the President that their appointments be terminated effective noon, January 20.

There are a limited number of exceptions. For instance, non-career ambassadors were advised by the December 22 memo to prepare for an orderly departure but not necessarily on January 20.

In addition, in order to assure that authority exists within each department and free-standing agency to meet vital legal requirements, each cabinet secretary and head of free-standing agency is asked to identify one Presidentially-appointed, Senate-confirmed individual to remain in place until the incoming administration has one person appointed who is able to assume legal responsibility. This one individual will be the department or free-standing agency head or his or her designee. Cabinet and agency heads will please notify me in writing of this designee by close-of-business Thursday, January 14. The resignation of this one individual should be amended, by letter, to be a resignation to President Bush, effective upon the appointment of an appropriate individual by President Clinton to that department or agency.

This course of action has been shared with the President-elect's transition team by President Bush's transition team.

THE PRESIDENT HAS SEEN
1-18-01

cc Bruce L
Bob Barnett
Lorenz

THE WHITE HOUSE
WASHINGTON

December 29, 2000

Dear Mr. President,

Please accept this antique card game, which tests your knowledge of the Presidents. It is a gift from my brother George, a director at Skinner's auction house in Boston and regular on PBS' "Antique's Road Show" (his business card is inside).

Also, thank you very much for the kind letter you sent me regarding my future role as editor-in-chief of *The Washington Monthly* (we're still negotiating terms, but it looks like it will happen).

As you know, small political magazines like *The Washington Monthly* can be vital in helping opposition parties regain power. Just as *Commentary, The Public Interest,* and *The Weekly Standard* provided the ideas that powered Republican comebacks, so our side must have forums for the next generation of New Democratic ideas if we are going to make gains in 2002 and 2004. That's a role I want *The Washington Monthly* to play.

To that end, I hope you will consider helping me in two ways. First, I'd be honored if you would lend your name to the editorial board of *The Washington Monthly* and on occasion contributing pieces. I'm sure, for instance, that some of your future speeches could be edited into wonderful essays. I'd be proud to publish them.

Second, I hope you'll let me continue to write some of those future speeches and op-eds, even if they don't wind up in *The Monthly*. Writing for you has been an enormous privilege and a great pleasure for me. I would very much like to continue working together.

Have a happy New Year!

Warmest regards,

Paul Glastris

PHOTOCOPY
WJC HANDWRITING

Copied
Lindsey
Tramontano
Bob Barnett
Podesta

pleasant

MACK McLARTY JAN 18/2001

THE PRESIDENT HAS SEEN
1-18-01

Mr. President,

I'm confident Miss Mary was proud of Both of us. Your speech (Conversation) to the Arkansas Legislature and people of Arkansas was magnificent. I was very proud to be with you. It gave me enormous pride to come with you to Washington eight years ago (a lifetime) and to end with you This chapter only; many more to come) in Arkansas. Over

PHOTOCOPY
WJC HANDWRITING

Our nation is better, stronger, and more tolerant because of your leadership, Mr. President. It was proud to be part of your Administration as was Bruce. It was a rare privilege to serve with you and the First Lady, now Sec Hillary Clinton.

Good luck tonight on your farewell address. I'm doing commentary & interviews after it.

Let's touch base about the future including ~~Air Force~~ time between N.Y. & Little Rock. Much

ABOARD AIR FORCE ONE

THE PRESIDENT HAS SEEN

1-18-01

Mr. President;

Please Enclose my comments (see attached note) and return to me when done & I'll submit to the Air Force.

Thank you!

VR/ Connie

PHOTOCOPY
WJC HANDWRITING

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. form	re: Field Grade Officer Performance Report [2 copies] (4 pages)	01/18/2001	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Lisel Loy
OA/Box Number: 20899

FOLDER TITLE:
[Too Late to File-January 2001]

2019-0680-S
rs3264

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]

01/18/01 THU 18:23 FAX 001

```
*********************
***   TX REPORT   ***
*********************

TRANSMISSION OK

TX/RX NO              2540
CONNECTION TEL                    62259
CONNECTION ID         OPP WHO
ST. TIME              01/18 18:23
USAGE T               00'32
PGS. SENT               1
RESULT                OK
```

01/12/2001 15:59 3103911290 DR DEVGAN PAGE 01

[illegible] K. Devgan, M.D., F.A.C.S., F.R.C.S.
Board Certified Ear, Nose & Throat Specialist
American Board of Otolaryngology & Head & Neck Surgery
Fellow of the American College of Surgeons
Fellow of Royal College of Surgeons of Edinburgh
Otolaryngology & Related Allergy
Facial Plastic Surgery - Head & Neck Surgery
11735 West Washington Blvd.. Suite 101
Los Angeles, CA 90066-5917
Telephone: (310) 390-9829
Facsimile: (310) 391-1290

1-18-01

~~CONFIDENTIAL~~

[illegible] is there anything I can do? – [illegible]

RUSH

January 12 , 2001

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
Initials: KDE Date: 4/22/22
2019-0680-S

Attention:

Nancy Hernreich

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

Fax 202-456-6703

Dear President Clinton:

Re: White House Reception for '2000 Christmas Party

It was very nice to visit with you and Sen. Hillary on Dec. 11, 2000 at The White House Christmas Reception. It was kind of a rushed affair and for two physicians to leave their medical practice and travel from L.A. , did not bear to fruition to have our Farewell photo and visit with you. The back of my head is not as handsome as my profile !

Any how, I am sure in due course of time (may be 2004) , we will endeavor to put Sen. Hillary in The White House and attend future parties. We are very proud of your accomplishment, President, sir. and it has been a privillege to know you be called a friend ! **But you have failed to keep your promise of 8-years to give me an Appointment on any Presidential Commission** or any special favors like a hand written personal letter or a stay at the Lincoln Bedroom. I strongly feel that I have supported you and single-handedly helped to mobilize Indo-American community for you in 92 & 96 Elections and for Sen Hillary in 2000

1-16-01

THE WHITE HOUSE

WASHINGTON

'01 JAN 10 PM5:55

January 3, 2001

MEMORANDUM FOR THE PRESIDENT

THROUGH: MARK F. LINDSAY
ASSISTANT TO THE PRESIDENT FOR
MANAGEMENT AND ADMINISTRATION

FROM: JOSEPH J. SIMMONS IV
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: Performance Report for Lieutenant Commander Pat DeQuattro, Coast Guard Aide to the President

I. ACTION FORCING EVENT

Coast Guard regulation require officers to receive a Detachment/Change of Reporting Officer. This will be LCDR DeQuattro's second and final evaluation as your Coast Guard Aide to the President.

II. ANALYSIS

LCDR DeQuattro has served as your Coast Guard Aide Since April 1999. In that capacity he has demonstrated outstanding abilities and sound judgement. Pat is an outstanding representative of the Coast Guard and the White House, but most importantly, he represents you with distinction.

III. RECOMMENDATION

That you sign the attached report, where annotated (blocks 6 & 11), as Lieutenant Commander DeQuattro's Reporting Officer, and provide hand written comments, where annotated (block 10) discussing Lieutenant Commander DeQuattro's performance of duty and potential. Recommended Comments: **"Pat is one of the finest Coast Guard Aides that I have had. He is destined for promotion to flag officer and to lead the Coast Guard through the many challenges of the 21st century."**

Attachments

PHOTOCOPY
WJC HANDWRITING

THE PRESIDENT HAS SEEN
1-16-01

THE WHITE HOUSE

WASHINGTON

'01 JAN 10 PM5:55

January 3, 2001

MEMORANDUM FOR THE PRESIDENT

THROUGH: MARK F. LINDSAY
ASSISTANT TO THE PRESIDENT FOR
MANAGEMENT AND ADMINISTRATION

FROM: JOSEPH J. SIMMONS IV
DEPUTY ASSISTANT TO THE PRESIDENT AND
DIRECTOR, WHITE HOUSE MILITARY OFFICE

SUBJECT: Performance Report for Lieutenant Commander Pat DeQuattro, Coast Guard Aide to the President

I. ACTION FORCING EVENT

Coast Guard regulation require officers to receive a Detachment/Change of Reporting Officer. This will be LCDR DeQuattro's second and final evaluation as your Coast Guard Aide to the President.

II. ANALYSIS

LCDR DeQuattro has served as your Coast Guard Aide Since April 1999. In that capacity he has demonstrated outstanding abilities and sound judgement. Pat is an outstanding representative of the Coast Guard and the White House, but most importantly, he represents you with distinction.

III. RECOMMENDATION

That you sign the attached report, where annotated (blocks 6 & 11), as Lieutenant Commander DeQuattro's Reporting Officer, and provide hand written comments, where annotated (block 10) discussing Lieutenant Commander DeQuattro's performance of duty and potential. Recommended Comments: **"Pat is one of the finest Coast Guard Aides that I have had. He is destined for promotion to flag officer and to lead the Coast Guard through the many challenges of the 21st century."**

Attachments

Withdrawal/Redaction Marker
Clinton Library

DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
002. form	re: Officer Evaluation Report [2 copies] (8 pages)	01/00/2001	b(6)

COLLECTION:
Clinton Presidential Records
Staff Secretary
Lisel Loy
OA/Box Number: 20899

FOLDER TITLE:
[Too Late to File-January 2001]

2019-0680-S
rs3264

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 PRESIDENT HAS SEEN

1-18-01

Lisa M. Kountoupes
01/16/2001 05:58:46 PM

Record Type: Record

PHOTOCOPY
WJC HANDWRITING

To: See the distribution list at the bottom of this message
cc: See the distribution list at the bottom of this message
bcc:
Subject: IMPTNT Re: draft for Arkansas arrival

heather, this is a rack up of recent accomplishments in the area, you may want to add some of this information

Delta Regional Authority (DRA) –The final Labor HHS Appropriations bill included authorizing language to create a DRA. This is a significant and historic first step to creating an entity that will have a long-term impact on the economic conditions of the region. The FY2001 Energy and Water Appropriations Bill included $20 million for this purpose.

Great River Bridge/I-69 - Of the $25 million requested for this bridge, $8 million was provided in the Transportation bill.

Other Transportation Funding - In addition to the $8 million for the Great River Bridge, the final appropriation included $218 million for various highway and transit projects, including a large number of unrequested projects. The project targeted to receive the most funding was the US 82 bridge at Greenville ($100 million). In Arkansas, $10 million is provide for the US 63 to Jonesboro highway project and $1.1 million is provided for the Little Rock Rivermarket/College Station livable communities transit project.

USDA's Economic Development Programs - $6 million, the full request, was provided for USDA programs to support rural businesses.

Little Rock Air Force Base – $25 million for a new C130J simulator at the Little Rock Air Force Base as well as funding to upgrade other C130 simulators was included in the Defense appropriations bill. Also, $8 million, as requested, was included for a C130 squadron operations/aircraft maintenance unit. The C130J is the next generation model of the C130 airplane. This was a very high priority.

Other Military Construction funding – Full funding ($18 million) for a Quality Evaluation Facility at Pine Bluff Arsenal is provided as requested in the budget. The facility will replace an existing facility that is used to produce and distribute small batch chemical and biological defense equipment. In addition, at the Little Rock Air Force Base, the new $9.1 million fitness center included in the budget and a $2.75 million child care facility was also funded.

Water Projects – Funding was provided for all projects in Arkansas in your Budget:
Grand Prairie – $20.3 million, an increase of $6 million over FY 2000
Bayou Meto – $6.5 million as requested
L'Anguille River – $750,000 as requested
Eight Mile Creek – $2.1 million as requested
Bouef Tensas – $2.4 million as requested
Helena and vicinity – $2.45 million as requested
Red River Emergency Bank Protection – $4 million (not requested)

Interior projects – As requested, $300,000 for operations is provided for the Central High School National Historic Site (a $225,000 increase over FY 2000). In addition, at least $1.5 million is expected to be available for Central High School through the Save America's Treasures program. Finally, an unrequested earmark of $3 million was provided for the rehabilitation at the Hot Springs National Park.

Forrest City Prison Expansion – The Commerce, Justice, State appropriations bill included $96 million, as requested, for the expansion of the Forest City Prison.

Nutrition and Agricultural Research – $5 million is provided for the Arkansas Children's Hospital for nutrition research, an increase of $1 million over FY 2000, but $3 million less than the request. As requested in the Budget, funding was also provided for the Dale Bumpers Rice Research Center and the Stuttgart National Aquaculture Research Center.

Veterans Affairs Hospital in Little Rock – Funding ($3.9 million) is to be provided to complete construction of a research annex at the Little Rock Veterans Affairs Medical Center. We are working with the department and the delegation, including Senator Hutchinson, to try to ensure that after VA makes the announcement, Congress and the incoming Secretary do not take subsequent action to repeal this funding.

Diane Blair Center – We were able to secure $2.5 million for the creation of this center at the University of Arkansas in Fayetteville. It will establish academic and research programs for the Study of Southern Politics and Society.

FEMA disaster assistance - We also provided additional federal assistance to deal with the recent storms that were felt in this area and across the state.

Heather - I think this health stuff has changed, maybe just make a general remark about additional resources to meet the health care needs in the state
Health Care - Medicaid Upper Payment Limit (UPL) - In December, OMB and DPC worked with HHS to let the Arkansas state plan amendment for Medicaid UPL lapse into approval, meaning that the State qualifies for the two-year grace period under the proposed regulation. This provides about $35 million to the University of Arkansas Medical System.
Medicare / Medicaid Bill of 2000. This bill, which invested about $35 billion over 5 years

in Medicare and Medicaid, would provide Arkansas with an estimated $350 million over 5 years, including: $300 million in Medicare reimbursement; nearly $20 million in higher Medicaid Disproportionate Share Hospital (DSH) allotments; and nearly $30 million in Children's Health Insurance Program (CHIP) funds under the redistribution formula in FY 2001. These numbers have not been made public yet.

LINDA RICCI

LINDA RICCI [redacted]
01/16/2001 05:45:11 PM

Record Type: Record

To: Lisa M. Kountoupes/WHO/EOP@EOP, Adrienne C. Erbach/OMB/EOP@EOP, Charles E. Kieffer/OMB/EOP@EOP

cc: Sylvia M. Mathews/OMB/EOP@EOP, Terry Edmonds/WHO/EOP@EOP
Subject: help please ... thanks

Do any of you know what figure we got for the Delta Regional Authority?
---------- Forwarded by Linda Ricci/OMB/EOP on 01/16/2001 05:43 PM ----------

Terry Edmonds
01/16/2001 04:57:52 PM

Record Type: Record

To:

cc: Linda Ricci/OMB/EOP@EOP, Patrick M. Dorton/OPD/EOP@EOP, Lynn G. Cutler/WHO/EOP@EOP
Subject: help please ... thanks

In my last budged, we secured more than **[$110]** million to create and fund a new Delta Regional Authority, which will infuse new resources for economic development and assistance from federal agencies to help improve the lives of those living in that region.

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

December 18, 2000

'00 DEC 18 PM9:16

MEMORANDUM FOR THE PRESIDENT

FROM: ROBERT Z. LAWRENCE RZ

SUBJECT: U.S. Trade in Goods and Services for October,
Commerce Department Release, Tuesday, 8:30 a.m.

The deficit on trade in goods and services decreased slightly in October to $33.2 billion from a revised September level of $33.7 billion. The October deficit was in line with market expectations. The goods deficit increased slightly to $39.5 billion, with decreases in both exports and imports from September levels. The services surplus rose to $6.3 billion.

On a Census basis:

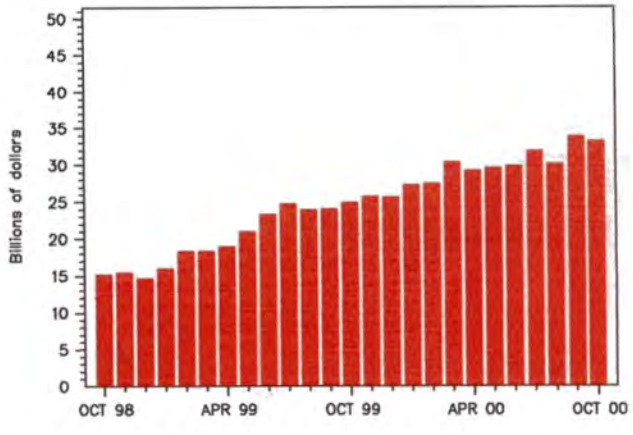
- Exports of goods fell by $1.2 billion in October from September. With the exception of automotive vehicles, parts and engines, exports decreased in all major categories of goods. The value of goods exports in October was 12 percent above its level a year earlier.

- Imports of goods also fell by $1.2 billion in October from September. Imports fell in all major categories, with the exception of consumer goods, which were essentially flat. Within the category of capital goods, imports of semiconductors fell a record $0.7 billion, or 15 percent. The value of goods imports in October was 17 percent above its level a year earlier.

- The trade deficits with Mexico and Eastern Europe and Former Soviet Republics decreased, while the trade deficits with Western Europe, Japan, China and Canada increased.

EXPORTS AND IMPORTS OF GOODS AND SERVICES

TRADE DEFICIT FOR GOODS AND SERVICES



TIME OF TRANSMISSION: TIME OF RECEIPT:

WHITE HOUSE SITUATION ROOM

'00 DEC 18 PM9:33

PRECEDENCE: **IMMEDIATE**

CLASSIFICATION: SENSITIVE ECONOMIC INFORMATION, BUT NOT CLASSIFIED

RELEASER: _____

DATE/TIME: _____

MESSAGE #: 12-18-00

FROM: Lisel Loy PH: 62702 ROOM: GrFl/WW

SUBJECT: Lawrence/CEA memo re U.S. Trade in Goods and Services for October PAGES: 2

PLEASE DELIVER TO:

LOCATION	DELIVER TO	ROOM	PHONE
	TO: DOUG BAND FOR THE PRESIDENT (please give Doug 2 copies)		

SPECIAL DELIVERY INSTRUCTIONS/REMARKS:

distributed
1/19/01
c. Clinton

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

January 19, 2001

'01 JAN 19 AM8:29

MEMORANDUM FOR WHITE HOUSE SENIOR STAFF

FROM: MARTIN N. BAILY MNB

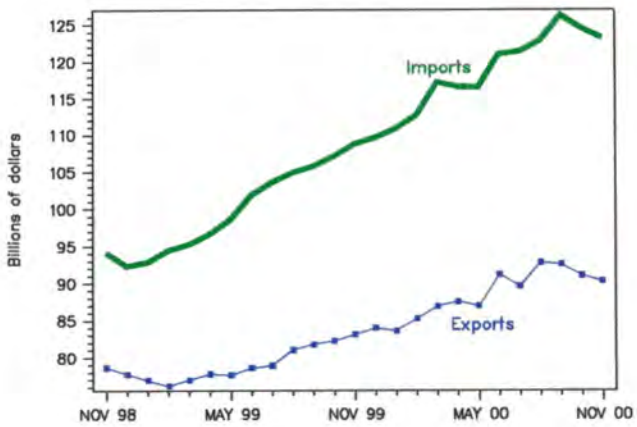
SUBJECT: U.S. Trade in Goods and Services for November, Commerce Department Release, Friday, 8:30 a.m.

The deficit on trade in goods and services decreased in November to $33.0 billion from a revised October level of $33.6 billion. The November deficit was in line with market expectations. The goods deficit fell to $39.0 billion. The services surplus fell slightly to $6.0 billion.

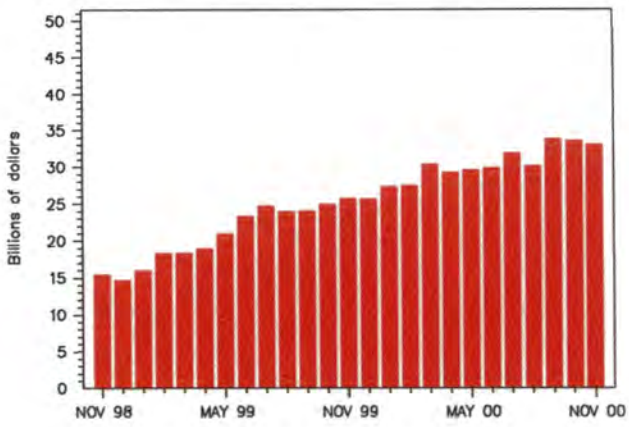
On a Census basis:

- Exports of goods fell slightly by $0.7 billion in November from October. Exports of consumer goods increased, while those of autos and auto parts fell. Other categories did not register substantial changes. The value of goods exports in November was 11 percent above its level a year earlier.
- Imports of goods fell by $1.6 billion in November from October. Imports of industrial supplies and capital goods declined substantially. The value of goods imports in November was 14 percent above its level a year earlier.
- The trade deficits with Japan, China and Mexico decreased, while the trade deficit with the group of East Asian Newly Industrializing Countries increased.
- The value of petroleum imports fell by 7.6% in November from October.

EXPORTS AND IMPORTS OF GOODS AND SERVICES



TRADE DEFICIT FOR GOODS AND SERVICES



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

1-19-01
01 JAN 17 PM 12:28

January 17, 2001

PHOTOCOPY
WJC HANDWRITING

MEMORANDUM FOR THE PRESIDENT

FROM: KATHRYN L. SHAW

SUBJECT: December Housing Starts and Permits, Commerce Department Release, Thursday, 8:30 a.m.

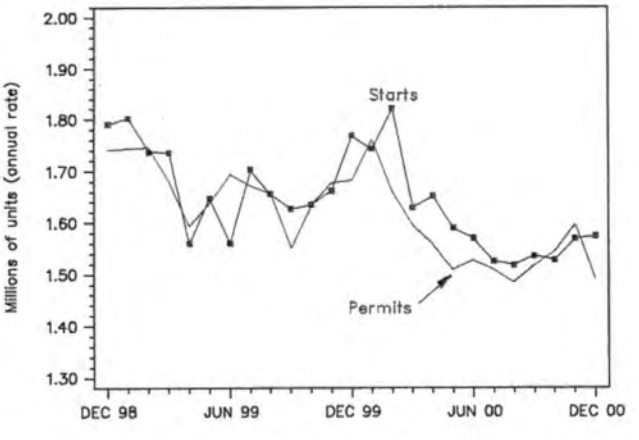
Housing starts were up slightly in December, at an annual rate of 1.58 million units, slightly above market expectations. All of the gains are accounted for by single-family structures, while the more volatile multi-family housing starts fell sharply. Total starts are down 11 percent from a year earlier.

Building permits--generally a more stable and forward-looking measure of construction activity--decreased by 6.6 percent in December to 1.49 million units at an annual rate. Permits are 11 percent below their year-earlier level.

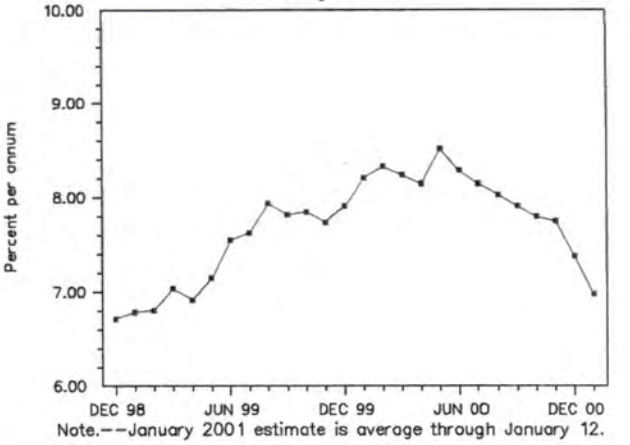
Starts declined significantly in the first two quarters of this year. Although housing starts have flattened out in recent months, the lagged effects of the sharp decline in the first half implies a roughly 4 percent decline in construction activity in the fourth quarter.

Mortgage rates have declined since May. The rate has come down a half of a percentage point in the past month and now stands at 6.98 percent thus far in January (chart at lower right).

HOUSING STARTS AND BUILDING PERMITS



MORTGAGE COMMITMENT INTEREST RATE
30-year fixed



Note.--January 2001 estimate is average through January 12.

distributed
1/18/00
C. Clark

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

'01 JAN 18 AM8:52

January 18, 2001

MEMORANDUM FOR WHITE HOUSE SENIOR STAFF

FROM: KATHRYN L. SHAW

SUBJECT: December Housing Starts and Permits, Commerce Department Release, Thursday, 8:30 a.m.

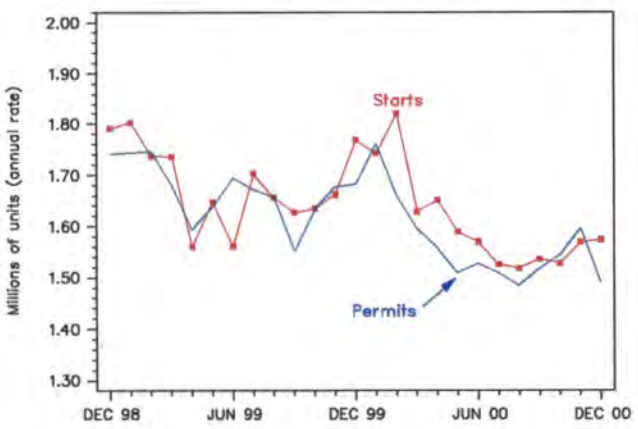
Housing starts were up slightly in December, at an annual rate of 1.58 million units, slightly above market expectations. All of the gains are accounted for by single-family structures, while the more volatile multi-family housing starts fell sharply. Total starts are down 11 percent from a year earlier.

Building permits--generally a more stable and forward-looking measure of construction activity--decreased by 6.6 percent in December to 1.49 million units at an annual rate. Permits are 11 percent below their year-earlier level.

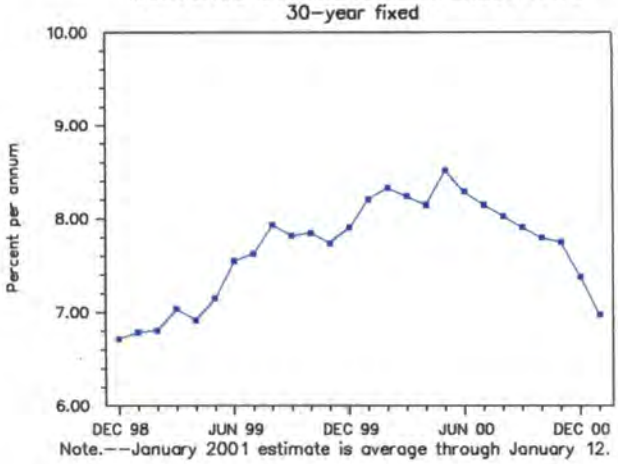
Starts declined significantly in the first two quarters of this year. Although housing starts have flattened out in recent months, the lagged effects of the sharp decline in the first half implies a roughly 4 percent decline in construction activity in the fourth quarter.

Mortgage rates have declined since May. The rate has come down a half of a percentage point in the past month and now stands at 6.98 percent thus far in January (chart at lower right).

HOUSING STARTS AND BUILDING PERMITS



MORTGAGE COMMITMENT INTEREST RATE
30-year fixed



Note.--January 2001 estimate is average through January 12.

Susie Tompkins Buell • **Mark W. Buell**

F A X

Three Embarcadero Center, Suite 2290
San Francisco, California 94111
Phone: 415-248-7830
Fax: 415-362-8770

Mr Pres — She wants to do a book Please advise N

To:	**Nancy Hernrich**	**Fax:**	**202-456-6703**
Date:	**January 11, 2001**	**Page(s):**	**coversheet only**

Message:

Nancy, in my conversation with the President last week, we discussed again my desire to create a memento for him, commemorating his farewell address. He remains very interested in the idea.

I'm sending you this follow-up to my fax of December 20 with the hope that you may be able to assist me in this very special project for President Clinton. I look forward to hearing from you. I can be reached through my office at 415-248-7830 or at my home at 415-923-1001.

Thank you.

Susie Buell

Susie Tompkins Buell

JP

copied Podesta

PHOTOCOPY
WJC HANDWRITING

THE WHITE HOUSE

WASHINGTON

January 17, 2001

1-18-01

Copied
Echaveste
Berger
Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: MARIA ECHAVESTE
SAMUEL BERGER

SUBJECT: U.S. Position on International Indigenous Issues

Purpose

To decide the U.S. position on UN and OAS draft declarations on indigenous rights, which set general standards for promoting indigenous rights and protecting indigenous people from discrimination. Both are aspirational and neither is legally binding.

Summary of issue: The key question is how to reconcile "self determination" for indigenous groups in these documents without promoting secession. In essence, Justice and Interior believe that we should be willing to modify U.S. positions to include language in these declarations that better reflects the interests and concerns of U.S. indigenous groups. State believes that proposing any changes in our position now is ill-advised, and could promote destabilization overseas. State argues that the negotiations do not require U.S. decisions prior to January 20, and that these issues require more time and study.

NSC and COS support the Justice-Interior positions described below. The proposed changes are themselves compromises to which Justice and Interior only agreed reluctantly. They are tailored to make clear we are not supporting a universal right to independence for indigenous peoples. An interagency group has reviewed this issue for many months and to leave the decision to a new Administration is to ensure further delay. By articulating a position now, as the OAS and UN continue their deliberations in the ensuing few weeks, we could help promote the search for creative solutions.

The specific issues and differences

Self-Determination: Currently, the draft UN declaration provides indigenous peoples with an unqualified "right of self-determination," language which Native American tribes support. Under U.S. law, the term connotes internal self-government, but does not imply any right to secession, and is a powerful symbol of autonomy for U.S. groups. However, because the term is often understood under international law as implying a right of secession, DOI and DOJ have accepted use of the term "**internal** self-determination," by which indigenous groups would only have a right "to negotiate their political status **within the framework of the existing nation state.**"

1-16-01

The State Department has argued that the declarations themselves must explicitly state that the term "internal self-determination" does not imply a right of secession or the right of sovereignty over natural resources. DOJ and DOI are strongly opposed, mainly because they believe the proposed declarations' value comes from the fact that they recognize rights, and that the phrase "within the framework of the existing state" makes the point unambiguously. We agree with DOJ and DOI, but to accommodate State's concern, we could read a statement, upon introduction of our position, that "internal self-determination" does not imply the right of secession.

Use of Term "Peoples": The State Department is also concerned about the use of the term "peoples" in the declarations, as all "peoples" enjoy a right to self-determination under international law. State insists that, whenever the term is used in the declarations, it include a caveat indicating that such peoples do not necessary enjoy a right to seccession or control over natural resources. We agree with DOJ and DOI that affording indigenous peoples a right of "internal self-determination," as carefully defined above, cannot reasonably be construed as implying a right to secession or sovereignty over natural resources, and that a caveat is therefore unnecessary.

Scope Definition of Indigenous Peoples: The UN draft Declaration does not define precisely who is indigenous. DOI and DOJ believe it should be defined by aboriginal status, and State believes it should be based on self-identification. DOI and DOJ do not believe this issue needs to be resolved prior to adoption of these non-binding resolutions, but State disagrees. Given the status of these documents as non-binding, we agree with DOI and DOJ.

RECOMMENDATION

That you approve the positions supported by DOJ, DOI, NSC, and COS (opposed by State).

Approve ✓

Disapprove _____

Attachment
Tab A State position paper

TAB A:

State Position Paper

The guidance cable proposes language that we believe would be read by indigenous people in dozens of countries – such as Indonesia, China, Nigeria, Mexico, Chechnya and Gaza -- as an international document supportive of their claim to self-determination or control over natural resources. This, of course, could have a major destabilizing effect. The State Department is sensitive to the domestic political considerations that have motivated our colleagues at Justice and Interior to propose language designed to make indigenous groups feel that their concerns have been listened to. But this language is wrong for two reasons. First, the price is too high given the destabilizing effect it could have. Second, the language is not designed to improve the status of American indigenous people. No guidance should be provided until these issues have been resolved internally.

Our principal concerns focus on several terms that have distinct meanings under international law. The problem begins with use of the term "indigenous peoples." Under international law including Article 1 of the Covenant on Civil and Political Rights, peoples have a right to self-determination and sovereignty over natural resources. (This concept of self-determination is distinct from the term "self-determination" used in a domestic US context.) For this reason, the US initially insisted on use of the term "indigenous people" but when indigenous groups objected to it, the Department reluctantly agreed to use of the term "indigenous peoples" provided that it be accompanied by a clear caveat that established what the term does and does not mean. The absence of a caveat in this guidance is at the heart of our concern. We need to be clear that we are not proposing self-determination or control over natural resources. In order to satisfy domestic concerns the guidance makes this point unclear.

Second, Justice and Interior have proposed using the term "internal self-determination" to refer to the rights enjoyed by indigenous groups and dropping the caveat. This causes its own problems that we could potentially sort out over time, but as it is used it creates the same problem as above: it fuzzes up that the draft declaration does not grant sovereignty or control over natural resources. State has agreed to explore the concept of "internal self-determination," but never viewed it as a substitute for the caveat. The process of exploring the concept of "internal self-determination" has just begun. While other nations and several indigenous groups have spoken against the idea, the Department believes exploration should continue, despite inherent difficulties.

Not only does the draft guidance cable propose that we embrace the term "internal self-determination" and drop the caveat, it also calls for formal introduction a definition of that concept. This is extremely premature and unwise. Not only is there no consensus on the term, the proposed definition raises complex new problems since it deals with rights to media, employment, and family relations, all of which have broad domestic consequences. The proposed definition opens the US to charges that we are in violation of the terms we are trying to negotiate since we have not granted all the rights domestically that we are proposing to have recognized internationally. In the US, federally recognized tribes enjoy a broad range of rights, while other indigenous groups do not. By failing to specify the scope of the phrase "indigenous peoples", we will be in a difficult position legally in international fora since historically, individuals and groups use these human rights documents to bring charges against countries that are not in compliance, and the way the language is currently structured opens the US to that challenge.

THE WHITE HOUSE
WASHINGTON

1-18-01

January 17, 2001

MEMORANDUM TO THE PRESIDENT
THROUGH NANCY HERNREICH

FROM: BETTY C. MONKMAN, CURATOR

SUBJECT: Official Portraits

With regard to the two sample portraits of you by Simmie Knox and Nelson Shanks brought for your review and decision last week, could you confirm that you have selected the portrait (the standing image on the left side of the canvas) by Mr. Knox for your official portrait for the White House? If so, the White House Historical Association can write a contract with him and he can proceed with a final portrait. yes

Are you interested in having Nelson Shanks continue to work on completing a portrait of you for the National Portrait Gallery? yes

Both artists would require further sittings to complete a portrait.

PHOTOCOPY
WJC HANDWRITING

I want Knox to
do another one or two
from personally—

copied
Monkman
Graham
Hernreich
Podesta

American Embassy
The Hague

Lange Voorhout 102
2514 EJ The Hague
The Netherlands

Tel (31) (70) 310-9318
Fax (31) (70) 310-9322

TO **Ms. Nancy Hernreich**

FROM Ambassador Cynthia P. Schneider

DATE January 16, 2001 Number of pages 2

PERSONAL

Dear Nancy,

Will you be so kind please to pass this personal letter to the President for me? With thanks and warmest regards,

Cynthia

Embassy of the United States of America

The Hague, the Netherlands

January 16, 2001

'01 JAN 18 PM4:48

Cynthia P. Schneider
Ambassador

1-18-01

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

Dear Mr. President,

I have been reading over the text of your recent sermon at the Foundry Church. I wanted to let you know that I plan to use it as the basis for my short speech at the annual Martin Luther King dinner in The Hague on January 19th. As you go through/enjoy/celebrate your last full day in the White House, please know that on the other side of the Atlantic your words, and your actions behind them, are being held up as a living example of the kind of brotherhood Martin Luther King sought.

In so many respects your actions as President have born out the simple belief I remember you articulating so many years ago at Hilton Head: that people fundamentally are good and that it is our responsibility to create the conditions to enable that good to emerge. No wonder you have been -- and will go on to be -- a great conciliator. No wonder you will leave office with such strong support.

I remember also your laughing when you caught sight of Tom and me in the crowd at the Charlemagne Award last May. Later you told us that seeing us made you think of how far we all had come over the last 8 years. I still remember hundreds of "Bill who?" phone calls in '91 and '92. Now, much of America and the rest of the world talks of how much you will be missed. When I remind European or Dutch friends who are anxious about the "unknown" George W. Bush that you also were unknown in 1993, they look at me in disbelief, and then they remember. You have firmly established yourself as an expert in international affairs.

Wherever that helicopter goes on January 20th, I wish you, Hillary, and Chelsea joy -- and rest and relaxation -- when it lands. Please remember that you are welcome here as long as I am here (until June), whether or not you accept one of the Dutch invitations in your pile of speech requests. I would love to have the chance to show you the Rembrandts in the Rijksmuseum, not to mention the Sam Schneider on display in our house!

Thank you for giving me the honor and the pleasure of a lifetime by allowing me to serve our country during your Presidency. I can thoroughly empathize -- on a more modest scale -- with your feeling that no one has ever enjoyed the job more!

With all my warmest wishes to you, Hillary and Chelsea,

Cynthia P. Schneider

THE WHITE HOUSE

WASHINGTON

1-18-01

January 17, 2001

MEMORANDUM FOR THE PRESIDENT

FROM: CHRIS JENNINGS AND JEANNE LAMBREW

SUBJECT: Health Care Accomplishments

Tomorrow, from 12 to 2 pm, the DPC and NEC are hosting a reception in the Indian Treaty Room to celebrate the numerous health care policy achievements of your Administration. In attendance will be Senator Kennedy, Senator Rockefeller, and Congressman Dingell, as well as Secretary Shalala and Dr. Francis Collins, the Director of the National Human Genome Research Institute.

At this reception, we are releasing the attached report detailing your health care achievements. It highlights virtually every major initiative you enacted into law or implemented by executive action. By any definition, this document represents an impressive array of accomplishments that include new improvements in health insurance and action to promote patient protections, expansions of health insurance coverage, efforts to strengthen Medicare and Medicaid, actions to broaden long-term care options, historic investments in health research and training, and unprecedented efforts to improve the public health. It also includes a summary of positive health care outcomes achieved as a result of the work of your Administration

Your schedule lists this as a possible drop-by event for you and the First Lady. We can assure you that you will be extremely well received. Regardless of whether you can attend, the attached document stands as a testament to your efforts to improve the nation's health care system. We have been proud to work with you and Mrs. Clinton.

HEALTH CARE ACCOMPLISHMENTS

OF THE

CLINTON ADMINISTRATION

Domestic Policy Council / National Economic Council
THE WHITE HOUSE

January 2001

HEALTH CARE ACCOMPLISHMENTS OF THE CLINTON ADMINISTRATION
EXECUTIVE SUMMARY

During the eight years of his Administration, the President enacted or implemented an unprecedented number of initiatives that have improved health care for all Americans. The Administration's reforms have enhanced access to insurance and new technologies, improved quality, expanded coverage, increased choice of plans, constrained cost growth, and significantly improved public health. The President is leaving office with the health and life-span of Americans improving, the ranks of the uninsured declining, access to high-quality, non-discriminatory private health insurers being assured, and a higher quality and more cost-effective public health program system in place and operating well.

After an historic attempt to ensure affordable, quality health insurance for every American, the Clinton-Gore Administration worked tirelessly to successfully implement targeted reforms to improve the nation's health care delivery system. This effort has produced an extraordinary number of bipartisan legislative achievements and administrative actions including:

- **Extending health insurance coverage for over 3.3 million children and reducing the overall number of the uninsured for the first time in 12 years**: through the enactment of the bipartisan State Children's Health Insurance Program (SCHIP), other coverage expansions, and the effective stewardship of the economy;

- **Increasing access to and preservation of health insurance for tens of millions of Americans in work and life transitions**: through the enactment of the bipartisan Kennedy-Kassebaum health insurance portability protections and the Family and Medical Leave Act;

- **Promoting and implementing patient protections for all Americans**: through the advocacy of the bipartisan Norwood-Dingell Patients' Bill of Rights, the implementation of genetic anti-discrimination provisions, patients' rights protections for 85 million Americans in Federal health plans, and the establishment of historic privacy protections for every American;

- **Strengthening Medicare by modernizing the program and extending the life of the Trust Fund by an astounding 26 years**: through the enactment of two major Medicare reforms that constrained excessive cost growth and emphasized prevention and more plan choices, as well as administrative actions that cut fraud and abuse and covered clinical trials;

- **Improving long-term care**: through executive actions that expanded home- and community-based alternatives to institutionalization and improved nursing home quality;

- **Helping produce breakthroughs in biomedical research:** through the nearly doubling of the National Institutes of Health biomedical research budget, contributing to innovations in, for example, cancer prevention and treatment as well as the mapping of the human genome;

- **Increasing access to cutting-edge medical treatments:** through the implementation of the Administration's reinventing government initiative and the enactment of bipartisan legislation that achieved the appropriate balance of ensuring high-quality prescription drugs and devices with the need to expedite review and approval of these products.

- **Leading the fight against HIV/AIDS:** through the dedication of unprecedented resources and leadership to help the nation and the world come to grips with the HIV/AIDS crisis.

Not only has health care quality, innovation, access, and affordability improved, but so too has the nation's health. Over the last eight years, the country has witnessed: (1) the first-ever decline in HIV/AIDS mortality rates, (2) an unexpected end to increases in cancer deaths, (3) the lowering of smoking rates amongst youth, (4) all-time highs in childhood immunization rates, and (5) all-time lows in infant mortality rates. Moreover, even those Clinton-Gore proposals that were not enacted by the end of 2000 have effectively laid the groundwork and established the agenda for the future Administrations and Congresses. This is particularly the case for coverage expansions, patient protections, Medicare reforms including a prescription drug benefit, long-term care and a number of public health improvements.

Arguably, one of the most enduring accomplishments of the Clinton Administration is its elevation of the nation's health challenges to an issue that no future President can afford to ignore. President Clinton assembled a strong health policy team led by Vice President Gore, First Lady Hillary Rodham Clinton, Tipper Gore. They formed a close and productive working relationship with the Domestic Policy Council, National Economic Council, Office of Management and Budget, Council of Economic Advisors, the Departments of Health and Human Services, Treasury, Labor and the Office of Personnel Management. They recognized and continually highlighted the importance of health policy in Americans' daily lives, increasing public support for policies that addressed the nation's health care needs. The President proved that the Executive Branch not only has a role in setting an agenda but in taking action: from fostering public-private partnerships to improving health care through executive actions to identifying and enacting targeted bipartisan health policies that contribute toward solve the major problems in the health care system.

The following document briefly summarizes the wide array of health care achievements produced by the Clinton-Gore Administration. The summary is preceded by a health "outcomes" summary that highlights how the Administration's policies have contributed to the improved health and lives of all Americans. We hope it will be used not only to help accurately document the Administration's notable accomplishments, but also to ensure that hard-fought achievements are retained and built on.

Notwithstanding these achievements, there is no question that major challenges in the health system remain. Millions of Americans remain uninsured, Medicare still lacks a prescription drug benefit and needs to be further strengthened to prepare for the retirement of the baby boom generation, and most insured Americans still lack a strong, enforceable patients' bill of rights. The report encourages all policy makers – regardless of party affiliation – to work toward viable, bipartisan health care reform policies that build on the Administration's successes and respond to these and other unmet national health care needs.

HEALTH CARE ACCOMPLISHMENTS OF THE CLINTON ADMINISTRATION
OUTCOMES

CONTRIBUTED TO LONGER AND BETTER LIVES

- Average life expectancy increased by over a year between 1993 and 1998 (from 75.5 to 76.7 years), with a greater percent increase in longevity for those at age 65 who become eligible for Medicare. At the age of 65, an average person can expect to live to nearly age 83.[1]

- Infant mortality dropped by 22 percent between 1990 and 1998 (from 837 to 720 deaths per 1,000 live births).[2] This is the lowest rate ever.

- Childhood immunization rates reached all-time highs, with 90 percent or more of America's toddlers receiving critical vaccines for children by age 2. The overall immunization rate for pre-school children increased by 40 percent between 1992 and 1999.[3] The gap in vaccination levels for preschool children of all racial and ethnic groups was virtually erased.

- Teen pregnancy rate declined by 16 percent between 1990 and 1996, from 116 to 98 pregnancies per 1,000 teenage women.[4]

- Smoking rates among eighth graders dropped by 30 percent between 1996 and 2000, with a 16 percent drop between 1999 and 2000 alone.[5]

- Illicit drug use among 12 to 17 year olds declined by 21 percent between 1997 and 1999.[6]

- Incidence of cancer, after rising through 1992, decreased on average by 1.3 percent per year from 1992 to 1997. Death rates for the four most common cancer sites -- lung, colorectal, breast, and prostate -- dropped. And for the first time ever, the total number of cancer deaths did not rise, despite a growing and aging population.[7]

- HIV/AIDS mortality declined by 70 percent since 1995. AIDS is no longer among the top 15 causes of death – it was the eighth leading cause in 1996.[8] The rate of newly reported HIV/AIDS cases in infants due to perinatal transmission dropped by 73 percent.

EXPANDED HEALTH INSURANCE COVERAGE

- Number of uninsured Americans declined by 1.7 million in 1999, after increasing in every year for 12 years. In 1999, there were one million fewer uninsured children than in 1998.[9]

- Number of children insured through the State Children's Health Insurance Program reached over 3.3 million in 2000, according to state reports. From 1999 to 2000 alone, the number of children covered increased by 70 percent.[10]

- Number of low-income families insured through 14 state Medicaid waivers approved during this Administration was at least 1.4 million people.

IMPROVED QUALITY AND SAFETY

- Family and medical leave was used by 35 million working Americans since 1993.[11]

- Patient protections were provided to 85 million Americans in Federal health plans.[12]

- Medical research funding doubled at the National Institutes of Health, including increases for cancer, diabetes, Alzheimer's disease, HIV/AIDS, and the human genome project.

- Nursing home quality increased as a result of stepped-up enforcement efforts. The Federal government imposed fives times as many fines on nursing home in 2000 as it did in 1996.[13]

- Safety of prescription drugs for children through new, special trials and over the internet, through new protections, were implemented. Average drug approval times dropped since the beginning of the Administration from almost three years to less than 12 months at the same time that the average number of drugs approved increased.[14]

- Food safety improved, with illness from bacterial food-borne pathogens decreasing by 20 percent from 1997 to 1999 and from salmonella declining by 48 percent from 1996 to 1998.[15]

CONTAINED HEALTH CARE COSTS AND STRENGTHENED MEDICARE

- Medicare trust fund solvency was increased by 26 years, from 1999 when the President first took office to 2025. Its actuarial deficit (a measure of long-term solvency) was cut by over three-fourths.[16]

- Federal spending growth was reduced. Medicare spending growth dropped by over 40 percent, from 10.3 percent in 1993 to 5.8 percent in 2000.[17] Medicaid spending growth dropped by over one-third (from 11.8 percent to 7.5 percent). Spending growth per capita for both programs fell below that of private sector.

- Reduced Medicare and Medicaid spending accounted for nearly one-third of the major improvement in the projected Federal budget outlook between 1993 and 2000. Medicare and Medicaid spending has been a total of a half a trillion dollars lower than projected when the Clinton-Gore Administration took office.[18]

- Medicare premiums in 2000 were 20 percent below projections in 1993.[19]

- Excessive and improper Medicare payments were reduced by an estimated $60 billion since 1993. In 2000 alone, the HHS Inspector General recorded an estimated $1.2 billion in civil judgements, penalties and fines.[20]

- Administratively burdensome, duplicative, and wasteful billing requirements for health care providers and insurers were reduced, saving an estimated $29.9 billion over 10 years.[21]

TABLE OF CONTENTS

HEALTH CARE ACCOMPLISHMENTS OF THE CLINTON ADMINISTRATION

IMPROVING HEALTH INSURANCE AND PROMOTING PATIENT PROTECTIONS

Insurance Access and Benefits

Enacted the Family and Medical Leave Act (Public Law 103-3; 2/5/93). The Family and Medical Leave Act (FMLA) enables workers to take up to 12 weeks unpaid leave to care for a new baby or ailing family member without jeopardizing their job. Over 35 million workers benefited from FMLA since its enactment. In June 1996, President Clinton proposed expanding FMLA to allow workers to take up to 24 unpaid hours off each year for school and early childhood education activities, routine family medical care, and caring for an elderly relative.

Enacted the landmark Kennedy-Kassebaum legislation ensuring continued access to health insurance (Public Law 104-191; 8/26/96). The Kennedy-Kassebaum (Health Insurance Portability and Accountability Act) law prevents individuals from being denied coverage because they have a preexisting medical condition. It requires insurance companies to sell coverage to small employer groups and to individuals who lose group coverage without regard to their health risk status. It also prohibits discrimination in enrollment and premiums against employees and their dependents based on health status. Finally, it requires insurers to renew the policies they sell to groups and individuals.

Enacted legislation to eliminate the discriminatory tax treatment of the self-employed (Public Laws 104-191 and 105-33; 8/21/96 and 8/5/97). The President enacted two separate laws to increase the health care tax deduction for the 10 million self-insured Americans to 100 percent by 2003.

Enacted legislation requiring mental health parity for annual and lifetime insurance limits (Public Law 104-204; 9/26/96). To help eliminate discrimination against individuals with mental illnesses, the President, at Tipper Gore's urging, enacted legislation that prohibits health plans from establishing separate lifetime and annual limits for mental health coverage.

Required all FEHBP plans to provide mental health and substance abuse parity (6/7/99). The President required all 285 participating health plans in the Federal Employees Health Benefit Program (FEHBP) to offer both mental health and chemical and substance abuse parity.

Enacted legislation establishing protections for new mothers (Public Law 104-204; 9/26/96). Some health plans refused to pay for anything more than a 24-hour hospital stay, and some had recommended releasing mothers as few as 8 hours after delivery. The President signed into law common-sense legislation that requires health plans that cover maternity care to allow new mothers to remain in the hospital for at least 48 hours following most normal deliveries and 96 hours after a Cesarean section.

Enacted legislation establishing protections for women recovering from mastectomies (Public Law 105-277; 10/21/98). The President enacted legislation, strongly supported by the

First Lady, that bans drive-through mastectomies, allowing women to stay in the hospital at least 48 hours following a mastectomy.

Enacted legislation to eliminate duplicative and wasteful administrative requirements (Public Law 104-191; 8/21/96, Regulation: 8/11/00). The Health Insurance Portability and Accountability Act (HIPAA) provided the Administration with the authority to develop a single set of national standards for all health care providers and health plans that engage in electronic administrative and financial transactions to promote more cost-effective electronic claims processing and coordination of benefits. This implementation of this law will eliminate administratively burdensome, duplicative, and wasteful billing requirements for health care providers and insurers, saving $29.9 billion over 10 years.

Patient Protections

Established and endorsed the recommendations of the historic Quality Commission. On March 26, 1997, the President and Vice President created a non-partisan, broad-based Commission on quality and charged it with developing a patients' bill of rights as their first order of business. On November 20, 1997, the President accepted the Commission's recommendation that all health plans should provide strong patient protections, including guaranteed access to needed health care specialists; access to emergency room services when and where the need arises; continuity of care protections; and access to a fair, unbiased and timely internal and independent external appeals process. The work of the Commission laid the foundation for subsequent administrative and legislative initiatives to improve patient protections and quality.

Issued executive memorandum giving 85 million Americans in Federal health plans critical patient protections (2/20/98). In the absence of Congressional action, President Clinton directed five agencies that administer health benefits for 85 million Federal employees, their families, and beneficiaries to enact patient protections from the patients' bill of rights, including choice of providers and plans, access to emergency services, participation in treatment decisions, confidentiality of health information and a fair complaint and appeals process. Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP), the Indian Health Service, Federal Employees Health Benefit Plans, the Veterans Administration facilities, and the Military Health System responded by providing all protections allowable under current law.

Issued landmark Federal regulations protecting the privacy of electronic medical records (12/20/00). In the absence of Congressional action, under authority provided by Public Law 104-191, the Administration released a final regulation protecting the privacy of electronic medical records held by health plans, health care clearinghouses, and health care providers. This rule limits the use and release of private health information without consent; restricts the disclosure of protected health information to the minimum amount of information necessary; established new requirements for disclosure of information to researchers and others seeking access to health records; informs consumers about their right to access their health records and to know who else has accessed them; and establishes new administrative and criminal sanctions for the improper use or disclosure of private information.

Enacted legislation prohibiting insurance discrimination based on genetic information (Public Law 104-191; 8/26/96). The Kennedy-Kassebaum (HIPAA) law prohibits

discriminatory underwriting practices using genetic information for insured and self insured plans. It also prevents group health insurers from using genetic information to deny individuals health insurance benefits.

Issued executive order preventing genetic discrimination in Federal hiring and promotion actions (2/8/00). President Clinton signed an executive order prohibiting every civilian Federal Department and agency from using genetic information in any hiring or promotion action. This historic action prevents critical information from genetic tests -- used to help predict, prevent, and treat diseases – from being used against them by their employer.

Proposals

Proposed legislation to ensure universal access to a choice of meaningful health insurance plans. A central component of the President's 1993 reform proposal (H.R. 3600) was its guarantee of access to health insurance, irrespective of age, health status, occupation, or any other factor. Premiums would have been community rated and all individuals would have had a choice of plans under this system.

Supported legislation for a strong, enforceable, and bipartisan Patients' Bill of Rights. President Clinton endorsed the Norwood-Dingell Patients' Bill of Rights, which passed the House with overwhelming bipartisan support. This legislation, endorsed by over 200 health care advocacy groups, is the only proposal that assures patient protections are real and that court-enforced remedies are accessible and meaningful. The legislation includes: guaranteed access to needed health care specialists; access to emergency room services when and where the need arises; continuity of care protections; access to a fair, unbiased and timely internal and independent external appeals process; and an enforcement mechanism that ensures recourse for patients who have been harmed as a result of health plan's actions. Although the legislation was not enacted before the end of the Clinton Administration, the groundwork for its inevitable passage was laid.

Supported legislation protecting the private genetic information of all Americans. President Clinton endorsed the Daschle-Slaughter legislation, known as the Genetic Nondiscrimination in Health Insurance & Employment Act of 1999 (S. 1322). This bill would extend the protections for genetic information included in the President's executive order preventing discrimination on the basis of genetic information by Federal employers to the private sector. The Kennedy-Kassebaum (HIPAA) law prevents group health insurers from using genetic information to deny individuals health insurance benefits. The Daschle-Slaughter legislation would finish the job by ensuring that genetic information used to help predict, prevent, and treat diseases will not also be used to discriminate against Americans seeking employment, promotion, or health insurance.

EXPANDING HEALTH INSURANCE COVERAGE

Children

Enacted the single largest investment in children's health insurance since 1965 (Public Law 105-33; 8/5/97). The Balanced Budget Act included over $40 billion over 10 years to create the

State Children's Health Insurance Program (SCHIP) – the single largest investment in health care for children since the enactment of Medicaid in 1965. This new program, together with Medicaid, will provide meaningful health care coverage for up to five million previously uninsured children. By the end of 2000, all 50 states had implemented SCHIP and over 3.3 million children had been covered. This rapid rise in enrollment was accompanied by an increase in Medicaid enrollment as well. The number of states covering children up to 200 percent of poverty increased by more than seven fold – from 4 to 30 states – during that time. This contributed to the first decline in the number of uninsured Americans – including children -- in 12 years.

Enacted legislation to improve enrollment and retention of children in health insurance programs. The President proposed and enacted a number of policies to accelerate enrollment of uninsured children in Medicaid and SCHIP. The Balanced Budget Act of 1997 (Public Law 105-33; 8/5/97) that created SCHIP also included Medicaid options to allow presumptive eligibility in a limited number of sites (like doctors' offices and Head Start centers) and provide continuous eligibility to children for up to a year. In 1999, the President lifted the sunset on a $500 million state fund (created in the welfare reform bill) to fund the costs of simplifying eligibility systems and conducting outreach (Public Law 106-113, 11/29/99). And in 2000, he ensured that the Medicare and Medicaid provider payment increase legislation include a provision that provides states with additional options for presumptively enrolling children at schools, child support enforcement agencies, homeless shelters, program eligibility offices, and other sites (Public Law 106-554; 12/21/00). This, as well as the other policies to promote insurance coverage for children, were strongly supported and enacted with the First Lady's help.

Issued Executive Memoranda and launched the Insure Kids Now Campaign to enroll uninsured children. The President used his executive authority to complement his legislative policies to decrease the number of uninsured children. Within months of enactment of the State Children's Health Insurance Program (SCHIP), the Administration issued guidelines to states on simplifying eligibility, accessing funding for outreach and establishing short, joint applications for SCHIP and Medicaid. On February 18, 1998, the President issued an executive memorandum creating a Task Force composed of eleven Federal departments and agencies to pool resources to find and enroll uninsured children. Outlined in two reports to the President, this Task Force implemented over 150 actions to enroll eligible but uninsured children, such as providing information on Medicaid and SCHIP to families applying for housing and job assistance and grandparents through Medicare. In 1998, the President also launched the Insure Kids Now Campaign, a public-private education and information campaign to promote children's health insurance. Its "1-877-KIDS NOW" Hotline, which provides free information about Medicaid and SCHIP to families in all states, has been highlighted in national television and radio public service announcements, printed on products like shopping bags, and put on city buses. In 1999, the President ordered agencies to develop and implement "back to school" outreach efforts, targeting families as they enroll their children in schools in the fall. The Department of Education received pledges from over 1,500 schools in over 49 states.

Working Families

Approved Medicaid waivers expanding health insurance coverage for working families. The Clinton Administration approved and states implemented 17 Medicaid 1115 waivers that

expand health insurance to an estimated 1.4 million low income Americans. These section 1115 waivers were, prior to 1996, the only way to expand to working parents and remain the only option for states to cover childless adults in Medicaid.

Established state option to expand Medicaid to working parents President Clinton insisted that the welfare reform law include a requirement that states continue Medicaid eligibility for people who would have been eligible without the law, and an option for them to expand eligibility to people with higher income (Public Law 104-193). This state option was significantly expanded through a 1998 regulation allowing employed, two-parent families to access coverage (known as the "100-hour rule"). The combination of the legislation and regulation reduce the need for states to seek 1115 waivers to expand coverage. Over 10 states have used this option to expand eligibility to parents to at least 100 percent of poverty.

Issued guidance to promote SCHIP waivers to cover uninsured parents of children enrolled in state programs. (7/31/00) The Administration's policies to promote coverage of uninsured parents had one major gap: parents of children in non-Medicaid SCHIP plans could access neither Medicaid nor SCHIP. To begin to address this, the Administration issued guidance and approved three SCHIP waivers for coverage expansions, especially for the uninsured parents of children enrolled in SCHIP. States that ensure that their programs do not undermine coverage for children can access unused SCHIP dollars to expand or promote other program goals. Granting waivers to use SCHIP funding for new populations will hopefully build support for legislative proposals to add money and options for states to expand coverage to parents through SCHIP, as was successfully done with Medicaid.

Extended transitional health insurance coverage for people leaving welfare for work. (Public Law 106-554; 12/21/00). The Family Support Act of 1988 created a state requirement that people leaving welfare for work remain eligible Medicaid for up to 12 months after earning too much to qualify for Medicaid. This policy responds to the fact that few entry-level jobs offer health insurance and those that do often have waiting periods for coverage. The Clinton Administration extended this transitional Medicaid both in 1996 and in 2000 so that it is in effect through 2002.

Issued guidance to ensure that leaving welfare does not inadvertently end Medicaid coverage. (4/7/00) To address concerns that families eligible for Medicaid or transitional Medicaid benefits may have inadvertently lost coverage when they were determined ineligible for TANF, the Administration released clarifying guidance stating that states must review their Medicaid records since 1996 and identify individuals who have been terminated improperly from Medicaid and to automatically reinstate their Medicaid coverage while their eligibility is redetermined. The guidance also clarifies that state must have systems and processes in place that explore and exhaust all possible avenues of eligibility.

People with Disabilities

Enacted Jeffords-Kennedy legislation providing health insurance options for working people with disabilities (Public Law 106-170; 12/17/99). The Jeffords-Kennedy Work Incentives Improvement Act, a priority for the President and Vice President, created important new health insurance options for people with disabilities. It allows states to offer a Medicaid

buy-in for workers with disabilities and provides $150 million in grants to encourage states to take this option; establishes a new Medicaid buy-in demonstration to help people whose disability is not yet so severe that they cannot work; extends Medicare coverage for an additional four and a half years for people on disability insurance who return to work; and enhances employment-related services for individuals with disabilities.

Issued regulation to expand coverage for people with disabilities not yet impoverished by health care costs (1/8/01). Thousands of people with disabilities and senior citizens only qualify for Medicaid if they have very high medical expenses that force their income below the poverty level. The President issued a regulation that allows states to further "disregard' portions of an individual's income when determining their eligibility, such as the amount spent on food or shelter. States can use these broader rules to provide Medicaid coverage to people who would not otherwise be eligible and move people from institutions into the community by allowing them to retain additional income. This rule, like the Jeffords-Kennedy law, also helps remove the fear that work will result in loss of health coverage for people with disabilities.

Populations Facing Special Barriers to Health Insurance

Enacted legislation to provide Medicaid coverage to certain uninsured women with breast and cervical cancer (Public Law 106-354; 10/24/00). President Clinton enacted a new Medicaid option to provide needed health coverage to the thousands of uninsured women with breast and cervical cancer detected by Federally-supported screening programs. This new law will help eliminate the current and frequently overwhelming financial barriers to treatment for these women. The Vice President and the First Lady, national leaders in the prevention, diagnosis, and treatment of breast cancer, strongly advocated for this initiative, which was endorsed by the National Breast Cancer Coalition and other cancer groups.

Enacted legislation to help young people leaving foster care (Public Law 106-169; 12/14/99). When young people turn age 18 and leave foster care, they face numerous health risks at the same time that they typically lose their Medicaid or SCHIP insurance. With strong support from the First Lady, the President signed into law a new state option to allow these young people to remain eligible for Medicaid through age 21. HHS issued guidance to states encouraging them to take up this option.

Enacted legislation restoring Medicaid eligibility to elderly and certain disabled legal immigrants (Public Law 105-33; 8/5/97). The President committed in 1996 to restoring the loss of health coverage to legal immigrants that resulted from welfare reform. In the Balanced Budget Act of 1997, he restored SSI and Medicaid to aged and disabled immigrants who were in the country on 8/22/96 and who were receiving benefits; restored SSI and related Medicaid to immigrants who were in the country on 8/22/96 and who later became disabled; and extended the exemption from SSI and Medicaid restrictions for refugees, asylees and those whose deportation had been withheld from 5 to 7 years after entry.

Issued guidance assuring that Medicaid, SCHIP enrollment does not affect immigration status (public charge) (5/99). The Administration issued guidance assuring families that enrollment in Medicaid or SCHIP and the receipt of other benefits, such as school lunch and child care services, will not affect their immigration status and does not make them a "public

charge," and therefore subject to immigration restrictions. The new regulation clarified a widespread misconception that had deterred eligible populations from enrolling in these programs and undermined the public health. Federal agencies also sent guidance to their field offices, and program grantees to educate the public about this policy.

Proposals

Proposed comprehensive coverage expansion. In September 1993, the President introduced a plan, developed by the First Lady, to provide all Americans with affordable, accessible health insurance (H.R. 3600). The Health Security Act would, basically, have provided both access to employer-based insurance and subsidized that coverage for firms and low-income families.

Proposed targeted coverage expansion for defined populations. The President maintained an aggressive agenda to help Americans without health insurance afford and access it. Major policies proposals included:

- **Health insurance for people between jobs**. Nearly 30 percent of Americans experience a gap in health insurance over a three-year period; most often because of job change. To fill these gaps, the President proposed a program to help temporarily unemployed families (1994 through 1997 budgets); proposed extending COBRA continuation coverage for workers whose early retiree health benefits are terminated (1998 through 2000 budgets); and introduced a 25 percent tax credit for COBRA to make it more affordable (2000).

- **Medicare buy-in for vulnerable people ages 55 to 65.** People approaching Medicare eligibility are not only more likely to have or develop health problems but are the fastest growing group of uninsured. To address the lack of options for this group, the President proposed to allow the most vulnerable people 55 to 65 buy health insurance coverage through Medicare. People ages 62 through 64 would have a one-time option to pay a base premium of about $300 per month — the average cost of insuring Americans this age range for this coverage, with an additional monthly payment, estimated at $10 to $20, paid once participants enter Medicare at age 65 to cover the extra costs of sicker participants. This two part "payment plan" enables these older Americans to buy into Medicare at a more affordable premium, while ensuring that the financing for the buy-in option is sustainable in the long run. Workers ages 55 to 62 who have involuntarily lost their jobs and their health care coverage would also be eligible to buy into Medicare (with different premium structure).

- **Workers in small businesses**. Nearly two-thirds of the uninsured are in working families that lack access to employer-based insurance, usually because their employer is a small business. These employers have less purchasing power to negotiate for affordable insurance options. The President proposed several proposals to provide both pooled purchasing power and financial assistance to enable small employers and their workers to afford health insurance. His latest policy, in 1999 and 2000 budgets, would both encourage small business purchasing coalitions to develop (foundation contributions for start-up would be treated as made for "charitable purposes") and encourage small businesses that do not now offer coverage to join purchasing coalitions by providing a temporary 20 percent tax credit for their contribution.

- **Parents of children in SCHIP**. Over 80 percent of parents of uninsured children with income below 200 percent of poverty (about $33,000 for a family of four) are themselves uninsured. Moreover, research shows that children are much more likely to become insured when health insurance is also offered to their parents. This proposal, called FamilyCare, would invest $76 billion over 10 years to provide health insurance to the uninsured families. SCHIP would be expanded to provide higher Federal matching payments for expanding health insurance to parents of children eligible for or enrolled in Medicaid and SCHIP. FamilyCare would provide higher Federal matching payments for expanding coverage to parents; increase SCHIP allotments and make them permanent to ensure adequate funding for parents and their children; enroll parents in the same program as their children; cover lower income parents first; and require all states to cover parents below poverty by 2006. The proposal received 51 votes, including those of 6 Republicans, in the Senate in 2000, laying the groundwork for bipartisan support in 2001.

- **Additional children's health outreach proposals.** Studies confirm that complicated, long application processes for Medicaid and SCHIP discourage enrollment. While many states have recognized this and have simplified the process in SCHIP, not all states have carried over all of their SCHIP simplification strategies to Medicaid. To ensure that children do not fall through the cracks in states that have different rules and procedures for Medicaid and SCHIP, the President proposed to require that states conform certain Medicaid eligibility rules and procedures for children to the simplified rules and procedures used in SCHIP. If a state, in SCHIP: (1) does not require an assets test; (2) uses simplified eligibility requirements and a mail-in application; and (3) determines eligibility for SCHIP no more than once a year, it would need to apply these same rules and procedures for children in Medicaid. Both conforming Medicaid and SCHIP and these specific simplifications are recommended by the National Governors' Association as best practices. Over 40 states have already made Medicaid as simple as SCHIP

- **Children ages 19 and 20**. The highest rate of lack of insurance (29 percent) is among people ages 18 through 24 – in part, because these young adults lose access to Medicaid and SCHIP. To provide a new option for the 1.2 million low-income people ages 19 to 20, the President proposed new state options to extend Medicaid and SCHIP to them.

- **Medicaid buy-in for children with disabilities (Family Opportunity Act)**. Children with disabilities have special health care needs; they are three times more likely to be ill and use five times the number of hospital days as other children. Because private insurance is often inaccessible or unaffordable for people with disabilities, over 60 percent of the thousands of parents of children with special needs children are turning down jobs, raises, and overtime to keep their income low enough so that their children qualify for Medicaid. The Administration supported a modified version of the Family Opportunity Act (S. 2274) that would establish a new Medicaid buy-in option for children with disabilities in families with income up to 300 percent of poverty ($42,000 for a family of three). The bill had 78 cosponsors in the Senate in 2000, making it likely to pass in 2001.

- **Medicaid / SCHIP options for children and pregnant women who are legal immigrants**. Even though legal immigrants pay taxes like other citizens, children and pregnant women

who are legal immigrants are not eligible for health insurance through Medicaid or SCHIP for 5 years. This inequity created by welfare reform contributed to a 22 percent decline in Medicaid/SCHIP coverage of legal immigrant children between 1995 and 1999. Nearly half of immigrant children lack a regular source of health care, often ending up in expensive emergency rooms. The Administration introduced and supported bipartisan proposals to allow states the option of covering legal immigrant pregnant women and children.

Vetoed proposal to block grant Medicaid that threatened insurance coverage for millions (H.R. 2491). The President protected the Medicaid guarantee for children, elderly, pregnant women, and people with disabilities by vetoing the Republican proposal to block grant the Medicaid program in 1995.

STRENGTHENING MEDICARE AND MEDICAID

Medicare Payment Reforms

Enacted reforms that made Medicare more competitive, efficient and extended its solvency to 2025. When the President came into office, Medicare was projected to become insolvent in 1999. The President's 1993 economic package (Public Law 103-66, 8/10/93) included policy and structural changes that extended the life of the Medicare Trust Fund by at least three years. The Balanced Budget Act of 1997 (Public Laws 105-33, 8/5/97) contained major new Medicare reforms including a series of structural reforms which modernized the program, bringing it in line with the private sector and preparing it for the baby boom generation. These reforms: increased the number of health plan options; improved Medicare managed care payment methodology and informed beneficiary choice; implemented a prospective payment systems for skilled nursing home facilities, home health, and hospital outpatient departments; and adopted private-sector oriented purchasing. The Balanced Budget Act extended the life of the Trust Fund by an additional 10 years. Overall, the Administration's stewardship of Medicare has resulted in the longest Medicare Trust Fund solvency in a quarter century, extending the life of the Medicare Trust Fund by a total of 26 years to 2025. Additionally, Medicare premiums in 2000 were 20 percent below projections when the President took office.

Enacted legislation and took administrative actions to fight fraud and waste in Medicare (Public Law 104-191; 8/21/96). Since 1993, the President and Vice President focused unprecedented attention on the fight against fraud, abuse and waste in Medicare. Secretary Shalala launched Operation Restore Trust in 1993 to coordinate Federal, state, local and private resources. In 1996, a law created a new stable source of funding to fight fraud and abuse that is coordinated by the HHS Office of the Inspector General and the Department of Justice (Public Law 104-191; 8/26/96). In 1997 and 1998, the President issued several directives aimed at cracking down on abusive practices. And in 2000, 48 local Senior Medicare Patrol projects trained about 30,000 senior volunteers and aging network staff and educated 650,000 beneficiaries to identify and report suspected cases of fraud and abuse. In 2000, the HHS Inspector General recorded an estimated $1.2 billion in civil judgements, penalties and fines, bringing the total recovered to more than $3 billion since 1996. Since 1993, other efforts to prevent improper and wasteful spending have saved taxpayers an estimated $60 billion.

Enacted legislation to help remedy the reimbursement concerns of health care providers (Public Laws 106-113 and 106-554; 11/29/99 and 12/21/00). The Administration enacted Medicare, Medicaid and SCHIP legislation in 1998, 1999 and 2000 to address flawed policy and excessive payment reductions in the Balanced Budget Act (BBA) of 1997. The 1998 law addressed problems in the new home health payment system. The 1999 legislation invested an estimated $16 billion over 5 years to moderate the impact of the BBA by delaying reductions for a year. The legislation enacted in 2000 built on that investment by delaying the reductions for yet another year, investing about $35 billion over 5 years in rural, teaching and other vulnerable hospitals; home health agencies; hospices; nursing homes; other health care providers; and coverage improvements.

Improved Medicare's management. As part of its overall effort to strengthen Medicare, the Administration restructured the management of Medicare to ensure that it kept pace with the many changes in law and health care delivery. This included reorganizing the Health Care Financing Administration (HCFA) to focus on beneficiaries and outside patners like health plans, providers, and states. For the first time ever, HCFA created a Center for Beneficiary Services. HHS also reformed the Medicare coverage determination process to make it more open and accountable. HHS aggressively implemented an education campaign provide Medicare consumers with information about their Medicare+Choice options, Medigap policies, nursing homes among other items. Its award-winning www.Medicare.gov website receives over 1.3 million hits per month and its 1-800-MEDICARE toll-free number helps thousands of beneficiaries and families each month.

Medicare Benefits and Beneficiary Improvements

Enacted legislation to provide new preventive benefits to Medicare beneficiaries (Public Laws 106-113 and 106-554; 11/29/99 and 12/21/00). The President strongly advocated for improving Medicare's preventive benefits, which both improve seniors' health and reduce Medicare's costs. The Balanced Budget Act of 1997 made a number of improvements, including: waiving cost-sharing for mammography services; providing annual screening mammograms for beneficiaries age 40 and older to help detect breast cancer; establishing a diabetes self-management benefit; ensuring Medicare coverage of colorectal screening and cervical cancer screening (early detection of cancer can result in less costly treatment, enhanced quality of life, and, in some cases, greater likelihood of cure); and covering bone mass measurement tests to help women detect osteoporosis. The Medicare legislation passed in 2000 expanded Medicare's preventive benefits to include new nutrition therapy, glaucoma screening, and greater access to colon and cervical cancer screening. And, in commemoration of the 35th anniversary of Medicare, HHS launched a national outreach effort to encourage beneficiaries to take advantage of the preventive benefits Medicare covers.

Issued Executive Memorandum extending Medicare coverage of routine care costs of clinical trials. On June 7, 2000, the President issued an Executive Memorandum directing the Medicare program to revise its payment policy and immediately begin to explicitly reimburse providers for the cost of routine patient care associated with participation in clinical trials. HHS was directed to take additional action to promote the participation of Medicare beneficiaries in clinical trials for all diseases, including: activities to increase beneficiary awareness of the new coverage option; actions to ensure that the information gained from important clinical trials is

used to inform coverage decisions by properly structuring the trial; and reviewing the feasibility and advisability of other actions to promote research on issues of importance to Medicare beneficiaries. Vice President Gore was a strong proponent of this policy.

Enacted legislation to limit excessive cost sharing. The Clinton Administration advocated for and enacted legislation in 1997 that implemented a gradual phased-in reduction of the coinsurance for hospital outpatient department services to 20 percent. Subsequent legislation passed in 1999 and 2000 accelerated this phase-in so that by 2006 the coinsurance for an individual outpatient service will be no more than 40 percent and the average coinsurance for all outpatient services will be less than 40 percent (Public Laws 105-33, 106-113 and 106-554; 8/5/97, 11/29/99 and 12/21/00). The President also worked to reduce Medicare's cost sharing burden for low-income beneficiaries. He extended Medicaid's premium assistance program to beneficiaries with income up to 135 percent of poverty in 1997 (Public Law 105-33; 8/5/97). In July 1998, he launched an outreach campaign to enroll eligible low-income beneficiaries in cost sharing assistance programs by sending pamphlets to all 39 million beneficiaries; providing information on Social Security cost of living update notices; and counseling new Medicare beneficiaries about this assistance. And, in 2000, the President enacted a law that simplifies enrollment of low-income Medicare beneficiaries in cost-sharing assistance programs through a uniform application and outreach through Social Security (Public Law 106-554, 12/21/00).

Enacted legislation for early access to Medicare for people with Lou Gehrig's disease (ALS) (Public Law 106-554; 12/21/00). Even though life expectancy for patients with Lou Gehrig's Disease (amytrophic lateral sclerosis or ALS) is less than two years, patients must wait 24 months after being diagnosed with the disease before becoming eligible for Medicare. Because of the uniquely short time period between diagnosis and death, the President and Congress enacted legislation that waives the Medicare waiting period, permitting persons with ALS to receive needed health services immediately.

Enacted legislation removing the "homebound" restriction for certain beneficiaries, allowing them to continue to receive home health care (Public Law 106-554; 12/21/00). Previously, beneficiaries who left home on a regular basis –regardless of the reason -- were not considered homebound and therefore not eligible for Medicare's home health benefit. However, for homebound persons with Alzheimer's and related dementia, seeking treatment at adult day care facilities is critical for both the patient and the caregiver. This provision clarifies that beneficiaries may leave home to attend adult day care without affecting their homebound status and eligibility for Medicare home health benefits.

Prescription Drugs

Approved demonstration allowing Medicare beneficiaries to access Medicaid prescription drug discount. State Medicaid programs have access to a rebate for prescription drugs for the 40 million people to whom it provides comprehensive health insurance. This results in an average reduction in price of about 15 percent. The Administration approved Vermont's request to allow all Medicare beneficiaries in the state to access the prescription drug discount (not coverage) offered by Medicaid. This innovative approach will help this set of seniors and people with disabilities get prescriptions filled a lower prices, but will not solve the larger problem of lack of insurance coverage for prescription drugs in Medicare.

Enacted legislation to extend Medicare coverage of immunosuppressive drugs (Public Laws 106-113 and 106-554; 11/29/99 and 12/21/00). Previously, Medicare set time limits on how long it would pay for prescription drugs that help prevent rejection of transplants. The President enacted laws to lift the limits, providing permanent coverage for immunosuppressive drugs.

Enacted prescription drug reimportation legislation but insisted on necessary improvements to implement. The annual appropriations bill for the Food and Drug Administration (H.R. 4461) included a provision to allow U.S. manufactured prescription drugs to be reimported from other counties and sold at lower prices to Americans. The law requires that, prior to implementation, the Secretary of Health and Human Services demonstrate that this importation poses no additional risk to the public's health and safety and that it will result in a significant reduction in the cost of covered products to the American consumer. Secretary Shalala informed the President that she cannot make this certification without critical changes to the legislation to close loopholes and ensure the program's sustainability (12/27/00).

Enacted legislation providing military retirees with a prescription drug benefit (Public Law 106-398, 10/30/00). The Department of Defense authorization bill in 2000 created a prescription drug benefit for military retirees over age 65, providing them access to the military's retail network as well as a non-network pharmacy program. Eligible retirees pay copayments, a deductible in the non-network plan, and have no limits on coverage.

Medicaid

Enacted legislation to increase Medicaid's accountability and flexibility (Public Law 105-33, 8/5/97). The Balanced Budget Act of 1997 (BBA) included several provisions to modernize the Medicaid program and increase state flexibility. The BBA repealed the Boren Amendment, providing states with greater discretion in establishing their provider payment rates. It also eliminated the burdensome administrative standards for payment to obstetricians and pediatricians, freeing providers from completing up to 300 pages of paperwork before being able to be reimbursed for their services. It allowed states to implement managed care programs without Federal waivers as long as beneficiaries have a choice of plans. States are now permitted to enroll Medicaid beneficiaries in a health plan for up to six months and to guarantee Medicaid eligibility during this enrollment period. It established strong patient protections in Medicaid managed care and Federal guidelines for new state-based quality improvement programs.

Improved Medicaid program integrity. To provide strong financial management of Medicaid, the Administration took several steps to reduce overpayments and close financial loopholes. It initiated action to enforce to laws preventing provider taxes and donations, helping to close down a well-documented scheme for states to gain extra Federal funding at no cost to themselves. Similarly, in 2000, the Administration modified the Medicaid upper payment limit regulation (1/5/01). States had been using the flexibility under the original regulation to overpay public hospitals and nursing homes, generate higher Federal matching payments, and transfer some of that extra funding back to the state through intergovernmental transfers. This regulation will save the Federal government tens of billions of dollars.

Enacted legislation to ensure adequate Medicaid provider payments (Public Laws 106-113 and 106-554; 11/29/99 and 12/21/00). To address flawed payment policies in the Balanced Budget Act of 1997, the President enacted provisions in 1999 and 2000 to rationalize payments to Federally-qualified health clinics and increase state allotments and hospital-specific payment limits in the Medicaid Disproportionate Share Hospital (DSH) program.

Proposals

Proposed legislation to add a prescription drug benefit to Medicare. Both in 1993 (H.R. 3600) and in 1999 (S. 1928), the Clinton-Gore Administration introduced legislation to add a long-overdue prescription drug benefit to Medicare. The President's most recent proposal would establish a new voluntary Medicare "Part D" prescription drug benefit that is affordable and available to all beneficiaries. Its premium would cost about $25 per month in the first year; it would pay half of costs up to a limit; and no beneficiary would pay more than $4,000 on prescription drugs in a year. It would provide access to medically necessary prescriptions at a discount obtained through pooled purchasing power. The drug benefit would be managed in the same way that virtually all private benefits are managed. The plan would also provide financial incentives for employers to develop and retain their retiree health coverage.

Proposed new, comprehensive plan to strengthen and modernize Medicare for the 21st century. In response to the failure of the Medicare Commission to send consensus recommendations to Congress, the President developed his own plan to prepare Medicare for the 21st century. This historic initiative would:

- **Make Medicare more competitive and efficient.** The President's plan would replace the current complicated, statutorily set payment rate system for managed care with one that pays health plans based on price competition. Plans that offer the guaranteed Medicare benefits for less than the traditional program could pass along those savings to beneficiaries through lower premiums. The plan would also provide the traditional fee-for-service program with successful private-sector management tools to improve quality and efficiency.

- **Modernize Medicare's benefits, including a long overdue prescription drug benefit.** As stated previously, Medicare is one of the few insurance plans in the nation that does not include coverage of prescription drugs. The President's plan would add a voluntary, affordable prescription drug benefit to Medicare. The plan would also eliminate all cost sharing for preventive benefits, improving the use of these live-saving services.

- **Strengthening Medicare's financing for the 21st century.** The President's Medicare plan would strengthen the program and make it more competitive and efficient. However, no amount of policy-sound savings would be sufficient to address the fact that the elderly population will double from almost 40 million today to 80 million over the next three decades. Without new financing, excessive and unsupportable provider payment cuts or beneficiary cost sharing increases would be needed. The President proposal would dedicate $115 billion over 10 years from the non-Social Security surplus to the Medicare Trust Fund, improving its solvency. It would also take the Medicare trust fund "off-budget", essentially preventing its surpluses from being used for tax cuts or spending.

Proposed policies to make Medicaid more efficient. The Administration proposed a number of policies to improve Medicaid's program integrity, including treating generic drugs the same as brand-name drugs in the rebate program; creating a new enforcement penalty short of disallowances to improve Federal oversight; and modifying administrative cost payment methodologies to ensure that the Federal government does not pay twice for such costs.

Vetoed legislation to cap Medicare growth, raise premiums and undermine Medicare's guarantee. The 1995 Republican proposal (H.R. 2491) to reform Medicare would have: capped overall Medicare spending, undermining the promise of adequate and reliable health benefits for our nation's elderly; raised Part B premiums; increased cost sharing; and slashed payment for hospitals, teaching facilities, and other health care providers. The President vetoed this proposal.

BROADENING AND IMPROVING LONG-TERM CARE OPTIONS

Enacted and successfully implemented a comprehensive nursing home quality initiative. The Clinton Administration made ensuring the health and safety of nursing home residents a top priority and issued the toughest nursing home regulations in the history of the Medicare and Medicaid programs. It increased monitoring of nursing homes to ensure that they are in compliance; required states to crack down on nursing homes that repeatedly violate health and safety requirements; and changed the inspection process to increase the focus on preventing bedsores, malnutrition and resident abuse. The Administration also established the Nursing Home Compare website, which provides prospective consumers facility-specific information on nursing homes. Finally, the Administration recently instructed states to impose immediate sanctions, such as fines, against nursing homes any time that a nursing home is found to have caused harm to a resident on consecutive surveys, in order to put additional pressure on nursing homes to meet all health and safety standards. These efforts resulted in the Federal government imposing fives times as many fines on nursing home in 2000 as it did in 1996

Enacted legislation allowing the Federal employees to access private, group long-term care insurance. President Clinton worked with Congress to pass a proposal that allows approximately 13 million people – Federal, Postal Service, and military employees, retirees and certain relatives – to access private long-term care insurance. The Office of Personnel Management (OPM) will use its market leverage to offer them non-subsidized, high-quality private long-term care insurance at group rates. This proposal will provide employers a nationwide model for offering quality long-term care insurance.

Enacted legislation to provide consumer protections and tax incentives for private long-term care insurance (Public Law 104-191; 8/21/96). The President enacted legislation that took steps to make long-term care more affordable by (a) guaranteeing that employer-sponsored long-term care insurance receives the same tax treatment as health insurance and (b) implementing new consumer protections to assure that any tax-favored product meets basic consumer and quality standards.

Enacted the Family Caregivers Program (Public Laws 106-501 and 106-554; 11/13/00 and 12/21/00). A key component of the President's long-term care initiative, strongly advocated for by the Vice President, the National Family Caregiver Support Program invests $125 million to

support families who care for elderly relatives with chronic illnesses or disabilities. It provides funding to area agencies on aging, through states, to provide: quality respite care, counseling and other support services, and critical information about community-based long-term care services that help families care for their ailing elderly relatives.

Launched long-term care information campaign. Nearly 60 percent of Medicare beneficiaries are unaware that Medicare does not cover most long-term care. A $10 million nationwide long-term care education campaign, proposed by the President in 1998 and enacted in 1999, provides all 39 million Medicare beneficiaries -- including the 5 million beneficiaries with disabilities -- with critical information about long-term care options including: what long-term care Medicare does and does not cover; how to find out about Medicaid long-term care coverage; what to look for in a quality private long-term care policy; and how to access information about home- and community-based care services that best fit beneficiaries need.

Approved Medicaid waivers to help seniors and individuals with disabilities stay in their communities. The Clinton Administration has approved over 200 Medicaid home- and community-based waivers (1915(c)) nationwide, helping hundreds of thousands of people receive the critical health care services they need to function at home rather than requiring them to enter nursing homes in order to receive care.

Supported and enforced the Olmstead decision that promotes long-term care in community settings. In July 1999, the Supreme Court issued the *Olmstead v L.C.* decision that requires states to administer their services in the most integrated setting appropriate to the needs of people with disabilities. The Administration, which supported this decision, consulted with states and advocates and issued guidance on how to implement this decision. It has resulted in a significant improvement in access to home- and community-based services for people with disabilities.

Enacted Systems Change and other programs to promote deinstitutionalization and community services (Public Law 106-554; 12/21/00) The President and Vice President supported and enacted a on-year, $50 million grant program, which was part of the MiCASA bill, to fund intensive outreach efforts to education people with disabilities about the home-and community-based options available to them; create new one-stop shopping centers that streamline application and eligibility processes for services; and develop and implement strategies to modify state policy that results in the unnecessary institutionalization of people with disabilities. The same bill provided $25 million for nursing home transition grants that share a similar goal.

Proposals

Proposed state-based home and community-based long-term care program As part of the Health Security Act (H.R. 3600), President Clinton proposed a long-term care initiative that would have: created a new state grant program, funded at $58 billion over 5 years, for home and community-based services for people with disabilities; improved and expanded Medicaid institutional services; and provided tax incentives and quality improvements for private long-term care insurance (a similar version passed in Public Law 104-191).

Proposed tax credit for individuals with long-term care needs of all ages and their caregivers. In 1999 and 2000, President Clinton's budgets included an historic long-term care initiative whose centerpiece was a $3,000 tax credit for people with long-term care needs or their caregivers. This tax credit would support the diverse needs of families by compensating a wide range of formal or informal long-term care for people of all ages with three or more limitations in activities of daily living (ADLs) or a comparable cognitive impairment. It would provide needed financial support to about 2 million Americans, including 1.2 million older Americans, over 500,000 non-elderly adults, and approximately 250,000 children per year. The proposal, along with a tax deduction for private long-term care insurance, was endorsed by the health Insurance Association of America and the AARP, and has bipartisan support in the House and Senate (S. 2225), making it likely that it will become law in 2001.

Proposed tax credit for workers with disabilities. Recognizing that long-term care and other services are often needed for work, the President proposed a tax credit for workers with disabilities in 1999 and 2000 (as well as similar proposal in 1993). The $1,000 tax credit would provide a new incentive for approximately 200,000 to 300,000 people with disabilities to begin working and help those with jobs maintain them. It would complement the Work Incentive Improvement Act since it would be available even in states that do not take up the Medicaid buy-in option for workers with disabilities.

Proposed assisted living partnership between low-income housing programs and Medicaid. This proposal would provide $100 million in competitive grants to qualified low-income elderly housing projects (Section 202 projects) to convert some or all units into assisted living, so long as Medicaid home- and community-based services and services for non-Medicaid residents are readily available. As people living in these housing facilities age, their need for long-term care services rises, often leaving them with no choice but to move to a nursing home. This proposal would allow such people to "age in place" by funding the conversion of their units or the buildings that they live in into assisted living facilities.

Proposed additional policies to improve nursing home quality (9/16/00). Despite great strides made in nursing home quality, a recent study found that 50 percent of nursing homes do not maintain the minimum staffing levels necessary to ensure the delivery of quality care. The President proposed investing $1 billion over 5 years in a new state grant program to increase and reward adequate staffing levels; imposing immediate penalties on nursing homes endangering patient safety; investing Federal financial penalties levied against nursing homes endangering patients in the new grant program; providing the public with accurate information on staffing levels; and directing HCFA to establish national minimum staffing requirements within two years. This proposal gained bipartisan support, laying the groundwork for passage in 2001.

INVESTING IN HEALTH RESEARCH AND TRAINING

Enacted unprecedented investments in biomedical research at the National Institutes of Health. Funding for the National Institutes of Health (NIH) has almost doubled since its 1993 level of $10.3 billion, reaching an historic high of $20.3 billion in 2001, in part due to the leadership of the Vice President. NIH now supports the highest levels of research ever on nearly

all types of disease and health conditions, making new breakthroughs possible in vaccine development and use and the treatment of chronic and acute disease. Highlights include:

- Cancer. While the overall incidence and mortality rates for cancer declined over the past few years, death rates are still increasing for some forms cancer (e.g., liver and esophagus cancers), for some groups, and the overall number of Americans who develop cancer will increase as the population ages. The investment in the National Cancer Institute (NCI) increased from $2 billion in 1993 to $3.8 billion in 2001, funding state-of-the-art clinical trials on cancer prevention and treatment as well as studies on topics like: the role of genetics in cancer; the long-term effects of treatment for prostate cancer; how actions like using cell phones and smoking affect the risk of getting cancer; and why racial disparities in cancer incidence exist and how to reduce them. The President worked with the NCI to increase its focus on colorectal cancer, the second leading cancer killer in the U.S. (10/7/00). In 1996, he unveiled the Office of Cancer Survivorship to support research on survivors' issues.

- HIV/AIDS. Although AIDS deaths declined from more than 50,000 in 1995 to 16,000 in 1999, it remains one of the greatest public health threats, especially in Africa. NIH's HIV/AIDS research funding doubled, from $1.1 billion in 1993 to $2.2 billion in 2001. The investment in HIV vaccine research doubled between 1997 and 2001 alone.

- Human Genome Project. The Clinton-Gore Administration invested over $2.6 billion in this international project to discover all of the approximately 100,000 human genes and to determine the complete sequence of the 3 billion DNA sub-units. In 2000, researchers completed the first working draft of genetic blueprint for a human being, probably one of the most important discoveries in human biology.

- Diabetes. Approximately 16 million people nationwide have diabetes, a chronic disease with no cure that costs the health care system approximately billions annually. In 2000, NIH supported over $500 million in research on diabetes, with an emphasis on understanding and reducing racial disparities in the incidence of diabetes and preventing the progression of the disease. In addition, the President enacted in 1997 (Public Law 105-33, 8/5/97) and in 2000 a mandatory program that funds $100 million annually in research on juvenile or Type 2 diabetes (Public Law 106-554; 12/21/00).

- Alzheimer's Disease. Currently, four million Americans – the vast majority of whom are seniors – suffer from this progressive, degenerative brain disease. Because neither cause nor cure are known, the President urged NIH to focus on Alzheimer's disease, investing $50 million in the National Institute on Aging with a special focus on the development of a vaccine to prevent the disease in healthy adults (7/16/00).

Issued guidelines for stem cell research. Human pluripotent stem cells hold great promise for advances in health care because they can give rise to many different types of cells, such as muscle cells, nerve cells, heart cells and others. Further research using stem cells holds promise for treatments and possible cures for diseases like Parkinson's disease, diabetes, heart disease, multiple sclerosis and spinal cord injuries. The NIH developed guidelines for research involving

stem cells to assure that the ethical, legal and social issues relevant to stem cell research are addressed prior to NIH funding of it (8/23/00).

Launched new efforts to protect volunteers participating in clinical trials. On June 13, 2000, the President announced that HHS is taking new steps to strengthen Federal oversight and increase the accountability of researchers conducting clinical trials with human subjects in order to protect the safety of individuals participating in all clinical trials, including: (1) issuing guidelines stating that investigators must obtain new informed consent from participants after any unexpected death or serious adverse health event related to their clinical trial that may affect their willingness to participate; (2) issuing guidelines stating that Institutional Review Boards are expected to conduct an annual audit of safety protocols to ensure that informed consent has been obtained and is being maintained appropriately; (3) beginning a systematic evaluation of the informed consent process to ensure that it safeguards the rights of trial participants; (4) proposing new civil monetary penalties of up to $250,000 per individual and $1 million per institution to promote compliance with current regulations; (5) expanding human safety training requirements for researchers; and (6) taking initial steps to address financial conflict of interest issues. In 2000, HHS created a new Office for Human Research Protections to lead these efforts.

Increased funding to explore the environmental causes of disease. The President enacted a new $49 million research program to assist communities investigating unusual incidence of cancer or other diseases; identify regions of the country in which individuals are at increased risk of dangerous exposure to toxic substances; and ensure rapid evaluation of the impact of public health emergencies. The First Lady supported the development of environmental health labs.

Enacted legislation promoting research on children's health. (Public Law 106-310, 10/17/00). Recognizing the unique health problems of children, the Clinton-Gore Administration supported and enacted the Children's Health Act of 2000 that expands, intensifies, and coordinates research, prevention, and treatment activities for diseases and conditions like autism, diabetes, asthma, hearing loss, epilepsy, traumatic brain injuries, lead poisoning, and oral health.

Enacted funding increases for health services and quality research. The Administration more than doubled funding for research in the Agency for Healthcare Research and Quality (AHRQ), the National Center for Health Statistics, and other agencies that study and evaluate how health services are delivered and how to improve the quality of care. The President also enacted the law that reauthorized and renamed AHRQ, and established it as the lead Federal agency on quality of care research. The Agency has been fulfilling this function since 1998 through its leadership role in the Federal Quality Interagency Coordination (QuIC) Task Force. The President and Vice President established QuIC to ensure that all Federal agencies involved in purchasing, providing, studying, or regulating health care services are working in a coordinated way toward the common goal of improving quality of care (3/13/98). QuIC presented the President with a report on February 22, 2000 that recommended policies to improve patient safety similar to those of the Institute of Medicine.

Established Commission on Alternative Medicine. Each year, tens of millions of Americans receive alternative therapies. On March 8, 2000, the President ordered the creation of a White House Commission on Complementary and Alternative Medicine Policy. This 15-member

commission shall report to the President on legislative and administrative recommendations for assuring that public policy maximizes the benefits to Americans of complementary and alternative medicine. In addition, to hold complementary and alternative therapies to an appropriate standard of accountability, the Administration supported the creation of the National Center for Complementary and Alternative Medicine (NCCAM) on October 21, 1998. This center conducts basic and applied research, training, and disseminates health information and other programs with respect to identifying, investigating, and validating alternative medical treatments, diagnostic and prevention modalities, disciplines, and systems.

Enacted new program for graduate medical education in children's hospitals. President Clinton proposed, passed, and in 2001 invested $235 million in a new program to fund critical graduate medical education in children's hospitals. Since free-standing children's teaching hospitals do not serve the elderly, they qualify for almost no Federal Medicare support. This new program, strongly supported by the First Lady, moves towards leveling the playing field. It provides freestanding children's hospitals, which play an essential role in the education of the nation's physicians, with the funds for graduate medical education activities to be distributed on a per resident basis.

Enacted policies to improve Medicare medical education program and funding. The President increased and improved Medicare's graduate medical education funding. In 1997, he enacted a provision allowing hospitals to receive Medicare education funding for non-hospital providers and consortia of hospitals and medical schools (Public Law 105-33; 8/5/97). In 1999, he supported Congress in reducing the geographical inequities in the direct medical education system while holding current programs harmless. And in 1999 and 2000, he fought to secure a higher payment adjustment for indirect medical education, recognizing that teaching hospitals face disproportionate and growing costs (Public Laws 106-113 and 106-554; 11/29/99 and 12/21/00).

Encouraged health provider development in rural areas and for minorities. The President supported increased funding for National Health Service Corps to encourage health providers to practice in underserved communities, enacting an 11 percent increase in funding between 1999 and 2000 alone. More than 2,500 primary care clinicians were placed in health professional shortage areas through this program in 2000. The President also requested and received a $10 million increase in 2001 for the Health Careers Opportunity and Centers of Excellence programs that aim to increase the diversity and cultural competency of the nation's health workforce.

Proposals

Proposed creating broadly-funded trust fund for medical education. In his 1993 health reform proposal (H.R. 3600), the President and First Lady included a provision to reform the payment system for graduate medical education. Specifically, a new trust fund would have been created to make payments to qualified academic health centers or teaching hospitals. Funding for such payments would have come from the Federal Hospital Insurance Trust Fund and an assessment on private insurers.

Proposed Research Fund for America. In 1998, the President proposed to pool funding for a broad range of research organizations, including NIH, Centers for Disease Control and

Prevention, the National Science Foundation, the National Aeronautics and Space Administration, the Energy department, the Commerce Department's National Institute of Standards and Technology, Agriculture Departments research programs, the multi-agency Climate Change Technology Initiative and other programs. This would contribute to better coordination and targeted investments in cutting-edge research.

IMPROVING PUBLIC HEALTH

Promoting Safety and Quality

Enacted initiative to prevent medical errors and improve patient safety. To address recent reports that over half of adverse medical events are due to preventable medical errors, causing 98,000 deaths a year, the Administration launched a multi-pronged initiative aimed at improving patient safety (2/22/00). It created a new Center for Patient Safety and secured $50 million in funding for the Agency for Healthcare Research and Quality to pursue this research; developed a regulation requiring each of the over 6,000 hospitals participating in Medicare to have in place error reduction programs; took new actions to improve the safety of medications, blood products, and medical devices; created a mandatory reporting system in the 500 military hospitals and clinics serving over 8 million patients; and launched a nationwide state-based system of mandatory and voluntary error reporting, to be phased in over time. FDA received a 35 percent increase in funding for modernizing its adverse event reporting systems between 2000 and 2001. These efforts will help create an environment and a system in which providers, consumers, and private and public purchasers work to achieve the goal set by the Institute of Medicine (IOM) to cut preventable medical errors by 50 percent over five years.

Launched Food Safety Initiative. In 1997, the President announced the Food Safety Initiative, a comprehensive initiative to improve food safety and reduce foodborne illness. In 1998, he created the President's Council on Food Safety to strengthen coordination and planning across agencies. Funding for HHS efforts increased from $148 million in 1998 to $257 million in 2001, nearly a three-fourths increase. This funding allowed for increased FDA inspections of high-risk food production facilities and improved outbreak response, surveillance and public education by both the CDC and FDA. In addition to this initiative, the Administration published a landmark rule in 1994 that modernized the nation's meat and pultry inspection system for the first time in nearly 100 years by utilizing more science-based approaches to inspection. Funding for the Department of Agriculture's Food Safety and Inspection Service increased by over 40 percent between 1993 and 2001, to $697 million. As a result of these efforts, illness from bacterial food-borne pathogens decreased by 20 percent from 1997 to 1999. Salmonella declined 48 percent from 1996 to 1998.

Enacted initiative to protect Americans from bioterrorist attacks. Over the past three years, the Administration has marshaled substantial resources to deal with emerging threats relating to potential terrorist use of biological and chemical weapons. These efforts are part of a broader, multi-agency effort to address counter-terrorism. HHS funding for medical and public health preparedness related to these threats has increased from $16 million in 1998 to an estimated $331 million in 2001. Key components of the Administration's bioterrorism strategy include: establishing a medical stockpile of vaccines and therapeutics, improving vaccine research and

development, intensifying public health surveillance activities, conducing medical responder training and exercises, and supporting State and local governments to help prepare for potential bioterrorist threats. In addition, the President singed the Public Health Improvement Act in 2000 (Public Law 106-505, 11/13/00) which expanded HHS's authority to these conduct activities.

Issued regulation to ensure that consumers understand information on over-the-counter drug labels. The President released a historic new Food and Drug Administration regulation that, for the first time, requires over-the-counter drug products to use a new product label with larger print and clearer language, making it easier for consumers to understand product warnings and comply with dosage guidance (3/11/99). The new regulation provides Americans with essential information about their medications in a user friendly way and takes a critical step towards preventing the tens of thousands of unnecessary hospitalizations caused by misuse of over-the-counter medications each year.

Issued regulation that drug companies provide adequate testing for children. President Clinton ordered and implemented an important Food and Drug Administration regulation requiring manufacturers to do studies on pediatric populations for new prescription drugs – and those currently on the market – to ensure that prescription drugs have been adequately tested for the unique needs of children (8/13/97).

Enacted protections for consumers purchasing prescription drugs over the internet. The President included a new proposal in his FY 2001 budget to: establish new Federal requirements for all Internet pharmacies to ensure that they comply with state and Federal laws; create new civil penalties for the illegal sale of pharmaceuticals; give Federal agencies new authority to swiftly gather the information needed to prosecute offenders; expand Federal enforcement efforts; and launch a new public education campaign about the potential dangers of buying prescription drugs online. He enacted $10 million in 2001 to begin this important work.

Enacted historic comprehensive FDA reform that expedited the review and approval of new drug products (Public Law 105-115, 5/15/97). The President signed into law the 1997 FDA Modernization Act that includes important measures to modernize and streamline the regulation of biological products; increase patient access to experimental drugs and medical devices; and accelerate review of important new medications. This reform, which built on the Vice President's reinventing government effort, has led to faster U.S. drug approvals. Average drug approval times dropped since the beginning of the Administration from almost three years to less than 12 months at the same time that the average number of drugs approved has increased.

Improved funding for Consumer Product Safety Commission. The Consumer Product Safety Commission (CPSC) is an independent agency that helps keep American families safe by reducing the risk of injury or death from consumer products. CPSC safety standards annually prevent approximately 150 to 200 infant deaths from poorly designed cribs. Since 1993, financing for CPSC's efforts to develop voluntary safety standards, enforce mandatory standards, and recall harmful products has grown by 24 percent, from $42 million to $53 million in 2001.

Women's Health

Promoting reproductive health. The Clinton-Gore Administration, with the leadership of the First Lady, has taken strong steps to protect a woman's right to choose and promote women's reproductive health by securing historic increases and domestic and international family planning funding. Since the Clinton-Gore Administration took office, funding for domestic family planning services has increased by 46 percent, from $173 million in 1993 to $254 million in 2001. He has also reversed the gag rule, provided contraceptive coverage to more than a million women covered by federal health plans, and taken steps to ensure safe access to reproductive health facilities, including enacting the Freedom of Access to Clinic Entrances (FACE) law and launching a National Task Force on Violence Against Health Care Providers to coordinate the investigation of violence against women's health care clinics nationwide. In addition, President Clinton has: reversed the ban on the importation of RU-486 and threatened to veto a provision that would have prevented the FDA from using government funds to test, develop or approve drugs that may induce medical abortion, clearing the way for FDA approval of RU-486 based on the science; defeated Republican proposals to require minors to obtain parental consent prior to receiving any Title X family planning services; lifted the ban on federal funding for fetal tissue research; and upheld his veto of a bill banning so-called "partial birth" abortions, which would have undermined *Roe v. Wade* and jeopardized women's health

Launched initiative to reduce violence against women. The President and First Lady supported the Violence Against Women Act in 1994 and led efforts to reauthorized it in 2000. HHS played a major role in this effort, allocating $101 million for grants to battered women's programs; $15 million for programs to reduce sexual abuse among runaways, and $44 million for grants for rape prevention and education programs in 2001.

Mental Health

Held first-ever White House Conference on Mental Health (6/7/99). The Clinton Administration, under the leadership of the President's mental health advisor Mrs. Tipper Gore, held the first White House Conference on Mental Health. At this conference, the Administration took new action to ensure that the Federal Employees Health Benefits Plan (FEHBP) – the nation's largest private insurer – would implement full mental health and substance abuse parity; launched a national school safety training program for teachers and education personnel with the goal of reaching every school across the country; and initiated a $7.3 million study to determine the nature of mental illness and treatment nationwide and to help guide strategies and policy for the next century.

Issued historic Surgeon General reports on mental health. On December 13, 1999, the Surgeon General released the first-ever *Mental Health: A Report of the Surgeon General*, which found that one in five Americans is living with a mental health disorder, and that less than two-thirds of adults with severe mental illness receive treatment. This report not only raised public awareness but helped increase the Federal funding and focus on the challenge of improving mental health. In January 3, 2001, the Surgeon General released a report on the mental health of children, finding that 1 in 10 children and adolescents suffer from serious mental illness, yet fewer than 1 in 5 of these children receives needed treatment. The report outlined goals and

strategies to improve the services for children and adolescents with mental health problems and their families.

Enacted large investments in mental health prevention and treatment. In addition to promoting parity of mental health benefits in private health plans (see earlier description), the Clinton-Gore Administration made public mental health services a priority. Since 1993, funding for mental health services doubled, with mental health funding within the Substance Abuse and Mental Health Services Administration (SAMHSA) reaching $782 million in 2001. Between 2000 and 2001 alone, the President secured increases of $64 million for the Mental Health Block Grant, $25 million for new Targeted Capacity Expansion grants for early intervention and prevention and local capacity expansion; $9 million for children's mental health services, $6 million for grants to assist the homeless, and $5 million for grants to ensure protections for the mentally disabled against abuse and neglect.

Launched effort to ensure appropriate care for children. The First Lady launched the Administration's unprecedented public-private effort to ensure that children with emotional and behavioral conditions are appropriately diagnosed, treated, monitored, and managed by qualified health care professionals, parents, and educators. Federal actions included: (1) the release of a new, easy to understand fact sheet about treatment of children with emotional and behavioral conditions for parents; (2) a $5 million funding commitment by the National Institute of Mental Health (NIMH) to conduct additional research on the impact of psychotropic medication on children under the age of seven; (3) the initiation of a process at FDA to improve pediatric labeling information for young children; and (4) a national Surgeon General's Conference on Children's Mental Health: Developing a National Action Agenda on September 18 - 19, 2000. It also published a rule to prevent the inappropriate restraint and seclusion of children in inpatient psychiatric facilities. The rule establishes the right of an individual in one of these facilities to be free from restraints or seclusion for any purpose unless the restraint or seclusion is imposed by the written order of a physician to ensure the physical safety of the resident, a staff member, or others. Restraints and seclusion may never be used as a means of coercion, discipline, convenience, or retaliation.

Racial and Ethnic Minority Health

Launched new effort to eliminate racial health disparities. In 1998, President Clinton established the national goal of eliminating disparities in health status among racial and ethnic minorities in key areas by 2010. To reach this goal, the Administration launched a number of policies including: a major outreach campaign to send critical treatment and prevention messages to all Americans, with a special focus on reaching racial and ethnic minorities; launched a major new foundation / public sector collaboration to address disparities; and secured $38 million in 2001 for demonstration projects to better understand and address racial disparities. Through the Agency for Healthcare Research and Quality, the Administration invested more than $40 million annually in 2000 and 2001 to fund health disparities research. And, the President enacted the "Minority Health and Health Disparities Research and Education Act of 2000" (Public Law 106-525, 11/22/00) which, among other provisions, established the National Center on Minority Health and Health Disparities which will coordinate the NIH's over $1 billion annual investment in minority health and disparities research.

Enacted Minority HIV/AIDS Initiative. Although racial and ethnic minority groups account for only about 25 percent of the U.S. population, they account for more than 50 percent of all AIDS cases. To address this, the President launched the Initiative to Address HIV/AIDS in Racial and Ethnic Minority Communities. Together with the Congressional Black Caucus, he secured $357 million in 2001 – nearly a 40 percent increase over 2000 -- to expand minority HIV/AIDS activities across HHS. A major component of this effort is addressing the prevention and treatment needs of minority communities heavily affected by HIV/AIDS, through technical assistance and infrastructure support, increasing access to care, and building linkages to care outside of these communities. And the Office of Minority Health and Office of HIV/AIDS Policy at HHS collaborated to raise awareness and involvement of minority leaders and decrease the stigma associated with HIV/AIDS.

Enacted record increases in Indian Health Service funding. The Administration has demonstrated its commitment to addressing major health problems affecting Native Americans and Alaska Natives through a $1.2 billion or 58 percent increase in funding for the Indian Health Service (IHS) since 1993. This funding enabled IHS to improve the quality and access to basic medical care for Native Americans, and also target a number of health problems that disproportionately affect Native Americans. In addition, the Administration strongly supported the mandatory program that provided $30 million between 1998 and 2000 and $100 million annually for 2001 through 2003 for the IHS to treat Native Americans who suffer disproportionately from diabetes and its complications (Public Laws 105-33 and 106-554, 8/5/97 and 12/21/00). Finally, in August 2000, the President signed the Tribal Self-Governance Amendments of 2000, establishing a permanent authority for IHS to enter into compacts with tribal governments which will give them greater flexibility to administer their health programs.

HIV/AIDS

Enacted funding increases for HIV/AIDS prevention and treatment. President Clinton has worked hard to invigorate America's response to HIV and AIDS, providing new national leadership, greater resources and a closer working relationship with affected communities. To lead this effort, the President created the Office of National AIDS Policy in the White House as well as a Presidential Advisory Council on HIV-AIDS. Funding for HIV prevention increased by over 50 percent, to $788 million. Funding for the Ryan White CARE Act has increased by over 338 percent. In addition, the President signed into law the reauthorization of the Ryan White Care Act (Public Law 106-345, 10/20/00) that modernizes this critical program. These efforts have show results. In 1996, for the first time in the history of the AIDS epidemic, the number of Americans diagnosed with AIDS declined. There was a 70-percent decline in HIV/AIDS mortality since 1995. While AIDS was the eighth leading cause in 1996, it dropped out of the top 15 causes of death by the end of the Administration. The rate of newly reported HIV/AIDS cases in infants due to perinatal transmission dropped by 73 percent.

Led global fight against HIV/AIDS. In 1999, the Administration established the Leadership and Investment in Fighting an Epidemic (LIFE) Initiative, an interagency effort to combat the spread of HIV/AIDS overseas. Under President Clinton, the U.S. tripled funding for international AIDS programs in just two years -- to $466 million in FY 2001 -- for prevention, care and treatment, and health infrastructure. The U.S. invested more than $1.4 billion in international AIDS programs since the start of the epidemic. In addition, President Clinton

signed an Executive Order on May 10, 2000 to help make HIV/AIDS-related drugs and medical technologies more affordable and accessible in beneficiary sub-Saharan African countries, and the Peace Corps will begin training of all 2,400 volunteers in Africa as AIDS educators.

Approved Medicaid waivers to expand access to care for people with HIV/AIDS . While early intervention with AIDS-fighting drugs can slow the progress of the disease and increase life expectancy, its costs are prohibitive and Medicaid eligibility is limited to those who have full-blown AIDS. On February 4, 2000, with encouragement from the Vice President, HCFA approved a new Medicaid demonstration in Maine to provide coverage, early intervention and treatment to people in need who are HIV-positive but not otherwise eligible for Medicaid. This demonstration is intended to prove that early intervention is cost effective as well as critical to improving health. On May 31, 2000, HHS sent a letter to all states encouraging them to launch this type of demonstration. In January 2001, similar proposals from Massachusetts and DC were approved. And, the Jefford-Kennedy law funded a new type of demonstration that would, similarly, assess how caring for people whose disability is not yet so severe as to cause major limitations improves health and reduces costs.

Compensated hemophiliacs with HIV/AIDS through transfusions (Ricky Ray Hemophilia Fund). The President enacted the authorization and appropriation for $665 million for the Ricky Ray Hemophilia Relief Trust Fund, which provides one-time payments of $100,000 to Americans with hemophilia who were infected with HIV by blood during the 1980s.

Tobacco

Launched unprecedented campaign to prevent teen smoking. The Administration undertook concerted, comprehensive efforts reduce smoking, particularly among children. The President's final budget achieved $100 million in funding for the CDC's tobacco education and control efforts – a tenfold increase since 1993. In addition, the Administration supported raising the price of cigarettes and other tobacco products since public health experts agree that this is the single most effective way to cut youth smoking. In 1997 (Public Law 105-33, 8/5/97), the President and Congress increased cigarette excise taxes by 10 cents per pack, with an additional five-cent increase in 2002. The Administration, in its last three budgets, advocated for higher price increases. Higher prices contributed to the 30 percent drop in smoking rates among eight graders between 1996 and 2000.

Supported regulation of tobacco by the FDA. In 1995, the Administration and the FDA wrote strong, effective rules to prevent children under age 18 from buying any tobacco product, anywhere in the U.S. The FDA was also prepared to end tobacco advertising aimed at young people. In March 2000, the Supreme Court ruled that the FDA must have explicit authorization from the Congress before it can regulate tobacco. In response, the Administration urged the Congress to give the FDA this authority.

Initiated Justice Department litigation against tobacco companies. The Administration pursued litigation against tobacco manufacturers for deceiving the public about the dangers of smoking. This lawsuit, similar to the state lawsuit that resulted in a multi-billion dollar settlement, is part of a continuing effort to hold tobacco companies accountable for their conduct. Funding was secured for this effort in both 2000 and 2001.

Other Initiatives

Launched effort to increase childhood immunizations. Concerned that too few children were receiving much-needed vaccinations, the President and First Lady launched a major childhood immunization effort to increase the number of children who were being immunized. As part of this initiative, the Administration established the Vaccines for Children (VFC) program to ensure the availability of recommended vaccines for low-income children. Since 1993, the Administration has tripled funding for childhood immunization from $341 million in 1993 to over $1 billion in 2001. In addition to funding, the Administration has promoted other policies to improve immunization. For example, on December 11, 2000, the President issued an executive memorandum to direct WIC clinics to screen and refer children to immunization program. Since 1993, childhood immunization rates have reached all-time highs, with 90 percent or more of America's toddlers receiving critical vaccines for children by age 2. Vaccination levels are nearly the same for preschool children of all racial and ethnic groups, narrowing a gap estimated to be as wide as 26 percentage points a generation ago.

Launched new initiative to fight childhood asthma (1/28/99). First Lady Hillary Rodham Clinton unveiled a new Administration initiative to fight childhood asthma through a comprehensive national strategy that includes new efforts to: (1) implement school based programs that teach children how to effectively manage their asthma; (2) invest in research to determine environmental causes of asthma and to develop new strategies to reduce children's exposure to asthma triggers; (3) provide funds to states and providers to help them implement effective disease management strategies that will insure we lower hospitalizations, emergency room visits and deaths from asthma; and (4) conduct a new public information campaign to reduce exposure to asthma triggers and dust mites.

Launched effort to increase organ donation nationwide. President Clinton and Vice President Gore launched the National Organ and Tissue Donation Initiative in December 1997. During 1998, HHS issued a new regulation requiring hospitals to notify organ procurement organizations (OPOs) of all deaths and imminent deaths in order to ensure that opportunities for donation are not overlooked. As a result, organ donation increased 5.6 percent, resulting in the donation of an additional 17,000 organs to individuals in desperate need – the first substantial increase since 1995. In 2000, HHS implemented improvements in the nation's organ transplant system aimed at enabling the transplant network to operate in the fairest and most medically effective way possible for patients. It also formed an Advisory Committee on Organ Transplantation to review new proposals. HHS worked with health care organizations, faith organizations, educational organizations, state partners, and donor and recipient groups to educate the public about the importance of organ donation. In addition, the Federal government is educating its employees about donation, in order to serve as a model for other employers. With assistance from the Office of Personnel Management, HHS provided donation materials to over 100 Federal agencies for employees, including donation messages on pay stubs and full-page donation ads in the Federal health plan catalog for the past two years.

Increased health clinic funding and created the Community Access Program. Consolidated Health Centers (CHCs), a network of about 700 clinics, provide preventive and primary care services to over 9 million patients in the poorest rural and inner city areas. Funding for CHCs increased by over 70 percent, from $683 million in 1993 to $1.169 billion in 2001. In addition,

the Administration proposed and enacted a new program, called the Community Access Program (CAP), to promote integrated systems of care for the uninsured through coordination between public hospitals, health centers, and other community-based providers. It also aims to increase the number of services delivered and establish accountability in the system to assure adequate patient care. The President secured $125 million for this program for 2001.

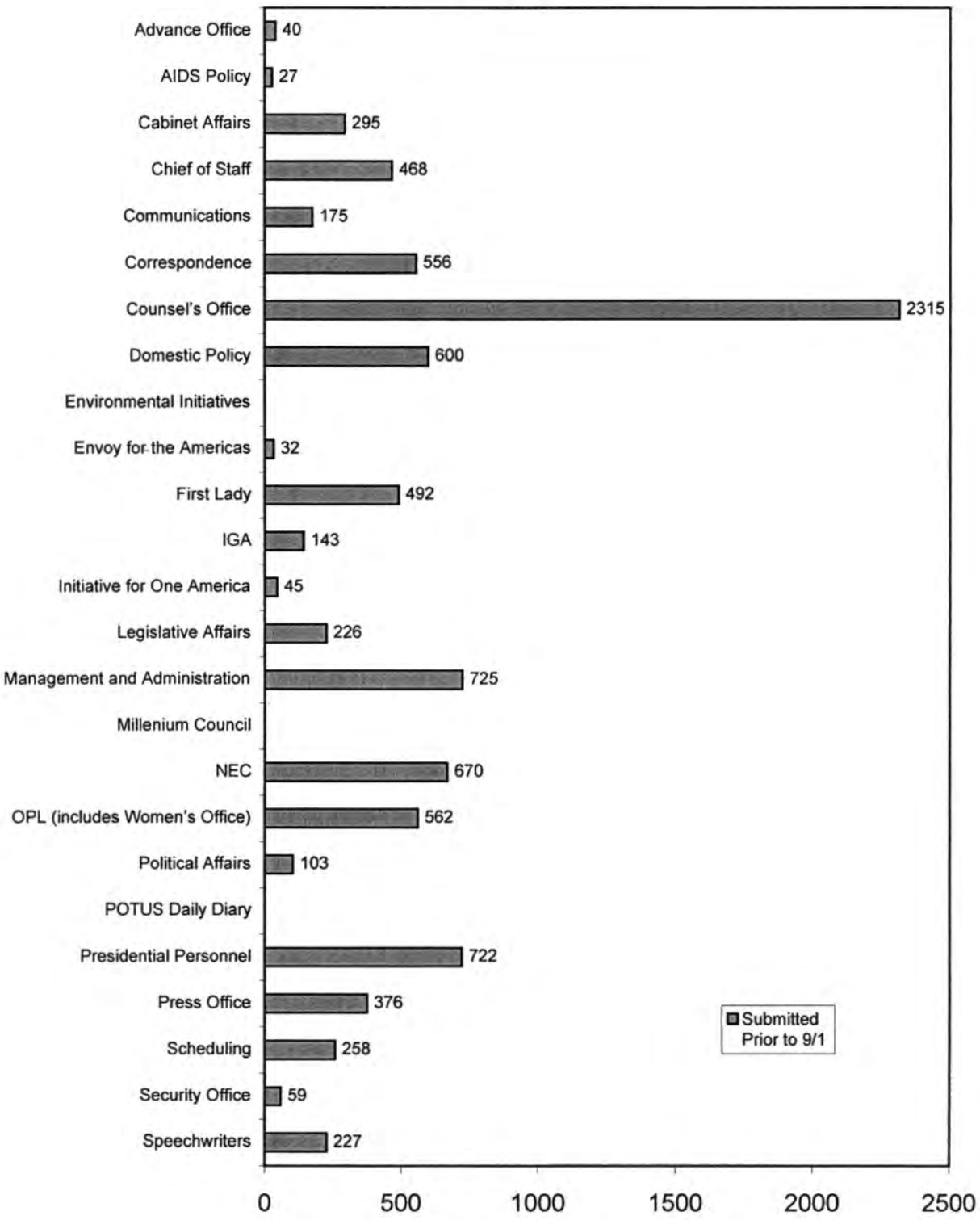
Expanded substance abuse prevention and treatment. Funding for substance abuse treatment and prevention services increased by $501 million or 31 percent since 1993. The Substance Abuse Block Grant's $2.1 billion in 2001 will enable states to provide over 1.6 million people with services. In addition, funding increased for Targeted Capacity Expansion grants that help communities address gaps in substance abuse services for emerging areas of need. While national levels of illicit drug use among 12 to 17 year olds increased from 1992 until 1997, a combination of Federal, state and local investments in treatment and prevention contributed to a 21-percent decline in that population's rate of use between 1997 and 1999.

Improved workplace safety. Complementing strong efforts at the Department of Labor – which contributed to a 21 percent drop in the rate of occupational injury and illness rate between 1993 and 1998 --, funding for efforts to improve worker safety at the National Institute for Occupational Safety and Health (NIOSH) increased during this Administration. The National Occupational Research Agenda (NORA) alone received a 19 percent between 2000 and 2001 to expand worker safety research. The Agency for Healthcare Research and Quality will complement NIOSH's work with $10 million in 2001 to fund worker safety research in health care organizations.

ENDNOTES

[1] National Center for Health Statistics. (July 2000). *Health, United States, 2000.* Hyattsville, MD: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.
[2] National Center for Health Statistics. (July 2000). *Health, United States, 2000.* Hyattsville, MD: U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.
[3] Centers for Disease Control and Prevention. (July 7, 2000). National, State and Urban Area Vaccination Coverage Levels Among Children Ages 19-35 Months -- United States 1999. *Morbidity and Mortality Weekly*, Vol 49, No 26;585.
[4] Office of Management and Budget. (January 2001). *FY 2002 Economic Outlook, Highlights from FY 1994 to FY 2001, FY 2002 Baseline Projections.* Washington, DC: Executive Office of the President.
[5] Johnston, L.D., O'Malley, P.M., & Bachman, J.G. (2000, December 14). National press release, "Cigarette use and smokeless tobacco use decline substantially among teens." University of Michigan News and Information Services, Ann Arbor, 15 pp.
[6] Office of Management and Budget. (January 2001). *FY 2002 Economic Outlook, Highlights from FY 1994 to FY 2001, FY 2002 Baseline Projections.* Washington, DC: Executive Office of the President.
[7] National Cancer Institute. (May 14, 2000). *Annual Report to the Nation on the Status of Cancer, 1973-1997.*Bethesda, MD: U.S. Department of Health and Human Services, National Institutes of Health.
[8] HHS Fact Sheet. (December 1, 2000). *Clinton Administration Record on HIV/AIDS.* Washington, DC: U.S. Department of Health and Human Services.
[9] Census Bureau. (September 2000). *Health Insurance Coverage 1999.* MD: U.S. Department of Commerce, Current Population Survey; P60-211.
[10] Health Care Financing Administration. (January 2001). State Children's Health Insurance Program (SCHIP) Aggregate Enrollment Statistics for the 50 States and the District of Columbia for Federal Fiscal Year (FFY) 2000. Washington, DC: U.S. Department of Health and Human Services.
[11] Office of the Assistant Secretary for Policy (January 2001). *Balancing the Needs of Families and Employers: The Family and Medical Leave Surveys 2000 Update.* Washington, DC: U.S. Department of Labor.
[12] Presidential Executive Memorandum. (2/20/98). "Federal Agency Compliance with the Patient Bill of Rights."
[13] Pear R. (December 4, 2000). "U.S. Toughens Enforcement of Nursing Home Standards." *The New York Times*; 1.
[14] HHS Fact Sheet. (December 31, 2000). *HHS in 2000: A Year of Achievements.* Washington, DC.: U.S. Department of Health and Human Services.
[15] Office of Management and Budget. (January 2001). *FY 2002 Economic Outlook, Highlights from FY 1994 to FY 2001, FY 2002 Baseline Projections.* Washington, DC: Executive Office of the President.
[16] *2000 Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund.*
[17] Office of Management and Budget. (January 2001). Historical Tables.
[18] White House Fact Sheet. (7/20/00). "President Clinton Warns Governors that Congress Risks Nation's Fiscal Discipline." White House Press Office.
[19] Medicare Trustees. (1993; 2000). *Annual Report of the Board of Trustees of the Federal Hospital Insurance Trust Fund.*
[20] HHS Fact Sheet. (December 31, 2000). *HHS in 2000: A Year of Achievements.* Washington, DC.: U.S. Department of Health and Human Services.
[21] Impact analysis of the regulation (8/11/00).

Boxes of Presidential Records Submitted to ORM Prior to 9/1



WHO Records Management

11/9/2000
10:04 AM

Barbara
pls make Dave
copy to me
then
ORM
1-18-01

nalysis of Election 2000
, 2001 11:09:49 PM

1-18-01

ally well done

Forwarded Message:

Subj: Fwd: Galbraith's Analysis of Election 2000
Date: Thursday, January 11, 2001 8:31:08 PM
From: Ekatz123
To: Ekatz123

The best piece(I think) on the election since its end...

Dave Rothenberg
MDLinx.com, Inc.
316 F Street, NE Suite 200
Washington, DC 20002
Tel. 202.543.6544 Fax 202.543.6674
http://www.MDLinx.com

Date: Sat, 6 Jan 2001 12:26:33 -0500
Subject: Galbraith's Analysis of Election 2000

Galbraith's Analysis of Election 2000

Corporate Democracy; Civic Disrespect by John K. Galbraith

With the events of late in the year 2000, the United States left behind constitutional republicanism, and turned to a different form of government. It is not, however, a new form. It is, rather, a transplant, highly familiar from a different arena of advanced capitalism. This is corporate democracy. It is

a system whereby a Board of Directors--read Supreme Court - selects the Chief Executive Officer. The CEO in turn appoints new members of the Board. The shareholders, owners in title only, are invited to cast their votes in periodic referenda. But their franchise is only symbolic, for management holds a majority of the proxies. On no important issue do the CEO and the Board ever permit themselves to lose.

The Supreme Court clarified this in a way that the Florida courts could not have. The media have accepted it, for it is the form of government to which they are already professionally accustomed. And the shameless attitude of the George W. Bush high command merely illustrates, in unusually visible fashion, the prevalent ethical system of corporate life.

Al Gore's concession speech was justly praised for grace and humor. It paid due deference to the triumph of corporate political ethics, but did not embrace them. It thus preserved Gore for another political day -- the obvious intention. But Gore also sent an unmistakable message to American democrats: Do not forget.

It was an important warning, for almost immediately forgetting became the media order of the day. Overnight, it became almost un-American not to accept the diktat of the Court. Or to be precise, Gore's own distinction became holy writ: One might disagree with the Court, but not with the legitimacy of its decision. Press references from that moment forward were to President-elect Bush, an unofficial title and something that the Governor from Texas (President-select? President-designate?) manifestly is not.

The key to dealing with the Bush people, however, is precisely not to accept them. Like most Americans, I have nothing personal against Bush, Dick Cheney, nor against Colin Powell and the others now surfacing as members of the new administration. But I will not reconcile myself to them. They lost the election. Then they arranged to obstruct the count of the vote. They don't deserve to be there, and that changes everything.

They have earned our civic disrespect, and that is what we, the people, should accord them. In social terms, civic disrespect means that the illegitimacy of this administration must not be allowed to fade from view. The conventions of politics remain: Bush will be president; Congress must

work with him. But those of us outside that process are not bound by those conventions, and to the extent that we have a voice, we should use it.

In political practice, civic disrespect means drawing lines around the freedom of maneuver of the incoming administration. In many areas, including foreign policy, there will be few major changes; in others such as annual budgets and appropriations, compromises will have to be reached.

But Bush should be opposed on actions whose reach will extend beyond his actual term.

First, the new president should be allowed lifetime appointments only by consensus. The public should oppose -- and 50 Senate Democrats should freely block -- judicial nominations whenever they carry even the slightest ideological taint. That may mean most of them, but no matter. And as for the Supreme Court especially, vacancies need not be filled.

Second, the Democrats should advise Bush not to introduce any legislation to cut or privatize any part of Social Security or Medicare.

Third, Democrats should furiously oppose elimination of the estate tax a social incentive for recycling wealth to the non-profit sector, to foundations and universities, that has had a uniquely powerful effect on the form of American society. Once gone, this ingenious device will never be reenacted.

Fourth, the people must unite to oppose the global dangers of National Missile Defense -- a strategic nightmare on which Bush campaigned -- that threatens for all time the security of us all.

Fifth, Congress should enact a New Voting Rights Act, targeted precisely at the Florida abuses. This should stipulate: mandatory adoption of best-practice technology in all federal elections; a 24-hour voting day; a ban on private contractors to aid in purging voter rolls; and mandatory immediate hand count of all under-votes in federal elections.

With those steps taken, Democrats must also recognize and adapt to the new
political landscape that emerged from this election. Outside of Florida,

Democrats are finished in the South. But they have excellent prospects of consolidating a narrow majority of the Electoral College -- so long as, in the next election, there is no Ralph Nader defection.

What can prevent such a thing? Only a move away from the main Clinton compromises that so infuriated the progressive left. Nader's voters were motivated passionately by issues like the drug war, the death penalty,

consumer protection and national missile defense -- issues where New Democrats took Republican positions in their effort to woo the South. Clinton the Southerner succeeded at this -- but against Republicans who were only weakly "Southern" at best. Gore, on the other hand, was principally a Northern candidate, strongly backed by the core Democrats, who ran against, and defeated so far as ballots were concerned, a wholly Southern Republican. Future Republicans almost surely also be "Southern," for that is where the base of the party now lies. And future Democrats, if they are Northern candidates too, can beat them -- all the more so if they bring the Greens back into the Democratic fold.

In short, Al Gore's campaign proved that there is an electoral majority in the United States for a government that is truly a progressive coalition, and not merely an assemblage of sympathetic lawyers, professors and investment bankers. Rather, Americans will elect a government that firmly includes and effectively represents labor, women, minorities -- and Greens.
This is the government we must seek to elect --if we get another chance. And for that, the first task is to assure that the information ministries of our new corporate republic do not successfully cast a fog of forgetting over the crime that we have all just witnessed, with our own eyes.

This article will appear in the Texas Observer.

1-18-01

POTUS Meeting (12/21/00)-POTUS EXIT PRIORITIES

Priorities	Proposed Dates
Breast Cancer Event	January 4
Meeting with Democratic Arkansas Delegation	January 4
Armed Forces Review/Potus Tribute	January 5
Speak at Foundry Methodist Church	January 7
Israel Policy Forum Gala Dinner	January 7
Remarks to DNC Staff	January 8
Presidential Historian Dinner	January 8
FDR Statue Dedication	January 10
National Service Event/DC MLK Day Celebration	January 15
Jim Harmon	
Ted Widmer	January 3
David Hamburg	
Bill Alexander	
John Carlin	
Felix Rohatyn	
Arthur Levitt	

Travel	Proposed Dates
Possible Travel for a rally or economic speech	January 9
Travel to New Hampshire for Social Progress Speech	January 11
Travel to Arkansas and State TBD (T) for Rally	January 17
Possible Foreign Travel	

Outstanding Issues	Proposed Dates
Monuments announcements & Race Speech	
Meeting with Kofi Annan (30mins)	
Holocaust Assets Commission Final Report Photo-op	
Meeting with Beth Coulson, Rex and Buddy Sutton	
Meeting with Sid Blumenthal	
Portrait Presentation of POTUS and the Pope	January 4
OTR Visit to Zoo to see Pandas	
1.5 hr taping for Library Taping	
Drop by Dorothy Height Event	January 10
Library Dinner	January 10
DNC Tribute Dinner	
Farewell address or Farewell Press Conference	
Final Radio address-taped or live?	January 19 or 20
Potus/Flotus Last Flight and Staff Farewell	January 20

Interviews

Interview w/Joe Conason
Interview w/Geraldo

Phone call interview w/ Charles Haar, Suburbs Under Siege: Race, Space and Audacious Judges
Helen Thomas
The Golf Channel
WGN News Interview
National Public Radio
Mark Knoller

Stanley K. Sheinbaum

Fax

1-18-01

To: Nancy Hernreich **From:** Stanley K. Sheinbaum

Fax: **Pages:** 4

Phone: **Date:** 01/17/01

Nancy,

Thank you for passing this on to the President.

Condoleeza Rice as interviewed by Nathan Gardels, Editor, *New Perspectives Quarterly*. Already distributed by NPQ/Global Viewpoint, Syndication of the *Los Angeles Times*.

copied
Berger
Podesta

345 North Rockingham Avenue Los Angeles California 90049-2635
Telephone (310) 472-9541 FAX (310) 476-9853 e-mail: sks345@aol.com

George W's Worldview

CONDOLEEZA RICE is the new national security adviser to George W. Bush, the president of the United States. Rice served on the National Security Council as a Soviet expert and is formerly the provost of Stanford University. She spoke with *NPQ* editor Nathan Gardels at Stanford University in the Fall.

National Missile Defense

NPQ | The clear sense one gets from the George Bush foreign policy team is that a "national missile defense" (NMD) system should replace the morally troubling Cold War doctrine of "mutually assured destruction" (MAD) as a deterrent among nuclear powers. This sounds like Kosygin defending Moscow's missile defense system to Johnson in 1967 by saying "defense is moral, offense is immoral."

Does Bush propose to replace MAD with NMD?

CONDOLEEZA RICE | Since no missile defense system can stop thousands of nuclear warheads from Russia, deterrence based on mutual vulnerability will be with us for a while. But that is a given from the Cold War, not a choice we can make. What we are trying to say is that we should no longer embrace vulnerability as some kind of moral cause.

But the missile defense we propose is aimed at the much more limited threat of rogue states and, perhaps, unauthorized launch. Nobody is arguing that this is going to be a shield against the Russians.

If the Chinese have no intention of threatening the US, then NMD is something that should not threaten the Chinese. Nuclear blackmail of the US is not something an American president should be willing to accept.

NPQ | Except the Russians, of course, who fear it may ultimately evolve into a space-based system that might be effective against their arsenal, thus depriving them of their deterrent. What do you say to the Russians?

RICE | The first thing I would say to the Russians is that we have moved out of the situation in which we are enemies trying to deter massive nuclear strikes.

I used to do nuclear targeting during the Cold War. In those days we weren't worried that the Soviet general staff would get up one day and launch a strike out of the blue. We worried that our conventional inferiority in Europe could lead to an escalation of some European conflict that would trigger nuclear war. But all these scenarios in which we worried about this very finely tuned balance between the US and the Soviet Union have disappeared.

So, what we are arguing is that if you can put together both the missile defense idea and the nuclear offensive forces reduction, it is possible to build a new strategic relationship with the Russians that recognizes that the politics of the Cold War which led to scenarios of conflict are also dead.

NPQ | What would you say to the Chinese, who fear NMD will undermine their deterrent capability?

RICE | If the Chinese have no intention of threatening the US, then NMD is something that should not threaten the Chinese. Nuclear blackmail of the US is not something an American president should be willing to accept.

NPQ | So, Chinese and Russian opposition to NMD won't give a Bush administration pause to proceed as it has Clinton?

RICE | Gov. Bush has said he will engage in diplomacy. He will try to convince the Russians and Chinese that we are not trying to gain advantage through NMD but to defend ourselves against the emerging threat of rogue states or accidental launch. He is pretty confident in his ability to make headway, given that even (Russian president Vladimir) Putin has admitted there is an emerging threat.

In the final analysis, you have to do what you have to do. But that does not mean on day one in the White House we will say "too bad" if you disagree. Diplomacy will be given a chance, not just with China and Russia, but also with our allies.

NPQ | If Putin shares the Bush view of the threat, might a Bush administration share NMD with Russia?

RICE | There are certainly possibilities for sharing. The question is sharing what. Do we share information and warnings, or do we share the actual system? That is a matter for discussion.

Few people remember that, at the end of the Bush (senior) administration, there were incipient talks with the Russians about a global shared system. I would hope that we can look again at some of the ideas that emerged from those conversations.

The extent to which we can share with the Russians depends on their proliferation behavior. You can't share defensive technologies with the Russians if they are proliferating the offensive technologies to the very states that worry us.

World View

NPQ | How do you respond to the criticism that Bush has surrounded himself with people like you or Dick Cheney who are experts in the "last war"—that is, the Cold War and the Gulf War—but who don't understand the new world of virulent global capital flows, the Internet and, above all, the task of being the sole superpower that must manage the *weakness* of Russia, China and Japan, not confront their strength?

RICE | People move on. Dick Cheney has been CEO of Halliburton, which has been involved in ventures in Russia. I've been provost at Stanford, where we have had more than a little bit to do with the information revolution. And I am a director of several corporations that have a lot of business abroad.

I agree that the great danger from Russia is not its strength but its weakness. I don't think that is the case with China. The issue there is managing its emergence as a great nation, transforming both domestically and on the international front. A conflict with Taiwan could significantly destabilize the already bumpy road for China entering the world economy.

Without doubt, the overarching opportunity of this period is that most countries of the world are trying to find their place in the international economy. Some are going to be more successful at it than others because of the domestic structures. There is going to be a fairly large shake-up in international politics coming out of the shake-up in the globalizing economy.

One can imagine some countries that have been extremely successful in the old world, but that can't get it together to take advantage of the knowledge economy, will be greatly weakened. This could possibly be the case with Japan, though I think the Japanese will ultimately get there. I wouldn't bet against the Japanese. Europe, potentially, has the greatest problem.

There is going to be a fairly large shake-up in international politics coming out of the shake-up in the globalizing economy.

And then there are emerging countries like India that we have tended to think of as only a nuclear problem. Yet, it is emerging as a potential power in the knowledge economy.

None of this means we can afford not to pay attention to rogue states, such as North Korea or Iraq under Saddam Hussein, most of which have no future in the bright new knowledge economy. But it does mean you pay a lot of attention to free trade and to Latin America.

The deck has been reshuffled.

NPQ | You have criticized the Clinton administration for its "911" (emergency call) policy of putting US troops at risk in far-flung places where the US interest is not clear.

As the sole superpower charged with keeping the global peace, what do you propose if, say, Burundi faces a genocidal conflict like Rwanda did?

RICE | The first option is better early warning. The real goal is to strengthen our relationship in working with regional powers. The key role of the Australians in East Timor is a good example, though it would have been useful to put such a force in place ahead of time, knowing well in advance that the results of referendum [*on independence—ed.*] would have been resisted. Training Nigerian troops for peacekeeping in Sierra Leone is also a good example. So, it is both early warning and working with regional powers.

United Nations

NPQ | Do you support the idea, as the Clinton administration did, of a permanent, well-funded, well-trained United Nations intervention force as UN Secretary General Kofi Annan has proposed?

RICE | I find it hard to believe that this idea will ever get off the ground. It is hard to imagine the UN mechanism working very effectively. By far the more effective alternative is regional powers willing to police their own regions.

This idea of a permanent peacekeeping force has been around for a long time. There are real reasons it has never gotten off the ground—mainly because very few countries are willing to cede that much capacity to the UN. And it is not clear what mechanism the Secretary General would use to deploy, or not deploy, especially given that most conflicts today are civil wars. The whole thing is overly complicated.

NPQ | The current US ambassador to the UN, Richard

Holbrooke, says "the UN is flawed, but indispensable" and that "the US wants to reform the UN in order to save it." Do you agree?

RICE | Yes, that is right. I agree.

NPQ | What do you make of the so-called interventionist "Annan Doctrine" that "sovereignty is no longer a shield" if a country's leaders violate the human rights of their own people?

RICE | Sovereignty has not been a shield for human-rights violations for a long time. Look at what the Helsinki Conference and the old CSCE (Conference on Security and Cooperation in Europe, now OSCE) did going back nearly 30 years. Early on, there was an expectation that states in the Soviet bloc couldn't hide behind sovereignty if they mistreated their own people.

Today, though, there is a new arrow in the quiver of this argument: If a country is going to have a successful, modern economy that taps the creativity of its people, it is going to have to treat them well. You can't expect people to work if they are mistreated in their homes.

If a country is going to have a successful, modern economy that taps the creativity of its people, it is going to have to treat them well. You can't expect people to work if they are mistreated in their homes.

North American Common Market

NPQ | Bush has rejected, in the short term, the proposal by Mexico's president-elect Vicente Fox for an open border and the free flow of labor. In the long run, though, would a Bush administration support his idea of a North American Common Market?

RICE | Gov. Bush told Vicente Fox that he appreciates his optimistic vision about Mexico. What Fox is really talking about is getting to a point where income differentials are negligible enough that people don't have to leave home to feed their family. That is a vision Gov. Bush has talked about since becoming governor of Texas.

There are a lot of things the Americas can do together — Gov. Bush and Fox also talked about expanding free trade throughout Latin America and fostering microcredit loans to Mexico — that will provide many of the benefits of a common market without having to go through some of the bureaucratic headaches Europe has been through. We don't want to mimic that.

In the end, we should let private capital markets — in particular micro loans that very tangibly improve the lives of people — lead. We don't want to go back to an old-style European development model that transfers government funds from one region to another to try to achieve more equality.

▲

1-18-01

Sandy
Age-
DC

January 17, 2001

Powell's Complex Record

By JAMES P. RUBIN

LONDON — When Gen. Colin Powell appears today before the Senate, many senators will be inclined to praise his qualifications and life story and move toward speedy confirmation. But first they should ask him some questions about his record of involvement in decisions to use American military power abroad.

copied
Berger
Podesta

General Powell clearly deserves credit for America's victory in the Persian Gulf war. But as secretary of state, his job will not be to conduct a war, but to help decide whether to fight it.

Before the Gulf war began, General Powell was so opposed to fighting it that Dick Cheney, who was secretary of defense, literally had to order him to provide military options to President George Bush. The senators should ask the general now whether, given what we know about Iraq's production of nuclear, chemical and biological weapons, he underestimated the danger from Saddam Hussein. Does he still believe, as he did in 1990, that it was wrong to confront Iraq militarily over its invasion of Kuwait?

As the war began, General Powell said of the Iraqi army: "First we're going to cut it off, and then we're going to kill it." Yet, at the end of the ground war, the Bush administration allowed much of Iraq's army to escape — especially the Republican Guard, which has sustained Mr. Hussein in power ever since. The senators should ask General Powell whether he believes now that we should have destroyed as much of that army as possible when we had the chance.

Former President Bush and some of his advisers have said one reason they couldn't unseat Mr. Hussein and didn't fully destroy the Iraqi army was the risk of offending Arab and European countries in the coalition. Today, General Powell and the new Bush team say they intend to strengthen international sanctions on Iraq, even though most of our Arab and European allies want to weaken or eliminate them. That brings up another question: Can we now afford to ignore

1-18-01

the strong opposition of these allies and demand, as General Powell has suggested, that they help "re-energize" the sanctions?

Then there are the Balkans. As chairman of the Joint Chiefs of Staff and later as a private citizen, General Powell expressed strong objections to American military involvement in Bosnia and Kosovo. He argued that anything short of a massive deployment of ground forces was unlikely to be effective, and that in any case war in the Balkans didn't affect America's national interests.

So it seems fair to ask him now: Didn't NATO's air strikes in 1999 against Yugoslavia cause Slobodan Milosevic to capitulate, allowing NATO peacekeepers to be deployed with little interference? Weren't NATO's air strikes against the Serbs in Bosnia in 1995 an important factor in achieving the Dayton peace accords that finally stopped that terrible conflict?

Clearly, America is better off now that the Balkan wars have ended, Mr. Milosevic is out of power and democratic governments are in place. General Powell should be asked whether the Balkan experience shows that limited uses of military force can indeed achieve important, though limited, objectives — an approach he has rejected in the past.

There is a question, too, about Somalia. There, in 1993, 18 American soldiers — lacking supporting forces and equipment — were lost in an ill- fated mission to capture the warlord Muhammad Farah Aidid. President Clinton has said that General Powell, despite reservations about the chances of success, recommended that Mr. Clinton proceed with that mission. General Powell often discusses his advice to the president, but he has been silent on this point. The senators should ask why he recommended the Aidid mission without the use of overwhelming force, which he has so often considered essential.

General Powell certainly has the diplomatic skill and experience to be a fine secretary of state. Indeed, with the new president's inexperience in foreign affairs, the general is likely to be a towering figure in the administration. That is all the more reason why the Senate should ask him these questions now — not only to shed light on his record, but perhaps to prompt him to re-examine his thinking about the use of force.

James P. Rubin was assistant secretary of state from 1997 to 2000.

Stanley K. Sheinbaum

1-18-01

17 January, 2001

President Bill Clinton
The White House—West Wing
Via Fax

Dear Bill,

All you need in this particular week is more about the Israeli film I wrote to you once before, copy enclosed.

Today's *New York Times* had the same strong "take" on it as myself, and given your determination about the Middle East peace process I thought it worth sending on to you, again.

I remain "locked up" with the remnants of this quadruple bypass and it will be at least four weeks, possibly eight before I can travel—or else I would have been at Hillary's inauguration and whatever farewells for yourself.

Warmly and respectfully to each of you.

Copied
Berger
Podesta

Stanley K. Sheinbaum
SKS/kc
enclosures

cc: Senator Hillary Rodham Clinton
Samuel Berger
Robert Malley
Mara Rudman

345 North Rockingham Avenue Los Angeles California 90049-2635
Telephone (310) 472-9541 FAX (310) 476-9853 e-mail: sks345@aol.com

The New York Times

17 January 2001

Photographs by Yoni Hammerschlag

Aki Avni in a scene from "Time of Favor," one of 11 films made last year in Israel and its entry for best foreign film at the Academy Awards on March 25.

Photographs by Yoni Hamenachem

Aki Avni in a scene from "Time of Favor," one of 11 films made last year in Israel and its entry for best foreign film at the Academy Awards on March 25.

Unorthodox Cinema

An Israeli Filmmaker Imagines the Unimaginable

By DEBORAH SONTAG

JERUSALEM, Jan. 16 — During an early scene in Joseph Cedar's "Time of Favor," the most locally successful Israeli film of the last year, there is a literally breathtaking moment for audiences here.

On the screen, three young skullcap-wearing Israelis have descended through a secret tunnel into an ancient cave, presumably beneath the Old City. They splash naked in a ritual bath, cavort in their underwear and then take a quick peek out through a crevice in the stone wall.

Arts Abroad

And there — this is when the popcorn stops crunching — is the gilded Dome of the Rock, barely yards away. The young men are not only in a place forbidden to them by leading rabbinical rulings but also a place where Israeli security prohibits Jewish worship. And sure enough, as a muezzin chants the call to prayer at the adjacent Aksa mosque, the young men wrap themselves in prayer shawls and begin to sway.

Perhaps no issue is more explosive here than the subject of this contested holy site at the heart of the Old City, known to Muslims as the Noble Sanctuary and to Jews as the Temple Mount. But while many here prefer not to imagine the possibilities for disaster on the mount, "Time of Favor" takes the unimaginable to the brink.

The filmmaker, Joseph Cedar.

The film concerns a plan by a brilliant, deranged settler to blow up the Dome of the Rock, which would also blow up the region. Locally, this is the ultimate sensational plot. But Mr. Cedar is rare here, an Orthodox Jewish filmmaker in an art world dominated by secular leftists. And in his hands, the sensational, while still sensational, is grounded in an authenticity that lends a haunting pathos to what emerges as a kind of art-house thriller, flawed but gripping.

"Time of Favor," called "Hahesder" ("The Arrangement") in Hebrew, swept the 2000 Israeli Academy Awards. This is a relative honor, since only 11 films were made by Israel's heavily government-subsidized film industry last year. But for a first effort of a 32-year-old religious filmmaker, it is a surprising accomplishment, and Mr. Cedar says he intends to build on it.

He has stationed himself in Los Angeles for two months to do everything he can to make it possible for "Time of Favor," Israel's entry, to be selected from among 46 movies vying to be the 5 nominees for best foreign film at the American Academy Awards on March 25. He has an offer to show the film in New York, Los Angeles and Miami, but he is hoping to find an American company willing to distribute it throughout the country.

To Mr. Cedar, whose family moved from Manhattan to Israel when he was 5, the movie is a personal one. It is an insiders' portrait, both loving and withering, of the nationalist religious movement in which he was reared. On one hand, the film seeks to create a new genre of Israeli hero, an Orthodox patriot in the form of a religious army officer, played by Israel's leading hunk, Aki Avni. But it also presents a cautionary tale about the danger of religious or nationalist ideas that become larger and more important than individual human lives.

"Time of Favor" radiates outward from a powerful performance by Asi Dayan as a burly, charismatic rabbi who runs a yeshiva in an isolated Jewish settlement on the West Bank. The character, Rabbi Meltzer, sets in motion the fateful dynamic that builds to a climactic scene on the Temple Mount.

Mr. Dayan, 56, son of the legendary Moshe Da-

Continued on Page B2

Hard to Get a Table? Just Try Getting a Reservationist

By ADAM NAGOURNEY

mated and often frustrating way it welcomes, if that is the correct word, potential diners.

reservation, press 1; if you're looking to confirm one, press 2).

soprano Olg
Mark Delav.
Met had th:
their work
make music
orchestra pi
role of a tim
Pavarotti w:
player in Sc
joined in an

No one e
young conqu
should at lea
the first ph
Radames's :
that Pavaro
We may hav
along who c
which is wh:

But onc
became quit
initial phras
to sustained
line. Only s
sensitivity to
ti's needs as
jumped a be

Mr. Pav
he still deliv
must conser
were often fi
to know the r
his most con
the score ma
that act as p
in 1998. The

ARTS ABROAD

Continued From Page B1

yan, is emblematic of Israeli secularism, if not bohemianism. In this film he dons a prayer shawl for the first time in his life — "I tried to tell myself it was like a helmet in a war movie," he said — never having had so much as a bar mitzvah.

Mr. Cedar said: "Asi Dayan represents the exact opposite of Rabbi Meltzer. But from a religious insider point of view, we like to think that our rabbis are as rooted — as deeply Israeli — as the Dayan family."

During a critical scene, Michal, the rabbi's daughter, stands on a hilltop overlooking the undulating dunes of the Judean hills. Michal, played by the Israeli actress who calls herself Tinkerbell, is the conscience of the film, and she is trying to explain why she does not find the view beautiful.

"If I died in a terrorist attack, my father would probably say, 'The land of Israel is bought with pain,' " she says bitterly, citing an oft-repeated Talmudic phrase.

When he undertook this project five years ago, Mr. Cedar moved to a settlement north of Ramallah to write the screenplay. It was a long way from the New York University film school, where he had just studied after graduating from Hebrew University and serving in the army as a paratrooper. Still, the culture felt very familiar, said Mr. Cedar, who was educated in the schools of the Bnei Akiva modern Orthodox youth movement in Jerusalem. During his time in the settlement, however, Mr. Cedar, who now lives in Tel Aviv, underwent a series of epiphanies that distanced him from the movement and shaped the movie.

One occurred at the funeral for a woman and child shot dead by Palestinians. The bereaved husband, Mr. Cedar said, was talking about the new homes that would be built in the settlement to redeem their deaths. The equation between land and life seemed to him chillingly literal.

"From then on, I began judging what I was seeing," Mr. Cedar said. "I began thinking of them as people who were knowingly making a choice to compromise on life for land. It's an old Israeli pathos. It didn't begin with the settlers. It maybe instructed the people in Masada. But at some point, while I was writing the movie, it stopped being something obvious to me. The settlers don't have to live where they're living, after all."

As the film begins, a religious army officer, Menahem, is hitchhiking on a desolate road beneath milky gray skies. Michal is in the van that picks him up. The shy spark between the uniformed officer with the skullcap and the long-haired teenage girl whose skirt sweeps her tennis shoes is immediately obvious.

Aki Avni, center, in Joseph Cedar's "Time of Favor," the most locally s

An insider's portrait of a nationalist movement.

Later, in a highly charged scene, the two sit inside a construction site at the settlement after dark. Wrapped in their layers of clothing, they are far away from each other, but Menahem begins moving his hand in front of a flashlight, making shadows on the wall. Michal joins in, and the shadows of their hands couple in a way that is out of bounds to them. It is particularly forbidden because Rabbi Meltzer has decided that Michal should marry his most brilliant student, Pini, a gaunt diabetic and a trembling bag of nerves before this dynamic girl, who ultimately defies her father.

In another scheme, the rabbi has also decided that Menahem will head a special military unit composed only of yeshiva students. Army officials are hesitant. Rabbi Meltzer scares them, they say, because he cannot be dismissed as a fanatic. But they accept the plan provisionally. Menahem is torn by his conflicting loyalties and by his desire.

This all combusts in Pini's diabolical plan for the Temple Mount. If he cannot please the rabbi by marrying his daughter, then he will move on to the place that every "Jewish soul yearns for," as the rabbi preaches.

"But my students understand that the Temple Mount is an idea," the rabbi protests to the Israeli security officials toward the film's end.

An official retorts, "You don't need explosives for an idea."

Mixed reviews in Israeli newspapers criticized the film's kitschy ending. They said the film was hurt by trying to do two things at once, painting a sensitive portrait of a community and being an action film. The action is what is drawing Israeli audiences, who generally prefer Hollywood movies. Foreign audiences may be more intrigued by the film's sensitivity.

Mr. Dayan, who has acted in more than 50 films, found it a challenge to think of the rabbi as "absolutely normal," he said. "I used to think of these settler rabbis as nuts and fruitcakes. That goes with their fascism. But this one I play is not meshuga. He is powerful in a quiet way, which makes him more real."

Mr. Cedar said he worked hard to get his secular actors to play religious characters naturally. At one point, Menahem pauses to say a blessing over a pickle. During the

ARTS ABROAD

tinued From Page B1

blematic of Israeli secular-
bohemianism. In this film
prayer shawl for the first
life — "I tried to tell my-
like a helmet in a war
said — never having had
s a bar mitzvah.
ar said: "Asi Dayan repre-
xact opposite of Rabbi
ut from a religious insider
w, we like to think that our
as rooted — as deeply Is-
the Dayan family."
critical scene, Michal, the
ighter, stands on a hilltop
g the undulating dunes of
hills. Michal, played by
actress who calls herself
is the conscience of the
e is trying to explain why
t find the view beautiful.
l in a terrorist attack, my
id probably say, 'The land
bought with pain,' " she
ly, citing an oft-repeated
hrase.
undertook this project
ago, Mr. Cedar moved to a
north of Ramallah to
reenplay. It was a long
he New York University
, where he had just stud-
aduating from Hebrew
and serving in the army
ooper. Still, the culture
miliar, said Mr. Cedar,
ucated in the schools of
iva modern Orthodox
ment in Jerusalem. Dur-
in the settlement, howev-
ar, who now lives in Tel
went a series of epipha-
tanced him from the
and shaped the movie.
rred at the funeral for a
child shot dead by Pales-
bereaved husband, Mr.
was talking about the
that would be built in the
o redeem their deaths.
n between land and life
im chillingly literal.
en on, I began judging
eeing," Mr. Cedar said.
nking of them as people
owingly making a choice
ise on life for land. It's
li pathos. It didn't begin
lers. It maybe instructed
Masada. But at some
I was writing the movie,
ing something obvious
ettlers don't have to live
e living, after all."
begins, a religious
, Menahem, is hitchhik-
late road beneath milky
fichal is in the van that
. The shy spark between

Yoni Hamamuchem

Aki Avni, center, in Joseph Cedar's "Time of Favor," the most locally successful Israeli film of the last year.

An insider's portrait of a nationalist movement.

the uniformed officer with the skullcap and the long-haired teenage girl whose skirt sweeps her tennis shoes is immediately obvious.

Later, in a highly charged scene, the two sit inside a construction site at the settlement after dark. Wrapped in their layers of clothing, they are far away from each other, but Menahem begins moving his hand in front of a flashlight, making shadows on the wall. Michal joins in, and the shadows of their hands couple in a way that is out of bounds to them. It is particularly forbidden because Rabbi Meltzer has decided that Michal should marry his most brilliant student, Pini, a gaunt diabetic and a trembling bag of nerves before this dynamic girl, who ultimately defies her father.

In another scheme, the rabbi has also decided that Menahem will head a special military unit composed only of yeshiva students. Army officials are hesitant. Rabbi Meltzer scares them, they say, because he cannot be dismissed as a fanatic. But they accept the plan provisionally. Menahem is torn by his conflicting loyalties and by his desire.

This all combusts in Pini's diabolical plan for the Temple Mount. If he cannot please the rabbi by marrying his daughter, then he will move on to the place that every "Jewish soul yearns for," as the rabbi preaches.

"But my students understand that the Temple Mount is an idea," the rabbi protests to the Israeli security officials toward the film's end.

An official retorts, "You don't need explosives for an idea."

Mixed reviews in Israeli newspapers criticized the film's kitschy ending. They said the film was hurt by trying to do two things at once, painting a sensitive portrait of a community and being an action film. The action is what is drawing Israeli audiences, who generally prefer Hollywood movies. Foreign audiences may be more intrigued by the film's sensitivity.

Mr. Dayan, who has acted in more than 50 films, found it a challenge to think of the rabbi as "absolutely normal," he said. "I used to think of these settler rabbis as nuts and fruitcakes. That goes with their fascism. But this one I play is not meshuga. He is powerful in a quiet way, which makes him more real."

Mr. Cedar said he worked hard to get his secular actors to play religious characters naturally. At one point, Menahem pauses to say a blessing over a pickle. During the filming, it took six or seven takes until Mr. Avni dispensed with the blessing effortlessly, Mr. Cedar said, rather than as a transporting or ecstatic moment.

The movie is filled with pickles and sunflower seeds. The characters are constantly shelling and munching, and that is just one of the things that makes the movie feel authentic. Mr. Cedar also imbues his religious characters with a sense of humor, something that tends to be rare in Israeli film portrayals of Orthodox Jews.

The soundtrack, which sets the melancholy mood, uses both an opera singer's a capella lament and an accordion, a typical, sweet Israel sound that becomes appropriately spooky at important points in the film.

Throughout, the West Bank vistas are stunning, but something is missing: the Palestinians. The movie takes place within the settlers' prism, shutting out what they shut out. In so doing, it underscores the conflict on which Mr. Cedar is focusing, the internal Israeli one. But it is a jarring and telling omission.

"The things that come up in the movie don't really involve the Palestinians," Mr. Cedar said. "They suffer the consequences, but they don't play a role in what drives the internal conflict. This is about the toll that *we're* paying for the occupation, the moral price. It's not about the victims but about the occupiers."

Stanley K. Sheinbaum

FAXED

28 December, 2000

President Bill Clinton
The White House—West Wing
Via Fax

Subject: Israeli Film: *Time of Favor*

Dear Bill,

I can well imagine exactly how little time you have these days even for a film like this. However it has come in first for almost all categories of this year's film awards in Israel.

What makes it important is that it goes to the heart of the division between the Israelis and the Palestinians. You probably are not aware but in the last two months and despite this damned quadruple bypass surgery I helped Steve Spiegel get a series of discussions under way with about fifteen of the most impressive and authoritative non-official figures among Israelis, Palestinians, American Jews, and even Canadians. There have now been meetings in London and the Middle East.

For all the stumbling block problems like Jerusalem and the right of return a virtual consensus developed among these folk, the heart of the differences resting with the following: for the Palestinians the decades of occupation are the sore point. For the Israelis the obvious security hopes following upon the Holocaust—have been a self-exacerbating factor. For the Palestinians that violated their own immediate search for identity and security. For the Israelis the constant friction and confrontation has impeded any sense of security.

The movie is complex. Although it is completely fictional, all reports indicate it is brutally accurate in its portrayal, and is sophisticated enough that it does not completely take sides. It deals with an isolated settlement—the most controversial kind—from whose midst a plot is hatched to blow up Al Aksa mosque as a prelude to rebuilding the Temple for the Jews. Along the way there is a love story, a portrayal of the passions and religious fervor of the Jews in these settlements, insight into the complexities of Israel's army life, and a cold account of the distrust by secular religious Israelis. Even the apparent hero, although religious, is seen as a suspect by the security services when the plot is discovered. The amazing thing is that no Arab even appears—this is just about the conflict among Jews.

345 North Rockingham Avenue Los Angeles California 90049-2635
Telephone (310) 472-9541 FAX (310) 476-9853 e-mail: sks345@aol.com

Obviously this cannot continue. *Time of Favor* without any Palestinians in the cast provides an excellent insight into the settlement mindset of Israelis and thus their commitment to increase their hold on those parts of the territories that the Palestinians thought committed to them earlier in this last half century. Then the lead, the fully committed Israeli soldier Menachem, obtains the opposite insight from his lover, Michal, whose father Rabbi Meltzer, is also the leader of the Israeli military in the West Bank. Until then Menachem promotes those values that on the Israeli side make any understanding for peace almost impossible. With Menachim's reversal we begin to see what the potential for peace could be.

Brilliantly done, *Time of Favor*—a first film for Joseph Cedar—is currently a nominee for the major foreign Oscar Awards here in the United States. It will no doubt do well. However, the mere rhetoric of winning the Awards would bring attention and clarity that is so lacking for the friction in the Middle East. I am also enclosing a copy of a two-page article from the December 18th Jerusalem Report laying out perhaps better than I do what is at issue in this film—to repeat, the heart of the matter.

Even short of the particular point that I am trying to emphasize—which the article does similarly—there could be a strong political effect especially in the region itself.

Respectfully,

Stanley K. Sheinbaum
SKS/kc
enclosure: Article
Video tape to follow via Air Express

cc: Samuel Berger
Robert Malley
Mara Rudman

P.S. Someday you'll tell me who thought up this new bargaining position that you put on the table this week. It's brilliant.

Stanley K. Sheinbaum

Fax

To:	Nancy Hernreich	**From:**	Stanley K. Sheinbaum
Fax:		**Pages:**	8
Phone:		**Date:**	01/17/01

Thank you for passing this on to the President.

345 North Rockingham Avenue Los Angeles California 90049-2635
Telephone (310) 472-9541 FAX (310) 476-9853 e-mail: sks345@aol.com

WH Easter Egg Roll Book

To Yanna Price
Have a great day
Bill Clinton
1-1-01

To: YANNA Price

Please have him
SIGN this book