

file ARK. Kcd

'99 OCT 28 PM8:16

THE WHITE HOUSE
WASHINGTON

THE PRESIDENT HAS SEEN

10-29-99

copied

Jennings

Ibarra

Podesta

Tramontano

Ricchetti

Reed

Lindsey

Verveer

October 28, 1999

MEMORANDUM TO THE PRESIDENT

FROM: Chris Jennings and Mickey Ibarra

RE: ARKANSAS'S ARKIDS PROGRAM

CC: John Podesta, Karen Tramontano, Steve Ricchetti, Bruce Reed, Bruce Lindsey, Melanne Verveer

OK but
Don't feel
a lot of time
to review

Attached is a draft letter from you to Governor Huckabee regarding the ARKids Medicaid waiver issue. We think that it is important to forward this letter to the Governor tomorrow (Friday) because it appears likely that he will use the opportunity of the Republican response to your radio address to highlight this issue in a potentially inflammatory manner.

I spoke with the Governor today and had another amiable conversation. Despite the tone, it appears clear that the Governor continues to look for excuses to publicly highlight the controversy surrounding ARKids. Today, for example, he put me on the spot, expecting an instant response to his offer to remove all barriers to Medicaid enrollment if I would agree to allow families to enroll their children in Medicaid if they still choose to do so. This is a 180 degree turn from Ray Hanley's position yesterday in which he said that removing those barriers were impossible politically and difficult to implement. It also is equally impossible for me to get instant sign-off on such a major Medicaid issue. While I think that I succeeded in getting the Governor to understand that our process -- and probably his own internal process -- take longer, he will likely continue to record a negative response.

Regardless, Bruce Lindsey, Amy Rossi and Skip Rutherford believe that it is important that a communication be forwarded to the Governor to provide evidence of your concern about this issue. Most importantly, it conveys your assurance that no children will lose coverage as a result of any action.

We met with Ray yesterday and set up a process for staff to work through these issues. The Governor's openness to removing barriers today is encouraging. From our perspective, we will begin to gather the legal, policy and political arguments for or against allowing families to voluntarily enroll their Medicaid-eligible children in ARKids, assuming that the Governor can deliver on removing structural barriers. This action would be precedent setting and will require significant discussion. We will keep you apprised of developments.

THE WHITE HOUSE

WASHINGTON

October 28, 1999

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

Dear Mike:

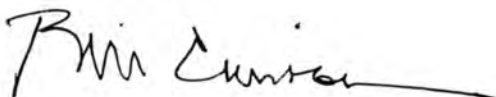
Thank you for sharing your concerns about the Department of Health and Human Services (HHS) letter about enrolling Medicaid-eligible children in ARKids. Expanding coverage to children has been a priority for me, and I applaud your leadership in making ARKids outreach efforts among the most successful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

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

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

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

Sincerely,

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

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