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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. letter	Joe Crankshaw to POTUS [partial] (1 page)	02/18/1993	b(6)

COLLECTION:

Clinton Presidential Records
Staff Secretary
Paul Richard
OA/Box Number: 2450

FOLDER TITLE:

[Briefing Books-Presidential Trip, Hillsborough and Miami Beach, Florida, March 21, 1994]

2019-0846-S
rs3281

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]
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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]
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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]

Richard

BRIEFING BOOK

FOR

THE TRIP OF THE PRESIDENT

TO

HILLSBOROUGH & MIAMI BEACH, FLORIDA

March 21, 1994

Staff Copy

Table of Contents -- Florida Trip

Monday, March 21, 1994

Florida Background

SCHEDULE OF THE PRESIDENT

FOR

MONDAY, MARCH 21, 1994

FINAL

TRIP COORDINATOR:	**GRACE GARCIA**	
	HOME:	**202-244-4796**
	OFFICE:	**202-456-7560**
	WHCA PAGER:	**4076**

PRESS DESK:	**ANNE EDWARDS**	
	HOME:	**301-565-3101**
	OFFICE:	**202-456-7560**
	WHCA PAGER:	**4208**

PRINCIPAL EVENTS: * **Health Care Forum -** Hillsborough, Florida

WEATHER:

Miami, Florida
Mostly sunny to partly cloudy with a chance of afternoon rain showers or thunderstorms. Wind southeast to south at 5 to 10 knots. Low 65 to 70. High 80 to 85.

Miami Advance Team:

Team Member	Team Assignment	WHCA Pager	Cell #	SKYPAGE pin
Rick Jasculca	lead	2677	202-757-9535	207-4725
Kate Schaeffer	site lead	5612		
Thomas Wolf	site	5138	202-757-9534	
Chip Ellis	site	5655		
Natalie Waring	site	5537		
Robert Wells	press lead	5612		
Ian Alberg	press	5611		
Jess Sarmiento	press	4117		
Catherine Grunden	RON lead	5654	202-494-9740	
Andrea Renard	RON	5375		
David Montoya	motorcade lead	5182		
Ladell Banks	motorcade	5629		
Connie Coopersmith	volunteers	5037		

Miami Contact Numbers:

Contact Number	Direct Dial	From White House
Staff Advance Phone	305-993-5000	43220
Staff Advance Fax	305-993-5038	43501
Staff Hotel Phone	305-865-7511	
Staff Hotel Fax	305-864-2601	
Press Advance Phone	305-993-5035	43224
Press Advance Fax	305-993-5037	43503
Signal Operator		43000
Meet Me Conference		

as of 3/19/94 1:30pm

SCHEDULE OF THE PRESIDENT
FOR
MONDAY, MARCH 21, 1994
FINAL

NO MORNING PUBLIC SCHEDULE

12:05 pm	**THE PRESIDENT** and the First Lady depart Fisher Island, Florida via Marine One en route Century Village East [flight time: 25 minutes]	
12:30 pm	**THE PRESIDENT** and the First Lady arrive Century Village East	
12:35 pm	Greeters:	Irving R. Friedman, Chairman of "We Care" Nettie Katz, Chairman of the Clerical Department Frank D. Plotke, Counseling Chairman Pauline G. Brener, Reachout Visitation Chairperson Vera D'Amico, Breast Cancer Support Chairperson Sylvia Schneider, Counseling Support Group Chair Ida Kost, Publicity Chair Edele Weiner, Transportation Chair Zelda Stepner, Hospital Visitation Chair Julie Berliner, Assistant Coordinator Marleen Kulwin

12:45 pm

THE PRESIDENT, the First Lady and We Care Volunteers proceed to the Clubhouse

NOTE: Press will be prepositioned for walk.

Greeters:
Gov. Lawton Chiles
Michael Dukakis
Kitty Dukakis
Rep. Harry Johnston
Rep. Peter Deutsch
Lori Deutsch, spouse
Rep. Alcee Hastings
Lt. Gov. Buddy Mackay
Sec. of State Jim Smith
Attorney General Robert Butterworth
State Comptroller Gerald Lewis
State Treasurer and Insurance Commissioner Tom Gallagher
State Education Commissioner Douglas "Tim" Jamerson
State Agricultural Commissioner Bob Crawford
Mayor Albert Catellini, Hillsborough
Russ Barakat, Chair Broward County Democratic Party
Terri Brady, Chair of Florida Democratic Party
Monte Friedkin, Host Committee
Howard Weiss, Host Committee
Larry Smedley, President of the National Committee of Senior Citizens
Joe Crankshaw, Letter Writer
Jeanne Linley, Letter Writer

12:55 pm

THE PRESIDENT and the First Lady proceed to courtyard

1:00 pm-
2:30 pm

HEALTH CARE FORUM
COURTYARD
Century Village East
3501 West Drive
Hillsborough, Florida
Remarks: Bob Boorstin, Jason Solomon
Staff Contact: Julia Moffett
OPEN PRESS

-- Offstage announcement of **the President**, the First Lady and program participants.

-- **The President**, the First Lady and program participants proceed to seats in first row of bleachers.

– The Star Spangled Banner is played.

– Ms. Joanne Pepper makes welcoming remarks and introduces Rep. Harry Johnston.

– Rep. Johnston makes remarks and introduces Governor Lawton Chiles.

– Gov. Chiles makes remarks and introduces Larry Smedly, President of the National Council of Senior Citizens.

– Mr. Smedley makes brief remarks and introduces **the President.**

– **The President** makes remarks.

– Ms. Zelda Stepner, Chair of Century Village Hospital Visitation Committee, makes remarks and introduces the First Lady.

– The First Lady makes remarks.

– Q & A from the audience.

– Following the Q & A, **the President** and the First Lady exit stage left, work ropeline and depart.

2:45 pm	**THE PRESIDENT** and the First Lady depart Century Village East via motorcade en route Century Village East landing zone [drive time: 5 minutes]
2:50 pm	**THE PRESIDENT** and the First Lady arrive Century Village East Landing Zone
2:55 pm	**THE PRESIDENT** and the First Lady depart Century Village East Landing Zone via Marine One en route Haulover Park Landing Zone [flight time: 15 minutes]
3:10 pm	**THE PRESIDENT** and the First Lady arrive Haulover Park Landing Zone
3:20 pm	**THE PRESIDENT** and the First Lady depart Landing Zone via motorcade en route Sheraton Bal Harbour [drive time: 15 minutes]

3:35 pm	**THE PRESIDENT** and the First Lady arrive Sheraton Bal Harbour Greeters: Mr. Joe Terzi, General Manager Estelle Spiegel, Mayor of Bal Harbour
3:45 pm- 4:00 pm	**MEET AND GREET** with three participants in the Florida Children's Wish Foundation GARDENIA ROOM Sheraton Bal Harbour 9701 Collins Avenue Bal Harbour, Florida Staff Contact: Dan Wexler **WHITE HOUSE PHOTO ONLY**
4:10 pm- 6:50 pm	**DOWNTIME** PENTHOUSE FLOOR Sheraton Bal Harbour **CLOSED PRESS**
6:55 pm	**THE PRESIDENT** and the First Lady depart suite en route Magnolia Room

7:00 pm- 7:20 pm	**RECEPTION** MAGNOLIA ROOM Sheraton Bal Harbour Staff Contact: Reta Lewis **CLOSED PRESS**
7:25 pm- 8:05 pm	**RECEPTION** CYPRESS ROOM Sheraton Bal Harbour Staff Contact: Reta Lewis **CLOSED PRESS** Note: There will be a receiving line with photos.
8:10 pm- 9:10 pm	**DNC FUNDRAISING DINNER** BALLROOM Sheraton Bal Harbour Remarks: Jake Siewart Staff Contact: Reta Lewis **OPEN PRESS DURING REMARKS ONLY**

- Offstage announcement of **the President** and the First Lady, Chairman Wilhelm and Degee Wilhelm.
- **The President** and the First Lady work ropeline to their seats.
- Chuck Mangione performs.
- Marvin Rosen makes welcomng remarks and introduces Chairman Wilhelm.
- Chairman Wilhelm makes remarks and introduces video.
- Video is shown.
- Governor Chiles makes remarks and introduces Senator Graham.
- Senator Graham makes remarks and introduces the First Lady.
- The First Lady makes remarks and introduces **the President**.
- **The President** makes remarks, works ropeline and departs.

9:15 pm	**THE PRESIDENT** and the First Lady depart Sheraton Bal Harbour viat motorcade en route Miami International Airport [drive time: 20 minutes]
9:35 pm	**THE PRESIDENT** and the First Lady arrive Miami International Airport
9:45 pm	**THE PRESIDENT** and the First Lady depart Miami International Airport via Air Force One en route Andrews Air Force Base [flight time: 2 hours, 10 minutes]
11:55 pm	**THE PRESIDENT** and the First Lady arrive Andrews Air Force Base
12:05 am	**THE PRESIDENT** and the First Lady depart Andrews Air Force Base via Marine One en route White House [flight time: 10 minutes]
12:15 am	**THE PRESIDENT** and the First Lady arrive White House
BC AND HRC RON	**WHITE HOUSE**

THE WHITE HOUSE

WASHINGTON

March 19, 1994

BRIEF MEET AND GREET WITH FLORIDA LETTER WRITERS TO THE HEALTH CARE TASK FORCE

DATE:	**March 21, 1994**
LOCATION:	**Century Village Clubhouse** **Official Greeting Line**
TIME:	**12:45 pm**
FROM:	**Julia Moffett**

I. PURPOSE

To meet and greet with two letter writers and their families who are being heavily profiled in the Florida press as a result of this meeting.

II. BACKGROUND

Close to 1,000,000 letters have been sent to the Health Care Task Force and now the White House. A short meeting like this one will go a long way in promoting the real stories behind the urgent need for health care reform.

III. PARTICIPANTS (Full text of letters is attached.)

JOE CRANKSHAW

Joe Crankshaw has been caring for his wife, Jean, at home since she suffered a stroke nine years ago. This situation is preferable, and he credits being at home with his wife's stable condition. While it costs less to keep her at home than it would to put her in a nursing home, the cost is still depleting the Crankshaw's savings. Recently, their daughter, Jean Marie, gave up her job as a school teacher to help care for her mother. As a result, she no longer has health insurance and Mr. Crankshaw cannot afford to provide it for her.

JEANNE LINLEY

Jeanne Linley is 64-years-old and takes care of her 93-year-old mother who has Alzheimer disease. She and her husband's income is limited, and while they would prefer to continue being caregivers for her mother, they are uncertain if they will be able to do so financially. Coverage for home and community-based care would alleviate this problem.

IV. PRESS PLAN

Local press will be covering your meet and greet with these letter writers and will be talking with them extensively both before and after the meeting.

V. SEQUENCE OF EVENTS

* You and the First Lady will greet the letter writers and their families at the end of the official greeting line.

* The letter writers and their families will then be escorted to reserved seats in the audience.

* Mrs. Clinton will recognize them in her remarks.

VI. REMARKS

None.

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Joe Crankshaw
5820 S.E. Smith Ave., Stuart, Fla. 34997
(b)(6)
18 February 1993

The Honorable Hillary R. Clinton
The White House
Washington, D.C.

Dear Mrs. Clinton:

The American health care system is designed to have only good results or death, anything in between doesn't exist. Custodial patients, such as my wife, usually can not do anything for themselves. Jean suffered a stroke almost nine years ago. It left her paralyzed, aphasic and unable to make any reasoned decisions beyond whether to use a fork or spoon or which color dress to wear. She needs help on the toilet, in the bath, anywhere. And, she needs it 24 hours a day.

If Jean were in a nursing home, where they won't accept her because she is a custodial patient, it would cost the insurance companies or taxpayers more than $2,600 a month. The insurance companies, Medicare or Medicaid would pay that sum.

I keep her at home. The doctors say her quality of life is better and she is happier than if she were in a home. They attribute her past nine years to being at home and not in an institution. It costs me about $1,600 a month, a savings of almost $1,200. It all comes off the top of my income leaving me barely enough to meet the mortgage and usual bills.

During the last almost nine years since Jean had her stroke, I have spent more than $165,000 caring for her. The number is probably closer to $200,000 because she needed nurses round-the-clock when she first came home because I had no one from the family to help. Now, my daughter, Jean Marie, has given up her job as a school teacher to help care for her mother. That brings up another problem.

Insurance companies will not cover Jean Marie as my dependent because she is 27 years old. I do not make enough money to provide her with insurance. God only knows what will happen if she becomes seriously ill.

Insurance will cover doctor visits and medicines, which are the smallest part of the cost of caring for Jean now that there is nothing which can be done to improve her condition.

Because of the heavy burden of caring for Jean, my savings are gone. I have only a small retirement and must continue to work to keep some cash coming in and some medical coverage. Now that Jean is past 62, she qualifies for some assistance from Medicaid but nothing else.

While you are reforming the health care system, please take thought of people who are like me - too young for senior citizen aid, too much money for welfare, but not enough to really do the job. If you can eliminate custodial care as a barrier to aid from insurance, I won't mind that my lack of money makes me a prisoner to the unfortunate condition of my beloved and lovely wife. Thank you for taking the time to read this.

Respectfully yours,
Joe Crankshaw

12264 S.W. 14th Court
Fort Lauderdale, FL 33312
January 29, 1993

Hillary Clinton, Esquire
The White House
Washington, D.C.

Dear Mrs. Clinton:

I would like to ask you to take home health care assistance into consideration in the Health Care Reform. I am a 64 year old daughter taking care of my 93 year old mother. My husband is 70. I am trying not to use public funds to care for my mother, who has Alzheimer's disease. She has lived with us for over 8 years. My husband and I have raised six wonderful, successful children. (All but one of whom have gone to college.) Our funds are limited. We are using up our funds for our old age to care for my mother. It is getting harder to cope with, each day. If we could just have some respite care for her or just a little help we could continue the arrangement. Respite care in the home costs $52 for a four hour minimum. This is more than we can afford.

I am sure other families are in similar predicaments. If there was a way to give people home health care assistance, I think more people would care for their relatives in their homes instead of putting them in Nursing Homes on Medicaid at $2000 to $3000 a month, and more. This is a real tragedy as I think it would save the government millions of dollars and help families at the same time.

Best wishes to you and Mr. Clinton - you are in our prayers. We are so happy you and Mr. Clinton are in the White House! It is like a breath of fresh air! I never would have entertained the thought of sending a letter to the White House before!

Sincerely,

Jeanne L. Linley

(305) 581-0888

THE WHITE HOUSE

WASHINGTON

March 19, 1994

HEALTH CARE FORUM WITH OLDER AMERICANS

DATE:	**March 21, 1994**
LOCATION:	**Century Village, Deerfield Beach, FL**
TIME:	**1:00-2:45 pm**
FROM:	**Julia Moffett**

I. PURPOSE

The purpose of your visit today is to continue to reassure older Americans about the benefits they currently receive under today's system and to further educate them about the security and increased benefits they will receive under your proposed health care reform. Your remarks will be based on a new, and very well-received, presentation intended to strongly emphasize that your approach to health care reform includes: 1) Guaranteed private insurance; 2) Choice of doctor and health plan; 3) Outlawing of insurance company abuses; 4) Protection of Medicare; and 5) Health benefits guaranteed at work.

II. BACKGROUND

Reassuring Older Americans About Health Care Reform

As with most of the older Americans you have been speaking to, the audience today is supportive of your approach to health care reform, but is also confused and uncertain about what it means for them. Their concern is primarily rooted in confusion about how the plan will affect Medicare and their current access to health care. Older Americans also have the misperception that your plan will undermine their quality of care, create higher personal costs and limit their right to choose a doctor. The result is that many older Americans believe their families would be hurt by the plan instead of helped.

The Century Village Residents

Close to 15,000 older Americans live in Century Village, a private retirement community. They are primarily middle-income, retired professionals from the Northeast. Most residents are in their early 70s and are in good enough health to live in this self-reliant community. While most of the residents are on fixed incomes of between $20,000-$25,000 a year, the majority have supplemental insurance policies to their Medicare. They feel the need for health care reform in many ways. The premiums for their supplemental policies continue to skyrocket and the benefits they receive in these policies continue to decrease. The high cost of prescription drugs is devastating. The prospect of entering into nursing homes and spending their life savings to do so is approaching. And the burden of paperwork and anger towards fraud is prominent. Lastly, issues not specifically related to older Americans are of importance as they relate to their children and grandchildren.

You visited Century Village on Super Tuesday during the campaign and Mrs. Clinton visited the day before the General Election.

The Week Ahead/The Presentation

Today's event kicks off a busy week on health care. Both you and the First Lady have many health care events on your schedule, and each one is being used as a venue for the new presentation. The Cabinet will also be using this presentation in their health care events over the next two weeks. The health care staff will be conducting briefings on Capitol Hill as well as with constituency groups. And the legislative process will be moving strongly forward as Members get prepared to go back to their districts for recess. Health care and national reporters have been informed of all of these activities in a coordinated effort to show momentum and focus on the issue during this period.

The "We Care" Volunteers

There are approximately 150 "We Care" volunteers in Century Village, ten of whom will be greeting you upon your arrival today. They will then walk with you to the Clubhouse during which time they will talk about their organization and concerns about health care. The group is made up of Century Village residents and offers services to any resident of the complex. Some of their services include: Bereavement counseling, breast cancer counseling, transportation to medical facilities, hospice referral, hospital and nursing home visitation, meals on wheels, and a stroke recovery group.

Zelda Stephner, the chairwoman of the hospital and nursing home visitation group, will introduce Mrs. Clinton in the program today. She is a 78-year-old retired teacher from Long Island, NY, and has been in Florida for 16 years.

The National Council of Senior Citizens (NCSC)

NCSC has endorsed your health care plan and has helped to make this event possible today. Their Executive Director, Larry Smedley, will be introducing you. (More information on NCSC is attached).

III. PARTICIPANTS

"We Care" Greeters

Julie Berliner, Assistant Coordinator
Pauline Brener, Reachout Visitation Chairwoman
Vera D'Amico, Breast Cancer Support Chairwoman
Irving Friedman, Chairman
Nettie Katz, Clerical Department Chairwoman
Ida Kost, Publicity Chairwoman
Frank Plotke, Counseling Chairman
Sylvia Schneider, Counseling Support Group Chairwoman
Zelda Stepner, Hospital Visitation Chairwoman
Edele Weiner, Transportation Chairwoman

Official Greeting Party

Governor Lawton Chiles
Lt. Governor Buddy Mackay
Representative Peter Deutsch (D-20)
Representative Alcee Hastings (D-23)
Representative Harry Johnston (D-19)
Attorney General Robert Butterworth
State Comptroller Gerald Lewis
State Treasurer and Insurance Commissioner Tom Gallagher
State Education Commissioner Douglas "Tim" Jamerson
State Agricultural Commissioner Bob Crawford
Deerfield Beach Mayor Albert Catellini

Additional Greeters

Broward County Democratic Chair Russ Barakat
Florida Democratic Party Chair Terri Brady
Monty Friedkin, Host Committee
Howard Weiss, Host Committee
Larry Smedley, President of the National Council of Senior Citizens, Co-Host
Joanne Pepper, Niece of Claude Pepper
Jeanne Linley and family, Letter writer
Joe Cranshaw and family, Letter writer

Audience

The majority of today's audience is comprised of Century Village residents. Others have been invited by the AARP, the NCSC and other local organizations. Each audience member will be given a letter from you describing the five goals of health care reform as well as charts illustrating these points.

IV. PRESS PLAN

The walk with the "We Care" volunteers is pool press. The event is open press. Additionally, the event will be available on satellite.

V. SEQUENCE OF EVENTS

* You and the First Lady will be greeted by "We Care" volunteers upon arrival at Century Village.

* You and the First Lady will then walk with the volunteers to the Clubhouse. You will have an opportunity to hear about the activities of the "We Care" volunteers as well as their concerns about health care during this walk.

* Upon arrival at the Clubhouse, you and the First Lady will be greeted by the official greeting party as well as other program participants.

* All greeters will then be escorted to the event, while you, the First Lady and program participants hold before being announced offstage.

* **You, the First Lady, Governor Chiles, Congressman Johnston, Larry Smedley and Joanne Pepper and Zelda Stepner** proceed to the stage for the following program:

  -Joanne Pepper introduces the Star Spangled Banner
  -The Star Spangled Banner
  -Joanne Pepper welcomes and introduces Representative Johnston
  -Representative Johnston speaks and introduces Governor Chiles
  -Governor Chiles speaks and introduces Larry Smedley
  -Larry Smedley speaks and introduces the President
  -The President delivers remarks
  -Zelda Stephner introduces the First Lady
  -The First Lady speaks and opens the Q & A
  -The President and First Lady take Q &A
  -Upon departure, you may choose to work the ropeline

* You and the First Lady depart Century Village at the conclusion of the program.

VI. REMARKS

No remarks are needed for the walk with "We Care" volunteers. Remarks for the health care forum are attached.

MEMORANDUM FOR THE PRESIDENT
Fr: Christine Heenan
Date: March 19, 1994
Re: Older Americans and Health Reform

1. Medicare
Background:
- Older Americans are relatively happy with the secure coverage and good benefits provided them through Medicare.

- Our level of Medicare savings are significant ($118 billion over 5 years), which has prompted opponents to charge that we call for massive cuts in the Medicare program. Seniors are very concerned that health reform not "cut" Medicare or in some way jeopardize their choice of doctor.

- Seniors groups have also complained that the proposed benefits package for the under 65 population will be better than what Medicare recipients receive.

Our approach:
- Our plan preserves and strengthens Medicare. The Medicare program remains the same, with the important addition of a new prescription drug benefit.

- We do not call for cutting Medicare-- we call for slowing the rate of inflation in Medicare prices. Medicare spending will still rise faster than private sector premiums, and will still rise at about twice the rate of inflation.

- Slowing the rate of growth in Medicare will actually benefit Medicare recipients long-term, because their Medicare premiums will rise more slowly.

- We call for controlling costs in Medicare **and** the private sector (an important distinction compared to other plans), which lessens the gap between Medicare and private sector rates.

- Every major plan before the Congress uses savings from Medicare to help finance reform, ours is the only plan (except single payer) which uses the money for new benefits for older Americans.

2. Prescription Drugs
Background:
- The Medicare program currently doesn't cover outpatient prescription drugs, despite the fact that older Americans are most likely to rely on prescription drugs. People over 65 take four times more medication than people under 65, yet nearly two-thirds of those over 65 have no prescription drug coverage. Recent AARP data show that about 8 million older Americans are making choices between buying food and buying medicine.

- As a result of having no help with the cost of medication, many elderly people don't fill their prescriptions at all, or fill them only partially, or try to stretch them out to make expensive pills last longer. Serious side effects often result, causing costly, preventable hospitalizations.

Our Approach:

- Prescription drug coverage would be added to Medicare, providing desperately needed protection for older Americans. For less than $10 a month, older Americans will have coverage for prescriptions, with a $250 deductible and a 20% co-payment. There will be an annual out-of-pocket limit ($1,000), after which the Medicare program pays the full cost of drugs.

- Older Americans can continue to get their prescriptions filled at any pharmacy they choose, building on the relationships they've established with their community pharmacist.

- Prescription drug coverage will reduce overall costs in the long-run. Two independent studies have documented the potential savings to the Medicare program as a result of adding the new benefit. The studies conclude that the new drug benefit could save the Medicare program more than $30 billion dollars over 5 years.

3. Long-Term Care

Background:

- Most older Americans want to stay in the house they live in now and never move. But for many seniors in need of assistance, the lack of available home care services forces them to enter nursing homes, because the nation's long-term care system does not adequately meet the needs of older Americans and people with disabilities.

- The situation is only getting worse as the population ages, the demand for services increases, and people's options remain limited. Families all too often must exhaust their savings in order to pay for needed care and to qualify for public assistance.

- Once older people "spend down" and get on Medicaid, not only are they labeled with the welfare stigma, but Medicaid reimbursement policies often force seniors and people with disabilities to enter nursing homes and other institutions even though they can, and prefer to, be cared for at home or in the community.

- Half of Americans who've provided long-term care to a relative have tapped into their savings or retirement funds, and 7% have used the money set aside for their children's education.

Our approach:

- Our approach will expand and improve long-term care options across the country, stressing home and community-based services. The plan will aim to provide more flexibility and greater choices for Americans with disabilities who need support.

- The Health Security Act will significantly expand home and community-based services to individuals with severe disabilities, without regard to income or age. An estimated 2 million older Americans and one million Americans with disabilities will get needed services in their homes or community which will enable them to continue living at home.

- States will have the flexibility to design and define their community-based service systems, and may elect to offer vouchers or cash directly to eligible individuals. Individuals will pay co-insurance to cover a portion of the cost of services, based on a sliding scale.

- The Act will also improve the quality, availability and affordability of private long-term care insurance by establishing tough national standards that prevent insurance companies from denying coverage or choosing only the best risks. New tax incentives (similar to those for health insurance) will help make this insurance more affordable.

4. Insurance Company Discrimination
Background:

- Insurance companies today use age and health status as factors in setting the price of insurance premiums, which means older workers or retirees often pay far higher costs than do younger people.

- Pre-existing condition exclusions and outright denial of insurance also effect older people who have experienced health problems, but don't yet qualify for Medicare.

Our Approach:

- Insurance premiums are "community rated" -- meaning every person enrolling pays the same price for the same insurance, regardless of age or health status. Pre-existing condition exclusions and the denial of insurance are outlawed-- health plans have to take all those who enroll.

- *(Note: The Ways and Means Health Subcommittee voted Thursday to reject a Republican-proposed amendment that would allow insurance companies to set rates based on age. The vote to retain community rating was 7-4, along straight party lines.)*

5. Retiree Health Benefits
Background:

- 60 percent of the nine million early retirees in the US. are not insured by their former employers. Even those companies who provided health benefits to retirees as part of retirement compensation packages have attempted to pare back those commitments in the wake of rising costs.

- Early retirees are therefore particularly at risk of being without adequate coverage, or losing their health care benefits. Being older and not part of a group, they have a very difficult time buying decent insurance at an affordable price in today's insurance market.

Our Approach:

- American workers who retire early will never have to worry about losing their health insurance. Starting in 1998, early retirees pay the employee share of premiums and no more, unless they have an annual income higher than $90,000 ($115,000 for a couple).

- Companies must honor existing agreements that guarantee that their retirees pay nothing for health care.

Questions About the Health Security Act

Medicare

Q: Will my Medicare coverage change?

You will receive Medicare benefits exactly as you do today, with the addition of prescription drug coverage. And you will have more choices. Different kinds of health plans -- which frequently have lower deductibles and copayments -- will be made more available on an *optional basis*.

Q: If I am covered by Medicare will I still be able to see my own doctor under the new plan?

Yes. You will always be able to choose your doctor, because Medicare will work just like it does today. After turning 65, you will have the option of enrolling in Medicare, or staying in the plan you've been enrolled in.

Q: Will reducing the projected rate of the growth of costs in Medicare and Medicaid affect my benefits?

No. In fact your benefits will be expanded. The reduction in the growth of the cost of Medicare and Medicaid will happen at the same time as costs are controlled in the private sector. These changes to the program will reduce the rate of growth of inflation by one third and enable us to control the price of health care. But it won't involve any reduction in services or cuts in benefits. Fraud and inefficiency have crept into the system, and we will make a determined effort to get rid of this waste, using the money to expand benefits.

Q: I currently have Medi-gap insurance that supplements what Medicare covers. Will I still receive benefits in the Health Security Act?

Yes. If you get supplemental insurance through a Medigap policy, you can still get that policy. But for those who currently must buy a Medigap policy to cover prescription drugs and overcharges, the Health Security plan may mean significantly lower costs. If you have supplemental insurance through Medicaid, you will receive the same Medicaid benefits under the Health Security Act that you do now.

Q: Some say there will be rationing under your plan. Is this true?

Absolutely not. That's a scare tactic used by opponents of reform. Our approach will give you the security of knowing that you can get the care you need when you need it.

Long Term Care

Q: What about long-term care? Will I receive help with caring for myself or my loved one at home?

Our approach recognizes that older Americans and those with disabilities prefer home and community based care -- the kind of care not covered today. The plan will provide greater coverage for long-term care for people with disabilities, including older Americans, through a new home and community-based care program.

Although nursing homes will continue to play an important role in long-term care, we recognize that long-term care must offer a wide range of social services. For example, the plan will help families care for relatives with disabilities by helping pay for respite services that give families a break when they need it most. The Health Security Act marks an important first step, moving us toward a more comprehensive system that has a wide range of options for older Americans and people with disabilities.

Prescription Drugs

Q: Will the plan help with the high cost of prescription drugs?

Yes. The Health Security Act will help cover prescription drugs -- older Americans' highest out-of-pocket expense. For less than $10 a month, Medicare beneficiaries will get 80 percent coverage of their medications after they reach a $250 deductible. All out-of-pocket costs above $1,000 will be fully covered. And patients will receive regular counseling from their pharmacist on what prescription drugs are most appropriate.

Early Retirees

Q: Will your plan reduce health insurance costs for early retirees?

For many working Americans, retiring early can mean confronting the worst of our current insurance system. Insurers charge people more because just they are older, more because they risk getting sick, and more because they are buying insurance on their own and not as part of a big group.

We've got to return insurance to what it used to be, where everyone in a community is charged the same fair price for insurance. Under our approach, early retirees would be guaranteed private health insurance that could never be taken away. They'd have a choice of high quality, private health plans, and when they pick a plan, they'd pay the same price everyone else in that plan pays, regardless of how old they are or whether they've ever been sick.

Alzheimer's Disease

Q: What does your plan do for families caring for Alzheimer's victims?

As our population continues to age -- the single fastest growing age group are people over 80 -- we need to confront the issue of Alzheimer's disease head on.

Our home and community-based care program will include adult day care services, home health care and personal assistance services. It will also cover respite care for family caregivers, so that people like you can take much-needed breaks now and again and still know your relative is getting the care they needs.

Family members caring for Alzheimer's victims often become prisoners in their own homes -- unable to run simple errands because they can't get anyone to stay with their relative while they run out.

I think we should be giving people struggling to keep their family together all the help we can. Our plan would provide families with that help.

Research

Q: What does your plan do for medical research?

The United States has the world's finest research institutions in the world, and boasts the most high quality, advanced medicine. This is something we want to build on under reform, by investing significantly in new medical research.

We increase funding for research into prevention and treatment for Alzheimer's disease and new drug therapies to treat Alzheimer's. Other new research initiatives will be aimed at preventing diseases that strike older Americans, including osteoporosis, breast cancer, heart disease and stroke.

Single Payer

Q: Most of us favor a single-payer health care system. Why didn't you go for that approach?

Many serious advocates of health care reform favor a single payer system for health reform, and we agree on a lot of things. I'm heartened that so many of the groups and the Members of Congress that prefer the single-payer approach are supporting my plan, because it achieves the main goals of universal coverage, administrative simplification, choice of doctor and real cost control.

And we've built into the plan the flexibility for single-payer systems in states that feel that's the best approach for their state.

THE WHITE HOUSE

WASHINGTON

March 19, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: Mike Lux
Debbie Fine

SUBJECT: Background on National Council of Senior Citizens

The National Council of Senior Citizens (NCSC) has a membership of five million, with a strong labor retiree component. Although some of the labor union retired workers departments will be represented at Century Village (AFSCME, UAW, AFT and NEA in particular), the audience is mostly non-union. Many will be sympathetic to the single payer approach.

NCSC was the only seniors organization to endorse the Clinton/Gore ticket during the campaign, which they did fairly early on, launching an effective grassroots campaign in targeted states on your behalf. In Florida, their members were very active and mobilized strong support with rallies and mass mailings.

Historically, health care has been NCSC's primary issue. Although they are generally supportive of the Health Security Act, and lobbying on its behalf, they are also supporters of the single payer system. The statement they issued at the seniors brunch last month was more supportive than previous public statements in that it did not mention the single payer bill at all. (Statement is attached.)

They, like most others active in this debate, are currently anxious about the legislative process. They are specifically nervous about the direction towards which Chairman Stark is heading without a long term care provision in his bill. They have been working hard to generate activity around the country for long term care, prescription drug benefits and the early retiree coverage.

The senior citizen organizations publicly supporting your plan are: AFL-CIO Retirees, AFSCME Retirees, Alzheimer's Association, Families USA, The Long Term Care Campaign, The National Caucus and Center on the Black Aged, National Council of Senior Citizens, The National Council on the Aging, National Education Association-Retired, National Hispanic Council on Aging, Older Women's League, Save Our Security, SEIU Retirees and United Auto Workers Retirees.

President
Eugene Glover
Silver Spring, MD

National Council of Senior Citizens

Executive Director
Lawrence T. Smedley
Washington, DC

1331 F Street, N.W. • Washington, DC 20004-1171 • (202) 347-8800 • FAX (202) 624-9595

Statement of the National Council of Senior Citizens

Regarding the Health Security Act

February 17, 1994

The National Council of Senior Citizens (NCSC), a national membership organization of five million men and women, has worked for a universal national health care system for three decades. NCSC welcomes the immense contribution to the national health reform debate marked by the introduction of President Clinton's Health Security Act.

Based on our experience helping to enact Medicare, NCSC supports a national health program that:

- provides universal coverage, with everyone in the same system;
- guarantees comprehensive benefits to all without regard to age, income, employment status or health condition;
- assures cost controls and consumer protection;
- is based on fair financing and cost sharing; and
- provides the framework for the adoption of a single-payer health system for the nation.

President Clinton's proposal advances these principles. It merits the support of senior citizens and this Council because it defines the health reform debate squarely in the context of universal coverage, cost restraints and comprehensive benefits. It extends key protections such as prescription drug coverage and long-term home and community-based care to all citizens—young and old. It protects early retirees, age 55-64, downsized out of jobs and facing skyrocketing, risk-based private health insurance premiums.

The Clinton Health Security proposal provides a clear framework to the Congress to assure absolute parity for Medicare beneficiaries with Medicaid users and with workers and their families to participate fully in health alliance plans. NCSC is urging the Congress to assure that all Medicare beneficiaries, like Medicaid beneficiaries, be guaranteed the option to leave Medicare and join a health alliance plan with Medicare covering 80 percent of the average-weighted premium for alliance plan services. This key addition to the Health Security Act will assure health service parity for older and disabled citizens now in Medicare with all other Americans. We also trust that the Congress will carefully evaluate the access issues associated with proposed further limits on Medicare cost increases.

NCSC urges the Congress and the American people to move the health reform debate forward toward resolution this year. We urge that the Congress reject fraudulent proposals such as the Cooper-Breaux, Michel and Chafee bills, which would shuffle current inefficiencies, gut Medicare and Medicaid, and leave the nation at the mercy of the insurance industry and market-based inequities.

Instead, the NCSC and its members will continue to urge the Congress to examine fully single-payer options which can be incorporated into the Health Security Act toward greater efficiencies, fairness and wider coverage options for all citizens.

President
Eugene Glover
Silver Spring, MD

National Council of Senior Citizens

Executive Director
Lawrence T. Smedley
Washington, DC

1331 F Street, N.W. • Washington, DC 20004-1171 • (202) 347-8800 • FAX (202) 624-9595

Lawrence T. Smedley

LAWRENCE T. SMEDLEY, Executive Director of the National Council of Senior Citizens, is an expert on retirement income and economic issues affecting older people. His involvement with the politics of aging dates back to the historic battle to win enactment of Medicare, the health insurance program for older Americans.

Under his leadership, the National Council has worked to increase public awareness and support for a national health plan, preserve Social Security, expand coverage under Medicare, construct new housing for low-income seniors, and extend the senior jobs program and other Older Americans Act services.

Prior to his joining NCSC in 1988, Smedley was the Associate Director of the AFL-CIO Department of Occupational Safety, Health and Social Security.

He is a Co-Chair of the Leadership Council of Aging Organizations, a coalition of national nonprofit groups committed to representing the interests of older Americans; Treasurer of the Save Our Security Coalition; Secretary of the Citizens for Tax Justice; and is a member of the Board of Directors of the Committee for National Health Insurance.

He has served on numerous advisory bodies, including Presidential Task Forces and Committees concerned with older Americans and the disabled, and was on the planning and advisory bodies for the White House Conferences on Aging in 1971 and 1981. He also served on the Labor Department's Advisory Council on Employee Welfare and Pension Plans and on a special task force named by the Secretary of Labor to examine policies relating to asset reversions from over-funded pension plans.

Smedley holds a B.A. degree from Bowling Green State University, a Master's degree from the University of Michigan and a Ph.D. from American University. Smedley is a resident of Silver Spring, Maryland.

HEALTH CARE REMARKS WILL BE FORWARDED

THE WHITE HOUSE

WASHINGTON

March 19, 1994

PHOTO OP WITH CHILDREN'S WISH FOUNDATION

DATE:	March 21, 1994
LOCATION:	Juniper Room Sheraton Bal Harbor Miami Beach, Florida
TIME:	3:45 pm
FROM:	Danny Wexler

I. PURPOSE

To fulfill a request from the Children's Wish Foundation for three children to meet the President.

II. BACKGROUND

The Children's Wish Foundation was founded in Orlando, Florida in October, 1985 as a not-for-profit charity to grant wishes to children with life-threatening illnesses who have not yet reached their 18th Birthday. Since its beginning, the Children's Wish Foundation has granted more than 1,000 wishes, focusing primarily on children who reside in Florida. Wishes have also been granted to children from other parts of the U.S., Canada, England and Russia.

Their goal is to grant every wish which meets the criteria. These wishes have included everything from gifts such as televisions, VCR's and computers to trips to Disney World, and meeting famous people. Both former President's Reagan and Bush met with children from this organization as well as former Vice President Quayle.

You will meet three children whose wish it is to meet the President. They include:

Ryan Perry, age 10. Ryan is from St. Cloud, Florida. Ryan suffers from Gauchers Disease, a form of blood cancer that affects the Kidney and Liver. He is in the fourth grade and his favorite activity is golf. The Children's Wish Foundation not only gave him a starter set of golf clubs but also arranged a lesson for Ryan from Arnold Palmer.

Matthew Perry, age 15. Matthew is Ryan's brother and also suffers from Gauchers Disease. He in the 9th grade. Because of his interest in computers, the Children's wish Foundation provided Matthew with a computer. Matthew also plays in the school band.

Christopher Didier, age 12. Christopher is from Orlando, Florida. He suffers from Leukemia. He is in the sixth grade and is also interested in computers. Due to his illness Christopher is schooled at home.

III. PARTICIPANTS

Gloria and Paul Perry (Ryan and Matthew's parents)
Lindsay Perry (Ryan and Matthew's sister, age 7)

Hilda and Steven Didier (Christopher's parents)
David Diddier (Christopher's brother, age 11)

Joel Jones, Executive Director Children's Wish Foundation
Rhonda Ryan, Volunteer, Children's Wish Foundation
Chris Rolle, Chairman, Board of Directors, Children's Wish Foundation

IV. PRESS PLAN

Closed Press

V. SEQUENCE

- When you arrive at the Sheraton Bal Harbor, you proceed to the Juniper Room.
- You greet the participants.
- The children will present you with a placque making you an honorary "Wish Kid".
- Photos taken and you depart.

VI. REMARKS

None required.

THE WHITE HOUSE

WASHINGTON

March 19, 1994

RECEPTION FOR DNC FLORIDA PRESIDENTIAL DINNER TRUSTEES

Date:	**March 21, 1994**
Location:	**Sheraton Bal Harbour**
	Magnolia Room
Time:	**7:00 p.m. - 7:20 p.m.**
From:	**Reta J. Lewis, Political Affairs**

I. PURPOSE

You will meet briefly with the Trustees and Managing Trustees of the Florida Presidential Dinner during a pre-dinner reception.

II. BACKGROUND

The Trustees for the dinner have written $50,000 or raised a minimum of $100,00 for this event. The Managing Trustees have written $100,000 or raised a minimum of $250,000 for the Florida event.

Included in this group will be several supporters who have written or raised between $300,000 and $500,000 for the Florida Dinner, including: Mitch Berger, Howard Glicken, Larry Hawkins and Marvin Rosen.

III. PARTICIPANTS

See attached list.

IV. PRESS PLAN

Closed press.

V. SEQUENCE OF EVENTS

You and the First Lady will arrive, meet and greet the Dinner Trustees for approximately twenty minutes, provide a brief photo opportunity, and then depart for the Cypress Room.

VI. REMARKS

No remarks necessary.

RECEPTION FOR DNC FLORIDA PRESIDENTIAL DINNER TRUSTEES
BAL HARBOR SHERATON HOTEL
MAGNOLIA ROOM
MARCH 21, 1994, 7:00 PM - 7:20 PM

Name	Description
Adler, Michael	President, Adler Group DNC Trustee
Adler, Judy	Spouse of Michael Adler
Berger, Mitchell (Mitch)	Partner, Berger, Shapiro, Davis DNC Trustee
Castre, Lyn	Guest of Abe Gosman
Cejas, Paul	CEO - Care Florida DNC Trustee, Miami
Cejas, Gertude (Trudy)	Spouse of Paul Cejas
Chusmir, Dr. Leonard	Spouse of Maria Elena Torano
Dezoretz, Beth	Chair - DNC Trustee program
Estrada, Teresa	Spouse of Fred Estrada
Estrada, Fred	Chairman, Vista & Hispanic Magazine *New DNC Trustee*
Fanjul, Alfonso (Alfie)	President, Flo-Sun DNC Trustee, Palm Beach
Friedkin, Laura (Skeets)	Spouse of Monte Friedkin
Friedkin, Monte	President, Friedkin Industries DNC Trustee, Boca Raton
Friedman, Dodie	Spouse of Arnold Friedman

Friedman, Arnold	CEO St. John's Home Health Clinton suppoter DNC Trustee, Miami
Garret, Richard	Guest of Mark Jimenez Attorney, Greenburg, Traurig
Gary, Willie	Gary, Williams & Parenti
Glicken, Howard	CEO, Jillians DNC Trustee, Miami
Glicken, Barbara	Spouse of Howard Glicken
Gosman, Abe	CEO, Mediplex of Boston & Florida
Hawkins, Honorable Larry	Dade County Commissioner DNC Trustee
Jimenez, Mark	CEO, Portofino Group, Inc.
Kramer, Thomas	Miami Real Estate Developer DNC Trustee
Kramer, Katherine	Spouse of Thomas Kramer
Leesfield, Cynthia	Guest of Ira Leesfield
Leesfield, Ira	Personal Injury Attorney Clinton Supporter
Madden, Don	CEO, The Madden Group DNC Trustee, Miami
Maden, Judy	Spouse, Don Madden
Perez, George	President, The Related Group of Florida - DNC Trustee, Miami
Reynolds, Chris	Spouse of Dr. Dwight Reynolds

PAGE THREE, TRUSTEE RECEPTION

Roldos, Margarita	Guest of Alfie Fanjul
Rosen, Marvin	Partner, Greenberg, Traurig DNC Trustee
Rosen, Janet	Spouse of Marvin Rosen
Scott, Rebecca	Spouse of Dr. Steven Scott
Scott, Dr. Steven	CEO Costal Pharmecueticals
Stack, Barbara	Spouse of Bud Stack
Stack, Charles (Bud)	Attorney DNC Trustee, Miami
Torano, Maria Elana	CEO of META

THE WHITE HOUSE

WASHINGTON

March 19, 1994

VIP RECEPTION FOR THE DNC FLORIDA PRESIDENTIAL DINNER

Date:	**March 21, 1994**
Location:	**Sheraton Bal Harbour** **Cypress Room**
Time:	**7:25 p.m. - 8:05 p.m.**
From:	**Reta J. Lewis, Political Affairs**

I. PURPOSE

You will provide a brief photo opportunity for approximately 50 couples during a pre-dinner reception for the DNC Florida Presidential Dinner.

II. BACKGROUND

The participants in the pre-dinner reception have written or raised a minimum of $30,000 for the Florida Presidential Dinner.

III. PARTICIPANTS

See attached list.

IV. PRESS PLAN

Closed press.

V. SEQUENCE OF EVENTS

-You and the First Lady will be announced into the Cypress Room by Chairman David Wilhelm.

-You and the First Lady will participate in a receiving line and provide a brief photo opportunity for reception guests.

-The reception guests will depart for the Ballroom.

VI. REMARKS

No remarks necessary.

VIP RECEPTION FOR THE DNC PRESIDENTIAL DINNER
BAL HARBOR SHARATON HOTEL
CYPRESS ROOM
MARCH 21, 1994, 7:25 PM - 8:05 PM

Name	Description
Abess, Jayne	Spouse, Leonard Abess
Abess, Leonard	Chairman of the Board - City National Bank
Adorno, Mr. & Mrs. Hank	Partner, Adorno-Zeder
Alhadeff, Richard	Attorney, Stearns, Weaver, Miller, Weissler, Alhadeff, et. al.
Alhadeff, Meme C.	Spouse, Richard Alhadeff
Andrews, Mr.	Owner of an environmental mitigation company
Arias, Maria	Strong Clinton/Gore Supporter
Badzko, Joe	Strong Clinton/Gore Supporter
Badzko, Kathy	Strong Clinton/Gore Supporter
Barakat, Lee	Spouse, Russ Barakat
Barakat, Russ	Executive Director, Broward Co. Housing Authority
Berlin, Jerry	President, Signature Gardens
Berlin, Gwen	Spouse, Jerry Berlin
Block, David	Strong Clinton/Gore Supporter
Bolonos, Jorge	President, Mivia Corporation
Bolonos, Sylvia	Spouse, Jorge Bolonos
Book, Ron	Private lobbyist
Book, Pat	Spouse, Ron Book
Chapman, Joe	Royal American Corportation

PAGE TWO, VIP RECEPTION

Chase, Mr. & Mrs.	Strong Clinton/Gore Supporters
Clark, Hon. Steve	Mayor of Miami
Clark, Teresa	Spouse, Hon. Steve Clarck
Collins, Art	Strong Clinton/Gore Supporter
Courshon, Arthur	Partner, Courshon & Courshon
Courshon, Carole	Spouse, Arthur Courshon
Crotty, Bill	Attorney, Black, Crotty, Simms et. al.
Crotty, Valerie	Spouse, Bill Crotty
Cusick, Mike	Attorney, Cusick & Sheldon
Dascal, Charles	Chairman, Continental National Bank
Diaz Delaportilla, Miguel	Strong Clinton/Gore Supporter
Eaton, Jim	Capitol Strategies, Tallahassee
Estevez, Tony	President, Residential Advisors
Farmer, Bob	Treasurer, Clinton/Gore - DNC Trustee Chair
Ferrel, Milton	Strong Clinton/Gore Supporter
Forman, Mr. & Mrs.	Strong Clinton/Gore Supporters
Graves, Nancy	Spouse, Richard Graves
Graves, Richard	Vice President, Graves Brothers Citrus
Hawkins, Roy & Carolyn	Strong Clinton/Gore Supporters
Herrera, Mr. & Mrs.	Strong Clinton/Gore Supporters
Hilmer, Wayne	Private Investor
Holtz, Dan	Strong Clinton/Gore Supporter

Johns, Mr. & Mrs.	Strong Clinton/Gore Supporters
Lane, Larry	Strong Clinton/Gore Supporter
Lientstrom, Mr. & Mrs. John	Strong Clinton/Gore Supporters
Lydecker, Charlie	Vice President, Poe & Brown (Insurance Company)
Malgen, Sal	Ophthalmologist, West Palm
Mauk, Bill	CEO, John Alden Life Insurance, Dade Clinton/Gore Chair
McCool, Neil	Project Advisors Group
Medina, Lissette	Spouse, Manuel Medina
Medina, Manuel	President, Terremark (Real Estate)
Murphy-McCool, Linda	Project Advisor's Corporation
O'Connor, Mr.	Strong Clinton/Gore Supporter
Orsick, Jeff	Attorney, Private Firm
Parker, MJ	Strong Clinton/Gore Supporter
Pino, Mr. & Mrs. Sergio	Century Plumbing
Portuando, Mr. & Mrs. Juan	Stong Clinton/Gore Supporters
Pugh, Alexis	Spouse, Jim Pugh
Pugh, Jim	President, EPOCH Properties
Reid, Charle "Chip"	President, Current Builders
Reid, Lynn	Spouse, Chip Reid
Rodham, Hugh	Brother-in-Law
Rubin, Billy	The Rubin Group

PAGE FOUR, VIP RECEPTION

Shapo, Marylyn	Spouse, Ron Shapo
Shapo, Ron	Shapo, Freeman & Fletcher
Sheldon, George	Strong Clinton/Gore Supporter
Sitterson	Strong Clinton/Gore Supporter
Soto, Berta	Spouse, Javier Soto
Soto, Javier	County Commissioner, Dade County
Stoltz, Skip	Strong Clinton/Gore Supporter
Swann, Christian	Son of Richard Swann
Swann, Richard	President, Swann & Associates
Varone, Pat	Strong Clinton/Gore Supporter
Velocci, Ralph & Guest	Strong Clinton/Gore Supporters
Waters, James	Strong Clinton/Gore Supporters
Weinberger, Gwen	Parent, Barry Weinberger (DNC Trustee)
Weinbrger, Morton	Parent, Barry Weinberger (DNC Trustee)
Ziff, Sandy and Guest	Doctor, Key Biscane

THE WHITE HOUSE

WASHINGTON

March 19, 1994

DNC FLORIDA PRESIDENTIAL DINNER

Date:	**March 21, 1994**
Location:	**Sheraton Bal Harbour**
Time:	**8:10 p.m. - 9:10 p.m.**
From:	**Reta J. Lewis, Political Affairs**

I. PURPOSE

You will participate in the DNC's Florida Presidential Dinner Fundraiser.

II. BACKGROUND

The DNC has worked with supporters throughout Florida in organizing this Presidential Dinner. The DNC's original fundraising goal for the event was $1.2 million. As of Saturday, March 19th, the DNC had raised $1.5 million for the event, with total commitments for the dinner estimated at $2.5 million. The Florida Democratic Party will receive 15 percent of the dinner revenues for their 1994 coordinated campaign effort.

The Democratic congressional members from the Miami-area were invited to attend the dinner as guests of Chairman David Wilhelm. Congressional members in attendance will include Senator Graham and Representatives Bacchus, Johnston, Deutsch, Hastings, Meeks and Thurman.

III. PARTICIPANTS

See attached list of dinner table guests.

IV. PRESS PLAN

Open press.

V. SEQUENCE OF EVENTS

-You and the First Lady will be announced into the Grand Ballroom by Commissioner Larry Hawkins. You will be accompanied by David and DeeGee Wilhelm.

-You will work the ropeline while proceeding to your seat.

-Chuck Mangione performs one song.

-Marvin Rosen introduces David Wilhelm.

-David Wilhelm gives brief remarks, recognizes elected officials and introduces Governor Chiles.

-Governor Chiles gives brief remarks and introduces Senator Graham.

-Senator Graham gives brief remarks and introduces a special video.

-The video is shown.

-Senator Graham introduces the First Lady.

-The First Lady gives brief remarks and introduces you.

-You will give brief remarks, and then depart.

VI. REMARKS

Prepared by Speechwriting.

Florida DNC Presidential Dinner
Monday, March 21, 1994

President's Table

Marvin Rosen	Partner, Greenberg, Traurig - DNC Trustee
Janet Rosen	Spouse, Marvin Rosen
Mitchell Berger	Partner, Berger, Shapiro, Davis - DNC Trustee
Hon. Larry Hawkins	Dade County Commissioner, DNC Trustee
Monte Friedkin	President, Friedkin Industries
Skeets Friedkin	Spouse, Monte Friedkin
Howard Glicken	CEO, Jillians, DNC Trustee
Barbara Glicken	Spouse, Howard Glicken
Jorge Perez	President, The Related Company of Florida, DNC Trustee
Maria Elena Torano	President, META, DNC Trustee

Florida DNC Presidential Dinner
Monday, March 21, 1994

First Lady's Table

Bud Stack	Attorney, DNC Trustee
Barbara Stack	Spouse, Bud Stack
Tom Kramer	Miami Real Estate Developer
Katherine Kramer	Spouse, Tom Kramer
Fred Estrada	Chairman, Vita & Hispanic Magazine, New DNC Trustee
Teresa Estrada	Spouse, Fred Estrada
Mark Jimenez	CEO, Portofino Group
Stephen Scott	CEO Costal Pharmaceuticals
Rebecca Scott	Spouse, Stephen Scott
Willie Gary	Parner, Gary Williams & Parenti, New DNC Trustee, Minority Advocacy Activist
Gloria Gary	Spouse, Willie Gary

Remarks For President William Jefferson Clinton
Forum With Older Americans
March 21, 1994
Miami, Florida

Thank you. You know, I'm kind of famous for giving long speeches, but they told me I better get you out in time for the early bird dinner or I might have trouble. So I'm going to try.

It's wonderful to be back here at Century Village. I want to thank Larry Smedley for that wonderful introduction. It's good to see my friends Governor Chiles, your Lieutenant Governor Buddy MacKay, and from the Congress -- Harry Johnston, Alcee Hastings, and Peter Deutsch. And I also want to thank Joanne Pepper for speaking here today, and for having the courage to help carry on her uncle's legacy. And when we pass health care reform later this year, it will in part be a tribute to Claude Pepper's life work.

I thank you all here for welcoming me here two years ago when I was running for President, and for welcoming Hillary here the day before that election. This is a place that has great memories for both of us.

You know, even though I'm a golfer and not much of a baseball player, I'm glad I came to Florida in time for spring training. Because while the baseball players are working on <u>their</u> swings, <u>I've</u> come here to go to bat for you -- your health security, and the health security of your children and grandchildren.

I have dedicated my Presidency to the proposition that people that work hard and play by the rules should be rewarded for their work. That's why we've worked so hard to produce jobs, to reduce our deficit, and to give your sons and daughters time off when they need to help take care of a child or parent. That's why we've passed tough laws like the Brady Bill -- and are working to pass a tough, smart crime bill this year.

And that's why I am dedicating myself to fixing this health care system -- to provide hard-working families with the health security they deserve. To protect and strengthen Medicare. To guarantee that after a lifetime of hard work, you can get the high-quality health care and long-term care you need.

Better than anyone, you know the struggles of Presidents who fought for the security of hard-working families and older Americans. You were there when Franklin Delano Roosevelt led the struggle to create Social Security. You were there when John Kennedy and Lyndon Johnson fought to create Medicare -- a solemn pact with older Americans.

And today, nearly thirty years after we created Medicare, we have another magic moment. After 60 years of false starts and blocked attempts, we have an opportunity to guarantee health security to <u>every</u> American, of all ages. This is an opportunity we must seize.

Opponents of reform are trying to tell you there's no health care crisis, but they're wrong. I don't have to tell you that. Everywhere I go, people tell me we've got to do something about health care. And they're right.

The fact is: even people with good health insurance today can lose it tomorrow. Two million Americans a month lose their insurance. And fifty-eight million Americans find themselves without insurance at some point during the year.

And benefits are constantly threatened by insurance company fine print. Eighty-one million Americans have what these insurance companies call "pre-existing conditions" that insurers can use to raise rates or deny coverage. And three out of four insurance policies -- policies that cover 133 million people -- have lifetime limits that cut off your benefits when you need them most. In other words, chances are your insurance plan is great -- unless you get really sick.

There are some who would use today's crisis to cut back on Medicare. As if older Americans didn't have enough trouble affording medicine and long term care. But we must not hide from this crisis. We must confront it and resolve it.

We all know what's great about American health care -- the doctors and nurses and hospitals, the medical research, the high-quality care. But if we don't do something, we face a future of less choice, lower-quality care, and larger bills.

The bottom line? America faces one of three choices: no guarantee of coverage for your children and grandchildren -- which is what we have now; government insurance for everybody -- which would require a big tax and make us rip up a lot of what works today; and guaranteed private insurance -- which is my approach. And I have told the Congress I will veto a bill which doesn't cover everybody -- because if everyone doesn't have guaranteed coverage, it's not real health care reform.

We're going to strengthen what's right about our health care system and fix what's wrong. And these are five key elements that make it work:

- Guaranteed private insurance
- Choice of doctor and health plan
- Outlawing insurance company abuses
- Health benefits guaranteed at work for Americans of working age and
- Protection of Medicare for older Americans

Guaranteed Private Insurance

First, I believe we must guarantee health coverage to every American. Everyone must be covered. Always. That's the only way to guarantee security. As long as any of us at any time can be denied coverage or dropped from coverage -- none of us is secure. And as long as Americans who have insurance pay the price for those who don't have insurance, we'll never get costs under control.

I've also said that the benefits package should be comprehensive -- which means it should stress primary and preventive care. Under my proposal, you'll still have your Medicare card that will guarantee you your benefits -- and Americans of working age will get a Health Security card [show card] that will guarantee benefits as good as what America's biggest companies offer -- and as good as what members of Congress get. Everyone's benefits will include prescription drugs and preventive care -- things that often aren't covered today. It's common sense to pay to keep people healthy, not just treat them after they get sick.

And people must have the peace of mind of knowing that no matter what happens, your health care can never be taken away.

Choices Preserved and Expanded

Second, I want to preserve and expand people's choice of doctor and health plan, because that's the best way to guarantee high quality health care.

Under my approach, everybody is guaranteed choice of doctor. For those on Medicare, nothing changes. For everyone else, there'll be more choices. Because you -- not your boss or insurance company -- will choose your doctor and a high-quality health plan. It can be a plan that lets you use any doctor or hospital in the phone book. Or it can be a plan that lets you use a group of doctors or hospitals. Or, you can join an HMO if you want to. It's your choice.

Outlaw Insurance Company Abuses

Third, we're going to crack down on insurance company abuses -- to guarantee affordable insurance that people can depend on. No more dropping coverage or cutting benefits. No more raising your rates just because you get sick. No more using "lifetime limits" to cut off your benefits. And no more charging older people more than younger people.

Insurance ought to mean what it used to mean back when it was started by Blue Cross during the Great Depression. You pay a fair price for security, and when you're sick, your health care benefits are there for you -- no matter what.

Insurance Through The Workplace

Fourth, if we're going to cover everybody, the best way to do it is to guarantee health benefits at work. Every job should come with health benefits. Most jobs do today. And yet 8 out of 10 Americans who have no insurance are in working families.

We want everyone to have health benefits guaranteed at work, with the government providing discounts for small businesses and the unemployed. This approach builds on what works. And it's the easiest and simplest way to accomplish our goal of guaranteed private insurance for everyone.

That's how we make sure that everyone is covered. Anyone who works will get coverage at work. Employers will be asked to contribute, as will employees. The government will cover the unemployed, and will continue to cover older Americans through Medicare.

Protecting and Expanding Medicare

Now let me take a final minute and expand on this last point.

I believe very strongly that the true test of health reform is whether it's good for older Americans. That's why I'm proud that Dr. Arthur Flemming, a former U.S. Commissioner of Aging and a fighter for older Americans in the tradition of Claude Pepper, has called my proposal the "best thing for older Americans since Medicare was created." That's why the American Association of Retired Persons (AARP) says that my approach is the "best option for senior citizens" of all the proposals before the Congress. That's why I am pleased that Larry Smedley of the National Council of Senior Citizens is here today asking older Americans to go out and fight for my plan.

And that's why my proposal preserves and protects Medicare. Under my approach, if you get Medicare you keep it. And your choice of doctor is protected. I know how important it is, especially for older Americans, to have good doctors you can count on, without getting bounced around from office to office.

When Congress passes my reform, you will be absolutely guaranteed that you and only you will choose your doctor. So you can keep the doctor you now go to. And I will guarantee you that Medicare will be preserved. **Because every older American deserves the security of quality health care. Everyone. Everyday. Always.**

But I want to go farther. Under my approach, we'll expand your benefits under Medicare. You'll get coverage for prescription drugs, which costs older Americans more than anything today. Over the last few years, the biggest single complaint I have heard from older Americans is that they're having to choose between buying food and medicine, because the cost of medicine is going sky-high. I am tired of reading stories about people out in California and Arizona having to get in their cars and drive to Mexico because that's the only place they can afford the medicine they need.

And we also begin to provide coverage for long term care where you want it: at home or in your community. You know, we had these wonderful "We Care" volunteers greet us today. I understand they help many of you get your medicine or get the little bit of help you need to stay at home. But of course, not everyone is as lucky as you are. That's why we need to make a start at helping people afford care where they prefer it: at home or in communities like this one. It's not right that people are forced into nursing homes when they want to be at home with their loved ones.

And let me be clear: I want to make sure that every penny of Medicare money is used for the health care of older Americans. Some want to take Medicare money away from seniors and spend it on other things. Let me be clear about where I stand: as long as I am your President, I will fight to protect and strengthen Medicare.

Because John Kennedy and Lyndon Johnson made a pact with you -- that Medicare would be used for your health care, and we must preserve that. But I need your help in fighting with me for health care reform that protects Medicare and older Americans.

And as we strengthen Medicare, I want to protect older Americans from people who take advantage of those in ill health. My proposal calls for new criminal penalties to aggressively pursue and prosecute those who commit fraud. And it prevents doctors from charging you more than the Medicare rate.

And I believe very strongly that we must also invest billions of dollars more in medical research. Into how to prevent Alzheimer's disease. Into new drug therapies to treat Alzheimer's. Into what causes cancer. Into the causes of osteoperosis. Into what we can do to prevent heart disease. America leads the world in cutting-edge research, and we want to make it sure it stays that way.

Reform Will Work For You

Reform will work for you and your doctor. That's why the people on the front lines -- America's largest associations of family physicians, pediatricians, nurses and pharmacists -- support it and believe it will work.

Opponents are trying to confuse the issue by making it seem more complicated, but it's really pretty simple. Here's how it works.

- **We're going to guarantee private insurance to every American.**
- **We want you to choose your doctor and health plan.**
- **We're going to outlaw insurance company abuses.**
- **We'll guarantee health benefits at work for everyone who works.**
- **And we're going to preserve and strengthen Medicare for older Americans.**

That's my approach. And this is our opportunity.

But as many of you probably know, the special interests -- the people who profit off today's crazy system -- are out in full force. One group of health insurers has already spent $14 million on TV ads to scare you about reform.

And what are the special interests saying? Led by the far-right wing of the Republican party, they're warning of a grim future they call "socialized medicine" -- complete with "rationing." If it sounds familiar, it should. It's the same desperate cry they've used against every President since FDR who's tried to do health reform. In fact, when John Kennedy was fighting for Medicare back in 1962, a California movie actor, warning that socialism would be imposed, urged listeners to write members of Congress and tell them to oppose Medicare. "If you don't do this," Ronald Reagan said, "one of these days you and I are going to spend our sunset years telling our children and our children's children what it once was like in America when men were free."

I'll tell you, my mother was on Medicare for the last ten years of her life, and she never told her son about the good old days when she was free.

Look, I didn't design my health reform for the special interests -- I designed it for you, your children and your grandchildren. **The powerful interests, the guardians of gridlock -- they're doing everything they can to stop health care reform. Well, I....won't...let... them.**

We can't outspend them, but if we join together, we can outnumber them. It's time we rejected the cries of those who say we can't do it. I know -- and you know -- we can.

This time, we will make history and guarantee health security to every American. I ask you to join with me and help me do what is right for America. Thank you.

Remarks by President William Jefferson Clinton
Democratic National Committee Fund-raiser in Miami, Florida
Monday, March 21, 1994

Thank you Governor Chiles for that wonderful introduction. And thank you to my good friend and former fellow Governor, Bob Graham, who has become one of our most outstanding Senators since he came to Washington.

I thank you, Chuck Mangione, for the splendid music you've given us tonight. In this great crossroads city, your music is a living example of how cultural exchanges enrich the musical heritage of all Americans.

I particularly want to thank Marvin Rosen and all of you who have worked so hard to make this dinner a success. And, most of all, I want to thank David Wilhelm for the hard work he's doing at the Democratic National Committee to make sure our candidates have the resources they need to win this fall.

All you have to do to see what kind of leadership Florida has been producing is to take a look at all the Floridians who are serving in our Administration.

There's an all-star group from Florida, starting with Attorney General Janet Reno and EPA Administrator Carol Browner.

In 1992, Al Gore and I campaigned on a promise of change. We vowed to get this country moving again after twelve years of Republican inaction.

You elected us to tackle the health care crisis, to reform our nation's welfare system, to create jobs, and to make our streets, our schools and our homes safe again.

But as so often happens, when you look around the country, you find that there are states that are ahead of the federal government in confronting those challenges.

Nowhere is that more true than in the state of Florida under the leadership of Lawton Chiles and Buddy McKay.

They've proven that Democrats can govern in an austere fiscal climate; they've made diversity a key in staffing the government; they've reformed worker's compensation, increased the technological capabilities of state agencies, gotten tough on crime and passed state health care reform.

In fact, if you look at the legislative struggles in Florida over the last three years, and look at the battles in Congress in 1993 and 1994, you might say, to quote Yogi Berra, "It's deja vu all over again."

Take health care. Governor Chiles has been a national leader on health care throughout his career in the Senate, and now he's put Florida on the front lines of the battle for health care reform as Governor.

In drafting our national health care plan, we looked closely ar the proposals you were preparing to implement in Florida, especially the technique of bringing people together to create purchasing alliances that could lower costs for everyone.

But Florida is also on the front lines of the resistance to health care reform. I hear that some Florida doctors are sporting buttons that read "Just Ask Me" for a second opinion about the Florida health care plan.

But we already know the opinions of the people and industries that have profited from the spiraling costs of health care.

We know they think it's OK to raise rates or refuse to insure the 81 million people with pre-existing conditions.

They think it's OK to put a lifetime limit on some 131 million Americans, so that you lose your insurance coverage just when you need it the most.

They think it's OK that 58 million people every year find themselves without health insurance for at least a month.

In 1992, I went out and asked Americans all over the country for a real second opinion about our health care system.

Everywhere I went, people told me loud and clear that they wanted change in the nation's health care system. They didn't want to throw out the system we have and start over.

But they did want change, and our plan delivers:

We outlaw the insurance industry's unfair practices of cutting off people in need.

We give you the right to choose your own doctor and health plan.

We protect and strengthen Medicare; and we add new prescription drug coverage and some long term care protection.

And we guarantee health benefits at work.

Your experience in Florida is already demonstrating that purchasing alliances like those in our plan can save consumers money.

The bids on the Florida purchasing alliances are coming in from 5 to 40 percent below the current costs. Pooling peoples' health care purchasing power does save money.

Governor Chiles has also been providing leadership on another issue where the message from the American people is loud and clear: crime.

In Washington, I am pushing hard to get Congress to finish work on a comprehensive crime-fighting package.

I believe that as Democrats, we have to be tough on violent criminals <u>and</u> support programs to steer kids away from a life of crime.

Here in Florida, Governor Chiles is committed to building 33,000 new prison beds over the next five years, to make sure that we have room to keep violent criminals behind bars.

But Florida has also been investing in a whole series of programs designed to prevent crime, from better early education programs to drop-out prevention programs to boot camps.

Creating new jobs is also a central element of any long-range strategy to prevent crime.

That's why, since I took office, I have emphasized the importance of increasing opportunities for American companies to export goods and services as a key to job creation.

You've seen the job impact of increased exports here in Florida. Our exports to Latin America and the Caribbean have more than doubled in 1993.

That growth in exports has generated hundreds of thousands of new jobs for American workers.

Miami is uniquely situated to benefit from this explosion in trade. That's why I was very pleased two weeks ago to announce that the Summit of the Americas will take place in early December in Miami.

I know all Miamians will be proud to host this historic summit of all the democratically elected leaders in the Americas.

We were persuaded that your efforts to build a genuine multicultural, multiracial society was the perfect setting for this conference, where we will all be working to do things that democracies find difficult to do -- getting people together across racial and economic and ethnic lines.

I can't say enough about the work that Governor Chiles, my friend Buddy McKay, Senator Bob Graham, and the members of your congressional delegation did to make the case for choosing Miami.

We look forward to working with Buddy McKay in coordinating efforts at the state and local levels for the Summit.

And I hope that all of the hemisphere's democratically elected leaders will be able to attend. And I share your fond hope that if not at this summit, then at the next one, we will be joined by a democratically elected leader from a free Cuba.

Governor Chiles knows as well as any Governor that fighting for change is a tough business. Your approval ratings don't always go up when you take on entrenched special interests. It's tough in Tallahassee and it may be even tougher in Washington.

Throughout my career in politics, I have dealt with Republicans, both in Arkansas state and with Republican administrations in Washington.

I know that the Republican Party can be a party of true and progressive change, like their founding President Abraham Lincoln.

Teddy Roosevelt was right to save our natural resources. And Richard Nixon signed the bill creating the Environmental Protection Agency and first proposed that all employers should contribute to their employees' health insurance so that everyone could be covered.

But the Republicans have a problem right now. They have run out of ideas about how to address some of the country's big problems.

Just listen to what Pierre S. Dupont -- now that's a Republican name --, the former governor and presidential candidate, had to say at a conference of Republican conservatives earlier this month:

"Since 1990, the Republican Party has not offered the middle-class voter anything he or she ... can believe in."

So what do you do when you have nothing to offer? You're forced to adopt the policies of diversion, division and destruction that now characterize the Republican party.

Last summer we were fighting for a budget to cut the deficit and get the economy moving again. All the Republicans had to offer was Chicken-Little, the sky-is-falling, gloom-and-doom rhetoric.

Said one Republican Senator: "We are buying a one-way ticket to a recession."

Said another, "This bill will cost American jobs, no doubt about it."

In the entire House and Senate, there was not a single Republican vote in favor of our budget package. Not one.

And just look what's happened.

We've created 2.1 million jobs in the last 13 months, more than during the entire Bush administration.

Last year, private sector job growth was more than double that of 1992, and the fastest rate of growth in four years.

Between December 1992 and December 1993, interest rates on new home mortgages fell to their lowest level since April, 1968. Over 5 million Americans have been able to refinance their homes, often saving hundreds of dollars per year.

The budget deficit is at the lowest level since 1979 as a percent of the gross domestic product. The current deficit is projected to be over one-third lower than President Bush's forecast for this fiscal year.

We are now on track for three straight years of falling deficits -- the first time that's happened since Harry Truman was in the White House.

Unfortunately, the Republicans have applied this stand-in-the-way approach to bill after bill we introduced to improve the lives of middle-class Americans.

In the House of Representatives, 84 out of the 175 Republican members voted against change on five of the most important votes that faced Congress last year:

The Family and Medical Leave Act

Motor-Voter Registration

The Budget Reconciliation Bill

The Brady Bill

National Service

And over in the Senate, the Republicans have resorted to the filibuster, or threats of a filibuster, on the Family and Medical Leave Act, the National Voter Registration Act, on the budget reconciliation act, the Brady Bill and National Service.

Looking ahead to the elections this fall, I believe the American people will reject these Republican appeals to division and gridlock.

We need to have real debates about the best solutions to the problems facing our country.

In 1992, I got my second opinion from the American people: they wanted change, and I am proud of the start we've made.

But it's just the beginning. We've had twelve years of Republican gridlock, and one solid year of change.

If the Republicans can't hear the chorus for change, while our party is responding to their needs, then I believe we'll come away winners this fall, and beyond.

Thank you and good night.

THE WHITE HOUSE

WASHINGTON

March 18, 1994

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

FROM: Reta J. Lewis, Special Assistant to the President for Political Affairs

RE: Political Briefing - Florida

1992 PRESIDENTIAL ELECTION RESULTS

	Florida	Miami
Clinton	39.2%	48.9%
Bush	40.9%	37.0%
Perot	19.9%	13.8%

POLITICAL LANDSCAPE

1994 Gubernatorial Race. Governor Chiles announced on December 8th that he and Lt. Governor Buddy MacKay will run for re-election as a ticket. A February poll conducted by Mason-Dixon showed Chiles with a 39 percent "excellent/pretty good" approval rating, compared to a 61 percent "only fair/poor" rating. Approximately 26 percent of those polled indicated that they would like to see Chiles re-elected in 1994, while 31 percent said they would consider another candidate. Approximately 37 percent of Floridians polled would vote to replace Chiles in 1994.

The Republican field for the 1994 gubernatorial race has becoming increasingly crowded. Candidates for the GOP nomination include former State Commerce Secretary Jeb Bush (son of George Bush), Secretary of State Jim Smith (a former Democratic Attorney General), Senate President Ander Crenshaw and anti-abortion activist Ken Connor. State Insurance Commissioner Tom Gallagher is also considering a bid for the nomination. Term limits activist Jack Gargan announced on January 15th that he will run as an Independent in the 1994 gubernatorial race.

The February poll conducted by Mason-Dixon indicates the following preferences among Florida's Republican voters in the gubernatorial primary:

	All Voters	Men Only	Women Only	Favorable/ Unfavorable	Voter Identification
Bush	34%	33%	35%	41% / 17%	93%
Gallagher	27%	28%	26%	48% / 07%	87%
Smith	10%	12%	08%	24% / 06%	69%
Crenshaw	06%	08%	04%	19% / 03%	46%
Connor	01%	01%	01%	07% / 05%	38%
Undecided	22%	18%	26%	NA	NA

Bush leads candidates from both parties in 1993 fundraising, having raised $1,341,849. Crenshaw follows with $557,068 and Smith with $500,160.

1994 Senate Race. According to recent polling, Republican Connie Mack seems assured of a second term in the U.S. Senate. Although Mack won his 1988 election over Lt. Governor Buddy MacKay by a slim margin, his approval ratings remain very high throughout Florida. Mack has already raised more than $2.1 million for his re-election bid. Tampa Mayor Sandy Freeman, former Education Commissioner Betty Castor and Congressman Jim Bacchus have each announced that they will not seek their party's nomination in 1994, ending months of speculation regarding the Democratic field for the race.

Hugh Rodham announced on March 1st that he will be a candidate for the Democratic nomination. A hypothetical Mack-Rodham match-up conducted by Mason-Dixon showed Mack winning 56 percent of the vote against Rodham's 28 percent. The same poll tested favorability ratings for Mack and Rodham, with the following results:

	Favorable	Unfavorable	Name ID
Mack	57%	17%	95%
Rodham	08%	07%	39%

Miami lawyer Ellis Rubin and physician Arturo Perez, both former Republicans, will also run in the Democratic primary. Rubin has said that he will try to turn the Democratic primary into a referendum on your performance if Rodham chooses to remain in the race. According to the Florida press, Rubin's entry into the Democratic primary was prompted by reports that Rodham had not registered to vote in Florida for almost 12 years, prior to 1991. Perez, a veteran of the Bay of Pigs invasion of Cuba, has told the press that his interest in health care reform led him to announce his candidacy. Perez supports a Canadian-style national health insurance program. His greatest political asset in the race will likely be his links to Florida's Cuban-American community.

Two Democrats who have expressed interest but have not announced their intentions for the Senate race are former Florida Democratic Party Chair Simon Ferro and former prosecutor Mark Schnapp. The filing deadline for the September 6th primary is May 13th.

Statewide Officeholders. Lt. Governor Buddy MacKay (D), Attorney General Bob Butterworth (D), Comptroller Gerald Lewis (D), Secretary of Education Doug Jamerson (D), Insurance Commissioner Tom Gallagher (R), Secretary of State Jim Smith (R) and Secretary of Agriculture ~~Bob Crawford~~ (D) are the state's constitutional officeholders.

Note: Former Education Commissioner Betty Castor resigned from office in December when she was named the new President of the University of South Florida. Former State Representative Doug Jamerson was appointed by Governor Chiles to fill this position. Jamerson is only the second African-American to serve in the Florida Cabinet. He will face election for a full-term in 1994. If elected, he will be the first African-American elected statewide in Florida.

THE STATE LEGISLATURE

Senate Presidency. The Florida State Senate is split equally between Democrats and Republicans for the first time since Reconstruction. As a result, the Senate Presidency is rotated between the two parties. Pat Thomas (D-Quincy) assumed the Presidency on October 12th. The State House is controlled by Democrats and is led by Speaker Bo Johnson.

THE CONGRESSIONAL DELEGATION

Senator Bob Graham (D) has served in the Senate since 1986 and will be up for re-election in 1998. Graham was re-elected in 1992 with 65 percent of the vote. He is a member of the Aging; Armed Services; Environment and Public Works; Intelligence; and Veterans' Affairs Committees.

Senator Connie Mack (R) is serving in his first term will seek re-election in 1994. He was elected in 1988, defeating Lt. Governor Buddy MacKay by approximately 33,000 votes. Mack is a member of the Appropriations; Banking, Housing and Urban Affairs; Small Business; and Joint Economic Committees.

The members of the Florida congressional delegation are:

Rep. Earl Hutto (D)
Rep. Karen Thurman (D)
Rep. Pete Peterson (D)
Rep. Clifford Stearns (R)
Rep. Bill Young (R)
Rep. Charles Canady (R)
Rep. Bill McCollum (R)
Rep. Harry Johnston (D)
Rep. Lincoln Diaz-Balart (R)
Rep. Michael Bilirakis (R)
Rep. E. Clay Shaw (R)
Rep. Dan Miller (R)
Rep. Corrine Brown (D)
Rep. John Mica (R)
Rep. Tillie Fowler (R)
Rep. Sam Gibbons (D)
Rep. Tom Lewis (R)
Rep. Jim Bacchus (D)
Rep. Illeana Ros-Lehtinen (R)
Rep. Peter Deutsch (D)
Rep. Alcee Hastings (D)
Rep. Porter Goss (R)
Rep. Carrie Meek (D)

1994 OPEN CONGRESSIONAL SEAT

Sixteenth Congressional District. Republican Tom Lewis is retiring after 12 years as the district's Representative, leaving the sixteenth district seat open. Former state Representative Phil Lewis and Jim Steuber have announced they will seek the Democratic nomination. Likely candidates for the GOP nomination include state Senator Mark Foley and state Representative Ken Pruitt. The NCEC has rated this district *Likely Republican.*

1994 POTENTIALLY MARGINAL CONGRESSIONAL SEATS

Earl Hutto. The first district, which includes Panama and Pensacola in the Panhandle, has been rated *Marginal/Leaning Democratic* by the NCEC. Likely Republican candidates include attorney Al Condon, attorney Joe Scarborough, former Reagan appointee Jim Paul, Radio Talk Show Host Wendell Griffith and Escambia County Commissioner Buck Lee.

Karen Thurman. The fifth district, which includes the north-central part of the state, has been rated *Marginal/Leaning Democratic* by the NCEC. Possible GOP candidates include former judge Gary Graham, prosecutor Tom Hogan and poultry salesman Phil Longo.

John Mica. The seventh district, which includes Seminole and Volusia counties, has been rated *Potentially Marginal/Leaning Republican* by the NCEC. Likely Democratic candidates include businesswoman Mary Todd, Alucia County Commissioner Clay Henderson, former state Representative Sam Bell and businessman Ed Goddard.

Michael Bilirakis. The ninth district, which includes parts of west-central Florida, has been rated *Potentially Marginal/Leaning Republican* by the NCEC. Possible Democratic candidates include physician Ron Gilberg, Oldsmar Mayor Jerry Provenzano and attorney Joe Fink.

Bill Young. The tenth district, dominated by the city of St. Petersburg, has been rated *Potentially Marginal/Leaning Democratic* by the NCEC. Possible Democratic challengers include educator Karen Moffitt, state Representative Peter Rudy Wallace and state Representative Mary Brennan.

Sam Gibbons. The eleventh district, including the east-central part of the state, has been rated *Potentially Marginal/Leaning Democratic* by the NCEC. Possible candidates for the GOP nomination include former Naval Intelligence Officer Mark Sharpe and community activist Nancy Watkins.

Charles Canady. The twelfth district, including parts of south-central Florida, has been rated *Potentially Marginal/Leaning Republican* by the NCEC. Possible Democratic candidates include former state Representative Tom Mims, 1992 congressional candidate Cheryl Davis Knapp and Pope County Commissioner Tobert Connors.

Jim Bacchus. The fifteenth district, including parts of Brevard and Indian River counties, has been rated *Marginal* by the NCEC. Possible GOP candidates include businessmen Bill Tolley and Michael Shukdinas, former state Representative Kevin McKeown, Vietnam Veteran Gary Smith, Investment Advisor Ed Stilley and retired Air Force Colonel Jim Owen.

Clay Shaw. The twenty-second district, representing parts of Broward, Dade and Palm Beach counties, has been rated *Potentially Marginal/Leaning Republican* by the NCEC. Shaw will face primary opposition from activist John Stahl. Likely Democratic candidates include Palm Beach City Councilmember Hermine Weiner, state Senator Ron Silver and state Representative Michael Abrams.

1993 ELECTIONS

Miami Mayoral Race. The November 9th runoff election between Miami City Commissioner Miriam Alonso and former Metro Dade Mayor Steve Clark was an explosive battle. Alonso was highly criticized by the local press for her statements made, urging people to vote by ethnicity. Clark was also criticized because one of his campaigners "had called Alonso a bad Cuban" on a paid radio show. The Miami Herald endorsed Clark, saying that voters "know that where Miriam Alonso divides people, Steve Clark unites them." Clark defeated Alonso 59 percent to 41 percent of the vote.

OTHER NEWS ISSUES

Western Hemispheric Summit. On March 11th Miami, Florida was named the host city for the Western Hemispheric Summit, to be held in December, 1994. The Summit has been billed by the Florida press as the first hemispheric-wide conference of presidents in 27 years, and a testament to the Administration's commitment to trade with Latin America. Miami beat out Chicago and Los Angeles to secure the site after an intense lobbying effort by Senator Graham and Governor Chiles, the latter pledging $2 million in extraordinary logistical and security support for the event. Lt. Governor Buddy MacKay will serve as Florida's lead person in planning for the Summit.

Immigration Lawsuit. Governor Chiles has said he will sue the federal government for reimbursement of the money Florida taxpayers have spent to aid immigrants. State officials have estimated that Florida spent at least $739 million in 1992 to provide health care, education, housing and other social services to immigrants and political refugees. On Monday, March 14th Chiles released a 28-page report entitled *The Unfair Burden, Immigration's Impact on Florida.* The report will serve as the basis for the lawsuit for the federal government's "failed immigration policy."

Crime. Florida has come under international scrutiny in the past year due to several heavily publicized murders. Incidents involving tourists in Miami, Tampa and Monticello have riveted media attention to the violent crime problem in Florida. State officials have responded by assigning additional police officers to designated areas and passing the legislation which makes it illegal for minors to possess firearms.

THE WHITE HOUSE

WASHINGTON

March 18, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: CHRISTINE A. VARNEY
Secretary to the Cabinet

SUBJECT: Background Information - Florida

In preparation for your upcoming trip to Florida, we have compiled the following information from the various Cabinet Agencies and Departments.

"HOT ISSUES"

- **Defense - Acquisition:** Florida ranks 6th in DoD procurement spending with $5.45 billion in FY'93. DoD employs 113,216 people on military bases in Florida which are not slated for closure. Florida's top five defense contractors are: United Technologies, Martin Marietta, General Electric, Olin Corp., and McDonnell-Douglas.

- **Defense - Tomahawk Cruise Missile**: Currently both McDonnell-Douglas (located in Titusville, Florida) and Hughes Aircraft in Arizona manufacture Tomahawk cruise missiles. Due to declining demand, the Navy will choose a single source of production, probably sometime in July. In the last special session, Florida authorized a generic tax credit which would benefit companies like McDonnell-Douglas and help them compete.

- **Defense - DFAS:** Pensacola is pushing hard for a DFAS Center. With a military-based economy and nervousness about BRAC '95, the area is following the DFAS process closely.

- **Defense - TRP Grants:** The state of Florida did well in the recent Technology Reinvestment Project competition. By July 23, the TRP had received 117 proposals with Florida organizations in the lead. Of those, seven have been selected for final negotiation.

- **Defense - Immigration:** State Department officials may push to have excess DoD facilities used as processing/detention sites for incoming aliens. Currently, only one I.N.S. processing facility is operating in South Florida with a capacity of less than 500 people. Aliens are routinely released from the facility and instructed to return for a hearing. The Governor's office maintains that aliens usually ignore this order and remain in the U.S. undocumented.

- **Defense - Base Closures and Reuse Issues:** According to the Governor's office, all Florida military bases are anxious about their prospects under BRAC '95. The Pensacola Naval Complex is especially concerned. Orlando's Naval Training Center is Florida's largest closure to date (14,153 military and 940 civilian jobs). Another large site, slated to close in 1999, is the Naval Air Station at Cecil Field (8,247 military and 626 civilian jobs). Dade County officials are developing reuse plans for Homestead AFB which is closing this month.

- **Defense - Congressional:** Congressman Sam Gibbons is a WW II veteran of the D-Day invasion. DoD is working with the White House to provide travel for him and his family to attend the D-Day events in Normandy on the 50th Anniversary of the invasion.

- **Treasury - Earned Income Tax Credit (EITC):** By 1997, 895,000 Florida families with children -- 25 percent of all the families in Florida -- will be eligible for the credit. (See attached chart showing EITC impact by Congressional District).

- **Treasury - Foreign Bank Offices:** Senator Graham and the Miami Chamber of Commerce have recently raised concerns about how long it takes the Federal Reserve Board to approve new foreign bank branches in the United States. Latin American banks have a particular interest in establishing Florida branch offices. Three of the fourteen applications for new offices which have been approved by the Fed since 1991 have been for the state of Florida. Federal law requires that U.S. offices of foreign banks be closely supervised by consolidated home-country supervisors. Some Latin American countries lack consolidated bank supervision systems to comply with the law.

- **Treasury - Customs Service Issues:** 1) The 1995 budget proposes to downsize the Customs Air and Marine Interdiction program to offset increases in drug treatment and other user-based approaches to fighting drug abuse. 2) Florida officials have requested that the entire state be designated as a High Intensity Drug Trafficking Area (HIDTA) making it eligible for a more concentrated federal anti-drug effort; 3) The Miami Chamber of Commerce has asked the Florida Congressional delegation to push for a major expansion of the Federal Inspection Service at Miami International Airport.

- **Commerce - Weather Service:** The new Weather Surveillance Radar in Melbourne, Florida will be commissioned on March 30.

- **Commerce - Minority Business:** The Minority Business Development Agency (MBDA) in association with the EDA and the Mayor of Jacksonville, recently signed an agreement for the Mayor's Office of Economic Development to operate a Minority Business Opportunity Committee (MBOC) program to alleviate economic distress.

- **Commerce - Trade:** In a joint project between Commerce/NIST and the Japanese Ministry of International Trade and Industry, thirty U.S. manufacturing engineers from 21 companies (including Motorola's Boynton Beach, Florida facility) will work in manufacturing firms in Japan to facilitate technology transfer from Japan to the United States.

- **Transportation - Aviation:** Local residents and media claim that the use of Long Range Radar in South Patrick Shores near Orlando has caused clusters of Hodgkin's and Lou Gehrig's disease for the past two years. However, the radar complies with the American National Standards Institute, a private organization which sets national recognized standards for technology, including radar.

- **OMB - FY'95 Budgetary Impact:** The attached memorandum prepared by the Office of Management and Budget sets forth the impact of the FY'95 budget proposal on the state of Florida.

- **Interior/Agriculture - Everglades:** The Administration's Everglades and Florida Bay Restoration Program has been very controversial in Florida. The Florida Legislature is currently reviewing legislation which would require agricultural producers in the Everglades to pay between $240 million - $330 million for Everglades restoration. Environmentalists continue to criticize this agreement. Governor Chiles has threatened to enact protection policies by regulation if the Legislature does not adopt the plan.

  Last week, Secretary Babbitt sent a letter to Secretary Espy (the letter was approved by the Vice President's office and the Office of Environmental Policy) asking him to consider whether sugar growers in the Everglades should continue to be eligible for federal price supports when they continue to violate state and federal pollution laws. Secretary Espy has no authority to remove sugar growers from the program, Congress would have to do so by statute. The letter received wide publicity in Florida.

  USDA notes that while sugarcane growers do pollute the land, sugarcane is the most benign "developed" use of the land and that other crops would damage the area even more. Florida is responsible for 26% of U.S. domestic sugar and the industry is valued at over $700 million a year.

  In the FY'95 budget, the Administration has requested an increase from $39 million to $59 million in Everglades protection programs.

- **Justice - Everglade Cleanup Litigation:** FloSun, Florida's largest sugar grower, has agreed to drop its challenge to the Everglades cleanup plan. As part of the plan, FloSun will improve on-farm practices to minimize pollution and will pay $4-6 million per year for man-made marshes to clean up agricultural run-off. If other growers sign on to the agreement, we will avoid a 10 week trial now scheduled to begin in April.

- **Agriculture - Welfare Reform:** Florida has requested a waiver for a welfare reform demonstration project. The demonstration will be conducted in two mid-sized counties and includes requests to waive food stamp regulations. USDA is currently reviewing the proposal.

- **HHS - Waivers:**

  Pending: Florida Health Security Program. This proposal, submitted on February 20 with the strong support of Governor Chiles, would utilize a managed competition model and provide health insurance for 1.1 million uninsured Floridians with incomes at or below 250% of the federal poverty level.

  Pending: Florida Preconception Intervention Program. This demonstration program would target low-income, post-partum women at risk for having a low-birthweight baby in a subsequent pregnancy. The two-year program would improve nutrition, image, hygiene and would focus on smoking elimination and drug use.

  Approved: Family Transition Program. On January 27, the Department approved waivers for this program which limits AFDC benefits to 24 month in any 60 month period. It allows greater earnings and assets before benefits are reduced.

  Approved: Florida School Enrollment-Based Health Insurance Project. This program provides low-cost insurance to families in Volusia County whose children are currently ineligible for regular Medicaid benefits.

  Approved: Medicaid Direct Purchase of Vaccine Program. Under this program, Florida purchases vaccines directly from pharmaceutical manufacturers on behalf of Medicaid recipients.

  Approved: Parent's Fair Share. Duval County is one of seven sites in the nation for this program in which non-custodial parents are provided services through the JOBS program to enable them to pay child support.

  Approved: Medicare Alzheimer's Disease Demonstration. Miami Jewish Home and Hospital for the Aged is one of the eight sites participating in the Medicare Alzheimer's Demonstration. The purpose of this project is to determine the effectiveness and cost of comprehensive services to Medicare beneficiaries with Alzheimers Disease.

- **HHS - Immigration:** Governor Chiles held a news conference in Miami on March 14 in which he released his office's immigration report. It is the state's first attempt to calculate the cost of services used by documented and undocumented aliens. Governor Chiles estimates that Florida taxpayers spent $804 million last year to care for illegal residents and he is filing a lawsuit against the federal government to seek reimbursement.

- **HHS - OBRA '93 Income Trust Provisions:** Last week, Florida Legal Services announced its intent to sue the state in a class action suit regarding Florida's implementation of the Omnibus Budget Reconciliation Act of 1993 income trust provisions. OBRA '93 tried to provide for the exemption of certain trusts comprised of pensions, social security payments and certain other income from consideration when making Medicaid eligibility determinations. Because of the way it combined with other legal requirements, the extension applied to only a small number of cases. Florida newspapers have criticized the Department for this problem, saying it is having a negative effect on elderly residents. HCFA is working to issue a policy statement that will correct some of the problem.

- **HUD - Hurricane Andrew:** The recovery of South Dade County is advancing at a good pace. 80,000 of the 95,000 persons who became unemployed in the aftermath of the hurricane have now found jobs. The 280 new businesses that have entered the area since the October 1993 hurricane have provided 2,270 new jobs. Housing rehabilitation also proceeds at a good pace.

- **HUD - Innovative Homeless Initiative:** The Department is finalizing plans and will soon announce Miami as the third Innovative Homeless Cities Project. (Washington DC and Los Angeles are the first two.) This project provides cities with approximately $20 million annually to develop a continuum of care for homeless people through partnerships with local government, foundations, community-based organizations and the private sector.

- **HUD - Litigation on the Manufactured Housing Wind Rule:** The Florida construction trade association recently joined the Georgia, Louisiana, Texas and Mississippi construction trade associations in suing the Department over this rule. They claim these new wind standards, designed to reduce deaths and injuries in high wind areas, will reduce the supply of affordable housing.

- **Education - Blue Ribbon School**: Skyway Elementary in Miami received a Blue Ribbon of Excellence from the Department last year. The school has a state-of-the-art science and math programs and a daily news show.

GRANTS

- **Commerce - EDA:** EDA has a $2.8 million defense grant for Homestead Air Force base ready to be announce March 21. This announcement may be included in your remarks.

- **Labor - School-to-Work:** The State of Florida was awarded a $450,000 School-to-Work Planning and Development grant in February 1994. Congressman Sam Gibbons co-sponsored the legislation.

- **Labor - Job Corps Site Awarded:** On Thursday, March 10, Homestead Air Force Base was awarded one of nine new Job Corps sites. The Department also recently awarded the Gainesville Job Corps Center over $10 million for the operation of the center.

- **Transportation - Federal Transit Administration (FTAS) Grants:** The FTAS has just awarded $14.1 million to the following transit authorities for purchase of replacement buses: 1) Metro Dade County (Miami)- $3 million; 2) Orange-Seminole-Osceola (Orlando)- $7.5 million; and, 3) Sarasota County- $3.6 million.

- **Agriculture:** In FY'94, the Farmers Home Administration and the Rural Development Administration is budgeted to spend over $258 million in grants and loans in Florida -- a significant increase from FY'93. The Food and Nutrition Service spent will spend over $1.5 billion in the state on food stamps, WIC and other programs in FY'94. USDA will spend a total over $1.9 billion in the state in this fiscal year.

- **Energy:** During FY'93, the Department of Energy spent over $130 million in financial assistance and procurement awards in Florida. To date in FY'94, the Department has spent over $191 million in awards -- a significant increase. The Tampa Electric Company's Clean Coal project received the bulk of these funds.

- **Education:** Florida receives about $1.7 billion each year in formula grant allocations; in FY'93 Florida received $630 million in discretionary grants with a slight increase expected in FY'94.

- **EPA:** Florida will receive over $63.8 million in water infrastructure financing from EPA. In addition , the State will receive a minimum of $13.5 million to support other environmental programs.

- **Justice - Community Policing:** Nine jurisdictions in Florida have received community policing funds: Miami ($1.95 million/ 26 officers); Orlando ($1.95 million/26 officers); Fort Meyers ($600,000/8 officers); Port St. Lucie ($25,000/7 officers); Fort Pierce ($415,000/6 officers); Palatka ($315,000/5 officers); Homestead ($495,000/4 officers); Grenta ($175,000/3 officers); and, South Bay ($130,000/2 officers).

- **Justice - Drug Punishment Program:** The Department provided $2.4 million in 1993 for state-run bootcamps with aftercare components.

- **Justice - Trafficking Enforcement Program:** The Department provided $1.1 million in 1993 for specialized training for law enforcement groups, including task force and strike force operations.

- **Justice - Miami Crack/Focused Substance Enforcement Program:** The Department provided $800,000 in 1993 in funds to State and local law enforcement agencies to investigate and immobilize crack cocaine trafficking organizations.

- **HHS - AIDS Funds:** Florida will receive $13.7 million in Ryan White CARE Act funds in FY'94; Miami will receive $6.9 million of these funds.

- **HHS - Immunization:** In January, the Department released $12.9 million in funds to Florida to increase access to immunization services and to allow more convenient hours and more clinic sites. Miami received $659,050.

- **HHS - Head Start:** In FY'94, Florida Head Start programs will receive increases of $27 million, for a total of $120 million in funding.

- **HUD - Community Development Block Grants:** The State will receive $30.1 million and Dade County will receive $26.7 million in FY'94. These grants are used for a variety of community development activities.

- **HUD - HOME Investment Partnership:** The State will receive $14.3 million and Dade Country will receive $8.5 million in FY'94 from this program which supports housing rehabilitation, renovation and construction, rental assistance and homelessness transitional housing.

- **HUD - HOME Disaster Grant Funds:** The State received $33.7 million and Dade County received $37.8 million in Hurricane Andrew housing rehabilitation funds in FY'93.

- **HUD - Public Housing Drug Elimination Grants:** The State received $22 million in FY'93 in funds to help public housing authorities combat drug trafficking.

- **HUD - Supportive Housing for the Elderly:** The State received $571.8 million in FY'93 to finance the development of rental housing with supportive services for low-income persons 62 years of age or older.

- **ONDCP:** South Florida High Intensity Drug Trafficking Area. The HIDTA partnership of federal, state and local law enforcement agencies in the Miami area is concentrating on dismantling drug trafficking and laundering organizations. The Partnership is being provided with $11.75 million in FY'94 funding to integrate local, state and federal efforts.

TRAVEL

- **Commerce:** Secretary Ron Brown travelled to McDill AFB in Tampa last June 25 to assure local officials that NOAA's facility would remain there.

- **Labor:** Secretary Reich attended the AFL-CIO Annual Conference in Bal Harbor February 22, 1994. On December 2, 1993, the Secretary addressed the Orlando Naval Training Center as part of the displaced workers SWAT assistance visits and on December 3, he addressed the winter meeting of the National League of Cities.

- **Transportation:** Secretary Pena attended the AFL-CIO annual conference in Bal Harbor. In October, he visited Miami in support of the NAFTA agreement.

- **Interior:** Secretary Babbitt has traveled to Florida four times since the fall, each time on the Everglades issue. He was in Orlando and the Everglades last weekend.

- **Agriculture:** Secretary Espy will travel to Boca Raton this weekend to address the 19th annual convention of the Futures Industry Association.

- **Energy:** Secretary O'Leary has visited Florida twice since the fall, including a visit last month to attend a DNC Conference.

- **Education:** Secretary Riley travelled to Orlando last October to address the Florida Democratic Party Annual State Conference.

- **EPA:** Administrator Browner, who is from Miami, will travel to Florida on April 29-30 where she will speak at the Miami-Dade Community College commencement. Her mother teaches there.

- **Justice:** The Attorney General has been to Florida eight times in the last year. Since January, she has only been there once -- to address the opening of the Juvenile Justice Environmental Youth Program with Secretary Babbitt, Senator Graham and Governor Chiles, and to address the Independent Bankers Association Conference. Attorney General Reno is scheduled to give the commencement address at the University of Miami Law School on May 12.

- **HHS:** Secretary Shalala has been to Florida four times since last March. Her visits included a streetwalk and roundtable discussion with Congressman Bacchus in

Titusville, a reception with the Governor and visit to a medical center in Tallahassee, a regional health care conference in Tampa, all last March. This past November she met with the editorial board of the Miami Herald, toured the Jackson Memorial Hospital and participated in a town hall meeting with Congressman Deutsch, and attended a Children's Defense Fund event at Disney World.

- **HUD:** Secretary Cisneros has been to Florida six times in the last six months. He has participated in events with Congresswoman Carrie Meek, and Congressman Peter Deutsch, among other events.

- **Veterans Affairs:** Secretary Brown visited Florida four times over the past year to address various veteran-related organizations and conferences.

- **ONDCP:** Dr. Brown has visited Florida four times in the last six months. He addressed the National Conference of Black Mayors, a conference on drug courts and a Florida A&M University Convocation. He also participated in a health care site visit in Tallahassee this past February touring the Leon County Human Services Center.

Florida

District	Representative	Expanded EITC (fully phased in) Families ('000's)	Amount (millions)	Percent of Families
1	Earl Hutto	45.1	78.7	29.0
2	Pete Peterson	50.6	88.2	34.8
3	Corrine Brown	55.2	96.3	39.8
4	Tillie Fowler	33.0	57.6	21.4
5	Karen L. Thurman	51.1	89.1	31.3
6	Cliff Stearns	38.5	67.1	23.6
7	John L. Mica	32.0	55.7	20.2
8	Bill McCollum	34.9	60.9	24.0
9	Michael Bilirakis	33.7	58.8	20.5
10	C.W. Bill Young	47.5	82.9	30.7
11	Sam Gibbons	49.2	85.7	34.1
12	Charles T. Canady	41.0	71.5	25.9
13	Dan Miller	32.0	55.8	18.9
14	Porter J. Goss	26.7	46.6	15.8
15	Jim Bacchus	31.8	55.4	19.6
16	Tom Lewis	27.7	48.3	16.6
17	Carrie Meek	48.3	84.2	36.8
18	Ileana Ros-Lehtinen	44.0	76.8	31.1
19	Harry A. Johnston	21.2	36.9	12.6
20	Peter Deutsch	26.0	45.3	16.7
21	Lincoln Diaz-Balart	31.2	54.4	21.3
22	E. Clay Shaw, Jr.	44.7	77.9	29.6
23	Alcee L. Hastings	50.0	87.2	37.4
Total		*895.4*	*1,561.4*	*25.3*

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

March 15, 1994

MEMORANDUM FOR CHRISTINE VARNEY

FROM: Leon E. Panetta

SUBJECT: Impact of the President's Budget on Florida

Please find attached an analysis of the impact of the President's FY 1995 budget on the state of Florida.

I have included a table in the front of the document which summarizes the expected allocation to Florida of some of our major investments. Also, the Budget Information for States document tells us that Florida will see an increase in Federal assistance: from $7.4 billion in FY 1994 to $8.1 billion in FY 1995, a 9% increase.

03/15/94
12:06 PM

MAJOR FORMULA GRANTS THAT BENEFIT THE STATE OF FLORIDA IN THE ADMINISTRATION'S INVESTMENT PACKAGE

(in millions of dollars)

	1994	1995	Amount of Increase	Percent Increase
DEPARTMENT OF TRANSPORTATION				
Highways:				
1. Highway Planning and Construction	521.6	720.5	198.9	38.1%
DEPARTMENT OF LABOR				
Dislocated worker assistance:				
2. Employment and Training Assistance--Dislocated Workers	47.8	62.6	14.8	31.0%
DEPARTMENT OF TRANSPORTATION				
Mass transit formula capital grants:				
3. Federal Transit Capital and Operating Assistance Formula Grants (Sections 9 and 9B)	98.0	124.2	26.2	26.7%
DEPARTMENT OF EDUCATION				
Safe and drug-free schools:				
4. Drug-Free Schools and Communities--State Grants	16.1	20.0	3.9	24.3%
DEPARTMENT OF HEALTH AND HUMAN RESOURCES				
5. **Head Start**	119.8	148.2	28.4	23.7%
ENVIRONMENTAL PROTECTION AGENCY				
Clean water and safe drinking water State revolving funds:				
6. Water Infrastructure Financing (Drinking Water)	22.4	26.2	3.8	16.9%
DEPARTMENT OF EDUCATION				
Title I, education for the disadvantaged:				
7. Chapter 1 Programs--LEAs (Chapter 1, Basic and Concentration Grants)	263.3	292.5	29.2	11.1%
DEPARTMENT OF AGRICULTURE				
8. **Women, Infants, and Children (WIC)**	132.0	146.1	14.1	10.7%

March 15, 1994

BUDGET INFORMATION FOR THE STATE OF FLORIDA

Summary information

- o A table is attached that summarizes the major formula grants in the administration's investment package that benefit the state of Florida.

Agriculture

- o The FY 1995 budget proposes to close the agricultural Research Service (ARS) Subtropical Horticultural Research Service in Miami (a reduction from FY 1994 of $331,000 and 34 FTEs. $1,421 million will be transferred to ARS labs in Puerto Rico and Orlando and Gainesville Florida to fund additional research on alternatives to Methyl Bromide and improved shelf life of U.S. exports). Unrelenting urban encroachment and facility disruption by Hurricane Andrew dictate consolidation of research activities from this lab to the other agency locations.

  The Administration is continuing to plan for the construction of a new laboratory in Fort Pierce, Florida to replace the Miami lab. The laboratory is currently in the design stage.

Commerce

- o **Economic Development Administration (EDA)**

  EDA provides matching grants for public works, economic adjustment, planning, and technical assistance to many areas of Florida. In FY 1994, $2.4 million has been approved (not yet obligated) for assistance to Florida, with approximately $101.6 million in pending applications. It is difficult to anticipate grant applications at this time for FY 1995. If the applications pending in FY 1994 exceed available funds, they will be considered for FY 1995 funding.

- o **International Trade Administration (ITA)**

  ITA will provide $576,000 in FY 1994 for Florida business assistance centers. These centers assist businesses in formulating trade and export plans, provide information to businesses on trade opportunities, and provide data on foreign markets. The same amount of funding is requested in the FY 1995 budget for these activities.

- **Bureau of Export Administration (BXA)**

  BXA will provide $398,000 in FY 1994 for export enforcement officers in Florida. The same amount of funding has been requested in FY 1995 for this activity.

- **Minority Business Development Agency (MBDA)**

  MBDA has five Minority Business Development Centers (MBDC) in Orlando, Tampa, West Palm Beach, Miami, and Jacksonville, Florida. The total funding for these MBDCs is $1.26 million in FY 1994. MBDCs provide business management consulting services for business start-ups, marketing advice, and information on public procurements (especially Federal procurements). The same amount of funding is requested in the FY 1995 budget for these activities.

- **United States Travel and Tourism Administration (USTTA)**

  USTTA has a regional office in Florida which serves the South American region. The office is funded at $200,000 in FY 1994. The same amount of funding is requested in the FY 1995 budget for these activities.

- **National Oceanic and Atmospheric Administration (NOAA)**

  NOAA has 15 weather service offices including the National Hurricane Center, four laboratories, a National Marine Sanctuary, a ship facility, and its Aircraft Operations Center in Florida. In FY 1994, $48.2 million was appropriated to support the programs housed at these facilities. NOAA has requested $46.5 million for these programs in FY 1995.

  NOAA also provides grants to Florida for fisheries research, Coastal Zone Management, and the Sea grant program. In FY 1993, these grants totalled $14.4 million. Estimates are not available for FYs 1994 and 1995 since State allocations have not been determined.

- **Technology Administration (TA)**

  TA has proposed no specific interactions with Florida in the FY 1995 budget. However, Florida-based companies could compete in the FY 1995 grant competitions of the Manufacturing Extension Program (MEP) or the Advanced Technology Program (ATP) and receive funding.

Corps of Engineers

- o The Army Corps of Engineers' 1995 budget includes about $70 million to plan, design, construct, operate and maintain Federal water resources projects in the State of Florida. These projects provide flood damage reduction, hurricane damage reduction, and navigation benefits which either protect or support the State's existing infrastructure.

- o Included in the budget amount is about $9 million for the continuation of harbor construction projects -- Canaveral Harbor, Fort Pierce Harbor, Manatee Harbor, and Miami Harbor -- and about $10 million for the continuation of beach protection construction projects -- Duval County and Pinellas County. About $7 million is for the continuation of construction on several flood damage reduction projects such as the Central and Southern Florida project and the Dade County project. Also, $25 million is for the operation and maintenance of existing commercial harbors and inland waterways located throughout the State.

Defense

- o Major defense activities in Florida supported in the FY 1995 budget:

  Development and production by the Grumman Corporation at Melbourne of the E-8 Joint Surveillance Target Attack Radar System (Joint Stars) on modified Boeing 707 class aircraft. During Desert Storm, while still in development, two joint stars prototype aircraft did an outstanding job tracking Iraqi ground forces and supply vehicles.

  Development by Pratt and Whitney at West Palm Beach of the engine for the new Air Force F-22 advanced tactical fighter.

  Production by Martin Marietta at Orlando of Hellfire and Javelin anti-armor missiles for the Army. During Desert Storm, Hellfire missiles were successfully used by Army attack helicopters to kill Iraqi tanks and other combat vehicles.

  Support of Naval aviation at major Naval Air Stations at Pensacola, Jacksonville, and Key West.

  Support of Air force activities at the following major Air Force bases:

  -- Eglin AFB near Pensacola (Largest AFB in the U.S. in terms of land area);

  -- Tyndall AFB near Panama City (training of F-15 pilots);

-- MacDill AFB at Tampa (Headquarters of U.S. Central Command); and

-- Patrick AFB at Cocoa Beach (Military space launch activities.

o FY 1995 budget request for Military Construction and Family Housing in the state of Florida.

Location	Service	Project	$ In Millions
Jacksonville supply	Navy	Hazardous and flammable storage addition	2.2
Pensacola Air Station	Navy	Air traffic tower	2.1
Cape Canaveral AFS	AF	Corrosion control facility	1.7
		Delta launch operations facility	7.0
		Upgrade Electrical Distribution System	1.8
Eglin AFB	AF	Renovate climatic test chamber	20.0
Eglin Aux Field #9	AF	HC-130 Park Apron Simulator facility	7.5 4.8
Camp Blanding	ANG	Training site, Wastewater treatment plant	2.1
Patrick AFB	AF	Family housing: 75 units	7.1
Total Florida			56.2

Energy

o The Administration shares the strong interest that the state of Florida has in solar energy and energy efficiency. The Department of Energy has worked over the years with many Florida institutions -- a good current example is the program at the University of Florida to test solar-powered electric-vehicle recharging stations. This will help to promote both photovoltaics and advanced automobile technologies, which are among the Administration's technology-policy priorities.

Health and Human Services

- **Head Start**

  The Administration requested $4,025 million in FY 1995, a $700 million (21%) increase over FY 1994. These funds will increase the number of children in Head Start, improve program quality, and provide full day Head Start for children whose parents work. The Department of Health and Human Services estimates that Florida would receive $148 million in FY 1995, a 28% increase over FY 1994. Florida would also receive additional Child Nutrition funds to serve meals to the added Head Start participants.

- **Child Care and Development Block Grant**

  The Administration requested $1,091 million for the Child Care and Development block grant for FY 1995, a $198 million (22%) increase over FY 1994. HHS estimates that Florida would receive $53 million in FY 1995, a $10 million increase over FY 1994.

- **Family Preservation and Support**

  Funding for the new Family Preservation and Support Program will increase from $60 million in FY 1994 to $150 million in FY 1995. This program provides parenting skills training and services to families with children at risk of abuse and neglect. HHS estimates that Florida would receive $6 million in FY 1995, a 140% increase over FY 1994.

- **Women, Infants, and Children**

  As part of its plan to fully fund the Women's, Infants and Children (WIC) program by the end of FY 1996, the budget requests $3,564 million for FY 1995, a $354 million (11%) increase over FY 1994. Florida would receive a sufficient portion of this increase to achieve full funding by that date.

- **Low Income Home Energy Assistance Program**

  The FY 1994 appropriations bills included $1,475 million to fund the Low Income Home Energy Assistance Program (LIHEAP) in FY 1995. The Budget proposes to allocate $745 million of these funds for FY 1996, reducing the FY 1995 program level to $730 million. Florida is receiving $19 million in FY 1994, and would receive about half that amount in FY 1995 under the current allocation formula.

- **Public Health Service**

  As proposed in the FY 95 Budget, Florida would receive $59.9 million for the Substance Abuse Block Grant, $9.8 million over the FY 94 level of $50.1 million. This 20 percent increase would be targeted for treatment of hard-core users.

The FY 95 Budget includes $214 million overall for Ryan White Act Title II state formula grants, a 16 percent increase over the FY 94 level of $184 million. Florida will receive $16.4 million in FY 94 for Title II grants. Although a state-by-state distribution of FY 95 Title II funds is not yet available (the allocation formula is based upon the distribution of AIDS cases for the two-year period ending on 9/30/94), Florida will likely benefit from increased Title II funding overall.

The FY 95 Budget would also provide Florida with $19.1 million from the Maternal and Child Health Block Grant and $4.7 million through the Preventive Health Block Grant. Both amounts are the same as the FY 94 enacted levels.

- **Health Care Financing Administration**

  Florida has requested a number of waivers for its Medicaid program in order to implement the Health Security program. Under Florida Health Security, currently uninsured individuals with incomes below 250% of poverty would be eligible for premium discounts financed by the Federal and State governments. At full implementation, approximately 1.1 million individuals would receive coverage through Florida Health Security. Florida has proposed several Medicaid reforms in order to finance the new program, including mandatory managed care enroll-ment for Medicaid recipients, reimbursement limits for several provider groups, elimination of the medically needy program, and diverting half of projected Medicaid DSH spending to Health Security. The waiver is currently under review at HHS and OMB.

  Federal matching payments for State medical assistance payments and State administrative expenses associated with Medicaid, as estimated by Florida in November, 1993, will total $3.42 billion in FY 1994 and $4.08 billion in FY 1995. The portion of State-estimated Federal matching payments attributable to medical assistance payments for FY 1995 is $.11 billion, with the remainder attributable to State Medicaid administrative expenses.

  Unlike other medical assistance payments, Federal matching payments for disproportionate share hospital (DSH) payments are limited by law. The Health Care Financing Administration publishes State DSH allotments biennially in the Federal Register. Florida's DSH allotment for FY 1993 was $.24 billion ($.132 billion Federal share). Florida's preliminary DSH allotment for FY 1994, as published in the Federal Register on February 1, 1994, is $.301 billion

($.165 billion Federal share). DSH allotments for FY 1995 have not yet been estimated.

The Federal match rate for medical assistance payments for Florida was 55.03% in FY 1993, is 54.78% in FY 1994, and will be 56.28% in FY 1995.

Housing and Urban Development

o **Homeless**

The 1995 budget provides $1.76 billion for HUD's homeless assistance programs, double the FY 1994 appropriated level, and the largest amount ever proposed for Federal homeless programs. The total amount of homeless funding proposed for all Federal agencies is more than $2.1 billion, a 60% increase over last year.

Awards for the 1995 HUD homeless funds have not yet been made. If Florida receives the same share of these new funds as it did last year in HUD's major formula program, the state could expect to receive more than $70 million of new homeless assistance funds.

o **New economic development initiatives**

The state could also likely benefit from a portion of the $800 million proposed for the new HUD community and economic development assistance and the empowerment zone and enterprise communities initiatives in the budget. However, the amount to go to Florida will be determined in later competition for funds.

Interior - Outer Continental Shelf (OCS)

o In the President's FY 1995 Budget, Appropriations language was included to extend moratoria on Outer Continental Shelf (OCS) oil and natural gas activities in the Eastern Gulf of Mexico. Section 109 of the General Provisions in the Department of the Interior extends a preleasing and leasing moratorium north of 26 degrees latitude for Sale 151 of the OCS Natural Gas and Oil Resource Management Comprehensive Program, 1992-1997. Section 107 continues a leasing and related activities moratoria south of 26 degrees north latitude and east of 86 degrees west longitude, off the coast of the Everglades.

Justice

o **Immigration and Naturalization Service (INS)**

FY 1994

The FY 1994 appropriation for the Departments of Commerce, Justice, and State included $11,250,000 in the Building and Facilities account of the Federal Prison System budget for the expansion of the INS detention facility at Krome, Florida.

FY 1995

For FY 1995, the Immigration and Naturalization Service's portion of the Administrations's 1995 Immigration Initiative will have a positive impact on Florida.

Naturalization promotion and education

Florida has a large population of legal permanent resident aliens eligible for naturalization. For example, in 1992 Florida ranked fourth on the list of States in which immigrants expressed their intention to reside. Specifically, of the 973,977 immigrants admitted into the United States in 1992, 61,127 expressed an intention to reside in the State of Florida. As a further example, again in 1992, Florida ranked third in the number of permanent residents who became naturalized U.S. citizens. Specifically, of a nationwide total of 240,252 persons naturalized, 21,129 resided in Florida. The promotion and educational efforts proposed in the Administration's naturalization initiative should increase the number of eligible newcomers and long-time permanent residents in Florida applying to become naturalized citizens.

Expedite the Removal of Criminal Aliens.

In an August 1993 report, Florida was among the top five states with the highest estimated number of foreign-born inmates in its State correctional facilities (with 4,000). INS will expedite the deportation of criminal aliens in Florida by expanding the use of fingerprint data to rapidly and accurately respond to Federal, State and local law enforcement officers' requests on alienage of criminals. The Institutional Hearing Program (IHP), which allows INS to assume custody and promptly remove deportable aliens when they complete their sentences, will be expanded in the Federal Prison System facilities in Florida, as well as in Florida's State prison system.

Comprehensive Asylum Reform.

INS will build a more timely asylum decision system. New procedures, coupled with additional resources, will enable INS to process both incoming applications and backlogged cases at the Miami Asylum Office. Enforcement efforts in Florida will focus on fraudulent applications, thus reducing incentives for asylum abuse.

Employer Sanctions. Reduce the Magnet of Job Opportunities.

The employer sanctions initiative will ensure that aliens in Florida who have broken immigration laws do not receive work authorization or social service payments. At the same time, the proposed employer sanctions initiative will make it easier for Florida's employers to determine who they may employ while preventing unscrupulous employers from hiring and exploiting illegal aliens with impunity. Florida's high-violator industries and employers who exploit illegal workers will be targeted for this initiative's enforcement efforts. The bottom line for Florida will be fewer illegal entries by aliens drawn to Florida's job market.

- **The Drug Enforcement Administration (DEA) Miami Division**

The Miami Field Division is DEA's largest. In the State of Florida, the division has district offices in Ft. Lauderdale and Tampa; resident offices in Gainesville, Jacksonville, Key Largo, Orlando, Panama City, Tallahassee, West Palm Beach, and Ft. Meyers; and a post of duty (POD) in Pensacola.

There are five DEA program-funded State and local task forces in the State of Florida: Ft. Lauderdale, Ft. Meyers, Orlando, Tampa, and West Palm Beach. There is also a Federally-funded South Florida Task Force in Miami.

Staffing for the Miami Field Division in the State of Florida totals 508 positions; 342 of them are Special Agents. Of these Special Agents, 18 of them participate in DEA's task forces along with 50 State and local police officers.

The Miami Field Division is located in one of the 13 Organized Crime Drug Enforcement Task Force (OCDETF) Core Cities and is also designated a High Intensity Drug Trafficking Area (HIDTA).

- **FBI**

The FBI presently has five task forces in Florida. The number of task forces will remain the same, but, with the re-alignment of resources in 1995, an additional eight agents will be added to the task forces. There are presently two fugitive task forces in Tampa, one violent-crime/fugitive task force in Jacksonville, and one fugitive and one interstate-theft task force in Miami. There are a total of 27 FBI and 52 other State and local law enforcement officers in these task forces.

- **Bureau of Prisons**

  The budget includes $2.5 million to begin the initial activation phase of a 3,200-bed Federal Correctional Complex in Coleman, Florida, which has received $134 million in funding to date and will employ almost 950 people. The complex will have separate facilities for minimum-, low-, and medium-security inmates. We expect activation of the low- and medium-security facilities in October of 1995, while the minimum-security facility is scheduled to be activated in July of 1995.

  The budget also includes $18 million to fully activate a 1,233-bed detention center in Miami, Florida. The facility is scheduled to be activated in November of this year and will employ almost 240 people.

<u>Labor -- Training and Reemployment Services</u>

- **Job Corps expansion.**

  Homestead Air Force Base in Dade County, Florida is one of nine winners of a national competition for new Job Corps center sites, Secretary of Labor Reich announced on March 10th. The new sites were selected from 25 finalists announced in December 1993; closing military bases received special consideration. Earlier last year, the Labor Department received proposals from 69 communities offering 89 sites in 32 States, Puerto Rico and the Virgin Islands. The expansion will launch the Administration's "50-50 plan," which would add 50 centers and increase program capacity by about 50 percent when completed early in the next decade. Job Corps currently serves more than 62,000 students each year at 108 centers in 43 States and the District of Columbia.

- **Job training.**

  The FY 1995 budget includes $193 million in job training and related assistance for the major grant programs under the Job Training Partnership Act (JTPA) for the State of Florida.

  This is about $19 million, or 11 percent, more than for FY 1994.

- **Dislocated workers.**

  The major increase is for assistance to dislocated workers under the Administration's proposed "Reemployment Act of 1994," to be transmitted to Congress tomorrow.

  Formula grants to Florida for training and reemployment services to dislocated workers will total $63 million in FY 1995, compared with $48 million in FY 1994 and $24 million in FY 1993.

  FY 1995's request represents a dramatic increase over FY 1993 -- $39 million higher, or 165 percent.

  Compared with FY 1994, Florida's allocation of dislocated worker resources in the President's request is up 31%, or $15 million.

- **More resources to train Florida's low-income adults.**

  The FY 1995 budget includes $57 million for the JTPA title II-A program, a $7 million (13%) increase from FY 1994.

<u>National Park Service</u>

- A $3 million increase for National park operations in South Florida is to support the Administration's Everglades ecosystem restoration efforts. Additional funds would be directed towards applied ecosystem research and related natural resource management responsibilities at Everglades National Park, Big Cypress National Preserve and Biscayne National Park.

- A total of $8.5 million for Federal Land and Water Conservation Fund (LWCF) Land acquisition in the East Everglades area added to Everglades National Park (a $5 million request authorized by P.L. 101-229, the Everglades Protection and Expansion Act of 1989) and Big Cypress National Preserve (a $3.5 million request authorized by P.L. 100-301, the Big Cypress NP Expansion Act).

- Pursuant to an Administration legislative proposal (H.R. 3617) assumed in the 1995 budget and enacted 2/94, $5 million of previously appropriated construction funds will be transferred to LWCF land acquisition in FY 1994 and an additional $4.8 million is requested in FY 1995 for a Land and Water Conservation Fund State grant to the state of Florida for a portion (25%) of a proposed 17,000 acre State land acquisition project to assist in the restoration a natural water flows to Everglades National Park and Florida Bay. This State of Florida land acquisition project has been controversial, however drawing fire recently from affected homeowners and farmers.

Small Business Administration

- o The FY 1995 budget includes $9 billion for Small Business Administration loan guarantees. Based on historical data, it is expected that small businesses located in the state of Florida will receive roughly $272 million in Federal loan guarantees.

Transportation

- o The 1995 Budget would provide for a 26% increase in mass transit funds for the state of Florida, from $106 million in 1994 to $133 million in 1995. In addition it would provide a 38% increase in funding available for core highway construction and planning programs, from obligations of $522 million in 1994 to $720 million in 1995.

NASA

- o The Kennedy Space Center's funding for the space station will increase 220%, from $70 million in 1994 to $155 million in 1995.

  Note: Most NASA activities are in slight decline. Total funding for the Kennedy Space Center will go from $1,421 million in 1994 to $1,414 million in 1995.

Veterans Administration

- o The 1995 budget for the Veterans Administration includes the following items for the state of Florida:

  - construction funds for the design of a new hospital in Brevard County ($17 Million);

  - the opening of a new hospital and outpatient clinic in west Palm Beach ($60 million); and

  - the opening of a new nursing home in Lake City ($5 million).

THE WHITE HOUSE

WASHINGTON

March 18, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: Christine Varney CV
Jennifer O'Connor JMO

SUBJECT: Department of Justice Crime Grant for the Miami Area

- On Monday, March 21, 1994, the Department of Justice will award $500,000 to fund Dade County's Violent Street Crimes Task Force. The Task Force combines intelligence work, crime analysis, communications and operations to mount a comprehensive and efficient effort to identify and apprehend violent offenders.

- The Task Force uses intelligence to identify suspects with outstanding robbery warrants, target and prioritize the most serious offenders, and arrest these felons before they can commit additional acts of violence.

- The Task Force can also provide a saturation of police officers in specific, high-crime areas. Should an incident occur in one of these areas, the Task Force will provide 24-hour patrols on a short-term basis to restore order, quickly solve the crime, and reestablish confidence and safety within the community.

- Finally, the Task Force uses unmarked police cars for roving patrols to detect and apprehend roadside robbery suspects, and to assist potential victims of such crimes.

- Because of the announcement Monday, this grant award is likely to be in the news while you are in Miami.

THE WHITE HOUSE

Office of the Press Secretary
(Nashua, New Hampshire)

For Immediate Release March 14, 1994

REMARKS BY THE PRESIDENT AT NEW ENGLAND PRESIDENTIAL DINNER

Boston Park Plaza
Boston, Massachusetts

9:08 P.M. EST

THE PRESIDENT: Thank you. Thank you, Mayor, for your strong and supportive words and your good leadership, and for the wonderful, wonderful entry into Boston today. When you had the boat out there spewing water and all those thousands of people and all those young people from City Year out there cheering, I began to feel like a real President. (Laughter and applause.)

I thank you, Lea Salonga, for traveling thousands of miles to sing for me tonight. And I'm glad I got to shake your hand. You're a great talent and we were graced by your music. Thank you so much. (Applause.)

I want to thank Alan and Fred and Elaine and my good friend, Paul Matrone, in his absence, and all the rest of you who made this dinner possible tonight. I want to thank David Wilhelm for the hard work that he's given to the Democratic Committee, and for that fine film that makes my speech irrelevant. (Laughter.) It was wonderful, wasn't it? It was a good movie. It reminded us of -- (applause.)

I thank Senator Kerry for his remarks and for his leadership, for his defense of the spirit and the objectives of this administration on the floor of the Senate, and his leadership in so many areas, but especially now in trying to enact a crime bill that is both tough and intelligent, and his belief that we could enact a major piece of anticrime legislation that would really begin to attack some of the root causes of crime and to adopt some things that actually work to reduce the crime rate instead of just to raise the decibel level of the rhetoric that is in the air.

John Kerry was the first member of the Congress who convinced me we might actually be able to persuade people of both parties to approve a bill in the range of $22 billion, and that we might actually be able to put 100,000 more police officers on the street, and take these assault weapons off the street, and give our young people some things to say yes to, and have adequate drug treatment, and do some things that really make sense. The whole country is in his debt, as am I and are you.

(Applause.)

I want to thank, too, as strongly as I can say your senior senator, Ted Kennedy. I'm glad that he seems to be well on his way to a strong reelection. (Applause.)

You know, long before I had ever really thought about the obligations of this country in the area of health care, and I was the youngest elected governor in America, but not yet in office in 1978, the Democratic Party had a mid-year convention in Memphis. And I received a call from the White House when President Carter was in office, asking me if I would moderate a discussion of this issue, featuring Joe Califano, the then Secretary of Health, Education and Welfare, and Senator Kennedy -- neither of them being shrinking violets. (Laughter.) I was 32 years old at the time, and mortified. So of course I said I would do it. (Laughter.)

And people were there from all over the country. I only had to cross the Mississippi River from home to be there. But I remember -- it's been 16 years ago now -- as vividly as if it happened yesterday, when Ted Kennedy stood on that stage and said for the first time, I think, to a truly national audience that the health care that had been given his son when he was desperately ill should be available to every American. He said it then, and we're going to make it happen now. (Applause.)

The film was about what we did last year, only a little about what we're trying to do this year. I can say that in a couple of minutes and then make the one central point I wish to make to all of you tonight. Last year we had a very good year. This year we have to keep working on the economy. If we can keep the growth growing, we'll have a very good year, indeed. We've had 2.1 million new jobs in 13 months, 90 percent of them in the private sector. Most job growth was in state and local government in some years of the 1980s, or at least a huge percentage of it was. And we want to keep that going.

We want to pass health care, health security that is always there in a way that keeps what is best about health care, which you can appreciate in this shining tribute to the American health care triumph, and fix what is wrong.

We want to pass a comprehensive welfare reform bill that will liberate people from the dependence of a system that has aggravated some of the worst pressures in the breakdown of the family in this country.

We want to pass this crime bill. We want to pass, as John Kerry said, a campaign finance reform bill, a lobby reform bill. We want to pass a comprehensive overhaul in the unemployment system, which is designed for a time which no longer exists. It used to be when people went on unemployment they needed a little money to get by on until the economy picked up again and they were called back to their old jobs. Now the huge majority of people who are unemployed don't get called back to their old jobs, they have to find new ones. It's wrong to tax employers to pay for an income system that's inadequate that is leading nowhere. We need to change the whole system and begin immediately to prepare people when they lose their jobs for another -- a different job, one in which they can succeed and win in the global economy.

These are all things we need to do. And we mean to do them this year, in spite of the fact -- or maybe because of the fact that it is an election year.

Now, this is a Democratic Party dinner, and it occurred to me that those of you who are here have supported this administration and me personally and the fine people who are associated with our efforts in spite of the fact that on April 15th almost all of you will get a higher tax bill. (Laughter.) Because you know all the money is going to reduce the deficit and you know it's meant lower interest rates, record-high markets, new investment and a growing economy.

As has already been said, our trading partners around the world beat on us for a decade to get the deficit down. If my new budget passes the Congress -- and it's well on its way already -- we'll have three years of deficit reduction for the first time since Harry Truman was President, and we will have laid the foundation for a strong private recovery.

These things are terribly important. But that's not the point I want to make tonight. The point I want to make tonight is that there have always been differences between Democrats and Republicans. And these differences have taken different forms at different times. On occasion, the Republican Party has been the party of true and progressive change. The best example was, of course, the first and greatest Republican President, Abraham Lincoln.

Another example was Teddy Roosevelt, who helped to usher in the modern era of new presidents, of activist presidents -- a man who wanted to save much of our natural resources; a man without whom there would be no buffalo in America today, just for example, and many of our national parks would not be there; a man who understood the dangers of great concentrations of power, whether in government or in the private sector.

People like President Eisenhower, who really tried to build a bipartisan foreign policy to help to move us away from the military industrial complex, but leave us strong enough to win the Cold War.

Even Richard Nixon, though he's been much maligned, signed a bill to create the Environmental Protection Agency and first proposed that all employers should contribute to their employees' health insurance so that everyone could be covered.

I say that to point out that there have been good and bad ideas embraced, I guess, by both parties at different times. I'm a Democrat by heritage, instinct, and conviction because I believe most of the time in American history we've been on the side of ordinary people, on the side of bringing people together, and on the side of the future. We have been the party of change in a constructive and profound way.

I thought when I ran for president I would have the chance to enter one of these great debates and we would see what would happen -- whether I was right and wrong, or my ideas were right and wrong.

Almost from the beginning I saw a very different edge to the Republican Party in this time -- not the party of Lincoln and Roosevelt or Eisenhower, but the party dedicated just to being against whatever we were for, and committed to the politics of personal destruction. They were so busy with it they even tried to look in my passport file in the campaign in '92 -- something that didn't bother me; I was happy to have them rummaging around in my passport file instead of coming up with a good idea that might sound better than one of my ideas. Let them go. (Applause.)

Now, as you pointed out, they are at it again. They are at it -- they have a little health retreat and they can't agree on a health care plan. So they come back and get at it again.

I just want you to know something. You look at the people that are in our administration; they get up every day and try to make something good happen for America. Senator Kennedy mentioned my wife, well-known to many of you here because she went to Wellesley and spent a lot of time in Massachusetts -- has just committed herself in a passionate way to try to figure out how to solve this health problem to give ordinary people the chance to get health care. Let them come and debate her. Do they want to do that? No, they would rather take out after her. It saves them the trouble of having to come up with an alternative health care plan.

The Vice President of the United States, I think the ablest and most influential person ever to hold that office, and someone who has been a credit to this country, who cares passionately about what he is doing -- Eli Segal -- we passed a National Service bill; it will stand as the symbol of what this administration tried to do. (Applause.)

Did you see those kids holding that sign when we came in the harbor today? "Thank you for believing in the youth of America." This is a big deal. This is a very important time in our history -- sweeping changes going through our economy and society. Terrible problems that beg for honest debate from people of different perspectives.

Even if we get the economy going, even if we provide health care to all, even if we revise the unemployment system, if we do all the things I said, how can we survive as a country if within a few years over half of our kids are born into families where there was never a marriage? How will we transmit the kinds of coherent values to our people? How can we expect the young people, if they are born into fairly chaotic circumstances where they're not isolated so someone can come in and help them, to behave in -- 15 years from now?

These are profound problems. They beg for debate. We need to think about new and different things in totally different ways than we have in the past. No one, even our party -- let's be honest about it -- we don't have all the answers. We need an honest debate about the future of family in America;

about how we're going to rebuild our communities in America. People say they're concerned about crime and violence -- they ought to be. But you tell me how you can avoid it if you have people living in square block after square block after square block where the family, the community and the work base is broken down? And where vacuums are created into which drugs and crimes, gangs and weapons move?

We need a serious debate about that. We need a serious debate about the fact that wage earning, hourly wage earners have been working in this country for 20 years now with virtually no increase in their income. And that every country -- I just came from Detroit, from out G-7 Jobs Summit -- every wealthy country in the world is now having trouble creating new jobs even when their economy is growing.

We have always known in the past that productivity was good for jobs and incomes. I came from a part of the country where everybody used to work on the farm. You can't go back more than one generation older than me without finding somebody in your family that was on the farm. The farm jobs went away, people went to Detroit and Chicago and got jobs in the plants.

Those economic changes have always happened. And every time technology and productivity took away jobs in one sector, more were created in another sector. Now we find that these wealthy countries are really having trouble with the explosion of technology, the explosion of productivity and the globalization of the economy creating new jobs. Is something new happening in world history? I don't think so, I just think there are different lags. But the point is no one knows for sure. This begs for honest political debate and genuine conflicts of ideas.

Why then are we confronted in this administration with an opposition party that just stands up and says, "No, no, no, no, no, no, no, no, no"? (Applause.)

When I was a Democratic governor and they had the White House I constantly sought them out, engaged them in debate, offered to work with them on issues from education to welfare reform, to crime, to you name it. I never did them the way they are doing us in Washington, D.C. today. It is wrong and it is not good for the United States of America. (Applause.)

I'll tell you something else. The Mayor talked about me being a marathon runner. The marathon comes from a certain place inside me. I am an old-fashioned -- really old-fashioned American. I believe more than half the time, in the contest between good and bad, good wins. In the contest between truth and falsehood, the truth wins out. I believe that most people want something that will elevate them and bring them together with different people, instead of something that will demean them and divide them from others. That's what I believe.

I believe fundamentally in the common sense and the essential core goodness of the American people. Don't forget that Alexis de Tocqueville said a long time ago that America is great because America is good; and if America ever ceases to be good, she will no longer be great.

We have to appeal to what is good in this country. And we have to ask people to face hard truths and debate hard issues and come together, and think new thoughts about problems that we are, frankly, not solving today. That is what I wanted to do when I became President, and what I am doing my best to do. And I am only sorry that too often, in too many ways, on too many days, it is a debate which engages only members of my party.

I will say this: Senator Kennedy has had some good success in getting a substantial number of Republican senators to talk seriously about health care. We are having some help in dealing with the issues of crime. But this overriding negative, intensely personal, totally political, devoid of principle attack is not good for the country, and it is inconsistent with the tradition of Abraham Lincoln and Teddy Roosevelt. (Applause.)

If I ask you to go home tonight and make a list of the greatest presidents who ever served here, and the greatest things that were ever done in Washington for the American people, you would have members of both parties on your list. But every one of them would have done something good for the American people; would have tried to elevate the dignity and the human potential of the men and women of this country; tried to give the children of this country a better future than their parents had.

I got into this work because that's what I wanted to do. And I am old-fashioned enough to believe that in every age and time the central purpose of our common political life will be to find new and important ways to get people together and to get things done. So that we can elevate the meaning and content and direction of people's lives and do right by our children and by our future. That is what I think.

And I'll tell you something. In 1994, in 1996, if there is only one party that believes that, the American people in droves will come to us. (Applause.)

Thank you and God bless you all. (Applause.)

END 9:26 P.M. EST

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE PRESIDENT

From: **John Hart, Deputy Assistant to the President for Intergovernmental Affairs**

Keith Mason, Deputy Assistant to the President for Intergovernmental Affairs

Date: **March 18, 1994**

Subject: **Florida: Health Care and Welfare Reform**

I. Major Issues of Concern to Governor Chiles

Waivers: Governor Chiles submitted a Medicaid waiver on February 10, 1994. This is still in the review process. You should be aware that Lieutenant Governor Buddy MacKay has called HHS several times regarding the status of this. Governor Chiles is also following this closely, as well as the Florida state legislature, particularly the Republicans looking for political ammunition to use against Chiles in an election year.

HHS approved a Welfare Reform Application on January 27, 1994 at Governor Chile's request for two counties. Key elements of this plan include: a) limiting AFDC benefits to a maximum of 24 months in any five-year period, after which they will be offered transitional employment in private or public sector jobs; b) significantly increasing current income disregards and asset limits; c) extending medical and child care benefits for these families in transition, and d) requiring that parents ensure that their children are immunized and are attending school.

HHS also approved at Governor Chile's personal request on 48 hours notice a waiver to allow certain aging offices to administer certain Medicaid benefits.

Immigration - Governor Chiles wants more federal assistance. The Governor met with Leon Panetta, Secretaries Riley, Shalala and General Reno to discuss immigration issues during the NGA winter meeting in January. IGA requested that Florida name representatives to work with the Administration on immigration. Florida named Debby Kilmer and Nancy Witttenberg. A meeting was held on February 23, 1994 with state representatives and OMB officials to determine a consistent and accurate methodology for measuring the fiscal impact of illegal immigration on state budgets. This process is currently underway in gathering data in the areas of criminal justice, education and human service costs. Governor Chiles released a report required by Florida law which was transmitted to OMB and Attorney General Reno that reports that the cost of illegal immigration to the state of Florida to be $884 million annually. He is planning to pursue litigation against the federal government for reimbursement of the money that federal laws require Florida to spend on illegal immigrants. According to Immigration and Naturalization Service, the Administration;s proposed budget for FY 1995 includes $368 million for its Immigration Initiative, which would include:

- strengthening the border control by adding an additional $180 million for 1,010 more agents (500 new agents and 510 transferred from desk jobs);
- spending $55 million on removing criminal aliens by expediting their deportation through the use of speedier fingerprint data;
- spending $64 million on reforming the asylum process through streamlined applications procedures;
- spending $38 million improving employer sanctions enforcement;
- and spending $30 million promoting naturalization efforts through public education and community outreach efforts, including an 800 "hot line" to give information on naturalization requirements.

II. Health Care Background

Florida is a "progressive" state, on the cutting edge of health care reform. Florida is in the process of implementing a system of regional alliances which have many structural similarities to our plan, but significant political differences.

With the first two stages of a major reform effort enacted in 1992 and 1993, Florida is one of the states jostling for the lead in health reform. Florida's objective is universal access to a basic package of health care, with a target date for universal coverage of December, 1994. Instead of mandates, it has taken a VOLUNTARY approach to expanding access that involved minimal state funding.

The 1993 law puts into place an entirely voluntary market-based version of managed competition with 11 Community Health Purchasing Alliances (CHPAs or "chippas") to work with businesses and Accountable Health Plans (AHPs). Without being able to insure or contract, the CHPAs are to offer businesses (not individual employees) a menu of plans, individualized advice about the best plan for each CHPA member, and data measuring the efficiency and quality of each AHP. Critics of this weakened version of managed competition hold Florida out as an example of the need for strong Federal legislation.

III. Comparison to the Health Security Act

Similarities

Savings & Quality

* Like the Health Security Act, Florida's reform program is dedicated to achieving savings through managed competition. This enables Florida to reduce the growth in health care costs while maintaining high quality care.

Choice

* By pooling purchaser leverage through the CHPAs the Florida reform attracts providers to the pool, and increases the consumers' choice of plans.

Differences

Security

* Florida's reforms do not provide universal coverage to all Floridians. Unlike the Clinton plan, there are no insurance mandates.

IV. Background on Florida & Health Care

The Uninsured

* 18% of Floridians, approximately 2.5 million residents, are uninsured.
  - -- Many of these people are young, unskilled workers, retired persons, or migrant farmers.
  - -- Almost 75% of this 2.5 million are workers and their dependents. Nearly 23% are children.
  - -- There are 2 million Floridians who work, but whose earnings place them below the Federal poverty level. Accordingly, about 1/2 of the uninsured are below poverty and cannot afford the rising cost of health care.

* 95% of Florida's small businesses employ 25 or fewer people. The vast majority of Florida's businesses are small businesses (50 or fewer employees).
  - -- 32.3% of those employed in businesses with 5-9 employees are without insurance.
  - -- Firms with fewer than 5 employees, generally leave 60% uninsured.

* 49% of Florida's work force is in service industries and retail. These industries have a disproportionately high tendency to be uninsured.

Medicare

* Florida ranks second only to CA in Medicare spending, with total expenditures reaching 32 billion in 1990. It is projected that spending will hit 90 billion by the year 2000 without a comprehensive plan for health care reform.

V. Recent Health Care Reforms

Governor Chiles' Health Care Efforts

Governor Lawton Chiles unveiled a Health Security Program 1/4/94 that would provide subsidies to lower-income workers who cannot afford the full premium. Florida anticipates financing these plans through reallocating dollars, not raising taxes. The subsidized basic plans, which will have to be approved by the legislature, would be offered through the CHPAs that were established for small businesses, state workers and Medicaid recipients in 1993. The actual cost of the plans would be determined by bids submitted to the CHPAs by health care providers. Chiles projects that up to 1.1 million of Florida's 2.5 million uninsured would be covered within three years by the government-subsidized health plans. Unlike the Health Security Act, this program does not force employers to offer the basic plan.

THE COST: Under Chiles' proposal, the average employee would pay $9/month for an HMO plan. He envisions employers contributing $10/month per worker and using federal funds saved from Medicaid to cover the remainder of the $111 premium. Family HMO premiums are projected at $331/month. For an indemnity plan, monthly premiums would be higher, but government subsidies would remain the same. To be eligible, one must prove Florida citizenship and an individual's income could not exceed $17,425 and family incomes must be under $35,875. To hold the line on costs the plans stress preventive care and require high copayments and deductibles. Individuals in traditional plans would pay a $750/year and families would pay $1,500/year. Once the deductible has been met, insurers would pay 50%. The maximum amount of out-of-pocket expenses for both types of coverage would be $2,000 for individuals and $4,000 for families.

THE BENEFITS: Benefits covered by the program include physical exams; intensive and emergency care; hospital stays; mammogram; contraceptives; Rx drugs with a limited, "flat" copayment; eye exams/glasses; dental exams for those under 19; and mental health/substance abuse services. Benefits not covered include abortions; eye/dental exams for those 19 and over; cosmetic surgery; weight loss programs; non-Rx drugs; and programs to help people quit smoking.

THE CATCH: The plan needs a federal waiver from the Clinton Administration since Chiles wants to use federal money saved from Medicaid. The target date for obtaining the waiver is 7/94.

Waiver Block
GOP State Representatives Jim King and George Albright have drafted a letter to Florida's congressional delegation, asking them to block Governor Chiles' federal Medicaid waiver. Albright stated that "there is a very real concern that the Governor is trying to win these reforms so that next year, after the election, he can move Florida toward a single-payer system with an employer mandate to pay for it."

Immigrant Care
Chiles feels that the federal government has not been doing its share providing care to illegal immigrants. Florida officials hope that because the country is more concerned now about immigrations, the courts may be more likely to rule that Washington should pay for its policies that have changed the quality of life in Florida.

Department of Elder Affairs
In 1991, Florida established the Department of Elder Affairs. Since then, officials have been trying to consolidate and organize, with the goal of improving, the services and programs offered to the elderly. So far, uniting those elements has proved an elusive task. The Governor and other advocates are hoping this legislative session will be the one to make it happen.

What lawmakers will have before them is a plan to complete the transfer of aging programs from the Department of Health and Rehabilitative Services to Elder Affairs. Once the House and Senate get the mechanics of the transfer out of the way, however, legislators must focus their attention on the element of long-term care.

Proposals to increase funds for a variety of long-term care, community-based services, including respite programs for caregivers of Alzheimer's patients, will be on the legislative table.

State Report Card
Florida's attempt at a consumer-oriented report card on hospitals struck a nerve with hospital representatives. Administrators appeared to support the concept of public accountability and the sharing of data, but they questioned everything about the proposed report card, including its methodology, statistics, categories and its release to the media. Agency for Health Care Reform Director Doug Cook said that if Florida is "going to go ahead with the competitive, free-market approach, we need to empower consumers." State officials plan to publish the Consumer Guide to Hospital Performance for public distribution within the next few months. The guides will be distributed to the

state's 11 Community Health Purchasing Alliances. In developing the report cards, the state adjusted the information to account for differences in severity among patients with the same illness, giving the public its most valid side-by-side comparisons yet of hospitals' costs and performances.

State HMO
Polk Company Medical Association President Dr. Randy Heysek has been appointed to persuade local doctors that an HMO, controlled by doctors, may be their best chance to retain control of their practices. Heysek said that doctors are being left out of the important decisions HMOs make about quality of patient care. The statewide HMO is backed by the Florida Medical Association, the Florida Independent Physicians Association and the Florida Osteopathic Medical Association.

* Medicaid
  -- The 1993 law created Med-Access, a premium-paid low cost health insurance plan for individuals below 250% of the federal poverty index.
  -- The 1993 law also enacted pioneering legislation requiring all licensed HMOs to take part in the state's Medicaid program, unless they already enrolled a specified number of Medicaid or Medicare recipients.
  -- 23 Optional Services
  -- Instituted broad based provider taxes to generate funds for the Medicaid program.

* Children's Health Insurance Programs -- Florida "Healthy Kids": MedAccess is a premium paid, low cost health plan for individuals below 250% of poverty.

* Growth Limits on Facilities
  -- Certificate of Need Program
  -- Rate Setting
  -- Hospital Budget Review: hospitals are required to get approval if their budgets exceed a specified inflation factor.

VI. FLORIDA'S CHPA HEALTH CARE ALLIANCES

Florida's Alliances: purchaser controlled organizations called Community Health Purchasing Alliances (CHPA, or "chippas")

I. STRUCTURE
* 11 regional alliances throughout the state.

Regions were drawn up in the 1960s for a separate program, the Health and Rehabilitation Services, Florida's social service system; it is also currently used for health planning councils.

Each region includes a rural and an urban component.

* 17 members on each alliance board
  - 11 are representatives of businesses
    - 6 of these 11 must be from small business
  - 3 are consumers
  - 3 are from government
* Alliance members are appointed by elected officials
  - 9 by the Governor
  - 4 by the Speaker of the House
  - 4 by the Senate Majority Leader

II. FUNCTION

* Alliances act as Clearinghouses and Data analysis centers. Alliances do not negotiate packages with providers, they do set a basic package requirement.

Alliance as clearinghouse:

Brings together various service providers, and small business purchasers. This system gives small businesses more "clout" in negotiating for reasonable rates, and simplifies the process of purchasing coverage for employees. From the providers' viewpoint, this clearinghouse structure gives the providers ready access and exposure to a large consumer pool.

Alliance as Data Analysis Center:

In lieu of negotiating with providers for rates, the CHPAs review, analyze, and rank the participating providers (services, rates, and quality of care are reviewed). Using this information the CHPA consults with each member and recommends the provider and package(s) best for him or her. The CHPA can also collect premiums from members; this role is up to the discretion of each regional CHPA.

III. MEMBERSHIP

* Membership is ENTIRELY VOLUNTARY
* Membership is available only to businesses employing 1-50 people, this includes the self-employed.
* Notable exclusions include: the unemployed, those who work for small businesses that have not joined the CHPA, and those who are employed by big businesses who must seek coverage outside of a CHPA.
* Employees of participating small businesses can choose from a limited number of packages offered by their

company. The CHPA mandates the number of different packages an employer must offer his/her employees depending on the size of the business. (Employees must pay the difference for more expensive packages

IV. PROVIDER PARTICIPATION

* Provider participation is ENTIRELY VOLUNTARY.
* Providers do not become CHPA members, instead they join Account Health Partnerships (AHPs) through which they affiliate with the CHPAs and offer packages to CHPA members.
* AHP members (participating providers) can only sell packages to CHPA members (alliance affiliated consumers). Individual doctors or groups of specialists can be affiliated with multiple carriers within a given region. These doctors can also see individuals not affiliated with the alliance.

V. ADVANTAGES OF ALLIANCE SYSTEM AS CONCEIVED IN FLORIDA PLAN

* The CHPA brings small businesses together under one tent. This gives more people access to insurance. By coming together, the members increase their "clout" with the insurers. The expectation is that competition within the pool will encourage the providers to improve their rates and packages.

* The data analysis role of the CHPA allows members access to the same sort of expert advice and technical information that big businesses have. This may save small businesses some administrative fees. As well, it improves each members' ability to choose the coverage that is best for him/her.

* The "watchdog" function of the CHPA encourages providers to improve care and efficiency as they will be reviewed regularly and asked to justify expenses.

VI. ADVANTAGES OF A <u>REGIONAL</u> ALLIANCE SYSTEM, IN FLORIDA

* Regional boards allow for a system that is sensitive to regional demographic differences and can tailor policies to the needs of the community.

VII. DISADVANTAGES OF FLORIDA PLAN: voluntary

* Drawbacks of Voluntary Enrollment: Many are left without coverage
* Drawbacks of Voluntary Participation: Non member providers can out-bid AHP affiliated providers, and gather the majority of low risk clients. This

makes the CHPA a high-risk dumping ground. The Florida reformers believe that market pressures will prevent this from happening. They believe that insurers will join the alliance to gain access to its large member pool. If they remain non-members they may be left with a single-payor clientele.

* CHPA's may be unstable if employers who purchase insurance through them expect to get a better deal from another insurer. COSE in Cleveland, which practices medical underwriting, has had some employers leave because they received lower bids outside COSE. Florida is a step in the right direction.

Timetable:

March 1992: Introduced idea of creating a market based system to achieve full access to health coverage in Florida.
April 1993: Introduced managed competition
July, 1993: April reforms due to be enacted
October, 1993: CHPA's to be put in place
January, 1994: insurance reforms begin
* Further clarifications will be made in 1994

VI. EXAMPLES OF SAVINGS GENERATED BY MANAGED COMPETITION IN FLORIDA

Background

* In 1984, Orlando area's Central Health Care Coalition organized the region's large employers into one pool. (This region includes 7 counties)
* Since 1984, they have used this combined size to leverage better, more accountable health care plans for their members.
* The group currently serves 81 businesses employing more than 150,000 people.

Managed Competition Successes:

* Since last year, Coalition's costs savings = 2% per hospital discharge. This translates to $19.2 million to $883.2 million given the 7-9% increase in cost per discharge.
* Orange County (Orlando) School District saved $1 million, or 11%, in hospital costs in 1992
* Longwood City employs 147 people. Signed on in 1991 & saved 26% over 1990 costs. No increase in cost in 1992 and 1993. In 1993-4 they will renew coverage at same price they paid in '91.
* Coalition members report premium savings 20-30% over two previous years.

Data Collection: Making the System Accountable

* Collection and evaluation of patient outcome data has ben an effective tool in promoting efficiency, and combatting fraud and abuse in the health care system.
* Orlando Regional Medical Center/Florida Hospital:
  - •3 years ago the Coalition began data collection
  - •3 years ago ORMC was losing $12 million/year on Medicare patients, it is now projecting a $500,000/year surplus.
  - •Jan 1993 Medicare costs were 7% lower than in Jan1992.
  - •1992-1993 Florida Hospital saved $30 million because the charge per adjusted admission decreased $602.
  - •In the 3 years, Florida hospital decreased use of ancillary services: Lab use = 2% decrease; diagnostic radiology = 4.2% decrease, CT scan 3.6% decrease, respiratory therapy = 2.4% decrease.
  - •Both pharmacy charges and average length/stay per patient are down for Medicare and for private pay. (More data must be gathered to determine whether patients are being discharged prematurely)

** Innovation: At one hospital, a chemical-filled perineal cold pack used to reduce abdominal discomfort costing $5.50 was replaced with a surgical glove filled with ice and wrapped in a towel.

<u>Decrease in C-Sections, Increase Vaginal Delivery</u>

* Between 1990 and 1991, C-section rates throughout the state of Florida decreased 1.3%, a decrease of approximately 3,000 C-sections. Previously, Florida's C-section rate regularly exceeded the national average of 26.5%. C-sections approx. $6,500 approximately 3 times the cost of vaginal birth.

<u>State Employee Pharmaceutical Savings</u>

* Through the use of an on-line utilization monitoring system, the State of Florida has yielded additional savings. This computerized system cross-checks all patients to determine whether they are eligible for the program, and what medications they have been prescribed by other doctors. This enhances patient awareness of the dangers of drug interaction.

<u>Hospital Networks: Miami, Fort Lauderdale, Palm Beach</u>

* Hospitals that have long competed with one another -- adding unneeded and now empty beds, and compromising cost and quality-- have formed alliances to restructure services they offer a community.

<u>Lee County Employee Coverage Bids</u>

* In Lee County (Fort Meyers), the merger of several hospitals allowed the network of allied hospitals (Columbia Hospital group) to offer a particularly low-cost health plan. The network submitted a $7.5 million package, $4.5 million below the county's current cost

of approx. $12 million. (The contract has not, yet, been awarded.)

*** Although there are no examples of the savings resulting from the pure managed competition model, these examples forecast a positive outlook for the success of Florida's managed competition.

(Source: State of Florida Agency for Health Care Administration; Contact: Ed Towey; (904)488-1295; Fax (904)488-1261; 335 John Knox Road; Suite #301 Atrium; Tallahassee, Florida, 33303)

THE WHITE HOUSE

WASHINGTON
March 18, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: Paul Deegan
National Economic Council

SUBJECT: Background Economic Information for Trip to Florida

This memorandum presents background information about current conditions and issues of concern in Florida.

I. PRESSING ISSUES IN FLORIDA

- *Base Closure* -- As a result of the Defense Base Closure and Realignment Commission's (BRAC) recommendations, Florida will lose nearly 10,000 military jobs and over 600 civilian jobs. (Source: BRAC)

Largest Losses		
Facility	**Military**	**Civilian**
Naval Training Center Orlando	-9,500 jobs	-550 jobs
Naval Air Station, Cecil Field	-6,800 jobs	-400 jobs
Homestead Air Force Base	-3,900 jobs	-140 jobs
Naval Aviation Depot Pensacola	-300 jobs	-2,500 jobs
Naval Hospital Orlando	-700 jobs	-300 jobs
Largest Gains		
Naval Air Station, Pensacola	+7,400 jobs	+600 jobs
Naval Station, Mayport	+2,200 jobs	+10 jobs

- *Homestead Air Force Base* -- As part of the Hurricane recovery, 20 F-16's from the 482nd Reserve Unit will return to Homestead on March 26. Due to Hurricane Andrew, the F-16's were relocated to McDill AFB in Tampa, and have remained there for the past 18 months. As part of the base realignment, Homestead will become "Homestead Air Reserve Base", which will consist of the 482nd Fighter Wing, the 301st Rescue Squadron and the Air National Guard's 125th Fighter Interceptor Group. There will be 689 full-time and 1,667 part-time reserve personnel assigned to the Base. (Source: DoD)

- *Technology Reinvestment Project (TRP)* -- Lead participants from Florida include:

Participant	City	Focus Area	Total Project Size*
Pratt & Whitney**	W. Palm Beach	Material Mfg.	$50,000,000
Pratt & Whitney	W. Palm Beach	Mechanical Design	$14,100,000
U of Central Florida	Orlando	Photonics Education	$4,000,000
U of Florida	Palm Beach Gardens	Education & Trng.	$2,100,000
Naval Training Ctr.	Orlando	Technology Access	$4,600,000
U of Florida	Gainesville	Technology Access	$800,000
U of South Florida	Tampa	Microelectronics	$1,500,000
Total			**$77,100,000**

*Federal share to be negotiated. Participants are partners in larger projects.

This $50 million project led by **Pratt & Whitney will develop affordable composites for advanced aircraft propulsion systems. Polymer composites have the potential to increase performance and fuel efficiency for both military and commercial aircraft.

- *Importance of Pratt & Whitney to Palm Beach County* -- Pratt & Whitney employs 5,000 people in Palm Beach County, and its local payroll exceeds $200 million. This facility is responsible for the design and development of all P&W's military engine and space propulsion programs. The engines for the SR-71 Blackbird, the F-15, and F-16 were developed at this facility. (Source: Pratt & Whitney)

- *Exports Important to Harris Corporation* -- Melbourne-based Harris produces electronic systems, semiconductors, office equipment, and communications equipment. International sales accounted for 28% of the company's $3.1 billion in revenues for fiscal 1993, up from 15% of $2.1 billion in fiscal 1987. Orders from Mexico increased by 49% during fiscal 1993, and orders from China increased by 141% during the same period. (Source: Harris Corporation)

- *Budget Highlights* -- In FY93, federal obligations to FL were $6,611,138,000. Your FY95 budget calls for $8,067,751,000 -- an increase of $1,456,613,000. (Source: OMB)

Program (all amounts in Thousand $)	FY93	FY95*	Net increase
Medicaid	$2,776,424	$3,971,459	$1,195,035
Highway Planning & Construction	$490,682	$720,479	$229,797
Emp. & Trng Asstnc. Dislocated Workers	$23,664	$62,614	$38,950
WIC	$116,109	$146,118	$30,009
Head Start	$92,741	$148,236	$55,495
National School Lunch Program	$226,909	$247,065	$20,156
Fed. Transit Capital & Operating Grants	$82,444	$124,154	$41,710

*estimated

- *NAFTA* -- Florida's exports to Canada and Mexico reached $2.3 billion in 1992, and supported almost 33,000 jobs. (Source: USTR)

  Florida's Exports to Mexico, 1987-1992 -- Thousand $ (Source: DoC)

	1987	1992	% Change
Total Exports to Mexico	**219,000**	**664,000**	**203%**
Industrial Machinery & Computers	71,000	144,000	103%
Electric and Electronic Equipment	14,000	74,000	425%
Rubber and Plastic Products	1,300	16,000	1168%

  "Harris Corp. products to Mexico have grown from $12 million to more than $40 million a year, making Mexico one of our largest foreign markets. To achieve that growth, we've had to compete with tariffs ranging from 15% to 20%. NAFTA would immediately eliminate virtually all tariffs on Harris products." John Hartley, CEO of Harris Corp.

- ***EITC Could Benefit Almost 900,000 families in Florida*** -- This information comes from 1993 Treasury estimates.

Rep.	EITC Benefits	$ (millions)	% Families	Higher Taxes
Deutsch	26,000 families	45.3	16.7	6,300 families
Hastings	50,000 families	87.2	37.4	851 families
Johnston	21,200 families	36.9	12.6	7,000 families
Meek	48,300 families	84.2	36.8	900 families
Bilirakis	33,700 families	58.8	20.5	3,600 families
Gibbons	49,200 families	85.7	34.1	2,900 families
Young	47,500 families	82.9	30.7	3,100 families
STATE	**895,400 families**	**1,561.4**	**25.3**	**87,800 families**

- ***Federal Reserve on the Sixth District (Atlanta)*** -- Southeastern economic activity continued to expand at a moderate pace in February, and expectations about the near-term outlook remain positive. Merchants report that retail sales are above year-ago levels and factory activity is increasing for industrial equipment and sectors associated with residential construction and automobiles. (Source: Federal Reserve Beige Book, 3/19/94)

EXECUTIVE OFFICE OF THE PRESIDENT

COUNCIL OF ECONOMIC ADVISERS

WASHINGTON, D.C. 20500

March 18, 1994

MEMORANDUM FOR THE PRESIDENT

FROM: KIMBERLY O'NEILL Kimberly O'Neill

SUBJECT: Florida Economic Facts

The Florida economy has grown much more rapidly than that of the Nation as a whole over the past two decades, due in large part to tremendous population growth during that period. While economic growth in Florida stalled during the 1990-91 recession, the State economy appears to be rebounding back.

- Between January 1989 and January 1993, employment in Florida grew by 268,000 jobs -- an average of 67,000 jobs per year. **During the only first year of the Clinton Administration, however, employment grew by 220,000 jobs.** Employment growth in Florida was 4 percent in 1993, well above the national average of 1.5 percent (Chart 1).

- **Unemployment in Florida was 5.7 percent in February 1994, compared to the national average of 6.5 percent** (Chart 2). Between January and December 1993, the unemployment rate in Florida fell nearly a percentage point -- from 7.8 percent to 7.0 percent (December 1993 was the last month of the old employment series -- new data cannot be compared to the old series). Over the course of the Bush Administration, unemployment rose dramatically -- from 6.0 percent to 7.8 percent.

- **Living standards in Florida are slightly below the national average.** Per capita personal income ($19,494 in 1992) was 3 percent below the U.S. average, ranking 20th in the Nation (Chart 3).

- Primary industries in the Florida economy include agriculture, tourism (especially retail trade), health care, and professional services.

  - Tourism is a major component of the Florida economy. The number of people estimated to visit Florida each year reached nearly 21 million in 1990.

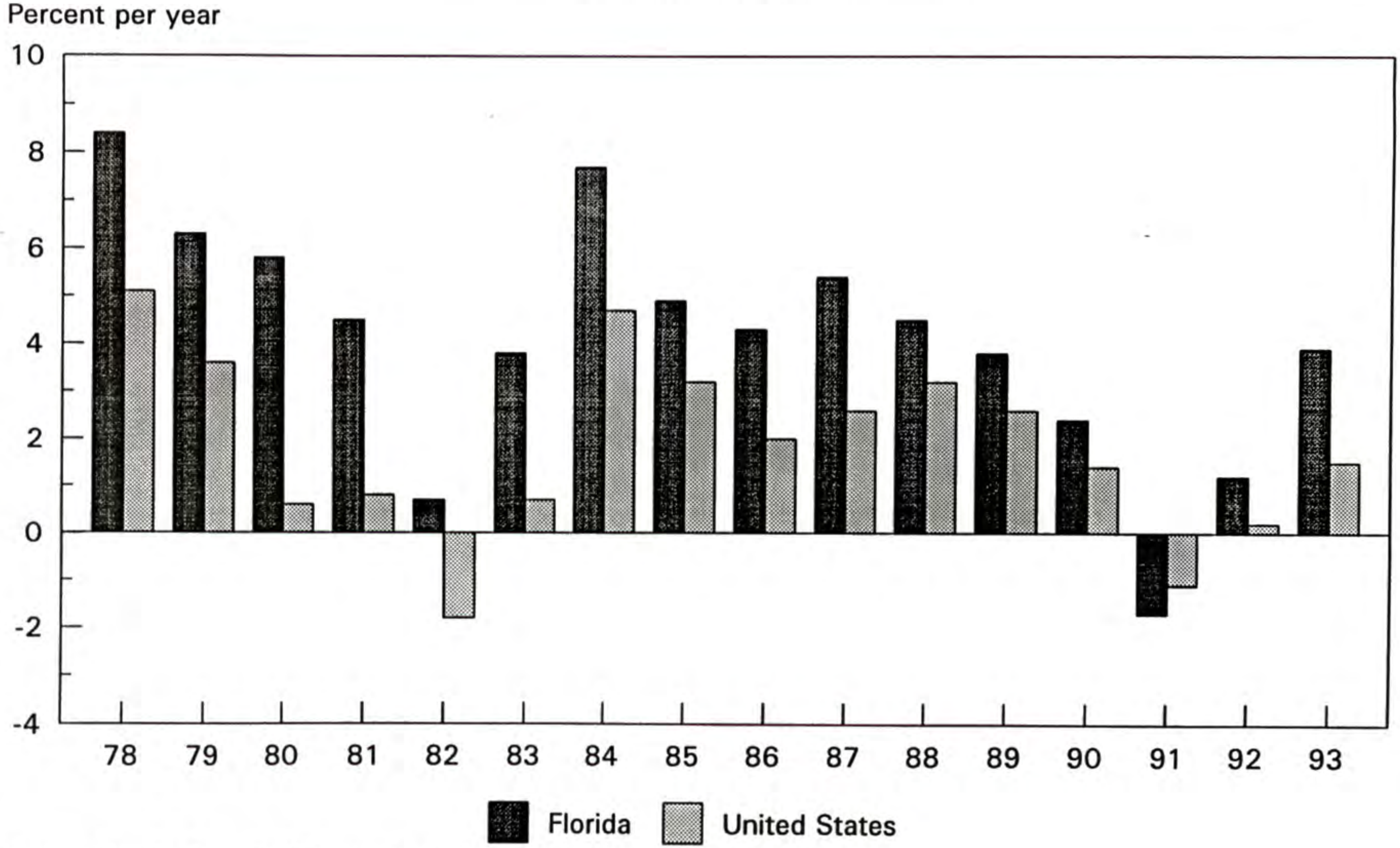
- The Miami economy is highly dependent on the tourism industry. As a major international marketplace (40 percent of U.S. exports to Latin America go through South Florida), international trade and banking are also very important. **Miami's 1993 unemployment rate was 7.8 percent, down from 10.0 percent in 1992.**

Attachments

Florida and the United States

Growth in Nonfarm Payroll Employment

1978 - 1993

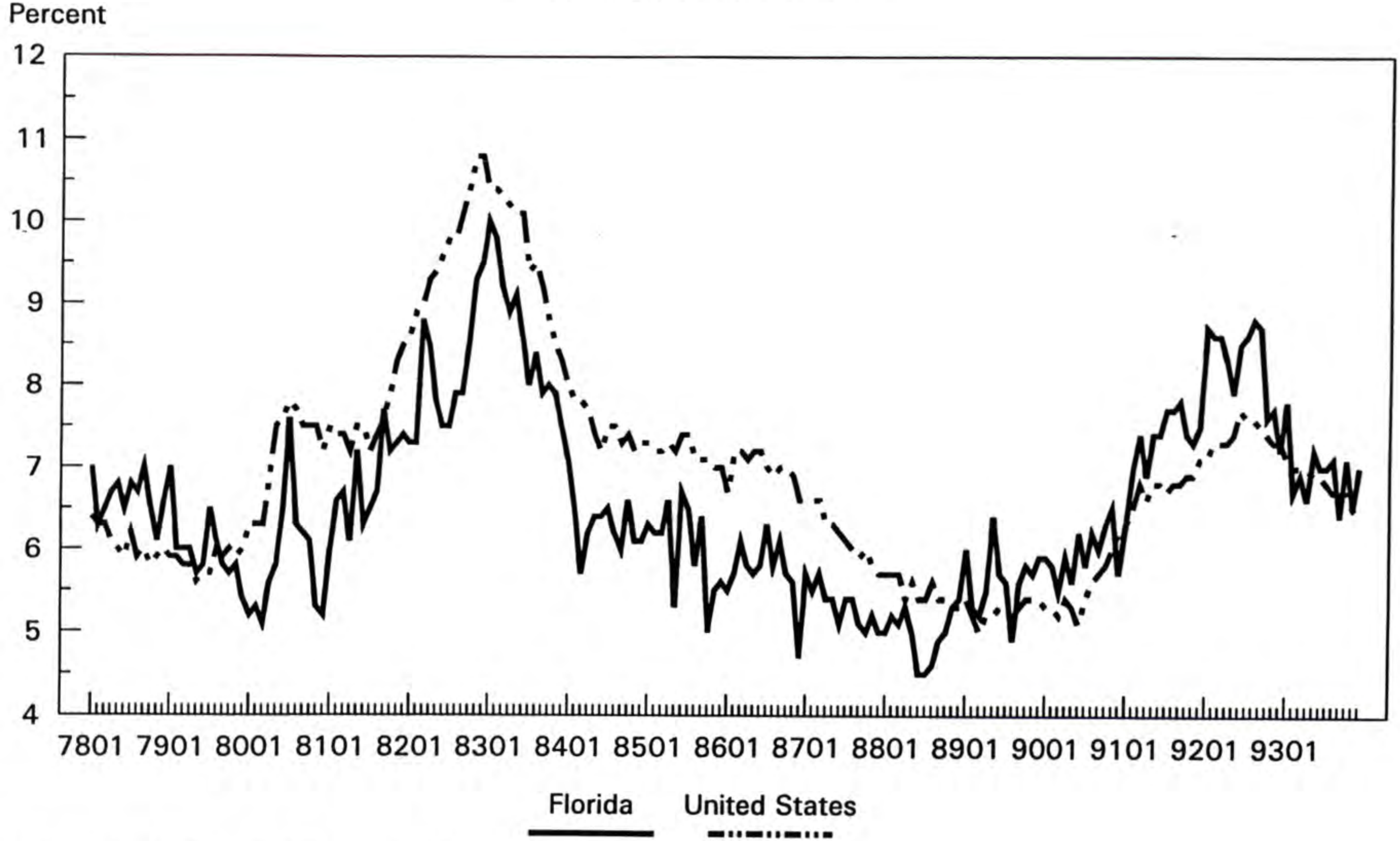


Produced by the Council of Economic Advisers.
Source: Department of Labor.

Florida and the United States

Unemployment Rates

Monthly, 1978 - 1993



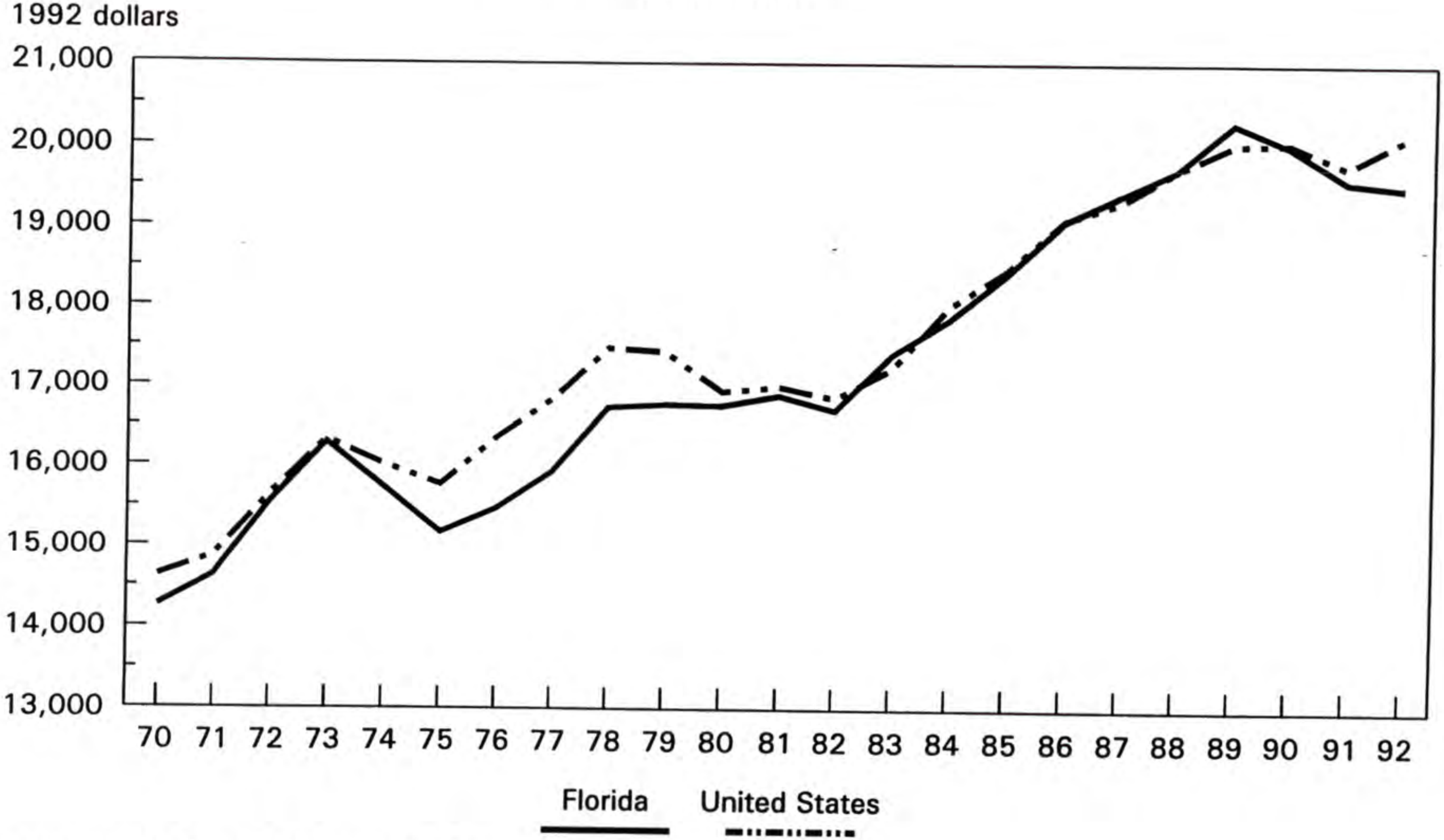
Produced by the Council of Economic Advisers.

Source: Department of Labor.

Florida and the United States

Real Per Capita Personal Income

1970 - 1992



Produced by the Council of Economic Advisers.
Sources: Dept. of Commerce and Dept. of Labor.
Note: Both series deflated by CPI-U for all U.S.

THE WHITE HOUSE

WASHINGTON

March 19, 1994

MEMORANDUM TO THE PRESIDENT

From: Ann Walker, Paul Meyer
Subject: Local Issues Briefing - Miami

TEENAGE CURFEW
Four Miami teenagers were named as plaintiffs in an American Civil Liberties Union lawsuit challenging Dade County's curfew ordinance. The curfew keeps youths under 17 at home between 11 p.m. and 6 a.m. on weeknights and from midnight to 6 a.m. on weekends unless accompanied by a parent or guardian. County officials claim that the curfew will help reduce juvenile crime. A judge, stating that the curfew may be violating teenagers rights, suspended the curfew pending trial. A court of appeals will hold an emergency hearing next week.

CRIME
Florida continues to be ranked the most dangerous state in the nation. Just released statistics from the Florida Department of Law Enforcement show the total number of crimes in Florida climbed 0.9% last year. Overall, 1.4 million crimes were committed in 1993. Last year, an average of three violent crimes were reported every ten minutes. In addition, the age group with the most arrests for non-violent crimes dropped last year from 18-24 to 11-17 for the first time ever.

IMMIGRATION
Gov. Chiles is developing a plan to deport illegal criminal aliens. Under an agreement Chiles is seeking with the INS, the Governor could grant clemency on a case-by-case basis to hundreds of nonviolent inmates, releasing them from prison on the condition that they not return to the U.S. Opponents of the plan question the constitutionality of allowing aliens to serve shorter sentences than citizens jailed for the same crimes.

Chiles also intends to sue the federal government for failing to enforce its immigration policies. Chiles argues that the state has assumed an unjust financial burden for the nearly 345,000 illegal aliens who now reside in Florida. A new study on immigration costs by the Florida Advisory Council on Intergovernmental Relations shows Florida taxpayers are spending $2.53 billion a year to provide services to immigrants, and an estimated $884-million of that goes to care for illegal aliens. The Education Department bears the largest burden for immigration costs - $517.6 million in FY93 - for English instruction, refugee assistance, teacher training and other costs.

CBC MEETING
Thirty members of the Congressional Black Caucus arrived in Miami on Friday to discuss the concerns of South Florida's black community. The two-day Florida Public Policy Conference will explore the future of Haiti and health and economic reforms. On Friday, Haitian President Jean-Bertrand Aristide spoke. A town-hall meeting on crime is scheduled for Saturday.

WELFARE
Gubernatorial candidate Jeb Bush is proposing a welfare reform program he calls the Phoenix Project which calls for throwing women off welfare after two years whether or not they can find jobs. Bush proposes to create a Child Care Trust Fund with Medicaid money saved by forcing all Medicaid clients into managed care health plans. Bush said the state could operate his project by 1998 for about $633 million - only slightly more than the $520 million the state would pay toward the federally mandated program.

Florida TaxWatch Inc issued a report on welfare last month. The study noted the fact that, over a four-year test period, less than 45 percent of AFDC families were able to go off welfare permanently. The study also pointed out that a mother would have to earn $ 8.33 an hour - nearly $ 16,000 a year - to make up for the AFDC, food stamp, child care, Medicaid and housing benefits she eventually loses after going to work.

GAMBLING
Four pro-gaming groups are attempting to place a casino proposal on Florida's November 8 ballot. The Governor opposes the idea.

TECH PREP
Tuesday, Dade County Public Schools introduced Tech Prep, a program combining technical and job training with academics. Aimed at average students, the plan will encourage student apprenticeships in careers such as child care, health care, computers, agribusiness, and construction.

SCHOOL PRAYER
The Senate Education committee approved a bill this week allowing non-sectarian voluntary prayer before school assemblies and sports events if a majority of students approve. Although many secular, Christian and Jewish groups spoke out against the bill, arguing it will stigmatize and ostracize various religious groups, only one senator voted against the bill in committee.

ECONOMIC DEVELOPMENT
HOK Sports Facilities Group is proposing a multimillion dollar overhaul of the five year-old Miami Arena. Both the Miami Heat and the Florida Panthers have said that the Miami Arena does not fulfill their current profit demands. The costs for the proposed renovations could exceed $50 million.

Hurricane Andrew and the Federal Response

Briefing Book for President Clinton

Federal Emergency Management Agency
March 16, 1994

The Storm

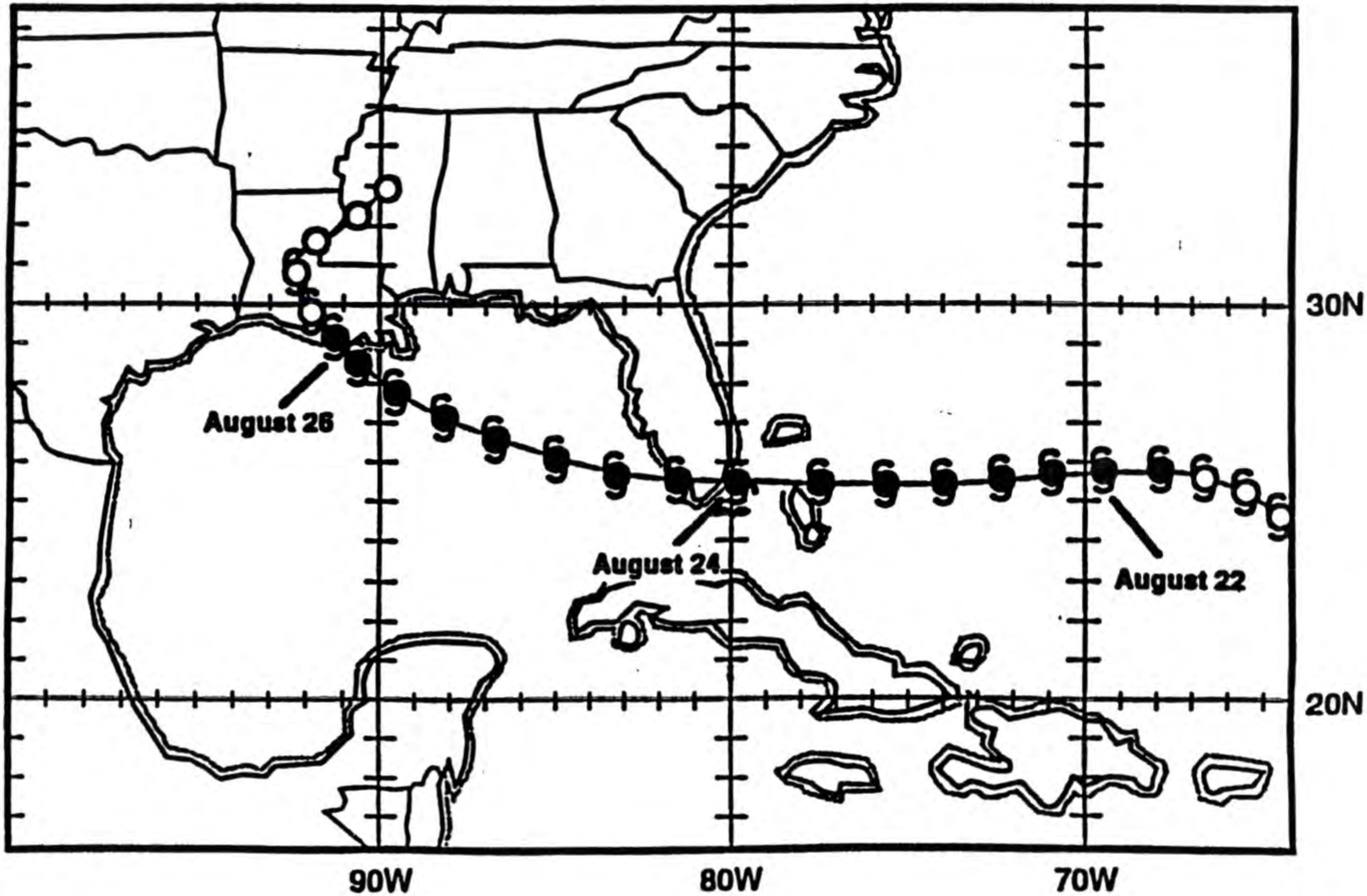
Hurricane Andrew was the most powerful hurricane to strike the United States since Hurricane Camille in 1969.

- On August 24, the eye of the storm moved ashore at 5:05 a.m., Eastern Daylight Time (EDT), directly east of Homestead Air Force Base.

The hurricane was classified as a Category 4 on the Saffir-Simpson Scale, with surface winds of 140 miles per hour, and gusts up to 175 miles per hour.

Andrew was relatively compact, but intense, with maximum winds in the eyewall extending to a radius of 12 miles.

Track of Hurricane Andrew



Immediate Impact of Hurricane Andrew

The most intense destruction occurred in a highly populated 300 square-mile area of south Dade County.

At least 40 deaths.

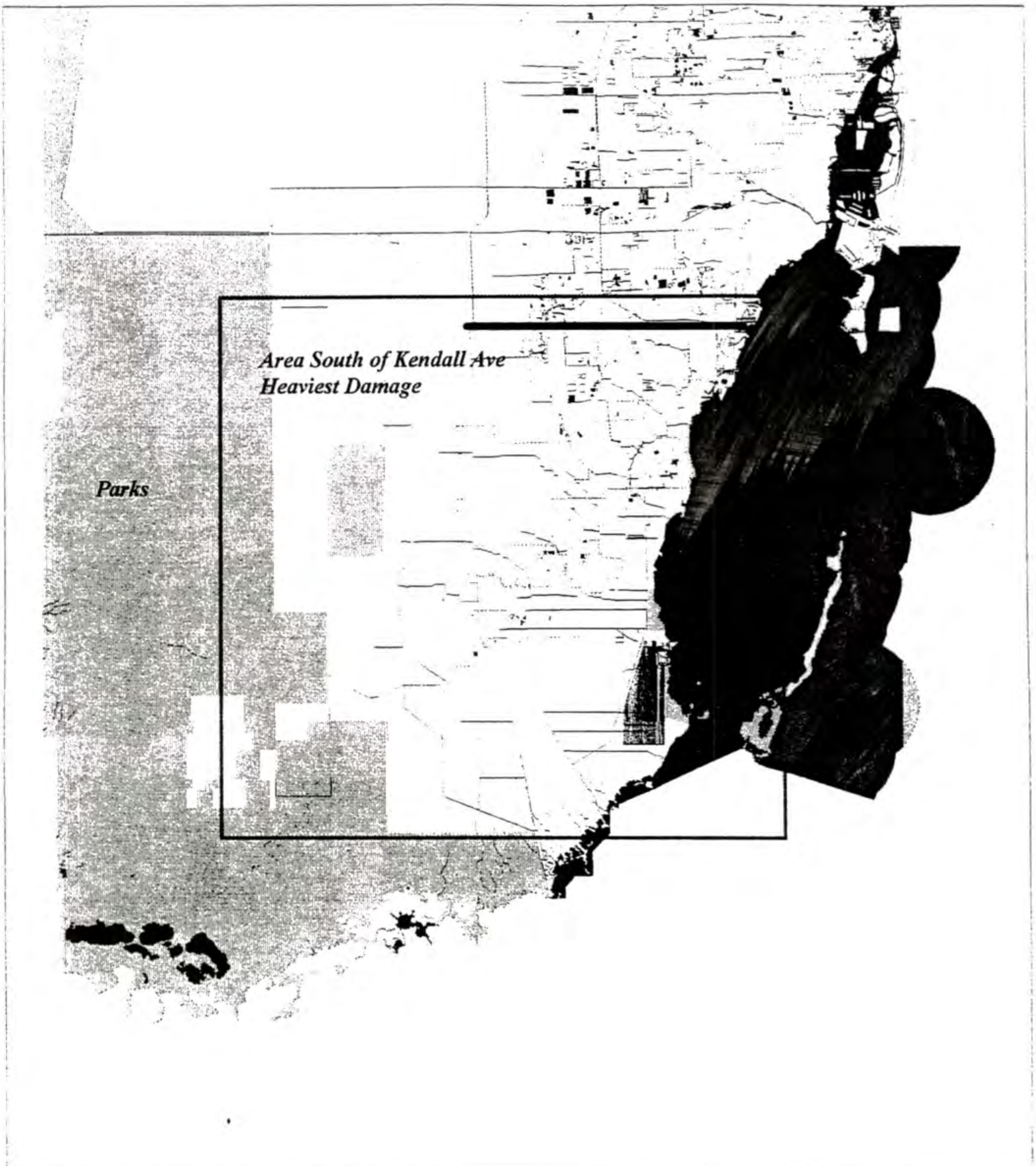
133,000 homes damaged (75,000 destroyed or with major damage, 58,000 with minor damage).

Approximately 160,000 people were left homeless.

About 8,000 businesses were destroyed.

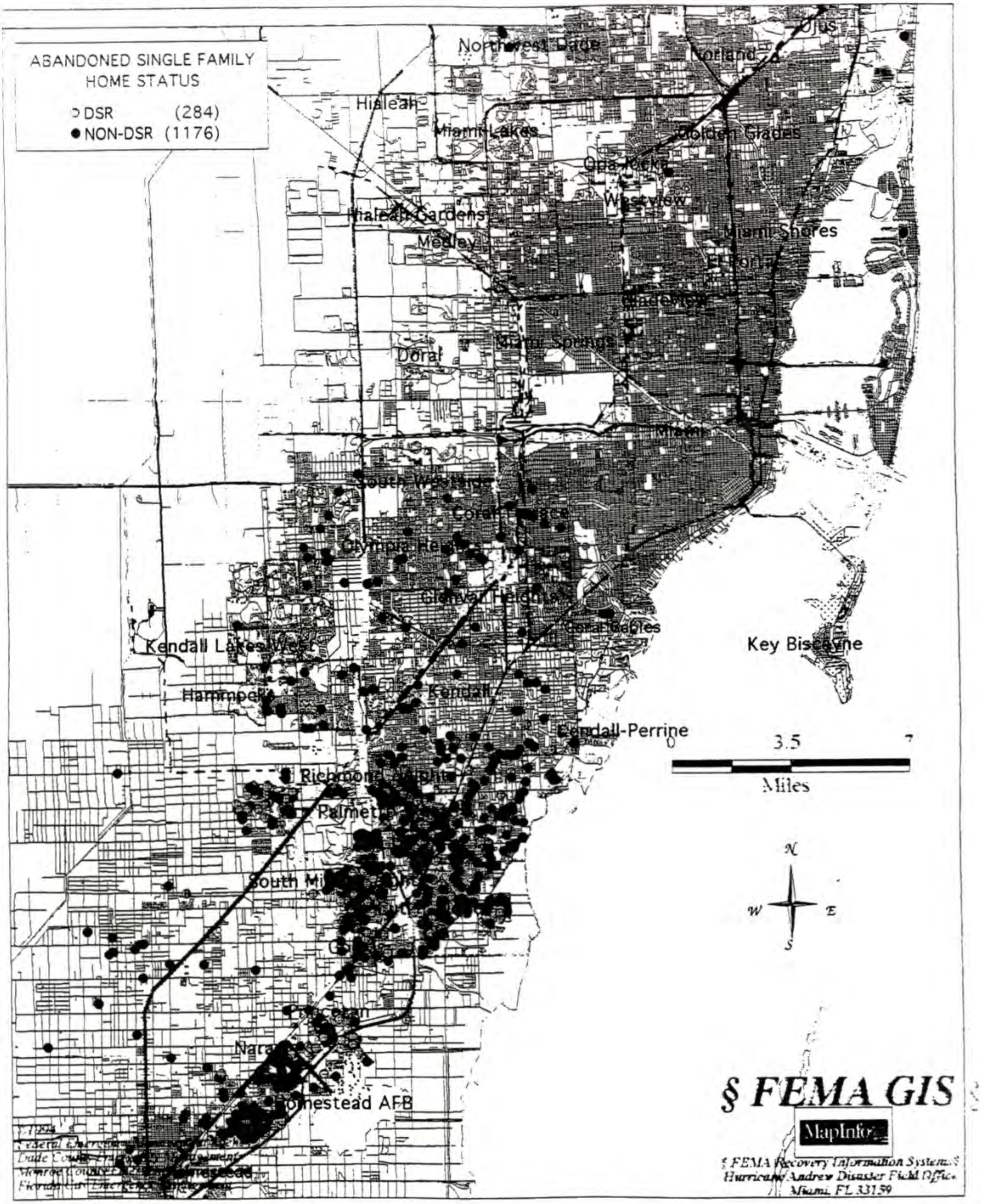
Total insurance estimates of damage are $30 billion. Costs to the Disaster Relief Fund approach $2 billion.

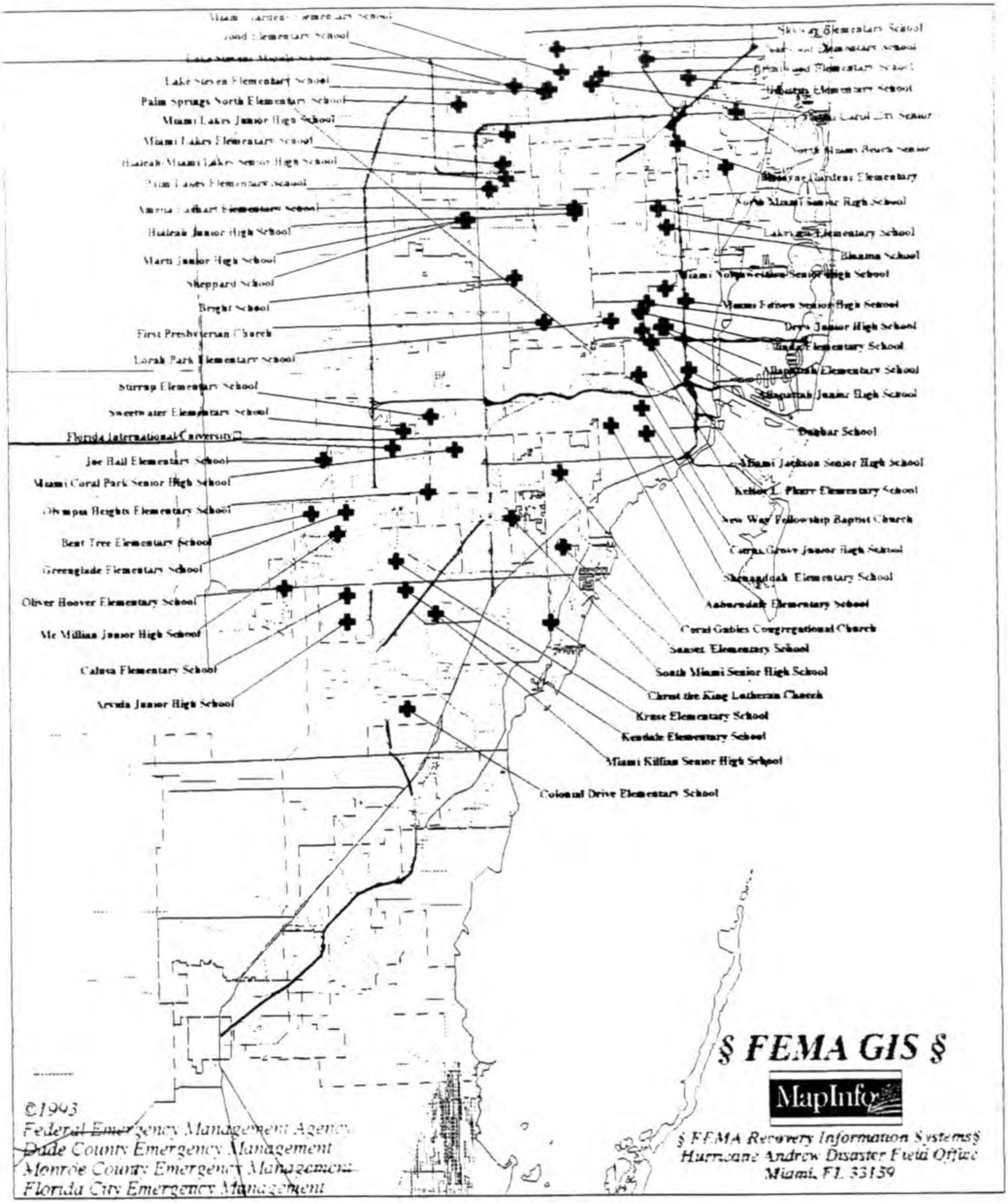
Hurricane Andrew
DADE County



FEMA-GIS Washington DC

ABANDONED SINGLE FAMILY HOMES




Lake Steven Elementary School
Palm Springs North Elementary School
Miami Lakes Junior High School
Miami Lakes Elementary School
Hialeah-Miami Lakes Senior High School
Palm Lakes Elementary School
Amelia Earhart Elementary School
Hialeah Junior High School
Marti Junior High School
Sheppard School
Bright School
First Presbyterian Church
Lorah Park Elementary School
Stirrup Elementary School
Sweetwater Elementary School
Florida International University
Joe Hall Elementary School
Miami Coral Park Senior High School
Olympia Heights Elementary School
Bent Tree Elementary School
Greenglade Elementary School
Oliver Hoover Elementary School
Mc Millian Junior High School
Calusa Elementary School
Arvida Junior High School
North Miami Beach Senior
Biscayne Gardens Elementary
North Miami Senior High School
Miami Edison Senior High School
Allapattah Elementary School
Allapattah Junior High School
Dunbar School
Miami Jackson Senior High School
Kelsey L. Pharr Elementary School
New Way Fellowship Baptist Church
Shenandoah Elementary School
Auburndale Elementary School
Coral Gables Congregational Church
Sunset Elementary School
South Miami Senior High School
Christ the King Lutheran Church
Kruse Elementary School
Kendale Elementary School
Miami Killian Senior High School
Colonial Drive Elementary School
§ FEMA GIS §
MapInfo
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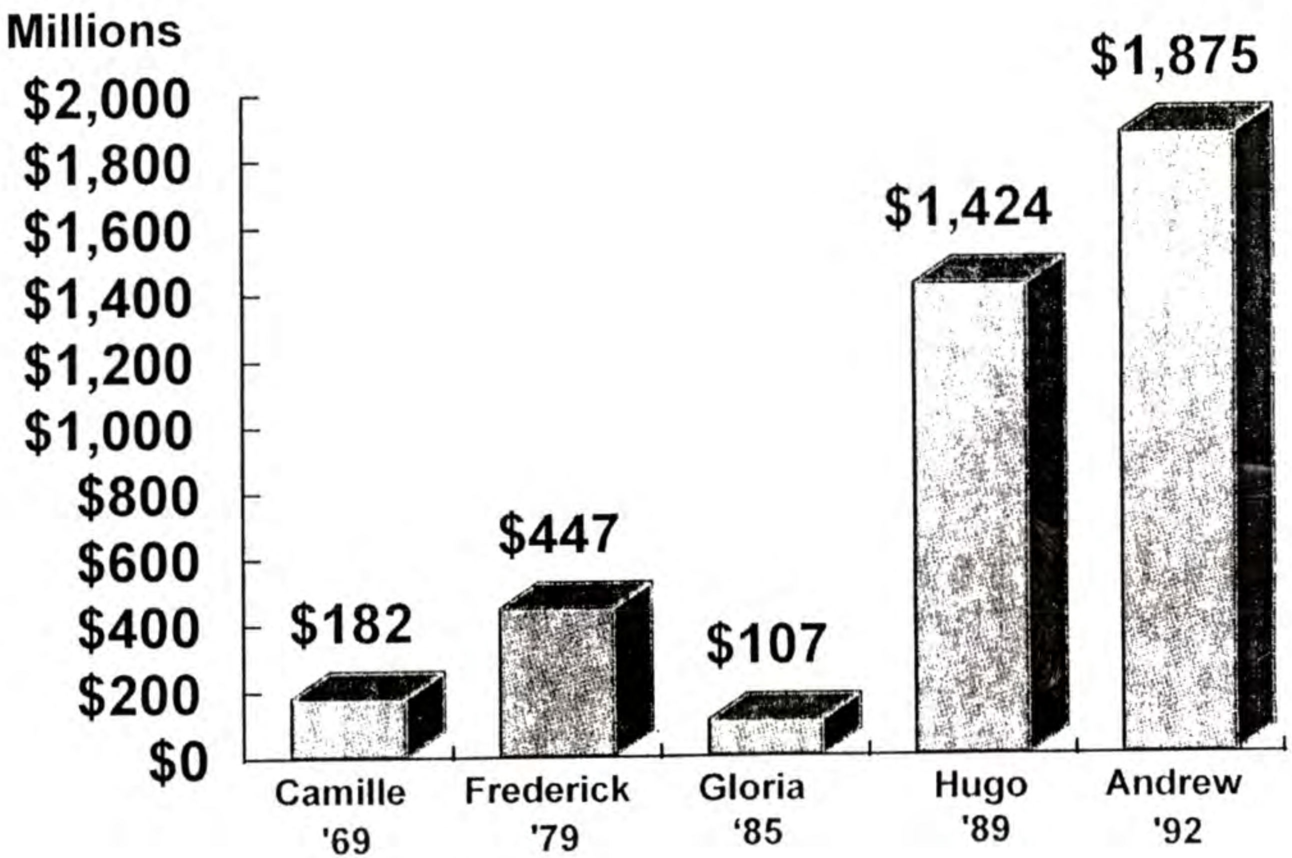
Federal Emergency Management Agency
Dade County Emergency Management
Monroe County Emergency Management
Florida City Emergency Management
§ FEMA Recovery Information Systems§
Hurricane Andrew Disaster Field Office
Miami, FL 33159

8/3/93

Most Costly Hurricanes
Total Federal Costs



Federal Response Plan

Signed by 26 Federal Departments and Agencies plus the American Red Cross only weeks before Hurricane Andrew, the Plan was tested for the first time during this disaster.

Addresses consequences of any emergency that qualifies for Federal response assistance under the Stafford Act.

Provides a structure to mobilize Federal resources and conducts activities that augment State and local efforts.

Groups Federal response assistance under 12 Emergency Support Functions common to most emergencies.

Federal Response Plan
Primary Agencies

Emergency Support Function	Primary Agency
1. Transportation	Department of Transportation
2. Communications	National Communications System
3. Public Works and Engineering	US Army Corps of Engineers
4. Firefighting	US Forest Service
5. Information and Planning	Federal Emergency Mgt Agency
6. Mass Care	American Red Cross
7. Resource Support	General Services Administration
8. Health and Medical Services	Health and Human Services
9. Urban Search and Rescue	Department of Defense
10. Hazardous Materials	Environmental Protection Agency
11. Food	Food and Nutrition Service
12. Energy	Department of Energy

Assistance to Individuals

- The *Disaster Housing Program* provided direct grants for home repair, mortgage and rental assistance, and mobile homes, travel trailers, tents, and plastic sheeting to qualified individuals throughout the disaster area.
- The *Individual and Family Grant (IFG) Program* provided grants of up to $11,500 to individuals or families with serious needs and necessary expenses which could not be met through other governmental disaster assistance programs.
- The *Disaster Unemployment Assistance (DUA) Program* provided benefits to victims unemployed as a result of these disasters and who were not covered under regular unemployment insurance programs or who had exhausted their regular unemployment insurance benefits.
- The *Crisis Counseling Program* provided services for short-term crisis counseling to victims with mental health problems caused or aggravated by the disaster.

Assistance to Individuals

Total Registrations	**185,621**
Temporary Housing Program Applications Approved Dollar Amount	47,001 **$107,200,000**
Individual & Family Grants Prg Applications Approved Dollar Amount	62,135 **$148,500,000**
Small Business Admin Loans Applications Approved Dollar Amount	23,326 **$649,880,300**
Disaster Unemployment Assist Applications Approved Dollar Amount	7,239 **$11,856,485**
Crisis Counseling Program Immediate Service Regular Program	**$4,867,507** **$14,554,027**

Assistance to Individuals: Other Agencies

- Small Business Administration (SBA) Loans were provided to individuals and businesses to repair or replace damaged real and personal property. SBA approved 23,326 applications for a total of almost $650 million in aid for Florida.

- Voluntary Relief Agency Programs (American Red Cross, Salvation Army, or other voluntary relief agencies)

Public Assistance

- Public Assistance is provided to support State and Local governments and eligible private non-profit institutions in restoring infrastructure and making repairs to critical facilities.
- 10,468 separate Public Assistance projects have been approved as a result of Hurricane Andrew.

Type of Assistance	Assistance Provided (in millions)
Debris Removal	627
Emergency Measures	244
Repair and Restoration	167
TOTAL	1,038

Other FEMA Public Assistance

Community Disaster Loans (CDLs)

– City of Homestead-	$10,325,000
– City of Florida City-	$ 1,046,000
– City of Miami-	$10,000,000
– Village of Key Biscayne-	$ 1,000,000

Securing and Demolition of Abandoned Structures (over 900 structures)

Tree Removal

Historic Preservation and Art Conservation

Hazard Mitigation

- FEMA and the State agreed at least $15 million will be available for the Hazard Mitigation Grant Program.
- 497 applications for mitigation assistance ($90 million) have been received. The State is prioritizing these projects for funding.
- One project has been approved for $800,000.
- FEMA has provided technical assistance in implementing mitigation programs.
- FEMA established Reconstruction Information Centers to provide consultations with individuals on how to elevate their homes.
- FEMA provided training to State agencies and local government officials.
- The State has developed a selection process to prioritize hazard mitigation projects for funding.

Unresolved Issues: Federal Indemnity for Disaster-Related Tort Claims

The State agreed to indemnify the Federal government against any claims which might arise in debris removal or providing direct Federal assistance.

Florida has declined to pay the most substantial claims, primarily for the use of private land.

Director Witt determined FEMA should pay outstanding claims and offset against disaster funds owed to the State.

To date, no response has been received from the State about this proposal.

FEMA has not yet taken action on this decision.

Unresolved Issues: Availability of Long-Term Housing

HUD issued over 5,000 Section 8 housing vouchers to disaster victims.

Many landlords have been unwilling to accept HUD vouchers.

695 people remain without permanent housing in FEMA mobile homes.

FEMA is permitting individuals who are having trouble with their HUD vouchers to remain in mobile homes until they can identify permanent housing.

Unresolved Issues: Mitigation Eligibility Reviews

- **It is the State's responsibility to identify and review projects, and to determine priorities for funding before forwarding the proposed projects to FEMA.**
- **State Hazard Mitigation staff lacked experience in reviewing grant proposals.**
- **FEMA offered to assist and train the State by conducting joint eligibility determinations.**
- **In some cases the State was sending FEMA's negative project review worksheets directly to the applicant, saying that FEMA denied the project.**
- **This is contrary to the original agreement with FEMA, and is in violation of the HMGP regulations.**
- **FEMA has sent a letter to the State outlining respective responsibilities, and proposing a meeting to discuss the subject.**

Unresolved Issues: Expediting the Appeal Process for Infrastructure Grants

- The FEMA appeal process was established to ensure a fair review of disputed claims.
- The State believes that the appeal process has resulted in needless delay, slowing disaster recovery.
- FEMA's Director, James L. Witt, plans to visit Florida to discuss how appeals can be more quickly resolved.
- A FEMA advance team went to Florida on March 14-18 to identify issues that can be resolved. FEMA's Chief of Staff and Director of Infrastructure Support are members of this team.

Unresolved Issues: Reviews of Damage Survey Reports (DSRs)

DSRs are used to determine what costs are eligible for assistance.

DSRs are reviewed by two different reviewers and the FEMA Public Assistance Officer.

The State believes that FEMA reviewers have been arbitrary and inconsistent.

(Continued)

Reviews of DSRs (Continued)

- **FEMA does not support the State's claims about arbitrary and inconsistent reviews.**
  - **Disaster assistance reimburses an applicant for the reasonable costs of performing eligible work.**
  - **For projects over $41,300 the disaster assistance is based on actual documented reasonable costs.**
  - **Some projected assistance amounts must be reduced at a later date to reflect actual costs.**
- **FEMA provides periodic training to reviewers in determining eligible work and reasonable costs.**

Unresolved Issues: Deobligation of Funds

- Florida claims that deobligation of funds prior to final disposition of a DSR compromises fair evaluation in the appeals process.
- FEMA is required to judge eligibility using information available at the time. If a project cost is ineligible, FEMA can not fund it.
- Applicants can provide additional information later to establish a basis for overturning an eligibility determination.
- Deobligation does not have any bearing on a future appeal determination.

Unresolved Issues: Coordination of Other Federal Agency Assistance

FEMA deobligates its funding when other agency funds are available for the same purposes.

Florida believes that this causes disruption, and could be avoided with better coordination.

FEMA regulations require that if other agency funds are available, FEMA funds will not be used.

Although FEMA coordinates federal *disaster* assistance, most federal programs are *continuing* programs in effect before the disaster.

- In these cases, the State or local government must provide program funding coordination.

Unresolved Issues: Historic Preservation — The Richmond Inn

The Richmond Inn suffered over 50 percent damage during Hurricane Andrew.

FEMA determined eligible costs ($821,000) included only functional replacements, not the costs of replicating the lost historic wooden frame structure of the Inn.

The applicant wants to repair the frame, and estimates total repair costs at $2.6 million.

This project is under appeal, and will be discussed with the State when Director James L. Witt meets with them in the next few weeks.