#### MEMORANDUM TO SENATOR DOLE

DA: June 7, 1995

FR: Alec Vachon

RE: RESPONSE TO POST EDITORIAL ON CHILDREN'S SSI

The attached editorial appeared in today's Washington Post, and calls on you to bring about a "compromise solution" on children's SSI.

Attached for your approval is a Letter to the Editor in response, correcting some facts in the Post editorial and describing some objections to the Conrad/Chafee proposal.

We should expect this issue to heat up. The Post editorial is thoughtful compared to one in today's New York Times (also attached). I believe Senator Packwood may respond to that one.

DO YOU WISH TO SEND ATTACHED LETTER TO WASHINGTON POST? YES NO

N.B. Sheile and Clarkson have reviewed the littler.

SOB DOLE

KANSAS

141 SENATE HART BUILDING

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AGRICULTURE NUTRITION, AND FORESTRY FINANCE RULES

### United States Senate

WASHINGTON, DC 20510-1601

June 8, 1995

Editor
The Washington Post
Washington, D.C. 20071

To the Editor:

An editorial on June 7th calls on me to forge a compromise on children's SSI. As you note, I voted against an amendment on this matter offered by Senator Conrad during the Finance Committee's mark up on welfare reform. That's because I thought Chairman Packwood did a better job in his bill.

Some facts. Enrollment has tripled--not doubled as your editorial states--since 1990, and annual costs have jumped from \$1.5 billion to \$5 billion. Three factors are responsible. First, Congress instructed the Social Security Administration to find children who belonged in the program. That's fine.

Second, in 1984, in a bill I helped craft, Congress directed Social Security to improve evaluation of children with mental disabilities. It took six years, with considerable prompting from members of Congress, including myself. That caused big growth, but again it was on Congress's orders.

But Social Security went further in 1991--adding new rules that admitted children with modest conditions into a program for children with severe disabilities. Congress did not authorize these rules, and the Finance Committee voted to repeal them.

I did not support Senator Conrad's amendment because, in my view, it's the wrong policy and could kill the entire program. Two reasons. First, it would put into statute the lax eligibility regulations. Second, it would officially convert this program from one for disabled children to a general welfare program. In 1972, Congress created SSI to provide a cash income to poor elderly and disabled adults who are unable to work. Needy children were included to help their families with extra expenses resulting from their child's disability. But the best data we have indicate that up to two-thirds of families do not have any extra expenses, and the money is spent for general household purposes. That is why we have AFDC--although the SSI check is a lot bigger.

There is also the issue of fairness. There is a small number of families--about five percent--with huge expenses. No extra expenses or huge expenses, all children get the same check.

Editor, Washington Post June 8, 1995 Page 2

The Finance Committee has not tackled these problems yet, but it should and I believe it will.

The Finance Committee bill tightens eligibility, but not much more than the Conrad proposal. And the Finance Committee bill treats children affected by the new rules more generously. All children would have their situations reviewed again to see if they requalify, and, in any case, no child would leave the program before January 1, 1997. The Conrad proposal could drop some children almost immediately.

As your editorial notes, I have been a longstanding advocate for people with disabilities. I am proud of my record. But not every program for the disabled is perfect, and this is one such case.

Thank you for letting me set the record straight.

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ncerely,

United Stat



### TELECOPIER TRANSMITTAL

DATE: 6 8 95	
TO: Martha McAteer/Washington Post	Fax: 334-5269
FROM: Alexander Vachon / Senator Dole	voire: 224-8959
Office of Senator Bob Dole 141 Hart Senate Office Building Washington, D.C. 20510	
(202) 224-6521	
NUMBER OF PAGES TO FOLLOW:	
SUBJ	

# Replacing a Kill With a Cure

HE MAIN federal welfare program now supports about 9.5 million children-one American child in eight. Mostly these are the children of single mothers without jobs. A second program helps support about 900,000 low-income children who are disabled. The two are unrelated, but the second has been caught up in the effort to reform the first. The smaller program needs some tightening up, but it ought to be saved. The House bill would nearly kill it; the Senate can replace the kill with a cure.

The aid to the disabled children goes out through a program called Supplemental Security Income, which used to be confined much more to adults. The number of children on the rolls has more than doubled in just the last five years; the annual cost of supporting them is now more than \$4 billion. Part of the increase was due to a 1990 Supreme Court decision requiring a different standard for measuring disability in children. (In adults, it is measured by inability to work.) The government also began admitting more children (and adults) with mental impairments to the program.

The rapid expansion has produced some abuses, but most careful studies suggest that these have been exaggerated. The children's benefits mainly go to families that badly need the help. The House would narrow eligibility in such a way that perhaps 200,000 current recipients would be dropped from the program entirely. Most of the rest would be denied cash payments and offered limited state services instead. But cash (to replace lost earnings when a family member stays home to care for the child) is often what these families need most.

The problems with this program could almost all be solved just by tightening eligibility selectively. A mild proposal to that effect by Sens. Kent Conrad and John Chafee failed in the Finance Committee by only a 10-10 tie (and the Finance Committee bill itself is considerably better than the House version). Plainly, there's sentiment in the Senate to get the thing right. Majority Leader Bob Dole, who voted against Conrad-Chafee in committee but has a long history of support for disability bills, could easily bring about a compromise solution on the 146

floor. He should.

Washington Post, 6/7/95, P. A 20.

ty's poaru resigned on masse, my ..... ernment to lend its muscle to the problem.

Chicago's violent islands of poverty did not come into being by accident. As the columnist Mike Royko points out in "Boss," his biography of former Mayor Richard J. Daley, the projects sprang directly from City Hall's active resistance to integration. "Containing the Negro was unspoken city policy," Mr. Royko writes. "Even expressways were planned as man-made barriers ... ghetto walls." Daley didn't invent the strategy, but some would say he perfected it.

Plans for scattered public housing outside the ghetto were quietly scuttled. Instead, mammoth

shore up the Housing Authority's stail and create new operating systems. He then wants to demolish vacant Authority buildings and replace them with low-rise, mixed-income developments — things that Mr. Lane also wanted but was prevented from doing, either because of local resistance or HUD's own regulations.

Mr. Cisneros faces treacherous local politics and 100,000 deeply suspicious tenants. But if the takeover succeeds, he will have improved the stature of public housing nationally - and begun to dispense with Boss Daley's most troubling legacy to Chicago.

### Chalk Up Rowdy Police Beha

HENRY E. CATTO

To the Editor:

the Bush Administration.

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"fix" it?

. The widely reported behavior of members of the New York City Police Department at a Washington convention may have less to do with their profession than with American attitudes about alcohol and an environment that in several respects mirrors that of many college campuses.

What's in the Soda

To the Editor:

The soft-drink industry may be amazed by the soaring sales of Mountain Dew (Business Day, May 30), but your article contains a clue as to why that brand may have so many repeat customers.

Most soft drinks contain caffeine, but Mountain Dew contains almost 50 percent more than Pepsi. While companies say they add caffeine as a flavoring, the chemical is a mildly addictive stimulant drug.

Many people accustomed to consuming caffeine suffer headache withdrawal symptoms if they stop consuming it. Those headaches are a strong incentive to keep on drinking.

Parents should also recognize that the caffeine in Mountain Dew and other soft drinks may be the culprit that causes insomnia or hyperactivity in their kids. They may want at least to choose the caffeine-free MYRA KARSTADT variety. Co-director, Program on Food Safety Ctr. for Science in the Public Interest Washington, June 1, 1995

Your June 2 editorial on the United to install an States Information Agency and its exhaust pipe | continuing relevance to American As it happe foreign policy was right on the mark. Financial savings are not involved; a built a small home, heated merger with the Department of State would be little more than a power installed in th grab. U.S.I.A. is not "broke," so why

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San Antonio, June 2, 1995 The writer was U.S.I.A. director in On closer i

## The Attack on Disabled Children

The Senate will soon decide whether to follow the lead of the House and slash aid for disabled children. Republican leaders in the House and Senate charge that the Supplemental Security Income program — which provides up to about \$450 a month for disabled children from poor families - is riddled with abuse. They propose stiffer requirements that could drive out nearly 300,000 of the 900,000 children who are currently enrolled.

Accusations that the program pays cash to children not in need are based on anecdotes that tell of parents coaching their children to fake mental disabilities. But a study by the nonpartisan General Accounting Office has uncovered no systematic abuse. Eligibility rules could be tightened to eliminate mistakes. But there is no justification for widespread evictions.

The G.O.P. backlash against the program has been triggered by soaring enrollments since 1990. Some of the increase can be traced to a Supreme Court decision that sensibly eased eligibility standards. The Government had in effect based eligibility solely on a checklist of severe physical and mental conditions. But such a checklist could exclude children whose disabilities, though just as impairing, were due to a combination of less severe problems.

A dysfunctional child with very low I.Q. (but not meeting the criteria for retarded) and diabetes (but not recently hospitalized) and partial paralysis (but not bound to a wheelchair) could be ineligible because no one condition was on the Government's checklist of severe disabilities. The Court insisted that the Government assess each applicant's ability

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The House-passed bill would eliminate almost

all cash assistance on the unwarranted assumption that disabled children need only Government-provided services, such as prescription drugs. But disabled children have unusual needs that Federal programs do not address, such as modified living quarters and special utensils and clothing. Many parents of disabled children need to stay at home, thereby losing earnings.

The bill before the Senate would continue cash assistance for these needy parents. But it adopts language that threatens to eliminate eligibility through individual assessments. Without studies showing widespread abuse, the Senate bill could kick nearly a third of current enrollees off the

program.

The Senate should turn instead to a responsible bipartisan bill, sponsored by Kent Conrad, Democrat of North Dakota, and John Chafee, Republican of Rhode Island. It would preserve individual assessments but tighten eligibility rules. The bill would, for example, eliminate "maladapive behavior" as a qualification because the diagnosis has allegedly been applied to children who are simply unruly. The Conrad-Chafee bill would also require periodic reviews of enrollees.

A study by researchers at George Washington University shows that S.S.I. enrollments are no longer skyrocketing, now that the impact of the court decision and new mental health regulations have taken hold. Major overhaul of the program is unnecessary.

According to one study, perhaps between 40,000 and 80,000 children, out of about 900,000, would be ruled ineligible by tough but fair standards. That suggests Congress should tinker with the rules, but not strip S.S.I. support from hundreds of thousands of desperately sick children.

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New York Times 6/1/95, p. A26.

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Bob Dole