Withdrawal/Redaction Sheet
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DOCUMENT NO. AND TYPE	SUBJECT/TITLE	DATE	RESTRICTION
001. note	handwritten notes re: personal medical information (1 page)	00/00/0000	b(6)

COLLECTION:
Clinton Presidential Records
Speechwriting
Lissa Muscatine
OA/Box Number: 12086

FOLDER TITLE:
Column - Children's Hospitals

2017-1164-S
rc2750

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P1 National Security Classified Information [(a)(1) of the PRA]
P2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P3 Release would violate a Federal statute [(a)(3) of the PRA]
P4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.
PRM. Personal record misfile defined in accordance with 44 U.S.C. 2201(3).
RR. Document will be reviewed upon request.

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

b(1) National security classified information [(b)(1) of the FOIA]
b(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
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b(9) Release would disclose geological or geophysical information concerning wells [(b)(9) of the FOIA]

CREATORS SYNDICATE

FAX TRANSMITTAL

TO: Lissa Muscatine

FROM: Katherine Searcy

DATE: 11-15

TIME:

RE: Hillary Rodham Clinton column

NUMBER OF PAGES (including cover sheet): 3

MESSAGE:

Corrected column for Nov 18-19

5777 W. CENTURY BLVD., SUITE 700 • LOS ANGELES, CA 90045 • Tel. (310) 337-7003 • FAX (310) 337-7625

TALKING IT OVER
BY HILLARY RODHAM CLINTON
RELEASE: WEEKEND, NOVEMBER 18-19, 1995

I met 16-year-old Lisa DelMauro the other day at Babies and Children's Hospital in New York City. She was in a wheelchair, wrapped in bandages, having just undergone her 50th operation for a congenital birth defect known as spina bifida.

Still, she was upbeat about her life and her future. Her treatments, she said, had enabled her to continue her schooling and read her favorite Nancy Drew novels.

Joshua Lentin, age 6, had a different medical problem but a similar outlook: He was born with a serious heart condition and, after two heart transplants, is thrilled that he can now play roller hockey and dream about a career in the NHL.

These and the other brave children I met -- a 19-month-old baby undergoing radiation treatment for abdominal cancer, a high school student who had just endured a painful bone marrow transplant, and a 4-year-old born with health problems brought on by his mother's drug addiction -- are among thousands of children treated each day for illnesses and injuries at children's hospitals around our country.

Unlike adult hospitals, children's hospitals specialize in diagnosing and treating children. They train pediatricians who become experts in children's care. They conduct innovative research in the causes and cures for childhood diseases. And they provide millions of dollars in free care to needy children.

Today, the average children's hospital relies on Medicaid for 46 cents out of every dollar it uses to function. This long-standing federal commitment is one important reason that children's hospitals offer the unique and vital services they do.

That is why I am worried about the future of children's hospitals -- worried because proposed cuts in Medicaid threaten to compromise the care they give.

These cuts will hurt children's hospitals because Medicaid is the primary source of health care coverage for nearly one in four children in America -- and one in three children under age 3. And contrary to what many people think, more than half of the children covered by Medicaid have parents working at low-wage jobs, not receiving welfare checks.

Medicaid is also the main source of health care coverage for millions of children like Lisa, Joshua and the others I met in New York who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that regular health insurance will not cover and that adult hospitals cannot always treat.

Children's hospitals simply cannot exist without government support.

For more than a decade, I was fortunate enough to serve on the board of Arkansas Children's Hospital, chairing the annual telethon and raising money for a newborn intensive care nursery. Recently, I met a group of generous men and women who give and raise money for some of the largest children's hospitals in our country. While I applaud these private efforts, I know that the generosity of individuals alone cannot fill the gap projected by the proposed $186 billion cut in Medicaid.

Every parent knows from personal experience what it is like when a child is sick. Nothing else in the world matters. Will your son or daughter get better? Is the illness something that will pass, or is it life-threatening? You just want your child to get the treatment she needs.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that one of our own children with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to help our child get well.

Why, then, as citizens or decision makers are we ready to say that only parents who can afford comprehensive insurance will be able to take care of their sick children? What about all the uninsured working parents who care just as much about their kids? What about the poor and low-income parents who, up until now, thought they could at least rely on Medicaid if their kids needed to see a doctor or go to the hospital?

Even if you don't know a soul who has relied on Medicaid for health coverage, and even if your child has never been seriously ill, remember that children's hospitals are there if, heaven forbid, any of our children need them.

Cutting back on our commitment to children's hospitals will not help America's children. It won't help our country, either.

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URGENT FAX

TO: ANITA TOBIAS

KATHERINE SEARCY

PHONE 310 337 7003

FAX 310 337 7625

FROM: LISSA MUSCATINE

202 456 1414

RE: 4

A + K: We're still waiting for permission to use the names.

###

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

I met 16-year-old Lisa DelMauro the other day at Babies and Children's Hospital in New York City. She was in a wheelchair, wrapped in bandages, having just undergone her fiftieth operation for a congenital birth defect known as spina bifida.

Still, she was upbeat about her life and her future. Her treatments, she said, had enabled her to keep up with her schooling and learn how to work computers.

Joshua Lentin, age six, had a different medical problem but a similar outlook: He was born with a serious heart condition and, after two heart transplants, is thrilled that he can now play ice hockey and baseball with his pals.

These and the other brave children I met -- a 19-month-old baby undergoing radiation treatment for abdominal cancer, a high-school student who had just endured a painful bone marrow transplant, and a four-year-old born with health problems brought on by his mother's drug addiction -- are among thousands of children treated each day for illnesses and injuries at children's hospitals around our country.

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These cuts will hurt children's hospitals because Medicaid is the primary source of health care coverage for nearly one in four of all children in America -- and one in three children under age three. And contrary to what many people think, more than half of the children covered by Medicaid have parents working at low wage jobs, not receiving welfare checks.

Medicaid is also the main source of health care coverage for millions of children like Lisa, Joshua and the others I met in New York who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that regular health insurance will not cover and that adult hospitals cannot always treat.

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For more than a decade, I was fortunate enough to serve on the board of Arkansas Children's Hospital, chairing the annual telethon and raising money for a newborn intensive care nursery. Recently I met a group of generous men and women who give and raise money for some of the largest children's hospitals in our country. While I applaud these private efforts, I know that the generosity

of individuals alone cannot fill the gap projected by the proposed $186 billion cut in Medicaid.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment they need.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that one of our own children with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to help our child get well.

Why, then, as citizens or decision makers, are we ready to say that only children whose parents can afford comprehensive insurance will be able to take care of their sick children? What about all the uninsured working parents who care just as much about their kids? What about the poor and low-income parents who, up until now, thought they could at least rely on Medicaid if their kids needed to see a doctor or go to the hospital?

Even if you don't know a soul who has relied on Medicaid for health coverage, and even if your child has never been seriously ill, remember that children's hospitals are there if, Heaven forbid, any of our children need them.

Cutting back on our commitment to children's hospitals will not help America's children. It won't help our country, either.

HRC: In case you haven't seen this:
This is the draft that was supposed
to be delivered to you in transit -
(but in this copy I've caught some typos + missing words)
Lissa

DRAFT #2
8 pm Mon

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

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Still, she was upbeat about her life and her future. Without her treatments, she said, she would not be able to attend school or [xxxxx].

Joshua Lentin, age six, had a different medical problem but a similar outlook: He was born with a serious heart condition and, after two heart transplants, is thrilled that he can now play ice hockey and baseball with his pals.

These and the other brave children I met -- a 19-month-old baby undergoing radiation treatment for abdominal cancer, a high-school student who had just endured a painful bone marrow transplant, and a four-year-old born with health problems brought on by his mother's drug addiction -- are among thousands of children treated each day for illnesses and injuries at children's hospitals around our country.

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B + C (2)

2 children in same family w/ spina bifida

- adopted -

people could not have adopted them w/o Medicaid.

DRAFT #2

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
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These and the other brave children I met -- a 19-month-old baby undergoing radiation treatment for abdominal cancer, a high-school student who had just endured a painful bone marrow transplant, and a four-year-old born with health problems brought on by his mother's drug addiction -- are among thousands of children treated each day for illnesses and injuries at children's hospitals around our country.

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Today, the average children's hospital relies on Medicaid for

provide millions of dollars in free care to needy children.

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While I applaud these private efforts, I know that the generosity of individuals alone cannot fill the gap projected by the proposed $186 billion cut in Medicaid.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment they need.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that one of our own children with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to help our child get well.

Why, then, as citizens or decision makers, are we ready to say that only children whose parents ~~can afford~~ can afford comprehensive insurance will be able to take care of their sick children? What about all the uninsured working parents who care just as much about their kids? What about the poor and low-income parents who, up until now, thought they could at least rely on Medicaid if their kids needed to see a doctor or go to the hospital?

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All it takes is one walk through a cancer ward, or one look into the eyes of a sick child, to know that is why I am so distressed by Today the hospitals that treat these children are at risk. Why? Because of proposed cuts in Medicaid.

The average children's hospital today relies on Medicaid for forty-six cents out of every dollar it uses to operate. ~~That is one~~

This by state and federal

forty-six cents out of every dollar it uses to operate. This long-standing federal commitment is one important reason that children's hospitals offer the unique and vital services they do. Unlike adult hospitals, children's hospitals specialize in diagnosing and treating children. They train pediatricians who become experts in children's care. They conduct cutting edge research in the causes and cures for childhood diseases. And they provide millions of dollars in free care to needy children.

The proposed budget cuts will hurt children's hospitals because Medicaid is the primary source of health care coverage for nearly one in four of all children in America -- and one in three children under age three. And contrary to what many people think, more than half of the children covered by Medicaid have parents working at low wage jobs, not receiving welfare checks.

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Children's hospitals simply cannot exist without government support.

Recently I met a group of generous men and women who give and raise money for some of the largest children's hospitals in our country. I, myself, spent more than a decade on the board of Arkansas Children's Hospital, chairing the annual telethon and raising money for a newborn intensive care nursery. While I applaud

hospitals can take care of better than any other institution.

Cutting tens of billions of dollars from the Medicaid program will not only force families to make grim choices, but it will also force children's hospitals to choose between the care that saves lives today and the research and training that can save lives tomorrow.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment they need.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that a child of our own with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to help our child get well.

Why then, as citizens or decision makers, are we ready to say that only children whose parents can afford comprehensive insurance will be able to take care of their sick children? What about all the uninsured working parents who care just as much about their kids? What about the poorest parents who, up until now, thought they could at least rely on Medicaid if their kids needed to see a doctor or go to the hospital.

Even if you never use Medicaid, I bet you'd be surprised to learn you know people who do. They may be friends or co-workers who

fell on hard times or neighbors whose regular insurance would not cover children with chronic illnesses. But, even if you're convinced you don't know a soul who has ever used Medicaid, I'm sure that, like me, there is someone in your life who has been involved with a children's hospital. Those hospitals are there if, Heaven forbid, any of our children need them.

Cutting back on our commitment to children's hospitals will not help America's children. It won't help our country, either.

###

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

For many years, I supported the Arkansas Children's Hospital where I served on the board, chaired its annual telethon and helped raise money for an intensive care nursery for newborns. Because of my work on health care issues, I have also visited many other children's hospitals around the country. Just walking in the door of one guarantees that I will be moved to tears by the sight of heroic children, struggling against parents, doctors and nurses, every disease and injury you can imagine.

My husband and I also had a brief experience with being the parents of a patient when Chelsea was hospitalized overnight because of her reaction to the anaesthesia following a tonsillectomy. The staff of the Arkansas Children's Hospital not only provided her with wonderful care but took excellent care of us as we spent the night with her.

Right now, though, I am worried again. As a parent and as a citizen I worry about the future of our children's hospital because of proposed budget cuts in Medicaid. These hospitals play unique roles in diagnosing and treating children; training pediatricians who specialize in children's care; conducting cutting edge research in the causes of and cures for childhood diseases; and providing millions of dollars in free care to needy children. Adult medicine and hospitals cannot perform the same services.

Think of it this way: Children are not just miniature adults. If your child needs surgery, would you rather have a surgeon who performs operations on full-grown adults or one who is familiar

with the structure and functioning of a child's body? Would you rather have an anesthesiologist skilled at calculating anaesthesia doses for a 118-pound woman or an eight-pound baby?

Children's hospitals as we know them today could not exist in our country without government support. I recently met with a group of generous people who give money to some of the largest children's hospitals in our country. They were planning ways to raise more private dollars to support the hospitals. I applauded their efforts but had to tell them I thought it unlikely that their generosity could fill the gap projected by the proposed 186 billion dollar cut in Medicaid. The average children's hospital today relies on Medicaid for forty-six cents out of every dollar it uses to operate.

But that historic commitment to children's hospitals is at risk in the current debate over health care. Although you may not realize it, cuts in the Medicaid program will seriously compromise children's hospitals and the care they give to sick children.

Medicaid is the primary source of health care coverage for nearly one in four of all children in America -- and one in three of children under age three. More than half of those children live in families with parents who are working at low wage jobs, not receiving welfare checks.

Medicaid is also the primary source of health care coverage for millions of children who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that children's hospitals can take care of better than anywhere else.

Cutting tens of billions of dollars from the Medicaid program

will not only force families to make grim choices, but it will also force children's hospitals to choose between the care that saves lives today and the research and training that can save lives tomorrow.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment they need.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that a child of our own with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to get our child the needed treatment.

Why then are we ready as citizens or decision makers to say that only children whose parents can afford comprehensive insurance will be able to take care of their children? What about all the uninsured working parents who care just as much about their kids? What about the poorest parents who up until now thought one thing they could rely on at least was Medicaid, which would insure that their kids could see a doctor or go to the hospital.

Even if you never used Medicaid, I bet you'd be surprised to learn you know people who may be those who fell on hard times or were in families with good insurance who were forced to use Medicaid for chronically ill children because they were not able to obtain insurance for them. But, even if you're convinced you don't

know a soul, I'm sure that, like me, there's someone in your life who's been involved with a children's hospital. Those hospitals are there when, Heaven forbids, any of us need them.

Cutting back on our commitment to children's hospitals will not help our children. It won't help our country, either.

TO: LISSA MUSCATINE

Talking It Over
Draft #1

Why Children's Hospitals.

When my daughter Chelsea needed an emergency tonsillectomy several years ago, my husband and I had to decide quickly which hospital to take her to --the very well-respected xxxxx Hospital or Arkansas Children's Hospital.

It was an easy decision to make. Did we want an experienced surgeon who had performed hundreds of successful surgeries on adult patients or one very familiar with the structure and size of a x-year old girl's throat? An anesthesiologist used to calculating doses for 160 pound men versus one used to anesthetizing an x pound child? A nurse trained to monitor the vital signs of a 30-year old man, or a nurse trained to watch the faster heart and respiration rates of child?

Ask any other parent whose child has needed hospital care, and I'm sure they'd tell you the same reasons for choosing to send their loved one to a children's hospital.

Children's hospitals, which account for just one percent of all hospitals, literally save the lives of generations of ~~children~~. young people

But proposed cuts in Medicaid funding could undermine the effectiveness of these hospitals. The cuts threaten the health of not just the sick, but all our children.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of ~~all~~ their patients. That is because Medicaid, which allows families to work instead of rely on welfare for their children's health care, is the primary source of health coverage for nearly a quarter of all children and a third of all babies. Medicaid also supports the care of often uninsurable children - those with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

Children's hospital administrators say that if current medicaid cuts go through, they would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

The cuts would have a domino effect - knocking down programs designed to help both sick and healthy children. The cuts would mean not only fewer patients, but slower progress in research, and less qualified pediatricians. In other words, hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatricians would become less effective if there are fewer and

less diverse patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children are not just miniature adults. Their bodies are completely unlike ours. For instance, their bodies respond differently to viruses and bacteria, showing symptoms of infection that are very unlike those shown by an adult infected by the same virus. (this from 20/20: Adults suffering from spinal meningitis often develop stiff necks, but children with the infection continue to have flexible necks) Doctors often need to use specially-designed instruments to treat children.

Doctors and nurses at children's hospitals, unlike those at other hospitals, are aware of these special needs and are more prepared to treat sick children.

The horror stories about what can happen to children who aren't properly treated abound. In South Carolina, emergency room doctors found they could not remove a sunflower seed that had become stuck in a five-year old girl's windpipe because they didn't have right equipment. When a doctor tried using an instrument designed for adult windpipes, the seed was pushed further into her airway. During the ambulance ride to a children's hospital in Charlotte, the girl had seizures and fell into a coma.

There are already many generous Americans who understand the vital role children's hospitals play in the healths of children and families. They've given sizable amounts of time and money to the support of these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. It costs more to care for sick children than it does to take care of adults. Unlike other hospitals, children's hospitals cannot pass on the extra cost of caring for children to adult patients.

Government support is crucial to these hospitals' abilities to provide all children access to needed specialized care.

Our children are entirely dependent upon us to take care of them. Many of you know what it is like when your child is very sick. Nothing else in the world matters to you. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

Those answers, those cures can be found at children's hospitals. We desperately need them to stay open.

~~tkff~~ P.S. I'm working on making it more human

FAX COVER SHEET

TO: ANITA TOBIAS AND KATHERINE SEARCY

PHONE: 310-337-7003

FAX: 310-337-7625

FROM: LISSA MUSCATINE

PHONE: 202-456-1414

DATE: MONDAY, NOVEMBER 13

NUMBER OF PAGES INCLUDING COVER: 4

For once, we're early. I'll look forward to getting your comments. Thanks!

DRAFT #2

URGENT

DRAFT / ~~CONFIDENTIAL~~

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

(1) Babies/kids in hospital may be able to live/nursery

DETERMINED TO BE AN ADMINISTRATIVE

MARKING INITIALS: VB **DATE:** 9/21/17

For many years, I supported the Arkansas Children's Hospital, where I served on the board, chaired the annual telethon and helped raise money for an intensive care nursery for newborns. Because of my work on health care issues, I also have visited many other children's hospitals around the country. (1) And each time I walk through the door I am moved to tears by the sight of heroic children, parents, doctors and nurses struggling against every disease and injury you can imagine.

My husband and I also had a brief experience as parents of a patient when Chelsea was hospitalized overnight at the Arkansas Children's Hospital. The staff not only provided her with wonderful care but took excellent care of us as we spent the night with her.

As a parent and a citizen, I am worried now about the future of our children's hospitals -- worried because of proposed budget cuts in Medicaid.

Children's hospitals play unique roles in diagnosing and treating children; training pediatricians who specialize in children's care; conducting cutting edge research in the causes of and cures for childhood diseases; and providing millions of dollars in free care to needy children. Adult medicine and hospitals cannot perform the same services.

Think of it this way: Children are not just miniature adults.

If your child needs surgery, would you rather have a surgeon who performs operations on full-grown adults or one who is familiar with the structure and functioning of a child's body? Would you rather have an anesthesiologist skilled at calculating anaesthesia doses for a 118-pound woman or an eight-pound baby?

Children's hospitals as we know them today could not exist in our country without government support. I recently met with a group of generous men and women who give money to some of the largest children's hospitals in our country. They are working hard to raise more private dollars to support the hospitals. While I applaud their efforts, their generosity cannot alone fill the gap projected by the proposed $186 billion cut in Medicaid. The average children's hospital today relies on Medicaid for forty-six cents out of every dollar it uses to operate.

Our historic national commitment to children's hospitals is at risk in the current debate over health care. Although you may not realize it, cuts in the Medicaid program will seriously compromise children's hospitals and the care they give to sick children.

Medicaid is the primary source of health care coverage for nearly one in four of all children in America -- and one in three children under age three. More than half of those children live in families with parents who are working at low wage jobs, not receiving welfare checks.

Medicaid is also the primary source of health care coverage for millions of children who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that children's

these private efforts, I know that the generosity of individuals alone cannot fill the gap projected by the proposed $186 billion cut in Medicaid.

~~I cannot understand how~~, ~~As~~ a nation, (how) we can say that only children whose parents can afford comprehensive insurance will be able to take care of their sick children? What about all the uninsured working parents who care just as much about their kids? What about the poor and low-income parents who, up until now, thought they could at least rely on Medicaid if their kids needed to see a doctor or go to the hospital.

Even if you never use Medicaid, I bet you'd be surprised to learn you know people who do. They may be friends or co-workers who fell on hard times or neighbors whose regular insurance would not cover children with chronic illnesses. But, even if you're convinced you don't know a soul who has ever ~~used~~ (relied on) Medicaid, I'm sure that, like me, there is someone in your life who has been involved with a children's hospital. These hospitals are there if, Heaven forbid, any of our children need them.

Cutting back on our commitment to children's hospitals will not help America's children. It won't help our country, either.

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(Style of the Article)

anesthesia following a tonsillectomy. The Hospital not only provided her with wonderful care but took excellent care of ~~too worried~~ us as we spent the night with her.

Right now, though, I am very worried again. As a parent and as a citizen I am very worry about the future of our ~~nations~~ children's hospitals because of proposed budget cuts in Medicaid. ~~These~~ These hospitals play ~~for children so~~ ~~They play a~~ unique roles in ~~the special~~ diagnosing and treating children; training ~~the~~ pediatricians ~~doctors who provide~~ ~~health care is threatened by the~~ specialize in children's care; and conducting cutting edge research ~~proposed budget cuts in Medicaid and~~ into the causes and cures for childhood diseases; and providing millions of dollars in free care to needy children. Medicare. Adult medicine and hospitals cannot ~~fill the void~~ perform the same services.

PHOTOCOPY
HRC HANDWRITING

draft #1

FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

For many years I served on the board of the Arkansas Children's Hospital, chairing the annual telethon and helping raise money to build a new intensive care unit [?]. But it wasn't until my daughter was a patient there that I fully appreciated what children's hospitals mean to sick children and their families.

Thankfully, Chelsea's stay was brief and uncomplicated. She had an emergency tonsillectomy and was discharged in xx days. The hospital not only provided her with wonderful care, but also helped me and Bill cope with our own anxieties and fears. We were allowed to stay in Chelsea's room and [ANYTHING ELSE?]

There are 19 [ck] children's hospitals in the United States, and each one plays a unique role in our health care system. They provide the special diagnoses and treatments many sick children need. They also train doctors who specialize in pediatric care. And they provide the cutting edge research that helps find cures to a range of childhood diseases.

Think of it this way: Children are not just miniature adults. If your child needs surgery, would you rather have a surgeon who performs operations on full-grown adults or one who is familiar with the structure and size of a child's body? Would you rather have an anesthesiologist skilled at calculating radiation doses for a 118-pound woman or an eight-pound baby?

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Children's hospitals would not exist in our country without federal government support, and a recognition that children require different and very special kinds of medical treatment.

But that historic commitment to children's hospitals is at risk in the current debate over health care. Although you may not realize it, cuts in the Medicaid program will seriously compromise children's hospitals and the care they give to sick children.

That's because Medicaid is the primary source of health care coverage for nearly a quarter of all children in America -- and one third of children under age three. More than half of those children live in families with working parents -- parents who are not receiving welfare checks.

Medicaid is also the primary source of coverage for millions of children who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that children's hospitals can take care of better than anywhere else.

Cutting tens of billions of dollars from the Medicaid program will not only force families to make grim choices, but will also force children's hospitals to choose between the care that saves lives today and the research and training that can save lives tomorrow.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment from doctors and nurses they need.

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Sometimes, though,

Somehow, however, when it comes time to make decisions that affect all of America's children, ~~these~~ good parental instincts ~~go into~~ retreat.

As parents, would we ever say that a child of our own with a serious illness or chronic medical condition did not deserve the best ~~for~~ available treatment? Of course not. We would make the sacrifices necessary to get our child the treatment needed ~~he or she needs~~.

~~Anyone who doubts the importance of children's hospitals should walk through a neonatal intensive care unit or a children's cancer ward. I am sure they will be as moved as I have been by the love, attention and skill that goes into meeting the challenge and tragedy of children's illnesses.~~

~~Taking the life out of~~ children's hospitals will not help our children. It won't help our country, either.

Why Then are we ready as citizens or decision makers to say that only children whose parents can afford comprehensive insurance will be able to take care of their children? What about all the uninsured working parents who care just as much about their kids? What about the poorest parents who up until now thought one thing they could rely on at least was Medicaid would insure that their kids could see a doctor or go to the hospital.

Cutting back on our commitment to

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Even if you never used Medicaid ~~or don't~~ I bet you'd be surprised to learn ~~people~~ maybe those who feel on hard times or were in ~~touch~~ your own ~~house~~ who have. ~~Sometimes~~ families with good insurance who were ~~are~~ forced to use Medicaid for chronically ill children because they ~~or many~~ were not be able to obtain insurance for them. ~~a family stuck in Maywood should have to fall back on Medicaid.~~ So dependent

But, even if you're convinced you don't know a soul, I'm sure that, like me, you there's someone in your life who's been involved with a children's need hospital. Those hospitals are there when, Heaven forbid, any of us from

~~y to move this away from us) cut backs~~.

I recently met with ~~representatives from~~ a group of generous people who give money to some of the largest children's hospitals in our country. They were ~~meeting to~~ planning ways to raise more private dollars to support the hospitals. I applauded their efforts but had to tell them I thought it unlikely ~~they~~ that this generosity could fill the gap projected by the proposed 186 billion dollar cut in Medicaid. The average children's hospital today relies on Medicaid for ~~gets~~ forty-six cents out of every dollar it uses to operate ~~from Medicaid.~~

Many of the programs to help children -- from Medicaid to school lunches to Headstart to education grants -- are the equivalent of organized charity That is ~~using~~ our tax dollars delivered through our government. No community or state ~~can~~ could do alone what our whole nation does now. Yes, we can be more efficient in spending those dollars and delivering services, but it is naive to insist that any society ~~which expects to~~ can serve the ~~needy~~ poor and needy ~~can do so~~ only through voluntary service and charitable giving.

The 1000 Points of Light Foundation, started by President Bush when recognized worthy charitable endeavors, honors the work of groups that receive government assistance ~~2%~~ either directly or indirectly.

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My husband and I also had a brief experience with being the parents of a patient when Chelsea was hospitalized overnight ~~after reacting to the anaesthesia she received during a tonsillectomy.~~ one. The staff of the Arkansas Children's Hospital not only provided her with wonderful care but took excellent care of us as we spent the night with her.

As a parent and a citizen, I am worried about the future of our children's hospitals -- worried because of proposed budget cuts in Medicaid. These hospitals play unique roles in diagnosing and treating children; training pediatricians who specialize in children's care; conducting cutting edge research in the causes of and cures for childhood diseases; and providing millions of dollars in free care to needy children. Adult medicine and hospitals cannot perform the same services.

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If your child needs surgery, would you rather have a surgeon who performs operations on full-grown adults or one who is familiar with the structure and functioning of a child's body? Would you rather have an anesthesiologist skilled at calculating anaesthesia doses for a 118-pound woman or an eight-pound baby?

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Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment they need.

Sometimes, though, when it comes time to make decisions that affect all of America's children, good parental instincts retreat.

As parents, would we ever say that a child of our own with a serious illness or chronic medical condition did not deserve the best available treatment? Of course not. We would make the sacrifices necessary to get our child the needed treatment.

Why then are we ready as citizens or decision makers to say that only children whose parents can afford comprehensive insurance will be able to take care of their children? What about all the uninsured working parents who care just as much about their kids? What about the poorest parents who up until now thought ~~one thing~~ they could rely on at least ~~was~~ Medicaid, ~~which would insure~~ if that their kids ~~could~~ needed to see a doctor or go to the hospital.

Even if you never used Medicaid, I bet you'd be surprised to learn you know people ~~who may be those~~ who do. They may be friends from work who fell on hard times or ~~were in families~~ neighbors with good insurance who were forced to use

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Medicaid for chronically ill children because they were not able to obtain insurance for them. But, even if you're convinced you don't know a soul who's ever used Medicaid, I'm sure that, like me, there's someone in your life who's been involved with a children's hospital. Those hospitals are there when, ~~Heaven forbids~~, any of our children ~~us~~ need them.

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THE WHITE OFFICE

Office of the Press Secretary

For Immediate Release September 27, 1995

REMARKS BY FIRST LADY HILLARY RODHAM CLINTON
AT THE CIRCLE OF CARE CONFERENCE
THE NATIONAL INSTITUTES OF HEALTH
BETHESDA, MARYLAND

MRS. CLINTON: Thank you very much. Doctor Varmus it is a pleasure as it always is for me and my family to be here at one of the premiere institutions that represents the vital partnership between our public and private sectors in this country. I appreciate very much what Scott Oki has said today, because it clearly and personally put forth the challenge that confronts this new and very important organization.

I am a great admirer and partisan of children's hospitals. I think they play an essential and vital role in our health care system. And when I first heard about the plans for this new organization, I was delighted and very hopeful that it would not only through its commitment to supporting these 19 children's hospitals make a difference to the giving of so many of you and others like you in our two countries, but that it would stand for the belief we share that children's hospitals must be preserved and strengthened.

I have, as many of you, experienced children's hospitals as a parent and know how well they serve in taking care of both our children and ourselves because of the family-oriented approach they take to health care.

I know from my experience on the board of the Arkansas Children's Hospital, what it takes to raise private funds in order to support the many functions that are not paid for through either private insurance or government support. It is only because of dedicated, concerned citizens like all of you, that these hospitals continue to lead in the research and treatment of children's diseases. They are also essential in the training of doctors and specialists to care for our children.

I also know that the continued existence of these children's hospitals, which we love and are devoted to, depends on government support -- support that appreciates the important differences that go into the treatment of children and adults.

It is fitting that this first Circle of Care conference is being held here at NIH, an institution that is synonymous with so much of the cutting edge medical research being done in the world.

It is a symbol of our government's historic commitment to medical research. Similarly, all of the physicians, the specialists who do research and work in the children's hospitals represented here, were able to develop their expertise and training because the federal government decided to help defray the costs of training these medical specialists more than twenty years ago.

It is precisely this commitment to medical research, to academic health centers, and to children's hospitals that is at risk in the current debate going on in our country over health care today.

It is a debate filled with statistics, policy statements, and budget numbers. But behind the charts and graphs and position papers, it is really a debate about our core values as Americans -- about what we believe in, how we define ourselves as a people, and how we envision our future.

Throughout our history, we have thought of ourselves as an American family -- a family whose greatest priority was our children. As Scott spoke so eloquently earlier, a family whose encircling love and support gave children the tools they needed to make their own way in the larger world.

And so we have always prided ourselves on our compassion and on the high expectations and aspirations we hold for our children and for ourselves as a people.

For decades, this has been the American way: to put people, especially children, first. And because we have adhered to the American way, the American Dream has stayed alive for generation after generation and our country has remained strong.

Today, we are losing a sense of ourselves as an American family. We are allowing ourselves to be torn apart, divided, put in competition with each other over resources.

As the traditional underpinnings of our larger family are undermined, individual families are being jeopardized.

Most parents in America, and I would add Canada, are working as hard as they can to be good parents. I have met with working men and women across our country over the last years. I know the sacrifices they make to put food on the table, pay the mortgage or rent, cover the medical bills, and instill an ethic of work

and responsibility in their children.

Of course, parents bear the primary responsibility for their children. But it is also true that as parents struggle against all the forces that work today -- the layoffs, the downsizing, the danger in the streets -- that they face challenges that they can not meet alone.

As the National Council of Catholic Bishops said in a pastoral letter in 1991 entitled, Putting Children First: "No government can love a child, and no policy can substitute for a family's care."

But at the same time, "Government can either support or undermine families as they cope with the moral, social, and economic stresses of caring for children."

Let's not fool ourselves. National policies -- whether they are about education, health care, work, or welfare -- are mirrored every day in the lives and experiences of our children.

And unfortunately, what is happening today is no less than a historic rejection of America's commitment to children.

Today, the social safety net known as Medicaid is being dismantled at breakneck pace. It is being dismantled with very little discussion and no real dialogue. Decisions are being made in haste -- not only about who pays for health care in America -- but about who gets health care and who doesn't.

We are all for balancing the budget; we are all for giving states greater flexibility to administer programs.

But as the President has said many times, there is a right way and a wrong way to get our economic house in order.

The wrong way is to cut health care coverage for millions of children, disabled citizens, and the poorest of older Americans -- all to finance a $245 billion tax cut for the wealthiest families in our country.

Let's not confuse flexibility with what is really going on here. We are talking about unjustified and inexplicable cuts that will affect real people and institutions like the ones represented in this room.

Medicaid is the primary source of health care coverage for nearly a quarter of all children in America -- and one third of all children under age three. More than half of those children live in families with working parents -- parents who are not receiving welfare checks.

Medicaid is the primary source of health care coverage for millions of children who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that children's hospitals can take care of better than anywhere else.

Medicaid is the primary source of health coverage for nine out of 10 children with HIV and AIDS.

Medicaid is the primary source of prenatal and maternal health care for low-income pregnant women.

Medicaid is also an important source of coverage for older Americans living in extreme poverty or with serious disabilities, and the largest insurer for over two-thirds of nursing home residents.

It is a lifeline -- literally -- for millions of children and families in America.

Ripping apart this lifeline is not the American way.

It is not the American way to deny infants the shots they need to stay healthy.

It is not the American way to deny treatment to children who are disabled or desperately ill.

It is not the American way to punish hard-working parents whose family health coverage vanishes with a job change.

The number of uninsured working Americans and their children continues to go up. For every extraordinary breakthrough here at NIH that finds, for example, the genetic marker for a disease, the threat of lost private health care coverage goes up. Because as we learn more about what causes the diseases that so many of you have helped us all to fight, we will find more and more people who under current standards are uninsurable.

It is not the American way to make the oldest among us give up their possessions and live a life of poverty to pay for a spouse's nursing home costs.

The median income for older American women over the age of 65 is less than $9000. Many of them rely for their health care, especially in nursing homes where they are the predominant population, on Medicaid.

Cutting $182 billion from the Medicaid program will force families to make grim choices -- choices between health care for their children or nursing home care for their parents; choices between education and vaccinations, between food and prescription drugs.

You of all people know it will also force grim choices for children's hospitals. Children's hospitals represent only one percent of all hospitals, but they provide vital health care services to many children -- including the poorest, sickest and the most vulnerable.

Like Bob, I am always moved when I go into a children's hospital anywhere. Moved by the combination of terrible tragedy and extraordinary challenge, and the love and attention and skill that goes into meeting those. I walk through halls, I visit the children, I talk to the parents, and I see in their eyes that feeling that finally they are in a place that will take care of them.

Children's hospitals devote nearly half of their care to children of low income and uninsured families and more than three-quarters of their care to children with chronic or congenital conditions.

I will never forget being in the children's hospital in Cleveland, talking to a group of parents with chronically ill children. One parent, himself a professional who ran a small business, provided health insurance to his own employees, told me about his own family -- he had a healthy older son and two daughters with cystic fibrosis. Everywhere he went to find health insurance he met the same answer: his daughters were uninsurable.

And finally, the very last broker he spoke to said something he couldn't get out of his mind, and I never have gotten out of mine. He looked at this father, and said, "What you don't understand is that we don't insure burning houses."

I thought to myself, were it not for that children's hospital, who would help this family take care of their children? And I thought what if I, in a similar position that there but for the grace of God my husband and I could be, had been told the same thing?

Children's hospitals care for the premature baby who needs intensive care for the first months of life and extensive rehabilitation for years to come; for the small child who is severely injured when hit by a car and sent to a pediatric intensive care unit.

They care for the eight year old boy who contracts encephalitis, loses his health insurance, and is covered by Medicaid because of his high medical costs and severe disabilities.

The proposed cuts in Medicaid will be particularly devastating for children's hospitals. Medicaid patients on

average account for 46 percent of the inpatient days in these hospitals.

As you know, it costs more to care for sick children than adults. And children's hospitals are not able to shift those higher costs to adult patients like other hospitals could, but maybe still now won't be able to.

Already Medicaid pays children's hospitals on average less than 80 cents for every dollar spent to care for a child. The impact of a $182 billion cut in Medicaid is clear: children's hospitals simply will not be able to provide the crucial health services they do today.

And despite your heroic efforts to double the numbers over ten thousand, to increase that line going up as high and fast as you can, there is no way that private philanthropy can pick up this enormous gap.

We need to protect the safety net provided by children's hospitals. We need to make sure that our children continue to have access to desperately needed specialized care.

We need to be sure that those specialists are continued to be trained and that we pursue research in the prevention and treatment of childhood diseases.

As this health care debate continues in the weeks and months ahead, I hope that policy makers, whatever they are or wherever they are, begin to think about these issues not as partisans, but as parents.

I hope they will not get so wrapped up in statistics and policy papers and sound bites that they forget the most basic concern of all: the well-being of all of our children.

Many of you know from your own personal experience what it is like when your child is very sick. Nothing else in the world matters to you. Will your son or your daughter, your grandchild get better? Is the illness something that will pass or is it threatening? When you face that situation, you want answers and you need them.

As parents, we use our wisdom and knowledge to plan ahead for the health of our children. We try, if were able to, to make sure they get the shots they need and to get them to eat right and to avoid exposing them to dangers. And when they do get sick, we try to get the treatment from doctors and nurses that they need.

But suddenly, when it comes time to legislate and make policy, good parental instincts retreat.

Would we ever say as parents that only one out of four of our own children could go to the doctor, or get a vaccination, or have a hearing test? Of course not. We would demand the right to take care of each one of them.

Would we ever say with our own child, that has spina bifida or cerebral palsy, that he or she no longer deserved treatment or would have to wait and suffer the cutbacks? Of course not. We would give up the summer vacation or trading in that old car so that our child's life could be as pain-free and fulfilling as possible.

But in a precipitous and even reckless attempt to meet fixed budget targets, we are now as a society doing things we would never do as parents. We are ratcheting back medical care to children and the most vulnerable. We are violating our most sacred duty and value: caring for our young.

How can we legislate what we would not approve of as parents? How can we feel secure because we can take care of our children, when there are children around us whose parents are working as hard as they know how, but can't have that same sense of security?

There is much that this organization can do, and I am delighted to help celebrate this opening because I see it as an opportunity not only for people of like minds and commitments to come together, and to raise additional funds that are always needed in our children's hospitals.

But I hope you will raise your voices as well. Those of you who have walked those corridors as I have, those of you have sat in waiting rooms, those of you who have held the hands of parents who don't know what is happening to them and their children, those of you who have seen the look of relief on the faces of fathers who realize that they if they can't afford the entire care, will be taken care of in that children's hospital.

I hope you will raise your voices, so that all of us will speak loudly and clearly, that our children are not only our present and our future -- they are a test of our humanity and our faith. And each of us deserves to give them all that we can and by your support of children's hospital, you are saying, "We believe in children. Help us to make that belief a reality."

Thank you very much.

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FIRST LADY HILLARY RODHAM CLINTON
COLUMN FOR PUBLICATION NOVEMBER 19, 1995
TALKING IT OVER/CREATORS SYNDICATE

For many years I served on the board of the Arkansas Children's Hospital, chairing the annual telethon and helping raise money to build a new intensive care unit [?]. But it wasn't until my daughter was a patient there that I fully appreciated what children's hospitals mean to sick children and their families.

Thankfully, Chelsea's stay was brief and uncomplicated. She had an emergency tonsillectomy and was discharged in xx days. The hospital not only provided her with wonderful care, but also helped me and Bill cope with our own anxieties and fears. We were allowed to stay in Chelsea's room and [ANYTHING ELSE?]

There are 19 [ck] children's hospitals in the United States, and each one plays a unique role in our health care system. They provide the special diagnoses and treatments many sick children need. They also train doctors who specialize in pediatric care. And they ~~provide~~ lead the cutting edge research that helps find cures to a range of childhood diseases.

Think of it this way: Children are not just miniature adults. If you're child needs surgery, would you rather have a surgeon who performs operations on full-grown adults or one who is familiar with the structure and size of a child's body? Would you rather have an anesthesiologist skilled at calculating radiation doses for a 118-pound woman or an eight-pound baby?

Children's hospitals would not exist in our country without government support and a recognition that children require different and very special kinds of medical treatment.

But that historic commitment to children's hospitals is at risk in the current debate over health care. Although you may not realize it, cuts in the Medicaid program will seriously compromise children's hospitals and the ~~care they~~ special medical services they give to sick children.

That's because Medicaid is the primary source of health care coverage for nearly a quarter of all children in America -- and one third of children under age three. More than half of those children live in families with working parents -- parents who are not receiving welfare checks.

Medicaid is also the primary source of coverage for millions of children who are disabled or who suffer from chronic illnesses -- the kinds of illnesses that children's hospitals can take care of better than anywhere else.

Cutting tens of billions of dollars from the Medicaid program will not only force families to make grim choices, but will also force children's hospitals to choose between the care that saves lives today and the research and training that can save lives tomorrow.

Every parent knows from personal experience what it is like when your child is sick. Nothing else in the world matters to you. Will your son or daughter get better? Is the illness something that will pass or is it threatening? You just want them to get the treatment from doctors and nurses they need.

Somehow, however, when it comes time to make decisions that affect all of America's children, those good parental instincts go into retreat.

As parents, would we ever say that a child of our own with a serious illness or chronic medical condition did not deserve treatment? Of course not. We would make the sacrifices necessary to get our child the treatment he or she needs.

Anyone who doubts the importance of children's hospitals should walk through a neonatal intensive care unit or a children's cancer ward. I am sure they will be as moved as I have been by the love, attention and skill that goes into meeting the challenge and tragedy of children's illnesses.

Taking the life out of children's hospitals will not help our children. It won't help our country, either.

Talking It Over
js/Draft #5

One of the most gratifying yet heart-rending experiences I've ever had is walking through a children's hospital.

Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time. I hear the whirring, buzzing and beeping of the latest and most technologically advanced life saving machines and marvel at the progress medicine has made. But then I remember a human life is at stake. I see the tiny baby attached to these tangles of tubes and wires and wonder how much longer she'll have to stay in that cold, sterile room.

After meeting that baby's parents, I leave the hospital even more convinced of the vital role children's hospitals play in our country's health care system. The doctors and nurses at these hospitals give parents and seriously ill children hope that they too can eventually become healthy families.

By focusing exclusively on treating sick children and teaching young doctors and nurses how to take care of them, children's hospitals are always aware of something that other hospitals sometimes forget: Children aren't just miniature adults. They know that children's bodies are [completely] unlike ours. That their hearts beat faster. That they respond differently to viruses and bacteria. And that they often need specially-designed instruments for treatment.

The hospitals are responsible for pioneering research in the treatment of childhood illnesses. And in many cases, they are the last hope for thousands of parents and sick children who have been told by many other hospitals to give up.

If current Medicaid cuts go through, children's hospitals would have to retreat from many of the roles they currently play in keeping our children and families healthy. Government support is crucial to these hospitals' abilities to provide all sick children access to needed specialized care.

Medicaid currently pays for the hospital stays of nearly half of all patients at our children's hospitals. But the program isn't just for poor people. It is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

The program helps millions of low-income working parents pay their medical bills without turning to welfare or skimping on food for their families. It also supports the care of children many insurance companies refuse to cover - those born with chronic diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

Without medicaid funding children's hospitals would have to raid their research budgets to pay for supplies. And training programs for young pediatric specialists could become less effective if there are fewer patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Imagine what could happen if there were no children's hospitals.

The effects would be felt throughout the country, all the way down to our small towns where seriously ill children, their

parents and doctors are waiting for new cures and treatments. Without the work of a children's hospital, it's very likely that time for these children could run out.

At the last hospital I visited, the Babies and Children's Hospital of New York, I met several children and families whose lives were transformed by the care they received there.

I talked with six-year old Joshua, who despite two heart transplants, is growing to become an active boy who loves to play ice hockey and baseball. Fifteen-year old Rebecca described how she manages both to keep up with her studies and attend gruelling chemotherapy treatments. And four-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him.

Many of us who are parents know what it is like when a child is very sick. Nothing else in the world matters to us. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

And as parents, we cannot deny any one of our children the treatment he or she needs. We shouldn't have to choose between saving the lives of Joshua or Rebecca or Charles.

##

TO: LISSA MUSCATINE

js/draft
Talking It Over
Hillary Rodham Clinton

The Discipline of Gratitude

My family's first year in the White House was one of the most uplifting and spiritually challenging of my life.

In January 1993 I was at my husband's side, overwhelmed by so many emotions, as he was sworn in as President of the United States. But the Inauguration was one of the last times our whole family was gathered in one place. A few months afterward, my father died of a stroke. That summer, one of our closest family friends, Vince Foster, committed suicide. And then, a few weeks after Christmas, my mother-in-law lost a long battle against breast cancer.

Like most people, I leaned on my husband, my family, friends and God for support. I reread favorite Scriptures, quotations and writings that had moved me in the past. I devoured biographies of my First Lady predecessors to find out how they dealt with the pressures of living and grieving in the spotlight. And I looked for new ways of thinking about my life and the challenges facing me and my family.

I discovered new sources of inspiration in books and people. One sentence in a book caught my attention and forced me to look at life from a whole new perspective. It was about the "discipline of gratitude" - something I had never really thought about before. "The discipline of gratitude," it said, "is the explicit effort to acknowledge that all I am and have is given to me as gift of love, a gift to be celebrated with joy."

The words, written by the Rev. Henri Nouwen in his book, *The*

Return of the Prodigal Son, made me realize that counting one's blessings could become a habit, a discipline that could help people through some of their most trying times.

I raise this now because we have just celebrated Thanksgiving, a time when Americans gather together to recognize and give thanks for each other and their many blessings. These days I try to make the spirit of Thanksgiving a daily ritual. When I find myself in a difficult situation, I think of all that I am grateful for -- good health, a loving family and friends, a joke or a funny moment shared with my daughter, with my staff, (or even with the press!), the opportunity to make a positive difference in my country and to meet so many of its citizens. Sometimes I'm just thankful for a good hair day.

In the end, though, it's not so much what I'm thankful for, but the act of ~~noticing~~ acknowledging my blessings that buoys my spirits and gives me the strength to move from pessimism to optimism, from grief to hopefulness.

Resolving to bring more discipline into our lives is something we often do. We vow to work harder, to be more patient with our children, to abstain from chocolate, or to jog three miles a day. We make commitments like these in order to improve ourselves, to compensate for what we think are our shortcomings.

The discipline of gratitude, however, ~~makes~~ allows us to celebrate and be thankful for who we are and what we have already.

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PHOTOCOPY
HRC HANDWRITING

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husband on good times like the surprise birthday party they threw for me complete with Dolly Parton wigs, cowboy hats and square dancing. And try to keep windows wherever possible

In the end, though, it's not so much what I'm thankful for, but the act of ~~noticing my~~ acknowledging blessings that buoys my spirits and gives me the strength to move from pessimism to optimism, from grief to hopefulness.

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The discipline of gratitude, however, ~~makes~~ allows us ~~to~~ celebrate and be thankful for who we are and what we have already.

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Some days I remind myself how grateful I am for the privilege of helping my husband and contributing to our country. I feel lucky to have the chance

PHOTOCOPY
HRC HANDWRITING

COLUMN /

1993 best 6 years / worst 6 years
husb. way.
father died
Vince
mother-in law

dist. of gratitude becom a daily habit

What charities really need
- Sal. Army - don't need x
- need x
-

Nutcracker -
Religion/Faith
NYears

JAN
State visit
Latvia ek. Trip from last yr.
People's impression -
Thank the Secret Service
- their promise to do volunteer work
the White House - Service on 30yrs
Mrs Williams
Mrs. Muffler - clocks ek. watches

Talking It Over
Draft #3

As First Lady I have visited children's hospitals all over the country. Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time.

I hear the whirring, buzzing and beeping of the latest and most technologically advanced life support systems and marvel at the progress medicine has made. But then I see the tiny baby attached to these machines and wonder how much longer she'll have to stay in that sterile room before she can go home with her Mom and Dad.

After meeting that baby's parents, I walk away even more convinced of the vital role children's hospitals play in our country's health care system. The doctors, nurses, and fancy machines at these hospitals give parents and sick children hope that they too can eventually become healthy and carefree families.

At the last hospital I visited, the Babies and Children's Hospital of New York, I met several children and families whose lives were transformed by the care they received there.

I talked with 6-year old Joshua, who despite two heart transplants, is growing to become an active boy who loves to play ice hockey and baseball. 15-year old Rebecca described how she manages both to keep up with her studies and attend gruelling chemotherapy treatments. And 4-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him.

There are already many generous Americans who understand the importance of children's hospitals to the healths of children and families. They've given large amounts of their time and fortune to the support of these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. Government support is crucial to these hospitals' abilities to provide all children access to needed specialized care.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of all their patients. That's because medicaid is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

With medicaid, low-income working parents don't have to sacrifice one child's health care needs for food on the table for the rest of the family. Medicaid also supports the care of often uninsurable children - those born with chronic, long-term diseases such as spina bifida - and helps to make sure they lead

comfortable lives for as long as possible.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

Hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatric specialists could become less effective if there are fewer and less diverse patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children are not just miniature adults. Their bodies are completely unlike ours. Their heart rates are faster. They respond differently to viruses and bacteria. And doctors often need to use specially-designed instruments to treat children.

Imagine what could happen if there were no children's hospitals. The horror stories about what can happen to children who aren't properly treated abound. In South Carolina, for instance, a 5 year girl died on the way to a children's hospital after the first hospital she visited discovered they didn't have the right equipment to remove a sunflower seed from her windpipe.

Those of us who are parents

~~Our children are entirely dependent upon us to take care of them. Many of you~~ know what it is like when your child is very sick. Nothing else in the world matters to you. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

And as parents, we cannot deny any one of our children the treatment he or she need. We shouldn't have to choose between saving the lives of Joshua or Rebecca or Charles. They all deserve a chance at life.

##

Sadly there

Simple → conversational & simple

TO: LISSA MUSCATINE 720 words. gs

Talking It Over
Draft #3

[As first lady, I have visited children's hospitals all over the country.]

Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time. I hear the whirring, buzzing and beeping of the latest and most technologically advanced life support systems and marvel at the progress medicine has made. But then I see the tiny baby attached to these machines and wonder how much longer she'll have to stay in that sterile room before she can go home with her Mom and Dad.

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With medicaid, low-income working parents don't have to sacrifice one child's health care needs for food on the table for the rest of the family. Medicaid also supports the care of often uninsurable children - those born with chronic, long-term diseases such as spina bifida - and helps to make sure they lead

TO: LISSA MUSCATINE

Talking It Over
Draft #1

Why Children's Hospitals.

When my daughter Chelsea needed an emergency tonsillectomy several years ago, my husband and I had to decide quickly which hospital to take her to --the very well-respected xxxxx Hospital or Arkansas Children's Hospital.

It was an easy decision to make. Did we want an experienced surgeon who had performed hundreds of successful surgeries on adult patients or one very familiar with the structure and size of a x-year old girl's throat? An anesthesiologist used to calculating doses for 160 pound men versus one used to anesthetizing an x pound child? A nurse trained to monitor the vital signs of a 30-year old man, or a nurse trained to watch the faster heart and respiration rates of child?

Ask any other parent whose child has needed hospital care, and I'm sure they'd tell you the same reasons for choosing to send their loved one to a children's hospital.

Children's hospitals, which account for just one percent of all hospitals, literally save the lives of generations of ~~children~~. young people?

But proposed cuts in Medicaid funding could undermine the effectiveness of these hospitals. The cuts threaten the health of not just the sick, but all our children.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of ~~all~~ their patients. That is because Medicaid, which allows families to work instead of rely on welfare for their children's health care, is the primary source of health coverage for nearly a quarter of all children and a third of all babies. Medicaid also supports the care of often uninsurable children - those with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

Children's hospital administrators say that if current medicaid cuts go through, they would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

The cuts would have a domino effect - knocking down programs designed to help both sick and healthy children. The cuts would mean not only fewer patients, but slower progress in research, and less qualified pediatricians. In other words, hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatricians would become less effective if there are fewer and

less diverse patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children are not just miniature adults. Their bodies are completely unlike ours. For instance, their bodies respond differently to viruses and bacteria, showing symptoms of infection that are very unlike those shown by an adult infected by the same virus. (this from 20/20: Adults suffering from spinal meningitis often develop stiff necks, but children with the infection continue to have flexible necks) Doctors often need to use specially-designed instruments to treat children.

Doctors and nurses at children's hospitals, unlike those at other hospitals, are aware of these special needs and are more prepared to treat sick children.

The horror stories about what can happen to children who aren't properly treated abound. In South Carolina, emergency room doctors found they could not remove a sunflower seed that had become stuck in a five-year old girl's windpipe because they didn't have right equipment. When a doctor tried using an instrument designed for adult windpipes, the seed was pushed further into her airway. During the ambulance ride to a children's hospital in Charlotte, the girl had seizures and fell into a coma.

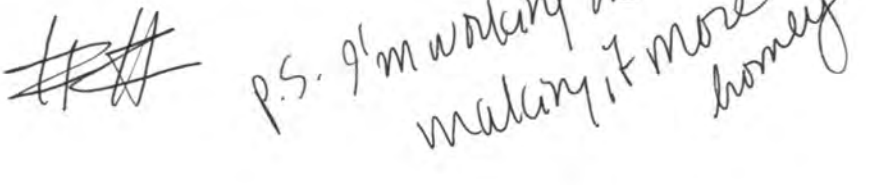
There are already many generous Americans who understand the vital role children's hospitals play in the healths of children and families. They've given sizable amounts of time and money to the support of these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. It costs more to care for sick children than it does to take care of adults. Unlike other hospitals, children's hospitals cannot pass on the extra cost of caring for children to adult patients.

Government support is crucial to these hospitals' abilities to provide all children access to needed specialized care.

Our children are entirely dependent upon us to take care of them. Many of you know what it is like when your child is very sick. Nothing else in the world matters to you. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

Those answers, those cures can be found at children's hospitals. We desperately need them to stay open.



Talking It Over
Draft #2

On a recent visit to Babies and Children's Hospital of New York, I met a group of patients who know nothing about the political wranglings over our national budget, but have the biggest stake in its final outcome.

I met 6-year old Joshua, who despite two heart transplants, is growing to become a very active boy who loves to play ice hockey and baseball. 15-year old Rebecca spoke with me about how she manages both to keep up with her high school studies and attend gruelling chemotherapy treatments. And 4-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him. [this from list of patients in briefing book. checking to see if all were there.]

None of these children's parents is wealthy. But with the help of Medicaid, they were able to get the specialized care they desparately needed anyway. Without treatment at one of our country's best children's hospitals, some of these children might not have lived to see their next birthdays.

Children's hospitals play a vital role in our country's health care system. They take care of our most valuable resources, our children. At these hospitals, children claim the exclusive attention of doctors, nurses and social workers. At these hospitals, children like 10-year old Reymanuel, whose heart condition many other doctors had said was untreatable, can find a cure and a chance to become a happy, healthy boy.

But proposed cuts in Medicaid funding threaten the health of these hospitals.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of all their patients.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

Medicaid is the primary source of health coverage for nearly a quarter of all children and a third of all babies. It also supports the care of often uninsurable children - those with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

The cuts would have a domino effect - knocking down programs designed to help both sick and healthy children. The cuts would mean not only fewer patients, but slower progress in research, and fewer pediatric specialists. Hospitals would have to shift

459

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Doctors and nurses at children's hospitals are aware of these special needs and are more prepared to treat sick children.

The horror stories about what can happen to children who aren't properly treated abound. There are frequent stories of doctors sending home critically ill children because they failed to recognize symptoms of illness unique to children. In South Carolina, emergency room doctors found they could not remove a sunflower seed that had become stuck in a five-year old girl's windpipe because they didn't have right equipment. During the 30-minute ambulance ride to a children's hospital in Charlotte, the girl had seizures and fell into a coma.

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And, as parents, we cannot deny any one of our children the treatment he or she needs. We shouldn't have to choose between saving the lives of Joshua and Rebecca and Charles and Reymanuel.

Talking It Over
js/Draft #4

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Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time. I hear the whirring, buzzing and beeping of the latest and most technologically advanced life saving machines and marvel at the progress medicine has made. But then I see the tiny baby attached to these machines and wonder how much longer she'll have to stay in that cold, sterile room before she can go home with her Mom and Dad.

After meeting that baby's parents, I leave even more convinced of the vital role children's hospitals play in our country's health care system. The doctors and nurses at these hospitals give parents and sick children hope that they too can eventually become healthy families.

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But children's hospitals can't survive on private donations - no matter how large - alone. Government support is crucial to these hospitals' abilities to provide all sick children access to needed specialized care.

That is why every American should think about the debate going on today - one that will decide who will pay for health care and who will get it.

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But Medicaid isn't just for poor people. It is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

The program helps millions of working parents pay their

medical bills without turning to welfare or skimping on food for their families. It also supports the care of children many insurance companies refuse to cover - those born with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

Hospitals would have to raid their research budgets to pay for supplies. And training programs for young pediatric specialists could become less effective if there are fewer patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children aren't just miniature adults. Their bodies are completely unlike ours. Their heart rates are faster. They respond differently to viruses and bacteria. And doctors often need to use specially-designed instruments to treat children.

Imagine what could happen if there were no hospitals that focused exclusively on treating and teaching doctors how to treat children. Sadly, there are already many parents who can tell us. In South Carolina, for instance, a five-year girl died on the way to a children's hospital after the first hospital she visited tried to use equipment designed for adults to remove a sunflower seed from her windpipe. **{{{Liability note -- the family is still litigating, so the hospital, doctor involved have not been found guilty of negligence. They still maintain they did the right thing))))**

Many of us who are parents know what it is like when a child is very sick. Nothing else in the world matters to us. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

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2ND STORY of Level 1 printed in FULL format.

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Los Angeles Times

November 23, 1995, Thursday, Home Edition
Correction Appended

SECTION: Life & Style; Part E; Page 1; View Desk

LENGTH: 2543 words

HEADLINE: THE BLAME GAME;
PREJUDICE IS ALIVE AND WELL, AND FEEDING OUR NEED FOR A SCAPEGOAT. ON THIS DAY OF THANKSGIVING, WE SEARCH FOR ANSWERS TO THIS VEXING RIDDLE.

BYLINE: By JOSEPH HANANIA, SPECIAL TO THE TIMES

BODY:

Enter the Museum of Tolerance in West Los Angeles and you step up to one of two doors, one marked "prejudiced," the other "not prejudiced." Only the "prejudiced" door opens, however.

"Prejudice is part of the human condition," explains director Gerry Margolis. "The museum is a call for us to examine ourselves."

Key elements of prejudice include the psychological, economic and social benefits we believe we reap. If prejudice had no rewards, prejudicial attitudes would die.

"We hide in mythologies about others because it makes life simpler," says Margolis, who is Jewish. "Subscribing to a prejudice means 'I don't have to think as much.' A prejudiced outlook gives you easy answers."

Unfortunately, those answers are often based on false assumptions. Thus, individuals motivated by prejudice often end up on a quest for a "perfect" world that never existed. In Biblical times, tribes projected their hatreds onto a scapegoat they then sacrificed, collectively "cleansing" their souls. But old "solutions" no longer work. Instead, Margolis says, humankind has reached a crossroads.

"We cannot continue carrying this baggage, or we will destroy ourselves. We must learn to effectively deal with prejudice."

Following the museum's lead, The Times interviewed seven Southland leaders and presents their thoughts as a jump-off point in the search for answers.

MARCIA CHOO

'To some extent everyone . . .is claiming victimhood.'

Marcia Choo, the Korean American director of the Asian Pacific American Dispute Resolution Center, speaks flawless, unaccented English, so phone callers often mistake her for "white," giving her a firsthand window on prejudicial

thinking.

"Being prejudiced has definite benefits," Choo says. "The prejudiced person feels superior to another. This is particularly appealing during an economic downturn when people are feeling threatened" in their quest for jobs.

Instead of dealing with the downturn's reality, "They look for a scapegoat, blaming someone else so they don't have to accept responsibility for their own situation.

"They say, 'It's not my fault. It's those other, different people who are to blame for my being out of a job, or for my having to wait so long in the emergency room.' "

By buying into prejudice, Choo says, "They don't feel compelled to do anything." Instead of acquiring new job skills or paying more taxes to build another hospital, they play the blame game, thus denying personal responsibility.

So profitable has the blame game become that it pervades our national discourse. "To some extent everyone, including our political leaders, is claiming victimhood." By playing the blame game, "They don't have to allocate resources to fight the problems. They can neglect our inner cities and absolve themselves of responsibility for taking actions to improve society.

"It's like going home and kicking the dog: You vent your frustrations but don't solve the problem."

Similarly, many demonize the poor, the vulnerable, and those who are different or lacking in power, she says.

"I also get people on the phone saying, 'Just between you and me, those Koreans deserved to be burned out.' I'm a total stranger, and they feel comfortable expressing this. I try to keep them talking. But it scares me," she says.

JOE HICKS

'We aren't born prejudiced. Rather, it's something which has been conditioned into us. . . .'

Joe Hicks, executive director of the Southern Christian Leadership Conference's Los Angeles chapter, differentiates prejudice from self-pride. Self-pride "gives one a sense of history, of heritage," he says. Prejudice seeks to build self-esteem by negating others.

Prejudiced thinking abounds among those "involved in dogmatic belief systems that claim, 'If you don't believe as I do, you are condemned.' " Condemning others allows these people to think of themselves as superior, even righteous.

The problem lies not in the religion. Thus, SCLC founder Martin Luther King Jr. used religion as a force for equality.

Rather, Hicks says, the problem for many fundamentalists is that their dramatic thinking "magnetically pulls in many prejudiced people." The teaching

is then distorted to emphasize outside agendas.

Until recently, one Christian sect taught that blacks are so colored because they are "cursed by God" and are thus condemned to be "hewers of wood and drawers of water." As this teaching increasingly came under fire, it was abandoned -- only to have homosexual "sin" take its place, he says.

In either case, the benefit is similar. The prejudiced individual believes his alleged superiority proves a "special connection" to God. Abandoning prejudice reduces him to a mere equal, an often intolerable situation.

But "minorities can be just as intolerant as majority groups," he says. In Rwanda, "If you stood the people together, you could not tell them apart on the basis of skin coloration. Yet they are killing each other over tribal differences.

"We aren't born prejudiced. Rather, it's something which has been conditioned into us through power struggles and religious conflicts," he says.

Humankind's best hope is that "Technology is forcing us together. We are marrying into each other's gene pools, and science has shown that race has no validity, biologically or otherwise. Pure ethnic categories no longer exist."

THE REV. LOU SHELDON

'As long as you've got the human race, you're going to have people hurting people.'

The Rev. Lou Sheldon, Orange County head of the Traditional Values Coalition and a fundamentalist leader, calls prejudice "a spiritual problem. It is a sense that a race or sex is inferior to another.

"Prejudiced individuals develop dislikes based not on reality, but on perception. They (then) get locked into that perception because of their community's consensus."

Prejudice allows for "couch potatoism. The prejudiced person can put in less effort and not really seek the truth. . . ."

Prejudiced people are often "emotionally and mentally unstable," he says. "Their prejudiced view becomes a mission," such as Hitler's slaughter of the Jews he held responsible for Germany's downfall in the 1930s.

"It's easy to project fault, but it doesn't solve the problem," he says.

Prejudice stems from an individual's having "an unresolved hurt or frustration. They're looking for the sacrificial lamb. . . . But if they find God, they are healed of their sin of prejudice."

Such sin includes sexism, which "temporarily soothes your male ego. It makes you feel that you are stronger, the head of a tribe. The reality is that good feeling wears off soon."

Sheldon sees no end to prejudice: "As long as you've got the human race, you're going to have people hurting people."

LORRI L. JEAN

'The base of almost every significant problem we deal with is lack of self-esteem.'

Lorri L. Jean, executive director of the Gay and Lesbian Community Services Center, believes that sexism and homophobia both begin as psychological defenses.

Prejudiced men who feel inferior to other men nevertheless perceive themselves as superior to women and gays, she says. Sexism served a similar purpose from ancient times. Whereas male slaves did physical labor, female slaves were expected to render both physical labor and sexual services.

"Slave women had an incredibly different experience, with significant extra burdens," she says.

Sexist beliefs evolved to where women stayed at home while men went out to work, earning the money -- and keeping the power. During World Wars I and II, the military drafted males, and the Katharine Hepburn model for the strong, independent woman partner suddenly came into vogue. After the wars, however, male ego needs reasserted themselves -- and are still reflected in "glass ceilings" on working women, she says.

Men who tend toward sexism, "the disdain and sometimes even hatred" of the feminine -- also tend toward homophobia, she says. "If we somehow got rid of sexism, we would also largely get rid of homophobia."

Homophobia is also pervasive among those who act on homosexual impulses, then distance themselves from gays.

"The base of almost every significant problem we deal with (at the center) is lack of self-esteem," Jean says. Clients "often believe that if others don't perceive them as gay, they won't be discriminated against. Or they think they are less bad because at least they outwardly renounce gays."

MANUEL GUILLOT

'To be a true human being in a profound sense, you have to embrace all humanity. . . .'

Manuel Guillot, vice president of the Mexican-American Legal Defense and Educational Fund, says many seeking political or economic gain deliberately exploit racially divisive issues. To deflect attention from difficult economic issues, many politicians have supported proposed laws targeting Latinos, he says.

Prejudice is fueled by historical perceptions. Thus, "a child does not discriminate because he does not have a historical context. He only sees what is."

Adults, however, look back to when Latinos had little opportunity and were thus confined largely to society's lower rungs. Invalid perceptions from those

times often persist, he says.

Those views become especially dangerous when they fade from consciousness -- but nevertheless affect people's thinking. Thus, he says, many Americans subconsciously believe that Latinos "are not as competent or professional as whites" -- without realizing where that view came from.

Although those who exploit prejudice may accrue short-term benefits, there is no long-term gain. "Any human being who doesn't realize the full human integrity of the other loses out spiritually.

"To be a true human being in a profound sense, you have to embrace all humanity or you have limited your ability to grow. . . . A society split into warring ethnic camps will lack social harmony, with our children becoming our ultimate victims."

Prejudice affects not only how the majority deals with a minority, it also hurts the minority's self-esteem, he says. In the landmark Brown vs. Board of Education, which led to integration of the nation's schools, attorneys placed black and white dolls before black children. Asked which dolls were prettier, the children chose the white dolls.

Thus, he says, prejudice results in pressure for the minority to emulate the majority's look and style. In so doing, however, the minority individual "loses the essence of who he is. He becomes a phantom, a bad copy of the people perpetuating the racism."

As America ages, young Latino, black and Asian workers will make up more of the population -- and will increasingly be called upon to care for the aging majority. If racial barriers continue, strife will arise and the country will falter, he says.

SALAM AL-MARAYATI

'(Islam's) still promoted as a foreign evil.'

Salam Al-Marayati, director of the Muslim Public Affairs Council, says prejudiced individuals seek a sense of supremacy. The initial widespread belief that the Oklahoma City bombing had originated in the Middle East "exposed the presumption that evil in the Middle East is somehow worse than evil in the (American) Midwest." And yet, he points out, the murder rate among Americans is among the highest in the world.

Although Islam came here in the 1600s aboard slave ships, "It's still promoted as a foreign evil," he says. This foreign religion idea has been promoted by counterterrorism experts and political leaders seeking to cash in on an alleged "holy war in America syndrome," thus projecting evil outside American shores.

RON WAKABAYASHI

'We need to go beyond removing barriers between ethnic groups. . . .'

Ron Wakabayashi, executive director of the county Human Relations Commission

and a Japanese American, believes that prejudice often masks economic differences between ethnic groups. Thus, merely resolving perceptions often doesn't get to the core problem.

The black-Korean conflict, for example, "is better understood as a conflict between small business people operating in a high crime area."

At its peak, 700 Korean stores operating in South-Central were the targets of 40 shootings a year. The merchants were understandably wary of their customers. The Korean papers kept a running count on the number of shootings, while the black media focused on the hostility of Korean merchants.

The issue, Wakabayashi says, was primarily economic. The media, however, often defined the problems in shorthand terms of race.

Similarly, competing economic interests are at the heart of the black-Latino conflict along the Alameda corridor. Just more than 20 years ago, a high percentage of African Americans had jobs in corridor factories, using their incomes to buy homes and leave the area.

As the factories closed, light and service industries came in, and African Americans were seemingly replaced by Latino workers. But the core issue, he says, is that the old, higher-paying jobs no longer exist.

The new industries often have no personnel departments. Instead, employees in a single shop often all come from the same Latin American village. Blacks perceive this as discrimination; Latinos perceive it as hiring people they know. The conflict then racializes and is thus reported, he says.

Venice's Oakwood area similarly "is an area with high unemployment. Drug trafficking becomes an important way for many people to survive," he says.

The influx of Latinos into the neighborhood and drug trade has threatened black gang leaders. Thus, black-Latino gang shootings have escalated.

Initially, the contention was between gangs over the drug business. But drive-by shootings killing innocent bystanders have spilled the strife into the neighborhood, pushing an economic conflict into a racial arena, he says.

The challenge is for us to realize Los Angeles' diversity is as fundamental a characteristic as the city's mountains and beaches.

Forty percent of Los Angeles' population is foreign-born. "This is the only time this could have occurred. It has taken a (technological) journey of several millennia for us to get here, and we're just feeling the first effects of this," he says.

Traditional models view race in black or white. But the huge influx of Latinos and Asians, each of those categories a compendium of many nationalities, makes Los Angeles "demographically far more complicated" than older East Coast cities, he says.

Wakabayashi sees the city's population base as a natural resource similar to the city beaches, and Angelenos facing a fundamental choice. Angelenos decided to staff the beaches with lifeguards, thus "mining" them as a resource. So, too,

can we decide to "mine" our diverse population base, which otherwise has little inherent value.

In Canada, the Bill of Rights declares multiculturalism a basic characteristic of the nation. Perhaps, he suggests, it is time for us to similarly move beyond the old ideal of assimilation, learning how to make our differences work.

"We need to go beyond removing barriers between ethnic groups and address the underlying issues. We need to transform these potential riches into major assets.

"Our future may well depend on it."

CORRECTION-DATE: December 4, 1995, Monday, Home Edition

CORRECTION:
FOR THE RECORD

Solving prejudice -- A story in the Nov. 23 Life & Style included outdated information about Joe R. Hicks. He is now the executive director of the Los Angeles MultiCultural Collaborative, a multiracial, privately funded human relations agency.

GRAPHIC: Photo, COLOR, Marcia Choo ; Photo, COLOR, Joe Hicks Los Angeles Times; Photo, The Rev. Lou Sheldon KARI RENE HALL / Los Angeles Times; Photo, Lorri L. Jean ; Photo, Ron Wakabayashi CAROLYN COLE / Los Angeles Times; Photo, Manuel Guillot CON KEYES / Los Angeles Times; Photo, Salam Al-Marayati JOEL P. LUGAVERE / Los Angeles Times; Drawing, COLOR, PHILIPPE WEISBECKER / For The Times

LANGUAGE: ENGLISH

LOAD-DATE: November 24, 1995

Talking It Over
Draft #2

Why Children's Hospitals

On a recent visit to Babies and Children's Hospital of New York, I met a group of patients who know nothing about the political wranglings over our national budget, but have the biggest stake in its final outcome.

I met 6-year old Joshua, who despite two heart transplants, is growing to become a very active boy who loves to play ice hockey and baseball. 15-year old Rebecca spoke with me about how she manages both to keep up with her high school studies and attend gruelling chemotherapy treatments. And 4-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him. [this from list of patients in briefing book. checking to see if all were there.]

None of these children's parents is wealthy. But with the help of Medicaid, they were able to get the specialized care they desparately needed anyway. Without treatment at one of our country's best children's hospitals, some of these children might not have lived to see their next birthdays.

Children's hospitals play a vital role in our country's health care system. They take care of our most valuable resources, our children. At these hospitals, children claim the exclusive attention of doctors, nurses and social workers. At these hospitals, children like 10-year old Reymanuel, whose heart condition many other doctors had said was untreatable, can find a cure and a chance to become a happy, healthy boy.

But proposed cuts in Medicaid funding threaten the health of these hospitals.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of all their patients. That is because Medicaid, which allows families to work instead of rely on welfare for their children's health care, is the primary source of health coverage for nearly a quarter of all children and a third of all babies.

Medicaid also supports the care of often uninsurable children - those with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. Hospital administrators say that there are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or

poor, need.

The cuts would have a domino effect - knocking down programs designed to help both sick and healthy children. The cuts would mean not only fewer patients, but slower progress in research, and fewer pediatric specialists. In other words, hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatric specialists would become less effective if there are fewer and less diverse patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children are not just miniature adults. Their bodies are completely unlike ours. Their heart rates are faster. They respond differently to viruses and bacteria, showing symptoms of infection that are very different from those of an infected adult. For instance, adults suffering from spinal meningitis often develop stiff necks, but children with the infection continue to have flexible necks. And doctors often need to use specially-designed instruments to treat children.

Doctors and nurses at children's hospitals are aware of these special needs and are more prepared to treat sick children.

The horror stories about what can happen to children who aren't properly treated abound. There are stories of doctors sending home critically ill children because they failed to recognize In South Carolina, emergency room doctors found they could not remove a sunflower seed that had become stuck in a five-year old girl's windpipe because they didn't have right equipment. During the 30-minute ambulance ride to a children's hospital in Charlotte, the girl had seizures and fell into a coma.

There are already many generous Americans who understand the vital role children's hospitals play in the healths of children and families. They've given sizable amounts of time and money to the support of these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. It costs more to care for sick children than it does to take care of adults. Unlike other hospitals, children's hospitals cannot pass on the extra cost of caring for children to adult patients.

Government support is crucial to these hospitals' abilities to provide all children access to needed specialized care.

Our children are entirely dependent upon us to take care of them. Many of you know what it is like when your child is very sick. Nothing else in the world matters to you. Will he or she

feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

And, as parents, we cannot deny any one of our children the treatment he or she needs. We shouldn't have to choose between saving the lives of Joshua and Rebecca and Charles and Reymanuel.

Those answers, those cures can be found at children's hospitals. We need them to stay open.

Talking It Over
Draft #3

As First Lady I have visited children's hospitals all over the country. Each time I walk inside, I can't help feeling hopeful and depressed at the same time.

I hear the whirring, buzzing and beeping of the latest and most technologically advanced life support systems and marvel at the progress medicine has made. Then I look at the tiny baby attached to these machines and wonder how much longer she'll have to stay in that sterile room, before she can go home with her Mom and Dad.

But when I meet that baby's, I walk away even more convinced of the vital role children's hospitals play in our country's health care system. The doctors, nurses, and fancy machines at these hospitals give parents and sick children hope that they too can eventually become healthy and carefree families.

At the last hospital I visited, the Babies and Children's Hospital of New York, I met several children and families whose lives were transformed by the care they received there.

I talked with 6-year old Joshua, who despite two heart transplants, is growing to become an active boy who loves to play ice hockey and baseball. 15-year old Rebecca described how she manages both to keep up with her studies and attend gruelling chemotherapy treatments. And 4-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him.

There are already many generous Americans who understand the importance of children's hospitals to the healths of children and families. They've given large amounts of their time and fortune to the support of these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. It costs more to care for sick children than it does to take care of adults. And unlike other hospitals, children's hospitals can't pass on the extra cost of caring for children to adult patients.

Government support is crucial to these hospitals' abilities to provide all children access to needed specialized care.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of all their patients. That's because medicaid is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

With medicaid, low-income working parents don't have to sacrifice one child's health care needs for food on the table for

comfortable lives for as long as possible.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

Hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatric specialists could become less effective if there are fewer and less diverse patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children are not just miniature adults. Their bodies are completely unlike ours. Their heart rates are faster. They respond differently to viruses and bacteria. And doctors often need to use specially-designed instruments to treat children.

Imagine what might could happen if there were no children's hospitals. Even today,

Not all doctors in emergency rooms remember these differences. The horror stories about what can happen to children who aren't properly treated abound. In South Carolina, for instance, a 5 year girl died on the way to a children's hospital after the first hospital she visited discovered they didn't have the right equipment to remove a sunflower seed from her windpipe.

A doctor sending home a kid w meningitis

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##

the rest of the family. Medicaid also supports the care of often uninsurable children - those born with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

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June Shirl

Talking It Over
Draft #1

Why Children's Hospitals.

When my daughter Chelsea needed an emergency tonsillectomy several years ago, my husband and I had to decide quickly which hospital to take her to --the very well-respected xxxxx Hospital or Arkansas Children's Hospital.

It was an easy decision to make. Did we want an experienced surgeon who had performed hundreds of successful surgeries on adult patients or one very familiar with the structure and size of a x-year old girl's throat? An anesthesiologist used to calculating doses for 160 pound men versus one used to anesthetizing an x pound child? A nurse trained to monitor the vital signs of a 30-year old man, or a nurse trained to watch the faster heart and respiration rates of child?

Ask any other parent whose child has needed hospital care, and I'm sure they'd tell you the same reasons for choosing to send their loved one to a children's hospital.

Children's hospitals, which account for just one percent of all hospitals, literally save the lives of generations of children.

But proposed cuts in Medicaid funding could undermine the effectiveness of these hospitals. The cuts threaten the health of not just the sick, but all our children.

Children's hospitals depend on Medicaid to pay for the hospital stays of nearly half of all their patients. That is because Medicaid, which allows families to work instead of rely on welfare for their children's health care, is the primary source of health coverage for nearly a quarter of all children and a third of all babies. Medicaid also supports the care of often uninsurable children - those with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

Children's hospital administrators say that if current medicaid cuts go through, they would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

specialists

The cuts would have a domino effect - knocking down programs designed to help both sick and healthy children. The cuts would mean not only fewer patients, but slower progress in research, and less qualified pediatricians. In other words, hospitals would have to shift resources away from research simply to meet their operating costs. And training programs for young pediatricians would become less effective if there are fewer and

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Children are not just miniature adults. Their bodies are completely unlike ours. For instance, their bodies respond differently to viruses and bacteria, showing symptoms of infection that are very unlike those shown by an adult infected by the same virus. (this from 20/20: Adults suffering from spinal meningitis often develop stiff necks, but children with the infection continue to have flexible necks) Doctors often need to use specially-designed instruments to treat children.

Doctors and nurses at children's hospitals, unlike those at other hospitals, are aware of these special needs and are more prepared to treat sick children.

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Those answers, those cures can be found at children's hospitals. We desperately need them to stay open.

Babies & Children's Hospital NY
a whole new generation

I just visited this hospital—
not just serving indigent
vivid description of hospital.
A vital part of the whole health care
system.

Ambulatory Pediatric Association
American Academy of Pediatrics
American Board of Pediatrics
American Pediatric Society
American Pediatric Surgical Association
Association for the Care of Children's Health
Association of Medical School Pediatric Department Chairmen
Association of Pediatric Program Directors
National Association of Children's Hospitals and Related Institutions
National Association of Pediatric Nurse Associates and Practitioners
Society for Adolescent Medicine
Society for Pediatric Research
Society of Pediatric Nurses

As Congress debates proposals to restructure Medicaid, it is essential to consider the enormous importance of the program to the health of our nation's children and adolescents.

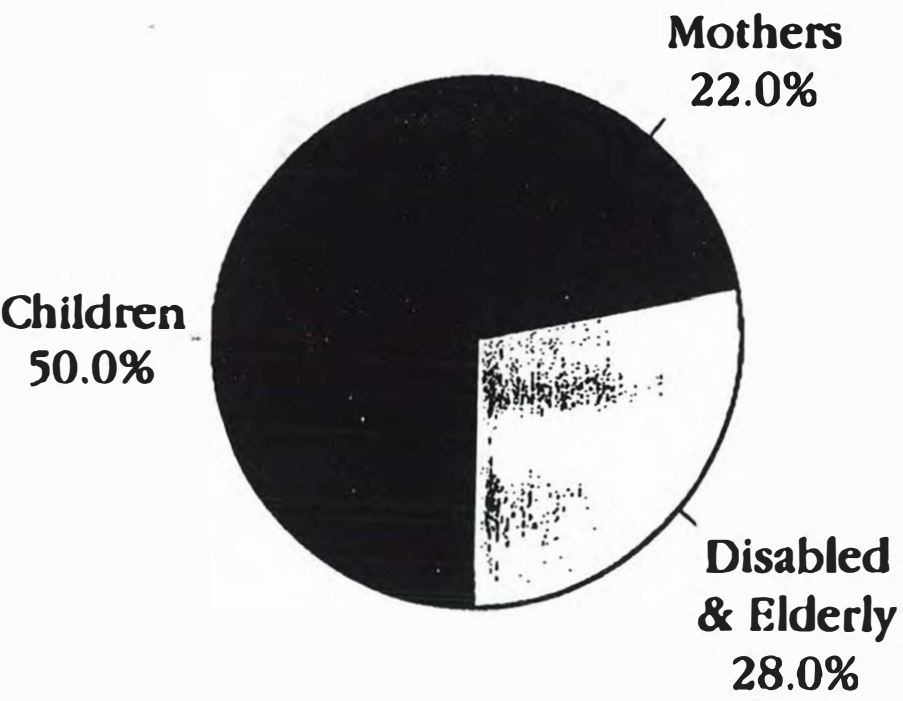
According to the annual American Academy of Pediatrics' analysis of HCFA's 2082 data set, in federal fiscal year 1993, Medicaid financed medical care for nearly one-fourth of all US children under the age of 21, more than one-third of children under age 6, and half of all infants. Medicaid eligibility expansions have helped offset the accelerating erosion of employer-based health insurance coverage of children which has occurred since the early 1980's. Absent Medicaid, nearly 40% of all US children would be uninsured.

According to the Census Bureau's 1994 Current Population Survey data set, nearly 18 million children were Medicaid eligible in 1993. In a very real sense, Medicaid is a children's program since 54% of all beneficiaries are under age 21. However, because children's health care costs are so modest in comparison to adults, the elderly, and eligible nursing home beneficiaries, children's costs represent just 23% of total Medicaid spending.

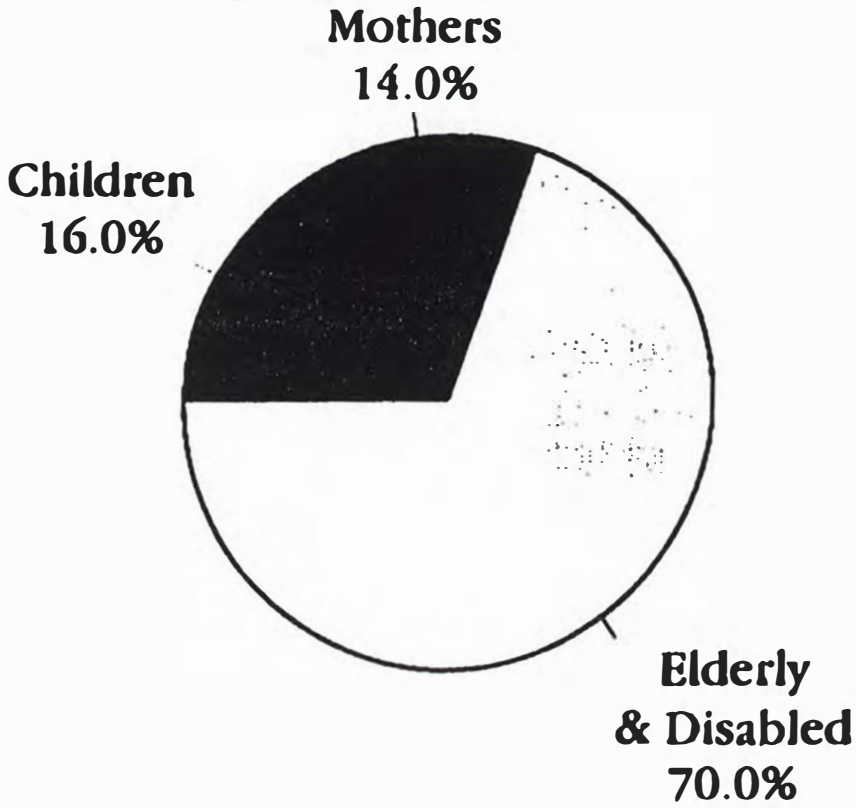
As health care providers who specialize in children's care we know from first hand experience the critical difference Medicaid has made in the health and access to care of children who otherwise would have been uninsured. We also are cognizant of Medicaid's weaknesses. For over 15 years we have conducted research to improve the efficacy of the program and have advocated on behalf of progressive reforms. We remain committed to the goal of Medicaid's improvement.

This year Congress is expected to act on proposals to restructure Medicaid in order to control federal spending and increase state flexibility in the use of federal funds. We believe these goals can be accomplished without sacrificing the quality of the Medicaid program for children and adolescents if the following core principles are honored: (1) low-income children and adolescents must maintain guaranteed Medicaid coverage; (2) the medically necessary care assured by Medicaid through its EPSDT component must not be compromised; and (3) children and adolescents must retain access to appropriately trained and certified providers of pediatric care.

Medicaid Recipients



Medicaid Spending



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National Association of
Children's Hospitals
and Related Institutions

NACHRI

MEDICAID BUDGET CUTS COULD COST CHILDREN'S HOSPITALS THE EQUIVALENT OF 2 YEARS OF CURRENT ANNUAL MEDICAID REVENUE

The average children's hospital could lose the equivalent of about 2 years worth of current annual Medicaid revenues under the Senate Budget Committee's proposal to cut projected growth in federal Medicaid spending by $175 billion over seven years, according to preliminary analysis by the National Association of Children's Hospitals and Related Institutions (NACHRI).

Children's hospitals serve as a major source of excellence in pediatric care and medical advancements for all of the nation's children. They also are major providers of care to children assisted by Medicaid, which pays for the health care of economically and medically vulnerable children, including children of low income working families.

Since children's hospitals on average devote nearly half of their annual care to children assisted by Medicaid, the loss of the equivalent of two years of current Medicaid revenues over seven years would have enormous implications for their ability to serve all of the children of their communities. The impact of the proposed budget savings would be even greater under the House Budget Committee's proposal to save $184 billion in federal Medicaid spending.

Depending on the hospital and the state, the impact on an individual institution could be greater still. Some of the hospitals with much higher than average volumes of care to Medicaid patients are located in states with much higher than average federal Medicaid matching dollars. The combined impact means that such children's hospitals -- particularly those located in southern states -- will be among the most affected in the country.

The preliminary analysis is based on FY 1993 data, adjusted for inflation, for the majority of free-standing acute care, specialty, and rehabilitation children's hospitals in the United States.

For more information, call Peters D. Willson, NACHRI, 703-684-1355.
May 17, 1995.

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Testimony of
Mr. J. Dennis Sexton, President and CEO
All Children's Hospital, St. Petersburg, FL
Chairman, Board of Trustees, National Association of Children's Hospitals
Before the House Subcommittee on Health and the Environment
United States House of Representatives, Washington, D.C.
August 1, 1995

I want to thank you, Mr. Chairman, and the rest of the members of the subcommittee for giving me the opportunity to testify before you today.

Mr. Chairman, as President and Chief Executive Officer of All Children's Hospital in St. Petersburg, Florida, and Chairman of the Board of Trustees for the National Association of Children's Hospitals (N.A.C.H.), I am devoted to the health care needs of children.

Today, I am here to talk about being accountable and responsible for the health of our nation's children. Those of us who care about the mission of children's hospitals and the children we serve, strongly appreciate the need for efforts to control federal spending and to increase state flexibility in administering the Medicaid program. But we also believe such efforts should be accompanied by clear and consistent national accountability standards for children's health coverage, their access to medically necessary care, and their access to children's health care specialists.

Children's hospitals are regional and national centers of pediatric care. All Children's Hospital has 168 beds, 1800 employees, and 300 physicians to meet the complex health care problems of children. Currently, 55 percent of our patients are from outside the county. Furthermore, we have treated children from all 50 states and 36 nations. As you can tell from these figures, we are by no means simply a local hospital. We are a regional hospital that serves a large population of families and children who come long distances to us because of their extraordinary needs.

All Children's Hospital is able to stay ahead of the curve in providing care ever more cost effectively because we focus first on the needs of children and their families. For instance, All Children's Hospital recently opened an outpatient clinic in New Port Richey, north of St. Petersburg. By giving families access to specialized care for their children in our outpatient clinic closer to their homes, we enable them to avoid the personal and financial expense of traveling longer distances for inpatient care at our regional tertiary care facilities, except when it is truly necessary. It is more cost effective for the families, the hospital and the insurer.

Our state has also been ahead of the curve. For years, the State of Florida has had standards to protect access to appropriate care for children with special needs and children who rely on Medicaid. Florida has been a leader in setting accountability standards for how we serve children. I am proud that All Children's Hospital consistently meets those standards.

Even though the population of children we see is diverse in every respect, one common characteristic of those children is that they are sick -- often, very sick. In many cases, our physicians are the last hope to help improve the condition of critically ill children. When our physicians first see a child, the child is usually in our intensive care ward. Many will remain there for weeks, sometimes months.

Another common characteristic of the families and children we serve is the source of paying for their care. Medicaid is increasingly essential for helping families to meet the health care needs of their children. Nationally, Medicaid is responsible for the health care coverage of one in every four children, one in every three infants, and nearly half of the inpatient care provided by a children's hospital on average. Sixty percent of the inpatient care provided by our own hospital is covered by Medicaid.

This certainly does not mean that all of the children assisted by Medicaid whom we serve can be classified as "welfare" cases. In Florida, over fifty percent of children receiving Medicaid are from families with at least one working adult. For these families, Medicaid is a safety net, one that has enabled families to work instead of relying on welfare for their children's health care coverage, or facing financial catastrophe in the event of a seriously ill or injured child..

Because Medicaid pays for such a large percentage of care in children's hospitals, all families of children served by our hospital benefit directly or indirectly from the program. Without Medicaid, the number of privately insured children alone would not be large enough to

sustain the regional pediatric specialized providers, equipment and services required by all of the sick children we serve. Without Medicaid, our hospitals could not sustain the educational programs that train many of our country's general pediatricians and most of its pediatric subspecialists.

For children's hospitals, cutting projected growth in Medicaid spending could have a significant impact on children's hospitals. N.A.C.H. estimates that Medicaid savings called for in the budget resolution could translate into the equivalent of about two years of a children's hospital's current annual Medicaid income. The savings required could be the equivalent of the costs of employing 400 people full-time or providing care to 800 inpatient children during a year. Actually, the loss of Medicaid could be even greater because N.A.C.H.'s estimates assume spending will be reduced in proportion to the current share of national Medicaid spending attributed to children's hospitals. However, children and the providers devoted to their care are likely to account for a greater share of Medicaid spending, since Medicaid managed care is largely untested for the disabled and nursing home care for the elderly.

These estimates are also conservative because they assume that disproportionate share hospital (DSH) payments to qualifying children's hospitals will continue. DSH payments represent a badly needed financial safety net for children's hospitals. Without any disproportionate share program, our Medicaid reimbursements would cover on average 16% less of our costs. We believe that it is essential that some amount of DSH payments continue to be targeted towards those hospitals with a significant percentage of Medicaid and uncompensated

patients, however the Medicaid program may be restructured.

As the Committee considers ways to restructure Medicaid and to reduce the growth of the program, we ask that children's health coverage remain a top priority. There is bipartisan support for doing so. For example, Senator Kit Bond (R-MO) along with two Republican and two Democratic colleagues, sponsored an amendment to the Budget Resolution, which directs Congress to make children's health a priority in restructuring Medicaid. The Bond Amendment was unanimously endorsed by the Senate Budget Committee, and included in the final conference agreement. The amendment reminds us that we must be careful about how the Medicaid program is restructured. The goals of deficit reduction and increased state flexibility must be achieved without increasing the number of uninsured children or causing the quality of care for children assisted by Medicaid to suffer.

I would like to offer four recommendations for making sure a restructured Medicaid program is accountable for children's health care.

First, accountability standards for Medicaid should ensure that current coverage for low-income children will not decline. Children are the fastest-growing segment of the uninsured population. Currently, Medicaid is the only program standing in the way of millions more becoming uninsured. In fact, without Medicaid, 40 percent of all children would be uninsured. The leadership of every major national organization of pediatric providers -- including pediatricians, nurses, researchers, educators, and hospitals -- and over 150 maternal and child

health organizations join us in requesting that there be minimum eligibility standards to protect children from loss of health coverage under Medicaid.

Second, there should be accountability standards for demonstrating that children assisted by Medicaid will have access to medically necessary care. Our Medicaid costs in the State of Florida average under $1,000 per child per year, compared to over $5,000 per elderly adult. In the business world, we refer to this as a very wise investment with a high rate of return. Medically necessary care is particularly critical for children with unique health conditions and needs. For medical, ethical, and financial reasons, Congress voted to assure children have medically necessary care under Medicaid in 1989. States should remain accountable for that standard. We should not return to the days when a state could impose arbitrary limits in the hospitalization of seriously ill children.

Third, accountability standards should ensure that children have access to pediatric specialty care. Children's conditions are often much more intense in their duration because of the body's defense systems not being fully developed. When a child becomes ill, what appears to be a relatively harmless medical problem can become very critical in a short time. We know that it makes no more sense to send a seriously ill child to an adult specialist than it makes sense to send a seriously ill grandparent to a pediatrician. States should be accountable for children's access to pediatric subspecialty care, just as we are currently trying to do in Florida. But we need national standards, not just state standards, because children are so much more likely to have to cross state lines to get the pediatric specialty care they need.

Fourth, children with chronic health conditions should receive special consideration. Children's hospitals have recommended that children with chronic health conditions need not be enrolled in Medicaid managed care unless their families choose such a plan or unless it is under a specific demonstration project for managed care for this population. States have very little experience with these children in mandatory managed care. Providing this exception for at least some period of time would allow states to develop guidelines for care, system performance standards and methods of capitation and/or risk adjustment specific to this population. Because the numbers of these children are so small, their needs will be lost without such special attention. because they are so vulnerable, the consequences of such loss can be very grave.

Mr. Chairman, I am proud to have devoted my career to All Children's Hospital and honored to testify on behalf of the nation's children's hospitals. In closing, I would like to re-emphasize one critical message from my testimony: While restructuring Medicaid, we need to produce a system that is accountable for children's eligibility for health care coverage as well as ensuring that low-income children receive medically necessary care and have access to pediatric specialists. Thank you.

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.....FOR RELEASE 1 p.m. JULY 31
Contact: Ira Allen

PEDIATRICIANS, CHILDREN'S HOSPITALS WARN AGAINST MEDICAID SAVINGS WITHOUT STANDARDS FOR CHILDREN'S CARE

New Data Show Impact on Children's Services

WASHINGTON -- Without national standards for children's care, proposed restructuring of the federal Medicaid program could force states to reduce access dramatically to health care for millions of children of low income and working families, the nation's leading pediatric providers said today.

Leaders of the American Academy of Pediatrics (AAP) and National Association of Children's Hospitals (N.A.C.H.) urged Congress today to hold states accountable to minimum national standards for children's coverage, access to medically necessary care and access to appropriately trained and certified providers of pediatric care.

"Congress needs to make sure that the same kids who have coverage now remain covered," said Lawrence A. McAndrews, president and CEO of N.A.C.H. "Congress must not let states place arbitrary limits on the services sick children need. And they need to make sure that children can get specialized pediatric care when they need it."

Congress is considering block grant proposals that would eliminate all national Medicaid standards in order to give states the flexibility to absorb reductions in future Medicaid spending growth from 10 percent to 4 percent by 1998.

-more-

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Medicaid
2-2-2

"Congress' projected Medicaid savings are dangerously high, especially if attempted without guidelines," said George D. Comerci, M.D., president of AAP, which represents 48,000 pediatricians across the country. "Cuts in the growth of funding could force states to make major changes in their Medicaid programs, jeopardizing health coverage for today's almost 18 million child beneficiaries as well as the more than four million additional Medicaid children by 2002."

Medicaid is a joint federal/state program of financing health care for low income, vulnerable Americans, more than half of whom are children. Medicaid pays for the health care of one in every four children, the majority of whom live in working families. It also pays for nearly half of the care of inpatients of children's hospitals.

In order for states to absorb $182 billion in savings in federal Medicaid spending over the next seven years, children's services would likely be cut significantly, said McAndrews. For example, data released today shows the average children's hospital itself could anticipate absorbing cuts that could equal the current cost of nearly one-fourth of their work force, or almost 400 full-time employees per hospital. It also would be the equivalent of the cost for an average children's hospital of treating more than 800 inpatients per year -- almost 10 percent of the inpatients a hospital serves.

"At a time when children are losing private health care coverage faster than any other age group, we should be taking strong steps as a nation to ensure that the public health insurance safety net remains intact," Comerci said. "The last thing we should be doing is imposing major new financial constraints on Medicaid without safeguards for children. Even with Medicaid, more than 15 percent of all children are uninsured. If there were no Medicaid, nearly 40 percent of children would be uninsured."

"Millions of children might not get the care they need if Congress abandons the minimum eligibility and access standards that are one of the essential aspects of the Medicaid program today, " McAndrews warned.

Medicaid

3-3-3

"It makes little sense to return to the days when Alabama would provide Medicaid to children only if their family's income was $2,000 a year or less; or when Oregon would arbitrarily limit hospitalization of sick children on Medicaid to 18 days a year; or when Alaska and Wyoming did not cover prescription drugs for poor children," he said. "Medicaid affects the health and economic productivity of one-third of the next generation of America's workforce. Children are the nation's future, and Medicaid is an investment in that future."

"Children's health care should not be decided on a state-by-state basis without some national standards," said Peter Holbrook, M.D., a critical care specialist and interim chief medical officer at Children's National Medical Center in Washington, DC. "Children are much more dependent on being able to cross state lines in order to get access to highly specialized pediatric services that often are available only on a very limited basis in a region. Certainly that is the experience of our hospital, which provides the majority of its care to children from outside the District of Columbia. Without national standards, access to services like those at Children's National Medical Center could be jeopardized for all children."

The children's hospitals association represents more than 100 members devoted to the health care of their communities' children, regardless of medical or economic need. Free-standing children's hospitals represent only 1 percent of the nation's hospitals but treat more than 12 percent of hospitalized children and the majority of the children with many chronic or congenital conditions. They also train one quarter of the nation's pediatricians. Overall, half of the nation's pediatricians are trained in freestanding children's hospitals or pediatric units of teaching hospitals.

The federal portion of Medicaid program expenditures is $90 billion annually. A total of $182 billion in federal Medicaid savings over seven years is the equivalent of two years worth of current federal Medicaid spending. Similarly, N.A.C.H. estimates that over the next seven years, the average children's hospital would have to live with less Medicaid reimbursement in amounts equal almost two years worth of their current net Medicaid revenues -- more than $100 million.

Medicaid
4-4-4

To understand the magnitude of these savings:

- **St. Louis Children's Hospital** translates them into the equivalent of $11 million annually to the hospital, which devotes almost 50 percent of its care to children assisted by Medicaid. That volume of savings is the equivalent of the direct cost of the hospital's entire outpatient care services, including its emergency room, pediatric transport and its off-site urgent care center for Medicaid patients. It is the equivalent of the direct annual cost of the hospital's operating room, social services, dialysis and pediatric intensive care.

- **Children's Hospital of Alabama** receives about $63 million in public sector funding. A $15 million decrease would likely require reduction in services, beginning with non-life-threatening problems such as elective surgery or dental care. A $30 million reduction could result in a drastic cutback in services or change the mission of the hospital, says CEO Jim Dearth, M.D.

- **Children's Memorial Hospital** in Chicago projects an annual loss of $11 million in federal dollars, the amount equivalent to running its residency program for nearly three years, about the amount it costs to operate its surgery and recovery rooms for one year or about the amount it costs to operate laboratories for one year.

- **La Rabida Children's Hospital and Research Center** in Chicago, where 85 percent of the patients are on Medicaid, estimates that the proposed growth cap represents the cost of all inpatient nursing services for one year; or all ancillary services, including prescription drugs, laboratories and radiology; rehabilitation, social work, psychology and respiratory care services.

Medicaid
5-5-5

The extent of Medicaid savings children's hospitals could be required to achieve over seven years could not be made up by charitable donations. For example, it is the equivalent of 30 annual Children's Miracle Network telethons. The 1995 telethon raised $133 million in charitable gifts for children's hospitals nationwide – an enormous accomplishment for voluntary giving but only a fraction of the estimated $4 billion in combined federal and state Medicaid savings that could be expected from children's hospitals.

"Most people don't understand that Medicaid does not just benefit the poor," McAndrews said. "It also supports working families. And by enabling a children's hospital to serve a large enough number of children, regardless of families' income, Medicaid makes it possible for the hospital to have the concentration of medical expertise that is achievable only with a high volume of children's medical cases. That ensures high-level medical care is available even for the child of a prosperous family."

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NACHRI

CHILDREN HAVE UNIQUE HEALTH CARE NEEDS

April 1995

Children are not small adults. They have different health care needs, and they stand in a different demographic and economic position in today's fast changing health care market.

Who Are America's Children?

Children are economically vulnerable. One in four children under age 18 lives in a family with income less than the federal poverty standard. One in three pre-school age children is poor.

Children are medically vulnerable. One in five children lives in an urban or rural area that is medically underserved, lacking providers who can meet the community's need.

Children's insurance is vulnerable. More than one in three children is uninsured or relies on Medicaid, a federal/state welfare program that is becoming financially unstable in many states. Children often are the first to experience the loss of private health coverage, because dependent coverage is often the first to be dropped by employers and employees pressed by the rising costs of health insurance.

Children with special health care needs are vulnerable. Only six percent of children have a major illness or injury, or congenital condition that limits their ability to engage in activities of daily living, such as school or play. This makes them especially vulnerable to pre-existing condition exclusions or other limits on private health care coverage.

Children's health care is a low cost investment. Because most children are healthy, their health care needs are comparatively inexpensive. For example, in 1993, Medicaid spent, on average, $1,012 per child under 21, compared to $4,124 per adult age 21 to 64, and $8,220 per elderly adult age 65 and above.

How Do Children's Health Care Needs Differ From Adults' Needs?

Different Illnesses Compared to adults, children are more likely to experience an acute episode of illness and are less likely to need care for a chronic condition. In addition, the care they will need for both acute and chronic illness will vary due to their developmental needs and size. For example, the leading cause of death for children are injury and infant mortality compared to cardiac diseases for adults.

Developmental Needs Children have developmental needs that vary according to age. Their organ systems, bones, and immunologic systems all go through different

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Children's Hospitals: Regional Centers For Children With Special Needs

Children's hospitals are also regional referral centers, meeting the specialized care needs of children from the most distant rural areas as well as the closest inner city neighborhoods. On average, children's hospitals devote three-quarters of their care to children with one or more congenital or chronic conditions. Free-standing children's hospitals represent only one percent of all hospitals, but they care for one-quarter of all hospitalized children with chronic or congenital conditions and the majority of children with special health care needs. Children's hospitals and the pediatric departments of major teaching hospitals together represent only six percent of hospitals, but they care for the vast majority of children with specialized care needs.

- Children's hospitals on average devote more than 68% of their inpatient days and 76% of their inpatient charges to children with at least one chronic or congenital condition.

- Children's hospitals on average devote 66% of their care to children under age six who often require the most intensive nursing and medical care. They devote nearly a quarter of their care to newborns.

- Children's hospitals on average devote about 30% of their beds to intensive care units, compared to only 12% in general hospitals.

- Children's hospitals on average devote over two-fifths of their patient care to "catastrophic cases" – children whose inpatient care results in charges greater than $50,000. That represents proportionately 2.5 times the catastrophic cases that a pediatric program of a general hospital sees.

Children's Hospitals: Major Providers Of Primary And Preventive Care

Although they are highly specialized providers of inpatient care for children, children's hospitals also have been in the vanguard of seeking to reduce hospitalization of children through ambulatory care and promoting primary and preventive care. In 1993, children's hospitals delivered care in an average of 110,000 primary and specialty care visits in ambulatory clinics sponsored by the hospital, 39,000 emergency department visits, and 4,900 outpatient surgeries per hospital.

Children's Hospitals: Medical Education Centers For Pediatric Providers

Children's hospitals represent one percent of all hospitals, but they train over one-quarter of the nation's pediatricians. Together with pediatric departments of major teaching hospitals they train the majority of pediatricians and virtually all pediatric subspecialists.

Children's Hospitals: Centers Of Child Health Research

More than one in three children's hospitals is the formal sponsor of research on the cause, prevention, and treatment of illness in children. Many more participate in research through universities with which they are affiliated. For example, a children's hospital was the first to identify AIDS in children; a children's hospital was the first to culture the polio and measles viruses. Also, the National Institutes of Health devotes more than four percent of its research funding to research involving children's hospitals and pediatric departments of major teaching hospitals.

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CHILDREN AND HEALTH CARE SPENDING

April 1995

Because the overwhelming majority of children are healthy and require mainly primary and preventive care, they account for only a small percentage of national health care spending. Children represent 28% of the population but only account for 14% of individual health care spending. In 1987, children accounted for $49.8 billion of health care spending. This included $24 billion for hospital services, $13 billion for physician and ambulatory services, $8 billion for dental services, and $2 billion for prescription drugs. Consider the following data reported in articles published by the David and Lucile Packard Foundation's Center for the Future of Children, in a report entitled "U.S. Health For Children."

- The average health care expenditure for a child under age 18 was $737 in 1987.
- The average health care expenditure for an adult was $1,826, almost 2.5 times greater than for a child in 1987.
- The average health care expenditure for an individual over age 65 was $4,276, almost six times the amount for a child in 1987.
- While the above data from 1987 remain the most recent national data available regarding children and health care spending, more recent data on Medicaid for adults and children suggest that the gap in spending remains substantial. For example, in FY 1993, Medicaid spent, on average, $1,012 per child under 21, compared to $4,124 per adult age 21 to 64, and $8,220 per adult age 65 and above.*

Only a very small proportion of children have serious health conditions requiring specialized care. Consequently, only a small proportion of children account for the majority of children's health care expenditures.

- One percent of children accounted for 37% of children's health care expenditures in 1987. The average annual health care expenditures for the most costly 1% of children was $27,502 in 1987.
- Five percent of children under age 18 accounted for 59% of children's health care expenditures. The average annual health care expenditures for the most costly 5% of children averaged $8,641 and only $316 for the least costly 95% of children in 1987.

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- Infants represented less than six percent of all children but their health care expenditures accounted for almost 25% of children's health care expenditures in 1987. The average annual health care expenditures for infants in their first year of life were $3,271 per infant.

Because children are constantly developing, they are dependent on different types of health care services than adults and at different stages in their development.

- Dental care accounted for almost 30% of the health care expenditures for children age 6-18, compared to less than 3% of health care expenditures for individuals over age 65 in 1987.

- Inpatient hospitalization and physician services accounted for almost 70% of health care expenditures for children age 0-2 compared to 25% of health care expenditures for children age 3-12 in 1987.

- Ambulatory care accounted for a larger proportion of health care expenditures for children over age 3. For example, ambulatory care accounted for 36% of health care expenditures for children age 3-12, but only 18% of health care expenditures for children age 0-2 in 1987.

Because they are the poorest segment of the population, children rely substantially on public funding of health care. But because they are healthy, children still account for only a small part of public health spending.

- Young children are especially reliant on public funding. Medicaid and other public funds accounted for 45% of health care expenditures for children age 0-2 in 1987.

- Children under 18 represented almost 50% of recipients of Medicaid assistance, but only 16% of all Medicaid spending in 1987.

- Total public expenditures on health care for adults were almost 10 times greater than for children – $117 billion compared to $12 billion in 1987.

* ***"Federal Fiscal Year 1993," U.S. Health Care Financing Administration State Data Tables, September 1993.***

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CHILDREN WITH SPECIAL HEALTH CARE NEEDS

April 1995

Who Are Children with Special Health Care Needs?

The health care needs of all children are special and distinct from those of adults. But the term "children with special health care needs" refers to a group of children who require specialized health care, habilitation, and rehabilitation services. Frequently, children with special health care needs (CSHCN) are limited -- or have potential limitations -- in their ability to function because of one or more chronic or congenital illnesses, a major trauma, a developmental disability, or exposure to a serious or life-threatening condition.

One category of children with special health care needs includes those with a chronic or congenital condition due to an illness, injury, or birth defect who will require ongoing services. Between 10% and 30% of children in the U.S. have one or more chronic health impairments. It is important to realize that the large majority of these conditions, such as respiratory allergies and ear infections, have little impact on a child's daily activities or utilization of health services. However, about 10% of children with chronic illnesses -- about 2 million children or perhaps 2% of all U.S. children -- have severe conditions (such as cystic fibrosis, congenital heart disease, or sickle cell anemia) that require ongoing and extensive health services. *

What Are Their Health Care Needs?

Medical advances over the past two decades have increased the survival rates of children with severe chronic illnesses -- with at least 90% of these children surviving to young adulthood. However, even with these increased survival rates, children with special health care needs require much greater than average use of hospital and ambulatory care than children without a chronic illness. It is estimated that approximately 2% of children with severe illnesses use approximately 25% of the child health dollar, representing in part the higher-than-average utilization of inpatient hospital care by this group of children.

Children with chronic and ability limiting conditions require a great deal of medical and nonmedical services. These children typically make more physician visits, require more hospitalizations, and are more likely to have multiple sources of health care. Services for this population often include complex ongoing care involving: multiple providers, medications, medical supplies, and specialized equipment. These services are most effective when delivered in a coordinated fashion in a variety of settings -- including the home -- and involving the family. Treatment for a high-cost childhood chronic illness usually involves a series of outpatient treatments and hospitalizations that occur over many years, together with routine daily home-care or self-care procedures that are family-centered. The U.S. Office of Technology Assistance (OTA) estimates that 20,000 to 30,000 children with significant technology dependence may require home care.

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What Is the Role of Children's Hospitals in Caring for Children with Special Health Care Needs?

Although children with chronic or congenital conditions represent only a small fraction of all children,children's hospitals devote 56% of inpatient admissions, 68% of inpatient days, and 76% of inpatient dollars to this population. Other important points regarding the care these children receive include the following:

Children's Hospitals and General Hospitals with Pediatric Residencies

- Acute care children's hospitals and general hospitals with pediatric residencies, which represent 1% and 5% of all hospitals respectively, provide care to 70% to 80% of all childre in the U.S. with severe chronic or congenital conditions. The conditions treated most frequently are: malignant neoplasms, cardiovascular anomalies, musculoskeletal deformities, sickle cell disease, spina bifida, and cerebral palsy.

- Acute care children's hospitals and general hospitals with pediatric residencies devote 57% and 38%, respectively, of their inpatient admissions to children with one or more chronic or congenital conditions.

- Acute care children's hospitals and general hospitals with pediatric residences provide approximately 4 to 4.5 times more inpatient admissions to children with one or more chronic or congenital conditions (excluding asthma) – compared to general hospitals without a pediatric residency program.

Specialty Children's Hospitals

Specialty children's hospitals are those institutions that specialize in serving children with special needs, including those requiring subacute, habilitative, and rehabilitative care. Often children with severe chronic or congenital conditions are referred by acute care children's hospitals to specialty hospitals because of the unique programs and services offered to children and their families by these facilities. Specialty children's hospitals play a critical role as:

- **subacute transitional care facilities** -- bridging the gap for children who no longer need the intensive treatment of an acute care children's hospital, but who are not yet well enough to go home to their families;

- **rehabilitative facilities** – meeting the physical and psychosocial needs of children for recovery and teaching families the complex details of caring for children and adolescents in preparation for their return to the home and community; and

- **long term care facilities** – caring for those children who require long-term, specialized care for the rest of their lives.

- Six percent of all children are estimated to have a chronic or congenital condition resulting in limitation of ability to function in at least one activity of daily living; two percent of all children have a chronic or congenital condition that requires extensive health services.

Sample Letter for Hospital Administration

Date

The Honorable (name)
U.S. House of Representatives
Washington, DC 20515

Dear Representative (name):

The Honorable (name)
U.S. Senate
Washington, DC 20510

Dear Senator (name):

As (title) of (name of hospital), I am deeply concerned about continued news reports that congressional leaders may seek to save more than a $100 billion in federal Medicaid spending over the next five years. Our hospital serves more than (number of children) per year and invests $ (amount of money) in (number of) employees. Medicaid pays for (x)% of our services.

As a hospital that serves children from (number) of states, I am also concerned about reports that Congress may repeal federal Medicaid requirements, giving each state the discretion to determine its own standards for eligibility, access, and appropriate care. That would eliminate the nation's health care safety net for medically and economically vulnerable children, including children of low income working families.

I would appreciate very much the opportunity to talk with you and your staff about the impact of proposals to restructure Medicaid before Congress acts upon them. In particular, I would like to encourage you to consider the following facts:

- **Medicaid is a children's program.** It pays for the health care of one in every four children; one in three infants. Children are half of all people covered by Medicaid.

- **Medicaid is vital to low income, working families.** Thanks to changes in Medicaid law made by Congress with bipartisan support between 1986 and 1990, Medicaid covers children of low income, working families, even if their parents' employment disqualifies them for welfare. Nearly 60% of children covered by Medicaid live in working families.

- **Little money can be saved from Medicaid coverage for children.** Although they are half of all Medicaid covered individuals, children account for less than 20% of Medicaid spending. Medicaid's cost for one elderly adult equals the cost for almost eight children.

- **Congress can save Medicaid funds and increase state flexibility in using federal funds without jeopardizing the federal Medicaid safety net for children.** (Name of hospital) would like to talk with you about how that can be done.

I look forward to talking with you and your staff about the future of Medicaid for children.

Sincerely,

Chicago Tribune

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Voice of the people

Don't cut into care for kids

CHICAGO—In its search for ways to reduce our country's deficit, Congress is considering major reductions in health-care programs for the elderly and the poor.

As policymakers and accountants ponder how to make such reductions, an even more troubling initiative is underway. Congress may have the federal government give up oversight of the national health-care safety net for the children of low-income families—Medicaid.

Some may think these efforts are on the right track. To our children's hospitals, they could be devastating. Ill-considered belt-tightening, much less federal abdication of Medicaid for children, could jeopardize the health-care system for Illinois children whose families rely on Medicaid. It also could jeopardize our hospitals' mission of serving children regardless of ability to pay

Medicaid is a federal-state partnership for health care for the non-elderly poor. Each state works with the federal government to make sure there is a minimum, federally defined safety net of coverage for people with low incomes. The vast percentage of the care we provide is to children who are covered by Medicaid.

No public program in the country matters more to children's health care. Medicaid pays for health care for millions whose families fall into poverty. It is a safety net for millions more whose private health insurance is only as secure as a parent's job. Three-quarters of all Medicaid recipients are children and mothers. Children alone are half. Medicaid covers one-fourth of all children, one-third of all births. Yet all of these children account for less than 20 cents of every dollar Medicaid spends. The remainder goes for adults and nursing-home care.

Medicaid also plays a critical role in sustaining the pediatric services of our hospitals. And a children's hospital incurs costs many other hospitals do not. Although hospitalized less often than adults, children require more expensive, specialized care when they are sick or injured. In addition, children's hospitals provide training for pediatricians and other care-givers for children. And we conduct research to improve children's health care.

Our hospitals are participating in new ways of treating children more cost-effectively. We are optimistic that leaner government will contribute to a better future for our kids. And we have long advocated reform of Medicaid.

But before Medicaid and other safety-net programs are turned loose from Washington, there must be certain minimum standards for Medicaid coverage for all low-income children, medically necessary care for all Medicaid-eligible children and appropriate access for children to pediatric specialists when they need them.

As a society, we expect minimum standards of quality for our drinking water, our food and our schools. We should do no less when it comes to our children's health. Support Illinois' children by sending a message of caution to our elected leaders: Don't expose children to the risks of hasty lawmaking.

Jan R. Jennings
President and CEO, Children's Memorial Medical Center
Arthur F. Kohrman
President, La Rabida Children's Hospital
Ralph W. Muller
President, Wyler Children's Hospital

Talking Points: PROTECT MEDICAID'S SAFETY NET FOR CHILDREN

RECOMMENDATIONS: **Congress should protect the nation's Medicaid safety net for children of low income and working families while controlling the program's growth. Medicaid reform and savings should be achieved by granting states flexibility to use managed care that meets national accountability standards and by reducing disproportionate share (DSH) payments by targeting them only to hospitals that devote a major portion of their care to Medicaid and other low-low income patients. The Medicaid safety net for children can be protected by maintaining federal minimum standards for children's eligibility, medically necessary care, and access to appropriate providers.**

Medicaid is critical to the health of our Nation's children and children's hospitals. One in four children and one in three infants are covered by Medicaid. About 15% have disabilities and other challenging conditions that make them often uninsurable. Without the Medicaid safety net for children, the number of uninsured children would increase dramatically, since private coverage continues to decline. As it is, the number of uninsured children increased 8% between 1992 - 93. Children represented 80% of newly uninsured Americans. Children's hospitals provide nearly half of their care to children covered by Medicaid.

Medicaid's minimum federal safety net for children supports employment. With bipartisan support from 1986 - 90, Congress "delinked" Medicaid from welfare for children, setting federal eligibility standards based on income, not welfare status. Over 3/5 of the states had to raise their eligibility limits to comply. Now, nearly 60% of children under Medicaid have low income, working families, most of whom have no employer coverage.

Medicaid provides this children's safety net for only a fraction of the program's costs. Children equal half of Medicaid beneficiaries but less than 1/5 of Medicaid spending. On a per capita basis in 1993, Medicaid spending per enrolled child was 1/2 the cost for adults and 1/8 for the elderly. Expanded coverage for children was only 13% of overall spending growth 1992 - 93.

Congress is considering proposals to block grant the Medicaid program and cap its growth. Key majority leaders in Congress want to cut the annual growth in Medicaid spending from 11% to 5% or less. Managed care alone cannot meet these spending goals, particularly in the near term. States' experience in Medicaid managed care varies widely and is directed mainly to acute care for the non-disabled, which affects only about 20% of Medicaid spending. Consequently, Congressional proponents of low growth caps and some governors want block grants that would allow states to set their own eligibility and benefit standards. That would end the national Medicaid safety net for children.

Children's hospitals recommend that any Medicaid savings or caps protect the national health care safety net for children -- federal minimum standards for children's eligibility, medically necessary care, and access to appropriate care. Savings can be achieved through states' increased flexibility to use managed care according to federal accountability standards and targeting Medicaid DSH payments only to high DSH hospitals. Any caps on growth should be on a per capita basis to preserve the ability of states to respond in times of economic downturn.

Talking Points: PROTECT MEDICAID'S SAFETY NET FOR MEDICALLY VULNERABLE CHILDREN

RECOMMENDATIONS: Congress should protect the nation's Medicaid safety net for vulnerable children while controlling the program's growth. Medicaid reform and savings should be achieved by granting states flexibility to use managed care that meets national standards and reducing DSH payments by targeting them only to hospitals that devote a major portion of their care to Medicaid and other low income patients. The Medicaid safety net for children can be protected by maintaining federal minimum standards for children's eligibility, medically necessary care, and access to appropriate providers.

Medicaid is for vulnerable children. They are half of all Medicaid covered individuals. They include medically vulnerable children needing complex care and economically vulnerable children of low income families. Medicaid pays for health care for one in four children; one in three infants.

Medicaid is the nation's safety net for medically vulnerable children and patients of children's hospitals. About 15% of children covered by Medicaid are medically vulnerable -- "medically needy" children whose costly care can reduce families to poverty, and disabled children with SSI. Children's hospitals devote on average nearly half of their care to children under Medicaid; more than 70% to children with chronic or congenital conditions. Children's specialty hospitals devote an even higher proportion of their care Medicaid covered children.

SSI disabled children covered by Medicaid can have very challenging conditions. E.g., a State of Washington study found that half of Medicaid covered children with leukemia and lymphoma received SSI; 3/4 of Medicaid covered children with spina bifida received SSI.

Medicaid also is the nation's health care safety net for economically vulnerable children. It pays for the health care of children of mothers who qualify for Aid to Families with Dependent Children (AFDC) and children of low income, working families. It covers 80% of children living in poverty and 25% of children with incomes below 200% of the federal poverty standard.

Low income children who qualify for Medicaid also have medical vulnerabilities. Children covered by Medicaid based on AFDC or family income also can be medically vulnerable. E.g., in the State of Washington's Medicaid program nearly 8% of AFDC children and more than 8% of low income children covered by Medicaid had one or more chronic or congenital conditions.

Medically vulnerable children need a national safety net with access across state lines. Children with special needs are a fraction of all children; only about 2% of children have serious conditions that require ongoing, extensive care. That means they depend on specialized services in urban centers, often across state lines. Children's hospitals serve children from multiple states.

Little money can be saved from Medicaid coverage of children alone. Although individual children can have resource intensive health care needs, most children consume little health care. The average cost of Medicaid for one elderly adult equals the cost of care for nearly 8 children. Children are half of Medicaid covered individuals but less than 16% of Medicaid spending.

Talking Points: SUPPORT MEDICAID MANAGED CARE
THAT WORKS FOR CHILDREN

RECOMMENDATIONS: Congress should promote states' development of Medicaid managed care that works for children by establishing federal accountability standards that focus on: children's access to appropriate providers, children with special needs, financing graduate medical education, and targeting disproportionate share (DSH) payments.

Children's hospitals are expert in caring for Medicaid covered children. Children are half of Medicaid recipients. Nearly half of children's hospitals' care goes to these children.

Children's hospitals know managed care has great potential for children covered by Medicaid when it focuses on preventive care and coordinated care. Poor children often have difficulty getting access to preventive care. Children with special needs often face the greatest challenges in getting appropriate care, because they require care from many providers.

Children's hospitals support Medicaid managed care. Children's hospitals are helping their states develop Medicaid managed care that works for children. A children's hospital in Wisconsin was among the first hospitals in the nation to develop a Medicaid managed care plan.

Children's hospitals also know that not all Medicaid managed care works for children. Children's hospitals in California, Pennsylvania, and Ohio have cared for children enrolled in Medicaid managed care plans that went bankrupt. Children's hospitals in Tennessee have seen inexperienced Medicaid managed care plans disrupt carefully established patterns of care for children with special needs.

Children's hospitals have found that Medicaid managed care works for children when states are able to demonstrate managed care meets not only fiscal solvency standards but also specific accountability standards for children:

- Access to Appropriate Care Demonstrate that Medicaid managed care gives children access to appropriate primary and specialty care, including centers of excellence for children. Such access should be coordinated through integrated child health care networks expert, organized, and accountable for meeting children's health care needs.

- Children with Special Needs Demonstrate that the requirements of special needs children can be met. States should carve this population out from capitated Medicaid managed care; or show that capitation rates are risk adjusted for them, that the children can have a pediatric subspecialist as gatekeeper, and that plans account for their care.

- Graduate Medical Education Demonstrate how Medicaid contributes its share of financing for training physicians through graduate medical education.

- Disproportionate Share Payments (DSH) Demonstrate that DSH payments are targeted only to hospitals that devote a major portion of their care to low income patients.

Children's Hospitals' Recommendations for:

CONTROLLING MEDICAID SPENDING AND INCREASING STATE FLEXIBILITY WHILE PROTECTING THE MEDICAID SAFETY NET FOR CHILDREN

RECOMMENDATIONS: Protect the nation's Medicaid safety net for children, while controlling federal spending and increasing state flexibility. Target Medicaid DSH payments to high Medicaid volume hospitals, give states flexibility to use managed care that meets national accountability standards and protect the Medicaid safety net standards for children's eligibility, medically necessary care, and access to appropriate care.

Background

Some Congressional leaders advocate a major restructuring of Medicaid, potentially eliminating the nation's Medicaid safety net for children, in order to save federal funds and enhance the flexibility with which states administer those funds. They want to help balance the federal budget and allow each state to develop programs that work best for its population.

Children's hospitals believe the goals of controlling federal Medicaid spending and increasing state flexibility can be served while still preserving Medicaid as the nation's health care safety net for economically and medically vulnerable children, including children of low income working families. The children's safety net was created in federal law between 1986 and 1990 through a series of bipartisan amendments that delinked Medicaid from welfare. Today nearly 60% of Medicaid-covered children live in working families.

Preserve the Medicaid Safety Net for Children

Federal law should preserve the Medicaid safety net for children by retaining the standards for eligibility, benefits, and access to appropriate care enacted with bipartisan votes in the late 1980s:

Eligibility Standards Federal law requires state Medicaid programs to cover children under age six and pregnant women with family incomes below 133% of the poverty standard, as well as older children born after September 1983 in families with incomes below 100% of poverty.

Medically Necessary Care Standards Federal law requires states to give Medicaid eligible children coverage for all medically necessary health care services.

Appropriate Provider Access Standards Federal law requires states to give Medicaid eligible children and pregnant women access to appropriate pediatric and obstetrical care, and to prohibit arbitrary restrictions on medically necessary hospital care for young children.

Control Federal Medicaid Spending

Federal law can reduce the annual growth in Medicaid spending and save funds with:

Targeted Disproportionate Share Spending The federal government could save $4 billion or more annually if federal law were to target disproportionate share payment adjustments to only those hospitals that devote a major portion of their care (20% to 25%) to low income patients. Currently, a hospital that devotes as little as 1% of its care to patients assisted by Medicaid may qualify for payment adjustments.

Expanded Medicaid Managed Care within National Guidelines Research suggests that depending on the population and the services, capitated managed care can reduce annual health care spending by five to 15%. Increased flexibility for states to enroll people eligible for Medicaid, in keeping with national guidelines, promises important federal savings.

Capitated Federal Medicaid Spending Instead of matching state Medicaid expenditures, the federal government can "capitate" Medicaid spending by guaranteeing to each state a fixed sum of federal funds per Medicaid eligible individual. Such an approach gives the federal government more control while protecting states against changes in eligible population due to economic downturn or natural disaster.

Increase State Flexibility

Expanded Medicaid Managed Care within National Guidelines Federal law can preserve the national Medicaid safety net of eligibility, medically necessary care, and access standards while also giving states new flexibility. For example, Senator John Chafee (R-RI), a former governor, and Senator Daniel Patrick Moynihan each have proposed to allow states to undertake statewide Medicaid managed care, without going through a waiver application process, provided states meet national guidelines. Children's hospitals believe these standards should include:

- **Fiscal Solvency and Quality** States demonstrate that Medicaid managed care plans meet the same standards for fiscal solvency and quality that commercial plans must meet.

- **Funds Used for Health Care** States demonstrate that federal Medicaid funds are used only for health care services for eligible populations.

- **Access Standards** States demonstrate children will have access to appropriate pediatric primary and specialty care, as well as centers of excellence for children, through integrated child health care networks.

- **Children with Special Needs** States demonstrate that special needs children are carved out of capitated managed care; or, if enrolled in managed care, they have pediatric risk adjusted capitation and choice of pediatric subspecialists as primary care gatekeepers.

- **Graduate Medical Education** States demonstrate that the costs of graduate medical education are covered, either through separate state financing or requirements that plans contribute directly to health professional training.

- **Disproportionate Share** States demonstrate that they target disproportionate share funds to only hospitals with high Medicaid and low income utilization rates and make such payment adjustments directly to eligible hospitals, instead of folding them into capitation.

DEAR MEMBER OF CONGRESS:

Your smallest constituents— Our biggest responsibility

Cuts in Medicaid have the biggest impact on some of your smallest constituents

Close to 17 million children rely on Medicaid. And many of those children must turn to hospitals and health systems and the professionals who staff them.

Day in and day out, for everything from routine problems to emergency care, children on Medicaid and their families come to us for the full range of services we provide.

We take our responsibility to these children and to all the people we serve seriously.

And we take threats to Medicaid seriously, too. We know the kind of havoc cutting Medicaid would cause—for children and their families. Spend 24 hours in any emergency room and you'll see what we mean.

Children covered by Medicaid are among your smallest constituents. They can't vote. But we care for them, and we hope you will too.

Dick Davidson, *President*
American Hospital Association

Virginia Trotter Betts, *President*
American Nurses Association

Lawrence A. McAndrews, *President*
National Association of Children's Hospitals and Related Institutions, Inc.

Marjorie Beyers, *President*
American Organization of Nurse Executives

Cuts In Medicaid Funding Hurt Children Throughout The State

Children's hospitals are mainstays in their communities, providing vital health care services to all children. The proposed budget cuts in Medicaid funding will be particularly devastating because it costs more to care for sick children than adults. Children's hospitals are not able to shift these increased costs to adult patients like other hospitals can. Inadequate Medicaid funding will force these hospitals to scale back the many crucial services they provide to the entire community.

The consequences are about much more than dollars and cents... they're about children and families. Consider the following examples:

Amy was severely injured when struck by a car near her suburban home. Her community hospital was not equipped to treat her injuries, so she was immediately transported to a children's hospital with a specialized pediatric intensive care unit.

Without adequate funding for children's hospitals, kids like Amy won't receive the specialized care they need.

Derrick, a diabetic child, was brought to a children's hospital once again for an insulin reaction. The hospital social worker discovered the family didn't have a refrigerator to keep Derrick's insulin cold. She spent hours helping the family locate a refrigerator, warding off another hospital stay and saving the state thousands of dollars.

Without adequate funding for children's hospitals, chronically ill kids like Derrick won't receive the specialized care they need.

Baby Jeremy, born prematurely, was confined to a children's hospital for the majority of his first year of life. He received extensive rehabilitation therapy to ensure that he continued to grow and learn at a normal rate and wasn't disadvantaged when he went home.

Without adequate funding for children's hospitals, babies like Jeremy won't receive the specialized care they need.

If children's hospitals are not adequately funded, you're hurting not only the hundreds of thousands of children in the State of Illinois who are Medicaid recipients, you're also affecting non-Medicaid families who rely heavily on children's hospitals for health care and support services unavailable to them anywhere else.

SOME OF OUR LITTLEST CITIZENS NEED YOU THE MOST.

Children's Memorial Medical Center
La Rabida Children's Hospital and Research Center
Wyler Children's Hospital
Cardinal Glennon Children's Hospital
St. Louis Children's Hospital

Effect on Children's Health Coverage in 2002 of House Proposal to Cut Medicaid by $187 Billion

Projected federal funding cut in 2002 -- $53 billion in cuts to states

	Children covered by Medicaid in FY1994 (actual)/1	House Republican reduction in Medicaid in 2002/2	Estimated uninsured children in 2002 if Medicaid is unchanged/3	Number of children who could lose Medicaid/4	Estimated number of children who would be uninsured in 2002 after House Republican Medicaid cuts
United States	22,972,085	30%	12,225,000	6,891,626	19,116,626
Alabama	346,009	15%	319,000	51,901	370,901
Alaska	52,430	41%	48,000	21,496	69,496
Arizona	457,842	21%	208,000	96,147	304,147
Arkansas	191,297	35%	198,000	66,954	264,954
California	3,805,000	27%	1,750,000	1,027,350	2,777,350
Colorado	215,844	33%	156,000	71,229	227,229
Connecticut	200,300	30%	68,000	60,090	128,090
Delaware	52,720	38%	31,000	20,034	51,034
District of Columbia	84,560	36%	32,000	30,442	62,442
Florida	1,306,100	33%	935,000	431,013	1,366,013
Georgia	695,643	33%	435,000	229,562	664,562
Hawaii	74,052	27%	29,000	19,994	48,994
Idaho	79,084	27%	77,000	21,353	98,353
Illinois	1,099,229	29%	375,000	318,776	693,776
Indiana	386,554	44%	230,000	170,084	400,084
Iowa	179,295	23%	80,000	41,238	121,238
Kansas	163,431	13%	106,000	21,246	127,246
Kentucky	353,998	35%	169,000	123,899	292,899
Louisiana	470,615	27%	316,000	127,066	443,066
Maine	97,458	29%	45,000	28,263	73,263
Maryland	336,578	32%	184,000	107,705	291,705
Massachusetts	412,016	32%	174,000	131,845	305,845
Michigan	811,500	25%	267,000	202,875	469,875
Minnesota	295,615	29%	158,000	85,728	243,728
Mississippi	369,286	23%	184,000	84,936	268,936
Missouri	445,002	7%	275,000	31,150	306,150
Montana	57,800	37%	45,000	21,386	66,386
Nebraska	107,263	35%	53,000	37,542	90,542
Nevada	78,882	30%	108,000	23,665	131,665
New Hampshire	45,936	0%	56,000	0	56,000
New Jersey	463,587	38%	251,000	176,163	427,163
New Mexico	178,960	24%	151,000	42,950	193,950
New York	1,745,568	35%	541,000	610,949	1,151,949
North Carolina	585,673	39%	312,000	228,412	540,412
North Dakota	36,259	30%	18,000	10,878	28,878
Ohio	945,871	30%	232,000	283,761	515,761
Oklahoma	258,236	35%	243,000	90,383	333,383
Oregon	224,304	28%	119,000	62,805	181,805
Pennsylvania	919,544	22%	283,000	202,300	485,300
Rhode Island	43,896	42%	19,000	18,436	37,436
South Carolina	298,075	17%	221,000	50,673	271,673
South Dakota	50,128	27%	50,000	13,535	63,535
Tennessee	495,452	34%	219,000	168,454	387,454
Texas	1,835,095	20%	1,568,000	367,019	1,935,019
Utah	129,081	30%	97,000	38,724	135,724
Vermont	56,995	35%	11,000	19,948	30,948
Virginia	420,687	34%	380,000	143,034	523,034
Washington	449,681	43%	179,000	193,363	372,363
West Virginia	259,408	42%	71,000	108,951	179,951
Wisconsin	359,792	29%	126,000	104,340	230,340
Wyoming	34,286	38%	24,000	13,029	37,029

These estimates are limited to the final year of the proposed seven-year cut. Cumulative cuts over the seven years would result in significantly higher losses in each state.

NOTES: 1/ With the exception of New Hampshire & Rhode Island, children are all persons under 21 years of age covered by Medicaid in FY1994. New Hampshire's data was not available for 1994, so 1993 data was used instead. Rhode Island does not produce counts of children covered by Medicaid. Therefore, recipients in the category "children under 21" (does not include children qualifying by reason of disability) was substituted. 2/ Source: US DHHS based on Urban Institute's Medicaid Expenditure Growth Model, Commerce Commitee's formula as of 9/16/95, GAO's estimates of spending by states under the proposal. 3/ National estimate of uninsured children in 2002 is based on a linear projection of employer coverage trends from the Census, Current Population Survey, March 1988-1994 and on Medicaid growth using the 1994 children's proportion of CBO projections of Medicaid recipients in 2002. State estimates of the uninsured use each state's proportion of the national number of uninsured children for 1990-92 published by the Urban Institute. These proportions were then applied to the projected national figure. 4/ Number of children who could lose Medicaid assumes that children will experience cuts in the same proportion as any other group, that the states will reduce funds in proportion to the federal funding cuts, and that cuts will be made in

Effect on Children's Health Coverage in 2002 of Senate Proposal to Cut Medicaid by $187 Billion

Projected federal funding cut in 2002 -- $52 billion in cuts to states

	Children covered by Medicaid in FY1994 (actual)/1	Senate Republican reduction in Medicaid in 2002/2	Estimated uninsured children in 2002 if Medicaid is unchanged/3	Number of children who could lose Medicaid/4	Estimated number of children who would be uninsured in 2002 after Senate Republican Medicaid cuts
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Alabama	346,009	24%	319,000	83,042	402,042
Alaska	52,430	30%	48,000	15,729	63,729
Arizona	457,842	29%	208,000	132,774	340,774
Arkansas	191,297	34%	198,000	65,041	263,041
California	3,805,000	24%	1,750,000	913,200	2,663,200
Colorado	215,844	26%	156,000	56,119	212,119
Connecticut	200,300	39%	68,000	78,117	146,117
Delaware	52,720	19%	31,000	10,017	41,017
District of Columbia	84,560	32%	32,000	27,059	59,059
Florida	1,306,100	31%	935,000	404,891	1,339,891
Georgia	695,643	31%	435,000	215,649	650,649
Hawaii	74,052	27%	29,000	19,994	48,994
Idaho	79,084	28%	77,000	22,144	99,144
Illinois	1,099,229	20%	375,000	219,846	594,846
Indiana	386,554	44%	230,000	170,084	400,084
Iowa	179,295	24%	80,000	43,031	123,031
Kansas	163,431	18%	106,000	29,418	135,418
Kentucky	353,998	35%	169,000	123,899	292,899
Louisiana	470,615	53%	316,000	249,426	565,426
Maine	97,458	25%	45,000	24,365	69,365
Maryland	336,578	24%	184,000	80,779	264,779
Massachusetts	412,016	36%	174,000	148,326	322,326
Michigan	811,500	25%	267,000	202,875	469,875
Minnesota	295,615	18%	158,000	53,211	211,211
Mississippi	369,286	19%	184,000	70,164	254,164
Missouri	445,002	18%	275,000	80,100	355,100
Montana	57,800	35%	45,000	20,230	65,230
Nebraska	107,263	26%	53,000	27,888	80,888
Nevada	78,882	36%	108,000	28,398	136,398
New Hampshire	45,936	39%	56,000	17,915	73,915
New Jersey	463,587	34%	251,000	157,620	408,620
New Mexico	178,960	20%	151,000	35,792	186,792
New York	1,745,568	33%	541,000	576,037	1,117,037
North Carolina	585,673	36%	312,000	210,842	522,842
North Dakota	36,259	30%	18,000	10,878	28,878
Ohio	945,871	27%	232,000	255,385	487,385
Oklahoma	258,236	38%	243,000	98,130	341,130
Oregon	224,304	13%	119,000	29,160	148,160
Pennsylvania	919,544	18%	283,000	165,518	448,518
Rhode Island	43,896	35%	19,000	15,364	34,364
South Carolina	298,075	25%	221,000	74,519	295,519
South Dakota	50,128	19%	50,000	9,524	59,524
Tennessee	495,452	26%	219,000	128,818	347,818
Texas	1,835,095	28%	1,568,000	513,827	2,081,827
Utah	129,081	29%	97,000	37,433	134,433
Vermont	56,995	27%	11,000	15,389	26,389
Virginia	420,687	32%	380,000	134,620	514,620
Washington	449,681	43%	179,000	193,363	372,363
West Virginia	259,408	42%	71,000	108,951	179,951
Wisconsin	359,792	26%	126,000	93,546	219,546
Wyoming	34,286	29%	24,000	9,943	33,943

These estimates are limited to the final year of the proposed seven-year cut. Cumulative cuts over the seven years would result in significantly higher losses in each state.

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Talking It Over
js/Draft #5

One of the most gratifying yet heart-rending experiences I've ever had is walking through a children's hospital.

Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time. I hear the whirring, buzzing and beeping of the latest and most technologically advanced life saving machines and marvel at the progress medicine has made. But then I see the tiny baby attached to these tangles of tubes and wires and wonder how much longer she'll have to stay in that cold, sterile room.

After meeting that baby's parents, I leave the hospital even more convinced of the vital role children's hospitals play in our country's health care system. The doctors and nurses at these hospitals give parents and sick children hope that they too can eventually become healthy families.

Children's hospitals focus exclusively on treating sick children and teaching young doctors and nurses how to take care of them. The hospitals are responsible for pioneering research in the treatment of childhood illnesses. And in many cases, they are the last hope for thousands of parents and ~~sick~~ children who have been told by many other hospitals to give up. > seriously, N

Most importantly, doctors and nurses at these hospitals are always aware that children aren't just miniature adults. They know that children's bodies are completely unlike ours. That their hearts beat faster. That they respond differently to viruses and bacteria. And that they often need specially-designed instruments for treatment. — simple things that doctors at other hospitals sometimes forget

If current Medicaid cuts go through, children's hospitals would have to retreat from many of the roles they currently play in keeping our children and families healthy. Government support is crucial to these hospitals' abilities to provide all sick children access to needed specialized care.

Medicaid currently pays for the hospital stays of nearly half of all patients at our children's hospitals.

But the program isn't just for poor people. It is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

The program helps millions of low-income working parents pay their medical bills without turning to welfare or skimping on food for their families. It also supports the care of children many insurance companies refuse to cover - those born with chronic diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

Without medicaid funding children's hospitals would have to raid their research budgets to pay for supplies. And training programs for young pediatric specialists could become less effective if there are fewer patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Imagine what could happen if there were no children's hospitals.

The effects would be felt throughout the country, all the way down to our small towns where seriously ill children, their parents and doctors are waiting for new cures and treatments. Without the work of a children's hospital, it's very likely that time for these children could run out.

At the last hospital I visited, the Babies and Children's Hospital of New York, I met several children and families whose lives were transformed by the care they received there.

I talked with six-year old Joshua, who despite two heart transplants, is growing to become an active boy who loves to play ice hockey and baseball. Fifteen-year old Rebecca described how she manages both to keep up with her studies and attend gruelling chemotherapy treatments. And four-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him.

Many of us who are parents know what it is like when a child is very sick. Nothing else in the world matters to us. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

And as parents, we cannot deny any one of our children the treatment he or she needs. We shouldn't have to choose between saving the lives of Joshua or Rebecca or Charles.

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TO: LISSA MUSCATINE

Talking It Over
js/Draft #4

One of the most gratifying yet heart-rending experiences I've ever had is walking through a children's hospital.

Each time I walk inside a ward, I can't help feeling hopeful and depressed at the same time. I hear the whirring, buzzing and beeping of the latest and most technologically advanced life saving machines and marvel at the progress medicine has made. But then I see the tiny baby attached to these tangles of tubes and wires and wonder how much longer she'll have to stay in that cold, sterile room.

anxious?

After meeting that baby's parents, I leave even more convinced of the vital role children's hospitals play in our country's health care system. The doctors and nurses at these hospitals give parents and sick children hope that they too can eventually become healthy families.

At the last hospital I visited, the Babies and Children's Hospital of New York, I met several children and families whose lives were transformed by the care they received there.

I talked with six-year old Joshua, who despite two heart transplants, is growing to become an active boy who loves to play ice hockey and baseball. Fifteen-year old Rebecca described how she manages both to keep up with her studies and attend gruelling chemotherapy treatments. And four-year old Charles, who was born to and abandoned by a drug-addicted mother, introduced me to the foster father who is trying to adopt him.

There are already many generous Americans who understand the importance of children's hospitals to the healths of children and families. They've given large amounts of their time and fortune to support these institutions.

But children's hospitals can't survive on private donations - no matter how large - alone. Government support is crucial to these hospitals' abilities to provide all sick children access to needed specialized care.

That is why every American should think about the debate going on today - one that will decide who will pay for health care and who will get it.

Medicaid currently pays for the hospital stays of nearly half of all patients at our children's hospitals.

But Medicaid isn't just for poor people. It is the primary source of health coverage for nearly a quarter of all children and a third of all babies in this country.

The program helps millions of working parents pay their

medical bills without turning to welfare or skimping on food for their families. It also supports the care of children many insurance companies refuse to cover - those born with chronic, long-term diseases such as spina bifida - and helps to make sure they lead comfortable lives for as long as possible.

If current Medicaid cuts go through, children's hospitals would have to abandon a variety of important services for all their patients. There are not enough privately insured children to support the facilities, equipment and specialists all sick children, whether rich or poor, need.

Hospitals would have to raid their research budgets to pay for supplies. And training programs for young pediatric specialists could become less effective if there are fewer patients to treat and learn from.

Our public hospitals, already sorely pressed for resources, can't be counted on to pick up where these hospitals could be forced to leave off.

Children aren't just miniature adults. Their bodies are completely unlike ours. Their heart rates are faster. They respond differently to viruses and bacteria. And doctors often need to use specially-designed instruments to treat children.

Imagine what could happen if there were no hospitals that focused exclusively on treating and teaching doctors how to treat children. Sadly, there are already many parents who can tell us. In South Carolina, for instance, a five-year girl died on the way to a children's hospital after the first hospital she visited tried to use equipment designed for adults to remove a sunflower seed from her windpipe. **{{{Liability note -- the family is still litigating, so the hospital, doctor involved have not been found guilty of negligence. They still maintain they did the right thing))))**

Many of us who are parents know what it is like when a child is very sick. Nothing else in the world matters to us. Will he or she feel better? Is this a passing flu or the beginning of something more serious? As parents, we want answers and we want cures, no matter the cost.

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THE WASHINGTON POST
TUESDAY, APRIL 2, 1996

E. J. Dionne Jr.

The First Lesson: Parents Matter Most

Sure it was good for all those governors to get together with business leaders last week and say our schools have to do a better job. Who can disagree with the education crusade mounted by Louis Gerstner, the chairman of IBM, who declared: "It's time to stop pointing fingers and assigning blame, it's time to stop debating, it's time to stop making excuses, it's time to set standards and achieve them." Well, of course.

But we have been debating this education issue for a long time, and we're still not satisfied. Perhaps, as Gerstner suggests, it's time for a different diagnosis, and here's a suggestion: As a country, we don't care about education nearly as much as we enjoy using the education issue as an opportunity to grind our favorite ideological axes, whether against inequality or against teachers' unions or against the lousy values said to permeate our society.

Such a conclusion does not apply to the millions of parents who care greatly about the schools. But the latest rally in the education crusade will bring yet more disappointment if we don't face a few truths.

Parents matter most.

Mounds of studies show that the more time parents spend doing simple things with their young children—for starters, talking with them and reading to them—the better they do in school. "If every parent in America made it their patriotic duty to find an extra 30 minutes to help their children learn more, each and every day, it would literally revolutionize American education," Education Secretary Richard Riley said earlier this year. Exactly right. But what are we doing to encourage this?

Being serious about helping kids do well in school means changing the incentives as to the relative value we place on work outside the home and child-rearing. Among all the tax-cut proposals floated in recent years, the most constructive was put forward by Elaine Kamarck, now on Vice President Gore's staff, and William Galston, formerly of President Clinton's staff.

They suggested that serious tax relief be concentrated on middle- and lower-income families with children under 6 years old. These are the families in which parents face great pressures to work more to make ends meet, but also desperately want more time with their kids in the crucial early years. Reducing the financial pressures on such families is step number one in education reform.

It would also help to give a hand to parents who passionately love their kids but may themselves lack basic reading or math skills. In 1992 President Clinton touted programs to help such parents teach their preschool children how to read and count. Perhaps in 1996 we can get something done.

Money matters, too.

Money alone doesn't guarantee good schools. Some school systems waste a lot of it. But money helps. That's why well-educated parents in our wealthiest suburbs tax themselves rather severely to pay for better schools. Michigan Gov. John Engler won support for his education finance reform initiative even from politically hostile quarters because voters confronted stark facts. The state's poorest school districts spent in the range of $3,200 to $3,500 per pupil. The state's richest district, Bloomfield Hills, spent $10,500 per pupil. If money didn't matter, Bloomfield Hills wouldn't spend so much of it.

The schools are being asked to do too much.

Name a social problem—drugs, alcohol dependency, racism, violence, teen pregnancy—and you will find someone demanding a school program to deal with it. We used to expect such problems to be dealt with in the home or in the churches. No, we don't want "value-free" schools. All of us want schools to teach the evils of drug use and prejudice. But the more social problems we dump on our schools, the less time they'll have for the basics.

Cheap slogans are cheap.

The great irony of this education debate is that reformers point to how much better other countries are doing without noting that most of our competitors have highly centralized education systems with strict standards set by national officials. It's taboo to suggest that if education is a national problem and if we're so upset with how poorly so many of our local schools are doing, Washington might have a constructive role to play. No, I'm not suggesting a federal takeover of education.

But if national companies such as Louis Gerstner's IBM can think in national and global terms, why is it so awful to think about the federal government addressing education as a national problem? We say it is a national problem all the time, but we don't seem to mean it.

Richard Cohen

In a Day's Work

Paul Johnson, a formidable public intellectual and the author of "Modern Times" and "A History of the Jews," to name just two of his books, was chosen by The Washington Post to review a very important new book, Daniel Jonah Goldhagen's "Hitler's Willing Executioners." Its subtitle is "Ordinary Germans and the Holocaust" and, really, the book is precisely about that: an indictment not of the Nazis but of all Germans.

For obvious reasons, the book is not likely to receive a very cordial reception in Germany. But, then, it didn't get a very cordial reception from Johnson, either. He accused Goldhagen of lacking historical perspective and therefore of seeing the Holocaust "as a unique event." And that, Johnson intones, is "profoundly and dangerously unhistorical."

"The truly dreadful thing about mankind . . . is that many peoples, in certain circumstances, are capable of genocide," Johnson writes. He mentions what Turkey did to its Armenian population in 1915, and he might have mentioned the Hutus and Tutsis of recent times or—as the China expert Ross Terrill tells us—the grisly murders, massacres and cannibalism of China under Mao. Terrill's accounts are as tough to read as anything Goldhagen has written about the Holocaust.

Johnson's review was certainly provocative and in some ways argumentative but, I think, right on the nose. I haven't the foggiest whether Goldhagen is a model of a Holocaust scholar or, as Johnson suggests, someone out of his depth. I do know that for too long now the Holocaust has been explained in ways that have, as Johnson noted, made it seem a unique historical event, without precedent or parallel, "owned" by Jews exclusively and sometimes given semireligious status, like a biblical event. The upshot may well be to fence off the Holocaust, to suggest—no matter how inadvertently—that it has little to say to anyone other than the victims and the perpetrators, Jews and Germans.

It's odd, though, that Johnson uses the Goldhagen book to make his point. This is not the first book to argue that Germans killed Jews without much—or any—hesitation. Christopher R. Browning's "Ordinary Men" made somewhat the same point, although his killers, while unexceptional, were animated more by peer pressure than by race hatred. What matters most to me is that they were mostly not hard-bitten Nazis but ordinary guys drafted in the ordinary way. In no time at all, they were crack genocidists.

Goldhagen makes that point even sharper. He produces evidence that some German officers actually brought their wives to the killing fields to show what they did at their version of the office. Later, they all had dinner and recorded everything in letters or diaries. Clearly they did not consider their actions shameful.

In some ways, of course, the Holocaust was unique. For one thing, the perpetrators were not some primitive people but the very culture that produced Beethoven and Goethe, not to mention Einstein and Mendelssohn. For another, the resulting literature has easily dwarfed anything written about other historic calamities. The library of the Holocaust Memorial Museum here holds some 20,000 volumes, and 1,500 or so are added annually. "Brothers, write it all down," said the historian Simon Dubnow shortly before he was murdered by the Germans. And they did.

Goldhagen, in his book, is determined to pin this monstrous crime on the Germans and their anti-semitism. He has little patience with theories or excuses—that the killers "followed orders," that they were induced by peer pressure to murder, or that they were mere paper shufflers, technocrats and eyeshade functionaries whose evil was banal. No, Goldhagen's are enthusiastic killers, sadistic bigots and so thoroughly rotten that you cannot believe they were members of the human race.

To my mind, though, all that just puts the Holocaust in the company of other genocides. For the German soldier who was photographed shooting a mother and her baby, there are, more recently, the Serbian women who reportedly sexually mutilated Muslim men. For Babi Yar there is Srebrenica. The difference is not intent but organizational ability. In that respect, the Germans had it all over the Serbs.

If each individual is unique, then his or her murder is a unique event. So, too, mass murder. And yet it is not something that happened just once and could never happened again. It is something that happens time and time again. Johnson is right, and so is Goldhagen, and that, of course, constitutes a warning. Genocide is the ordinary work of ordinary people.

THE WASHINGTON POST
TUESDAY, APRIL 2, 1996

FIRST LADY HILLARY RODHAM CLINTON
REMARKS FOR THE CIRCLE OF CARE CONFERENCE
THE NATIONAL INSTITUTES OF HEALTH
SEPTEMBER 27, 1995

[Acknowledgements: Dr. Harold Varmus; Scott Oki, organizer of Circle of Care; David Nathan, Physician-in-Chief at Children's Hospital in Boston]

Thank you all very much for inviting me to join you for this historic discussion of children's hospitals and their vital place in our health care system. It is a privilege to be a part of such a formidable gathering of concerned citizens and health care professionals and to serve as honorary chair of the Circle of Care.

I have been very fortunate in my life to have been associated with Children's Hospitals, particularly Arkansas Children's Hospital, where I served on the board and helped raise money, and where my daughter was born.

Like many of you, I have experienced children's hospitals as a parent and I think we all agree that there is something undeniably special about these hospitals.

I know from my experience on the board of Arkansas Children's what it takes to raise private funds through private philanthropy. And it is because of committed, dedicated, and generous citizens like you that these hospitals continue to lead the way in the research and treatment of children's diseases, as well as the training of doctors and specialists to care for children.

I also know that the continued existence of children's hospitals depends on government support -- support that appreciates the important differences that go into the treatment of children and adults.

It is fitting that this first Circle of Care conference is being held here at NIH, which is synonymous with so much of the cutting edge medical research being done in our country.

NIH is a symbol of our government's historic commitment to medical research. Similarly, the cardiologists, radiologists, oncologists, surgeons, and nephrologists at children's hospitals around the country were able to develop their expertise and training because the federal government decided to help defray the costs of training these medical specialists twenty years ago.

It is precisely that commitment to medical research and to

our academic health centers that is at risk in the current debate going on in our country over health care today.

It is a debate filled with statistics, policy statements, and budget numbers. But behind the charts and graphs and position papers, it is really a debate about our core values as Americans -- about what we believe in, how we define ourselves as a people, and how we envision our future.

Throughout our history, we have thought of ourselves as an American family. A family whose greatest priority was our children. A family that was committed to helping the most vulnerable among us -- so that they, in turn, could help themselves.

As Americans, we have always prided ourselves on our compassion . . . and on the high expectations and aspirations we hold for our children and for ourselves as a people.

For decades, this has been the American way: to put people, especially children, first. And because we have adhered to the American way, the American Dream has stayed alive for generation after generation and our country has remained the strongest on earth.

But today, we are losing our sense of ourselves as an American family. We are allowing ourselves to be torn apart, divided, put in competition with each other over resources that are ever more scarce.

As the traditional underpinnings of our larger family are undermined, individual families are being jeopardized.

Most parents in America are working as hard as they can to be good parents. I have met with working women across our country over the last few months, and I know that they and their husbands are making huge sacrifices to put food on the table, pay the mortgage or rent, cover the medical bills, and instill an ethic or work and responsibility in their children.

Of course, parents bear the primary responsibility for their children, and they should. Parents must provide the care, nurturing, love and discipline that every child needs.

As the National Council of Catholic Bishops said in a pastoral letter in 1991 entitled, Putting Children First: "No government can love a child, and no policy can substitute for a family's care."

But at the same time, the Bishops go on to say: "Government can either support or undermine families as they cope with the moral, social, and economic stresses of caring for children."

Let's not fool ourselves. National policies -- whether they are about education, health care, work, welfare, taxes -- are mirrored every day in the lives and experiences of our children. And government has played an invaluable role in safeguarding the interests of children and their families.

Unfortunately, what is happening today is no less than a rejection of America's historic commitment to children.

Today, the social safety net known as Medicaid is being dismantled at breakneck pace. It is being dismantled with very little discussion and no real dialogue. Decisions are being made in great haste -- not only about who pays for health care in America -- but about who gets health care, and who doesn't.

We are all for balancing the budget. And we are all for giving states greater flexibility to administer programs.

But as the President has said many times, there is a right way and a wrong way to get our economic house in order.

The wrong way is to cut health care coverage for millions of children, disabled citizens and the poorest of older Americans -- all to finance a $245 billion tax cut for the wealthiest families in our country.

Let's not confuse flexibility with what is really going on here: raw and mean-spirited budget cuts that affect real people.

Medicaid is the primary source of health coverage for nearly a quarter of all children in America -- and one third of children under age 3. More than half of those children live in families with working parents -- parents who are not receiving welfare checks.

Medicaid is the primary source of health coverage for millions of children who are disabled or who suffer from chronic illnesses.

Medicaid is the primary source of health coverage for 9 out of 10 children with HIV and AIDS.

Medicaid is the primary source of prenatal and maternal health care for low-income pregnant women.

Medicaid is an important source of coverage for older Americans living in extreme poverty or with serious disabilities, and the largest insurer for over two-thirds of nursing home residents.

It is a lifeline -- literally -- for millions of children and families in America.

Ripping apart this safety net is not the American way.

It is not the American way to deny infants the shots they need to stay healthy.

It is not the American way to deny treatment to children who are disabled or desperately ill.

It is not the American way to punish hard-working parents whose family health coverage vanishes with a job change.

It is not the American way to make the oldest among us give up their possessions and live a life of poverty to pay for a spouse's nursing home costs.

Cutting $182 billion from the Medicaid program will force families to make grim choices -- choices between health care for their children or nursing home care for parents, choices between education and vaccinations, between food and prescription drugs.

You of all people alsoknow that it will mean grim choices for children's hospitals. Children's hospitals represent only one percent of all hospitals, but they provide vital health care services to many children -- including the poorest, sickest and most vulnerable.

They devote nearly half of their care to children of low income families and more than three-quarters of their care to children with chronic or congenital conditions.

They care for the premature baby who needs intensive care for the first months of his life and extensive rehabilitation therapy for years to come. For the small child who is severely injured when she is hit by a car and sent to a pediatric intensive care unit at a nearby children's hospital.

And they care for the eight year old boy who contracts viral encephalitis, loses his health insurance, and is covered by Medicaid because of his high medical costs and severe disabilities.

The proposed cuts in Medicaid will be particularly devastating for children's hospitals. Medicaid patients on average account for 46 percent of the inpatient days in these hospitals.

As you well know, it costs more to care for sick children than adults. And children's hospitals are not able to shift these higher costs to adult patients like other hospitals can. Already Medicaid pays children's hospitals on average less than 80 cents for every dollar spent to care for a child. The impact of a $182 billion in Medicaid is clear; children's hospitals

simply will not be able to provide all of the crucial health services that they do today.

We need to protect the safety net provided by our children's hospitals. A safety net that enables children to continue to have access to desperately needed specialized care. That continues to train pediatricians and other care-givers for children. And that pursues research on the prevention and treatment of childhood disease.

As this health care debate continues in the weeks and months ahead, I hope that policymakers, wherever they are, begin to think about these issues not as partisans, but as parents.

I hope that they will not get so wrapped up in statistics and policy papers, budget battles and partisan rhetoric that they forget the most basic concern of all: the well-being of all of America's children.

Many of you know from your own experience what it is like when your child is very sick. Nothing else in the world matters to you. Will he or will she feel better? Is this a passing flu or the beginning of something really threatening? Is the life of the most precious person in the world in any danger? As parents, we want answers and we want cures. And we want them fast.

As parents, we use our wisdom and knowledge to plan ahead for the health of our children. We make sure they get the shots they need. We try to get them to eat right. We try to avoid exposing them to other kids who might be sick. And when they do get sick, we try to get treatment from doctors and nurses trained in children's medicine.

But suddenly, when it comes time to legislate and make policy, parents turn into partisans and good parental instincts retreat.

Would we ever say as parents that only one of our four children could go to the doctor, or get a vaccination, or have a hearing test? Of course not. We would demand the right to take each of them whenever they needed care.

Would we ever say as parents that a child of our own with spina bifida or cerebral palsy no longer deserves treatment and care? Of course not. We would give up the summer vacation and the new car to make that child's life as pain-free and as fulfilling as possible.

But in a precipitous and even reckless attempt to meet fixed budget targets, we are now as a society doing things we would never do as parents. We are ratcheting back the medical care our children. We are violating our most sacred duty and value: caring

for your young.

How can we legislate what we would not approve as parents? How can the restriction of medical care for our children become the public policy of our nation?

The answer is it must not.

As the Bishops said in their pastoral letter: Our children are our present. Our children are our future. Our children are a test of our humanity and our faith.

And our children are hurting.

Thank you for doing your part to ensure that every child in America has the opportunity of health care and the chance for a healthy and productive life.

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Impact of the Republican Budget Cuts On Children

- Health Care
- Disabled Children
- Education
- Tax Increases
- Nutrition
- Public Health and the Environment
- Child Safety Net
- Energy Assistance
- Housing

A State-by-State Analysis

EMBARGOED
For Release
October 23, 1995, 7:30 a.m.

IMPACT OF REPUBLICAN BUDGET CUTS ON CHILDREN IN AMERICA

October 23, 1995

IMPACT OF HEALTH CARE CUTS ON CHILDREN IN AMERICA

Eliminates Medicaid coverage for as many as 4.4 million children nationwide in 2002. Currently, more than 20% of children rely on Medicaid for their basic health needs. Medicaid pays for immunizations, regular check-ups, and intensive care in case of emergencies for about 18 million children in America.

- **The Republican budget cuts federal Medicaid funding by $182 billion over seven years, reducing funding to states by 30% in 2002.**
- **Even if states could absorb half of the cuts by reducing services and provider payments, they would still have to eliminate coverage for 8.8 million people, including 4.4 million children in 2002, based on analysis by the Urban Institute.**
- **Among the children who could be denied coverage, many are disabled.** Medicaid often makes the difference between whether or not a disabled child lives at home with their parents. Medicaid provides for items such as wheelchairs, communication devices, therapy at home, respite care, and home modifications. Without these services, parents may be forced to give up their jobs or seek institutional placement for their children.

Jeopardizes immunizations for children. The Republican budget repeals the Vaccines for Children program, putting at risk at least $1.5 billion over seven years that would otherwise provide vaccinations for children.

Denies 1 million women Healthy Start infant mortality services, affecting the births of 74,000 infants each year. The Healthy Start project provides vital prenatal and health care services to women of childbearing age. The House calls for an excessive 52% cut in 1996.

IMPACT OF CUTS ON CHILDREN WITH DISABILITIES IN AMERICA

Denies as many as 755,000 disabled children SSI cash benefits in 2002. The House welfare bill eliminates federal Supplemental Security Income benefits for as many as 55% of the disabled children expected to receive SSI cash benefits in 2002 under current law. Federal SSI cash benefits for children with disabilities will be cut by as much as $21.7 billion over seven years, affecting 755,000 disabled children nationwide.

TAX INCREASE ON WORKING FAMILIES WITH CHILDREN IN AMERICA

More than 23 million children in America live in working families that will have their taxes raised by an average of $415 in 2002 under the Republican budget. The Senate Finance Committee has approved a $43 billion tax increase on working families by reducing the Earned Income Tax Credit. Families with two or more children in America will face an average tax increase of $483.

IMPACT OF EDUCATION CUTS ON CHILDREN IN AMERICA

Denies Head Start to 180,000 children nationwide in 2002. The successful Head Start program helped 50,000 preschool children in 1995.

Denies 1.1 million children basic and advanced skills in 1996. The Republican budget cuts Title I by $1.1 billion -- a 17% cut in 1996 -- denying Title I funding for 1.1 million disadvantaged students nationwide.

Cuts Safe and Drug Free Schools by 55%, denying more than 23 million students services that keep drugs and violence away from children, their schools, and their communities. The Republican budget walks away from the Safe and Drug Free School program, the only federal program solely dedicated to combating alcohol and drug abuse, and violent behavior in our nation's schools.

Eliminates Goals 2000, denying improved teaching and learning for as many as 5.1 million school children in America in 1996. Under the Republican cuts, 12 million children would be denied improved education by 2002, compared to the President's balanced budget.

Eliminates the AmeriCorps National Service program, denying 50,000 young people the opportunity to serve their communities in 1996.

Eliminates summer job opportunities for nearly 4 million youths over the next seven years. The Republican cuts will prevent millions of youths from participating in meaningful summer job experiences that help prepare them to be active contributors in the workforce and the community. The House plan completely eliminates this program, cutting about 600,000 job opportunities in 1996 and nearly 4 million summer jobs by 2002.

IMPACT OF NUTRITION CUTS ON CHILDREN IN AMERICA

Cuts nutrition assistance for 14 million children in America in 2002. The House Republican budget cuts foods stamp benefits for families with children by $28.1 billion over seven years and by 24.5% in 2002.

Could force 32 million children to lose nutritional support or suffer from diminished food assistance in 2002. The House Republican budget block grants funding for the school lunch and WIC program. Nationally, their budget reduces funding for child nutrition programs by more than $10 billion over seven years and 11% in 2002, compared with current law.

IMPACT OF PUBLIC HEALTH AND ENVIRONMENTAL CUTS ON CHILDREN IN AMERICA

Leaves children exposed to hazardous waste. The Republican budget cuts threaten EPA's efforts to protect the health of children living near more than 200 hazardous waste sites nationwide. Spending on toxic waste cleanups will be reduced by 36% in 1996, $560 million below the President's balanced budget in 1996.

- **Nationally, *five million children* under the age of four live within four miles of a Superfund hazardous waste site.**

Pollutes the air that children living near oil refineries breathe. These refineries emit more than 78,000 tons of toxic air pollution each year, putting children in the surrounding communities at risk of serious health problems, including cancer and respiratory illnesses such as asthma. The Republican budget halts the President's effort to protect the health and safety of children living near these refineries.

Jeopardizes the water that children drink. Republicans are cutting low-interest loans to cities and towns for drinking water treatment facilities by $700 million in 1996. This cut will take away the funds needed by states to upgrade facilities to ensure that local drinking water has been treated to eliminate contaminants.

Reduces new funding to keep water clean by 33% compared with the President's balanced budget. The Republican cuts will eliminate protections that keep sewage away from waters where children in live and play.

IMPACT OF CUTS ON SAFETY NET FOR CHILDREN IN AMERICA

Denies 404,000 children child care assistance in 2002. The House welfare bill block grants and cuts federal child care funding for low-income children by $2.8 billion over seven years.

Cuts foster care and adoption for vulnerable children by $6.3 billion over seven years compared with current law. The House welfare bill cuts child protection for abused and neglected children by 19% in 2002.

Eliminates cash assistance for 77,000 children in America simply because they were born to unmarried mothers under 18, when the House welfare bill is fully implemented in 2005.

Cuts assistance for 3.3 million children in America simply because their paternity has not been established, when the House welfare bill is fully implemented in 2005.

IMPACT OF ENERGY CUTS ON CHILDREN IN AMERICA

Eliminates home energy assistance for about 6 million children in America. The House Republican budget completely eliminates this $1.3 billion program that helps low-income families with their home heating and cooling bills, leaving families with the tough choice of staying warm in the winter or having enough money to eat.

Denies about 65,000 children in America protection from bad weather conditions. The Republican budget cuts weatherization assistance for families' homes by $118 million in 1996. Lower energy bills allow families to spend more money on basic needs.

IMPACT OF HOUSING CUTS ON CHILDREN IN AMERICA

Denies assistance to more than 16,000 homeless children. The Republican budget cuts homeless assistance by 40% in 1996, cutting funding for the homeless by $444 million in 1996.

Forces the families of 3.4 million children to pay more rent. The Republican budget raises rents by an average of $200 a year for the 1.4 million low-income families with children assisted by Section 8. The median income of these families is only $6,800.

Denies families of 74,742 children the opportunity to move from public housing to renting their own home. The Republican budget eliminates funding for new Section 8 certificates and vouchers, denying rental assistance to low-income families and children who wish to live in privately-owned housing.

Eliminates protection for 1 million children nationwide from drugs and drug-related crimes in public housing. The Republican budget zeroes-out the Public Housing Drug Elimination program which protects more than 1 million children living in public housing nationwide from drugs and drug-related crimes. The Republican budget eliminates $290 million for public housing tenant patrols, local law enforcement activities, security personnel, and physical improvements to improve security.

184,000 children will be forced to remain in poor and unsafe housing conditions. The Republican budget cuts public housing modernization nationwide by $350 million, severely hindering efforts by housing agencies to rehabilitate run down public housing projects and provide much needed security and anti-crime programs.

213,000 children will have to go without basic housing needs. The Republican budget cuts public housing operating subsidies nationwide by $400 million -- a cut of 14% in 1996 -- forcing local agencies to neglect basic housing needs, such as fixing leaking ceilings and broken windows and providing security and social services.

Methodology for Computing the Impact of the Republican Budget Cuts on Children

Health Care
Estimates of the number of children who will be denied Medicaid coverage and each state's dollar losses are from HHS based on the House Commerce Committee's Medicaid formula as of September 18, 1995, and analysis from the Urban Institute. The percent of children covered by Medicaid by state is from the March 1994 Current Population Survey. The estimate of the national loss of federal funding for vaccines under the House Republican Medicaid plan is from HHS. Cuts in Healthy Start programs are based on the House-passed appropriations bill, assuming an across-the-board reduction in each Healthy Start program.

Supplemental Security Income
Estimates of the SSI cuts and the number of disabled children that will be denied SSI cash benefits in 2002 are from the Social Security Administration, Office of the Actuary, October 18, 1995, based on the House-passed welfare bill (H.R. 4).

Earned Income Tax Credit
Estimates of the number of children in families that will have their taxes raised by the Senate Finance Committee cuts in the EITC and the average tax increase are from the Treasury Department, October 19, 1995.

Education
Estimates of the cuts in education are based on the House-passed appropriations bill. Estimates of the number of students and schools affected are from the Education Department.

Nutrition
Estimates of the cuts in Food Stamps, child nutrition, and WIC, and the number of children affected are preliminary estimates from USDA based on the House-passed welfare bill (H.R. 4). The number of children participating in the school lunch, child and adult care food program, and WIC is for 2002, when the proposals would be fully implemented.

Public Health and the Environment
Estimates are from the EPA based on the House-passed appropriations bill.

Safety Net
Estimates of the cuts in AFDC, child care, foster care and adoption are from HHS based on the House-passed welfare bill (H.R. 4).

Energy
Estimates of the number of children who would be denied aid from the Low-Income Home Energy Assistance Program (LIHEAP) under the House-passed appropriations bill are from HHS. Estimates of the number of children who would lose assistance from Energy Conservation Weatherization Grants under the House-passed appropriations bill are from the Energy Department.

Housing
Estimates of the number of children affected by the provisions in the House-passed appropriations bill are from HUD.

1ST STORY of Level 1 printed in FULL format.

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HEADLINE: Children At Risk - Danger to Kids in Emergency Rooms

GUESTS: JOSEPH WEINBERG, M.D., Pediatric Emergency Care Expert; MARTHA BESCHORR, M.D., Pediatric Emergency Medicine Expert; DARLA SEWARD, Tim's Mother; JAMES SEWARD, Tim's Father; BRENDA PRIVETTE, Miranda's Mother; MEL PRIVETTE, Miranda's Father

HIGHLIGHT:
Catherine Crier reports on how lack of pediatric training and lack of child-sized equipment in most U.S. hospital emergency rooms can mean children taken there for treatment are at risk of injury, even death.

BODY:
HUGH DOWNS, ABC News: Good evening. I'm Hugh Downs.

BARBARA WALTERS, ABC News: And I'm Barbara Walters and this is 20/20.

ANNOUNCER: From ABC News, around the world and into your home, the stories that touch your life, with Hugh Downs and Barbara Walters - this is 20/20.

Tonight, a 20/20 investigation that could save your child's life. There's something very wrong with emergency room care for kids.

MARTHA BESCHORR, M.D., Pediatric Emergency Medicine Pioneer: [sp?] Many children have died and continue to die for preventable causes.

ANNOUNCER: Does your emergency room know kids have different symptoms, different bodies than adults? She inhaled a sunflower seed, but doctors couldn't save her. A simple test could have saved this baby's life, but the doctor didn't know it.

JAMES SEWARD, Tim's Father: I figured this doctor knew what he was doing.

ANNOUNCER: Catherine Crier reports what doctors do to save your life could kill your child - 'Children At Risk.'

And the crime was an outrage. The victim won millions of dollars. But wait till

you hear what his 26 lawyers want from taxpayers: more than $4 million.

MILTON C. GRIMES, Esq., Attorney For Rodney King: There is no scam here. I submitted a bill for work.

ANNOUNCER: Is this what lawyers call work?

JOHN STOSSEL, ABC News: Four thousand dollars to talk to Sam Donaldson?

ANNOUNCER: And thousands more to go to movies, on trips and TV shows.

JOHN STOSSEL: They've found a new group of suckers: the taxpayer.

ANNOUNCER: John Stossel with a new outrage - 'The $4,000,000.00 Bill.'

Plus, one of the richest men in America. In the world of entertainment, he's the name to know. Tonight, a rare profile of billionaire showman David Geffen.

DAVID GEFFEN, Producer: Anybody who thinks money will make you happy hasn't got money.

ANNOUNCER: He's the genius behind hit records, smash movies, big plays, and the man who brings you Tom Cruise as a vampire. How did he make it? What has he learned along the way?

DAVID GEFFEN: There's your plan and there's God's plan, and your plan doesn't matter.

ANNOUNCER: Barbara Walters with an incredible success story, 'The Geffen Touch.' Those stories tonight, November 11, 1994, after this brief message.

[Commercial break]

Children At Risk

HUGH DOWNS: To begin, an urgent warning: you may be putting your child at risk by using the hospital emergency room. That's an alarming fact that's recently been reported to the government, but which many of you haven't heard. We spent the past year investigating emergency care for children, and what we found is dramatic evidence that putting your child in the hands of the emergency room staff could be a fatal mistake.

BARBARA WALTERS: What emergency room doctors should know, but often don't, is that children exhibit different symptoms, have different bodies than adults. This is a critical factor in treating children in hospital emergency rooms.

[voice-over] As Catherine Crier's investigation will show you, it can mean the difference between saving a child's life and losing it.

CATHERINE CRIER, ABC News: [voice-over] It's a moment all parents dread. A child has a sudden high fever or is hit by a car and rushed to the hospital, but things go terribly wrong. The child survives, but is disabled or the unthinkable happens: the child dies.

[on camera] The emergency room doctors, nurses and paramedics try to console the parents, saying sincerely, 'We did everything we could,' but did they? Were they fully aware of the special training and equipment needed to save the life of a child? According to a 1993 advisory report to the government, the hospitals and ambulance in your area may not be properly equipped for pediatric emergencies.

[voice-over] Dr. Joseph Weinberg [sp?] is a national expert on pediatric emergency care. He thinks most parents don't realize the inadequacies in the emergency medical system when it comes to kids.

JOSEPH WEINBERG, M.D., Pediatric Emergency Care Expert: I think most parents assume that the ambulance that drives up to the door, the emergency department that they take their child to will be able to take care of that child.

CATHERINE CRIER: [voice-over] Well, why can't they? The main problem is that most emergency personnel - doctors, nurses, paramedics - were trained to work primarily with adults, treating problems like heart attacks. Less of their education was devoted to treating children. Combine that with the fact that only one percent of the emergency departments in the country are devoted to pediatrics and you are left with a huge gap in emergency services for kids. That gap can cause trouble because children are not just little adults. There are crucial differences.

For one, children have faster heart and respiration rates than adults, so what may look like normal rates in a child can actually be signs of serious trouble. There can even be different symptoms for the same illness. With meningitis, for instance, an adult has a stick neck, while a child's neck remains flexible. Without child-size equipment, there can be grave consequences. There are cases where an adult-sized ventilation bag used on a child actually burst the child's lungs.

Dr. Martha Beschorr is a pioneer in pediatric emergency medicine who has fought relentlessly for change. She wants every community to have a system that would designate certain hospitals as specially equipped to handle pediatric emergencies, but this idea hasn't always been welcomed by hospitals.

MARTHA BESCHORR, M.D., Pediatric Emergency Medicine Expert: The hospitals present themselves to the public as being capable of all things, and that may or may not be true.

CATHERINE CRIER: [voice-over] Dr. Beschorr has witnessed how deadly these gaps in the system can be. At times she seems haunted by the memories of children who have become her patients after they've received inadequate emergency care.

Dr. MARTHA BESCHORR: I see the faces and remember the names of children who I have watched die or I have known became brain-damaged for reasons that were unnecessary.

CATHERINE CRIER: [voice-over] Take the case of two-and-a-half-year-old Timothy Seward, who died nearly four years ago. To this day, his family - his father James, two older brothers, and his mother Darla - remains stunned by Tim's sudden death.

DARLA SEWARD, Tim's Mother: He was a beautiful boy, a sunshine. That's what he- I used to call him that, 'Sunshine.'

JAMES SEWARD, Tim's Father: He had the best smile in the world. He was- he was just a very warm person.

CATHERINE CRIER: [voice-over] It was a Friday night in January of 1991. Tim had bronchitis and was on antibiotics. He woke up vomiting and his hands and feet were cold, so Darla called Tim's pediatrician.

DARLA SEWARD: He says, 'Take him to the emergency room right now. If it's something really wrong, they'll keep him there.' I said okay, fine.

CATHERINE CRIER: [voice-over] Darla and James took Tim to the emergency department at Sentara Hampton General Hospital in Hampton, Virginia, where Dr. Hedley Mendez [sp?], a board-certified emergency physician, was on duty. The nurse's notes on Tim's chart said, 'Mother states the child is losing temperature in body and vomiting and abdominal pains.' Tim's vital signs all seemed normal, with the exception of his temperature which was 95.5, so low the nurse categorized Tim as 'urgent.' Dr. Mendez then examined Tim. His diagnosis: gastroenteritis - upset stomach.

[on camera] But pediatric experts 20/20 has talked to say Dr. Mendez should have kept Tim to further investigate whether he was seriously ill. For instance, some of Tim's symptoms could have indicated he was going into shock, which can be life-threatening. The trouble is, a child going into shock looks different than an adult. Dr. Mendez apparently didn't recognize this.

[voice-over] Perhaps one of the reasons was that Tim's blood pressure was normal. Unlike adults, whose blood pressure gradually decreases when in shock, a child's remains normal and drops suddenly just before death. Dr. Mendez also failed to perform a simple test that experts say would have red-flagged Tim's condition. It involves pressing down on a child's fingernail. If it takes more than three seconds for the blood to return, that is an indication of shock.

Another sign of shock is lack of alertness. With adults, you can test for this by talking to them, but with small children, you have to get them to move - for instance, to walk around - to see if they're responsive. Experts say Dr. Mendez didn't properly test Tim's alertness. Instead, after the exam, he instructed Darla to take Tim to his pediatrician in the morning, and sent them home.

[interviewing] Did the doctor ever act like this works any big deal at all?

DARLA SEWARD: No. I was very upset at that point, but at the same time, I kept thinking, 'He's a doctor. He knows better than I do, and I'm just overreacting.'

CATHERINE CRIER: [voice-over] A short while later, they were at home asleep. The apartment was deceivingly calm and quiet. As night became day, little did Darla realize that Tim was slowly slipping towards death. In the morning when she went to check him, he wouldn't even wake up. Darla called 911. The ambulance rushed Tim to a nearby hospital, but it was too late. Shortly after they arrived, Tim died.

DARLA SEWARD: What went wrong, you know? I took baby to the emergency room the night before. He came home and then he's gone and I was angry, but I was really confused and I didn't know what had happened to my baby. And when I saw him, I say, 'Baby, Mummy's so sorry, so sorry, Baby, that Mummy didn't take you nowhere else.' And I sat there and I looked at him and I held him, and I just cried.

CATHERINE CRIER: Did you think you'd done everything you were supposed to do to help Tim?

JAMES SEWARD: Yes. I figured this doctor knew what he was doing and I took his word on it.

CATHERINE CRIER: [voice-over] The medical examiner said that Tim died due to complications from the flu, 'probably primary influenza pneumonia or toxic shock syndrome.' The family sued Dr. Mendez and he was found negligent. In his defense, he said that his examination of Tim was thorough. Dr. Mendez no longer works at Hampton General and he did not respond to 20/20's request for an interview.

The hospital, which was not found negligent in this case, says they're well-prepared to handle pediatric emergencies. That may be true, but there are no laws or regulations which say they must have the right personnel and equipment. That's true for most hospitals in the country. New Jersey decided that was a problem and, in 1992, passed the first law mandating a statewide system for pediatric emergency care. All paramedics must now take new courses in pediatrics because so little of their original training was devoted to it. Only three other states have laws like New Jersey's addressing this national problem.

Another example of this national problem, according to experts 20/20 has spoken to, involves the case of Miranda Privette, who lived in Rock Hill, South Carolina. A little over a year ago, this five-year-old was playing in the yard when her mother Brenda suddenly noticed that Miranda was trouble.

BRENDA PRIVETTE, Miranda's Mother: She was just like almost turning blue on me, and she got enough of a breath and told me she had swallowed a sunflower seed.

CATHERINE CRIER: [voice-over] Brenda did the Heimlich maneuver on Miranda and she started to breathe again, but the seed didn't pop out, so she took Miranda to Piedmont Medical Center, the closest hospital. The emergency room doctor saw from the X-ray that the sunflower seed was still in Miranda's airway, resting on her vocal cords. The seed was about this size and had the hull on it.

Even though it wasn't posing an immediate danger, the seed could move and block Miranda's airway again. Something had to be done. So a specialist for the airway, a pulmonologist, was called, Dr. Edward Creach. Miranda's parents, Mel and Brenda, agreed to let Dr. Creach try and remove the seed.

MEL PRIVETTE, Miranda's Father; I feel like that he wanted to help her. You know, he was trying his best to help her.

CATHERINE CRIER: [voice-over] But they didn't realize that Dr. Creach was an adult pulmonologist, and had treated relatively few children. He used a device much like this one, called a flexible bronchoscope, to remove the seed, but experts say it was the wrong equipment to remove a foreign object from a young

child's airway.

It consisted of a long tube - which was put into Miranda's airway through her mouth - and an optical apparatus which enabled Dr. Creach to look inside and locate the seed. Once he could see the seed, he inserted a basket retrieval device something like this one through the opening at the end of the tube. With it he tried to grab the sunflower seed and get it out of Miranda's airway. But Miranda was agitated, even though Dr. Creach had given her a sedative.

MEL PRIVETTE: They told Brenda to hold one arm and they told me to hold her legs and another nurse held her other arm.

BRENDA PRIVETTE: She was fighting. I kept telling them, 'Please check her, please check her,' and it was like she couldn't breathe. And then, all of a sudden, she just like stiffened up, and that's when I screamed.

CATHERINE CRIER: [voice-over] Dr. Creach removed the bronchoscope and Miranda's breathing improved, but the seed had moved further into her airway. At this point, Dr. Creach told Brenda and Mel he really wasn't the right doctor to do this after all.

MEL PRIVETTE: He told us that he didn't work with kids that small, he usually worked with adults, and at Piedmont they didn't have the instruments to do kids that small.

CATHERINE CRIER: What if he'd told you that to start with?

MEL PRIVETTE: We would have let him touch her.

CATHERINE CRIER: [voice-over] At this point, the doctors made arrangements to transfer Miranda to a hospital in nearby Charlotte, North Carolina, where they had lined up a pediatric specialist to take care of her. It was close to midnight as they were preparing to leave. Miranda was groggy, but she seemed okay. Mel carried her to the ambulance and rode with her to the hospital.

[interviewing] Now, when you carried her out, she was talking to you?

MEL PRIVETTE: Yes, ma'am. She told me she loved me, and she was scared. And I told her I wouldn't leave her.

CATHERINE CRIER: [voice-over] What Mel saw unfold before his eyes during the 26-minute ride to the hospital was a horrendous nightmare. Miranda began having apparent seizures and was given Valium, but it didn't help. The paramedic tried twice to place a tube in Miranda's airway to provide more oxygen, but was unsuccessful. Miranda was just getting worse. She went into respiratory arrest, then cardiac arrest. By the time she arrived at Carolinas Medical Center, she was brain-dead. Miranda was admitted to the intensive care unit where she remained in a coma.

[interviewing] Mel, when you went into the intensive care unit, what did you see?

MEL PRIVETTE: I just seen Miranda in this room, hooked up to all these machines.

CATHERINE CRIER: Did you ever see any change in her condition?

MEL PRIVETTE: No, ma'am. She went down.

CATHERINE CRIER: [voice-over] Eleven days after Miranda slipped into a coma, she died. What happened? How could things have gone so terribly wrong?

[on camera] 20/20 spoke to several pediatric specialists at major medical centers. They all agreed that the way in which Dr. Creach tried to remove the seed from Miranda's is acceptable in adults, but not in children. That's because a child's airway is so small it can be easily blocked by a bronchoscope like the one Dr. Creach used on Miranda. The experts said that a child her age should have had the seed surgically removed, using special equipment that would have allowed her to breathe. Had this been done, we're told, odds are high Miranda would not have died.

[voice-over] Miranda's parents have sued Dr. Creach and Piedmont Medical Center for malpractice. Both Dr. Creach and the hospital declined 20/20's request for an on-camera interview because of the pending lawsuit. Piedmont Medical Center, in a written statement, says that Miranda Privette received the best possible care from their staff, so for now Miranda's death remains a mystery.

Why, during the 26-minute ambulance ride, did she go from talking to her father to being brain-dead? Dr. Creach says he doesn't know what happened, but believes it's possible the sunflower seed blocked Miranda's airway again and choked her. He says he's not responsible for Miranda's death. Mel and Brenda are unconvinced and continue to search for answers.

BRENDA PRIVETTE: Really, my effort is finding out what did happen to her and nothing else.

Dr. MARTHA BESCHORR: I have a difficult time dealing with the stress of knowing that many children have died and continue to die for preventable causes. We can prevent it.

HUGH DOWNS: Catherine, do we have any idea how widespread this problem is?

CATHERINE CRIER: Well, people looking into this have just begun to categorize these sorts of cases as pediatric emergency cases, so because it's relatively new in terms of examination, there are not a lot statistics.

HUGH DOWNS: Yeah. Are there any signs of progress, though? And I know people are giving attention to this.

CATHERINE CRIER: Well, there are. There are pockets of change, but unfortunately, most hospitals haven't undertaken the kind of training and guaranteeing the equipment is there to insure that your child will necessarily have the best care in the emergency room.

HUGH DOWNS: Now, what can parents do to avoid this - anything?

CATHERINE CRIER: Well, this is very important, because parents must be consumers. They can call their pediatrician, say, 'Where do you practice? Where would my child go in an emergency?' Then contact that hospital or others in the

area and find out certain things. They should ask questions such as do they have a pediatric emergency department? Do they have a pediatric intensive care unit? And finally, are the doctors and nurses trained in pediatric emergency techniques?

HUGH DOWNS: Good thinking. Thank you, Catherine.

BARBARA WALTERS: Well next, some people are calling it an outrage. Guess what Rodney King's lawyers are charging taxpayers for working on his case?

[voice-over] One million, two million dollars? Think higher. John Stossel with some high-priced justice when we come back.

[Commercial break]

The $4,000,000.00 Bill

HUGH DOWNS: Have you ever gotten a bill that was so outrageously high - that seemed to out of proportion to the work done - that you felt taken? If so, we have a story for you. It's about an astronomical bill that's been handed to taxpayers in Los Angeles and guess who it comes from? You probably won't be surprised - it comes from lawyers. What did they do to deserve not thousands, not hundreds of thousands, but millions of dollars? That's just what John Stossel decided to find out.

JOHN STOSSEL, ABC News: [voice-over] Lawsuits are often nasty things, astonishingly expensive, time-consuming, hurtful.

[on camera] Judge Learned Hand once said, 'Litigation, like sickness and death, is something to be avoided,' so most countries have rules that discourage litigation, but not America. American rules actively encourage it and, as a result, you are paying for more of it these days. Consider the Rodney King case, for example.

[voice-over] King was beaten brutally by Los Angeles policemen three years ago. California charged the cops with assault, but the jury would not convict. Then federal charges were filed. This time, two officers were sent to jail, but that wasn't the end of it. Rodney King then sued the City of Los Angeles, demanding money because his civil rights were violated. Don Vincent was the city's lawyer.

[interviewing] You never contested that you had to pay King money.

DON VINCENT, L.A. City Attorney; No. We knew we were going to pay King money. The highest offer we offered was $1.25 million.

MILTON C. GRIMES, Esq., Attorney For Rodney King: That wasn't sufficient money for the beating the man suffered.

JOHN STOSSEL: [voice-over] Lawyer Milton Grimes got King more money. After a four-week trial, a jury awarded King $3.8 million. Of course, King won't collect all that. His lawyers will get about a million dollars of it, and now they want more.

STEVEN A. LERMAN, Esq., Attorney For Rodney King: 'Cause it took many, many,