

## **THE CLINTON BUDGET: DOMESTIC PROPOSALS;**

### **Increases Urged for Child Care, Medicare and Medical Research**

The New York Times

February 3, 1998, Tuesday, Late Edition - Final

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**Distribution:** National Desk

**Section:** Section A; ; Section A; Page 17; Column 1; National Desk ; Column 1;

**Length:** 900 words

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By ROBERT PEAR

**Dateline:** WASHINGTON, Feb. 2

## **Body**

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President **Clinton proposed** expanding a wide range of **domestic** programs today, with initiatives intended to appeal in this Congressional election year to voters from soccer moms to retired workers to aging baby boomers.

There were few surprises in the **budget** package; most of the programs had been selectively unveiled in the last few weeks. Mr. **Clinton proposed increased** spending for **child care**, broader **Medicare** coverage for older Americans and additional money for biomedical **research**.

Mr. **Clinton** asked Congress to expand Medicaid to cover legal immigrant **children** who have arrived recently in the United States -- a **proposal** favored by many Hispanic Americans and Asian Americans.

Another **proposal** would help small businesses band together to buy health insurance for their employees. Mr. **Clinton** requested "\$100 million in seed money over five years" to help states establish such voluntary purchasing cooperatives.

Under another **proposal**, Mr. **Clinton** would allow states to provide Medicaid coverage to legal immigrants under the age of 18 who have arrived in this country since August 1996 and those who arrive in the future.

Currently, states may provide coverage to immigrant **children** who entered the country before August 1996, when Mr. **Clinton** signed major legislation revamping the nation's welfare system. But immigrant **children** who arrive after that date generally must wait five years before receiving benefits.

In his **budget** request to Congress, Mr. **Clinton** offered few new details of his **proposal** to open **Medicare** to able-bodied people 55 to 64 years old. He said only that "the **proposal** is self-financing, because over time participants pay the full cost of their coverage."

The White House had previously acknowledged that people with **medical** problems were more likely to sign up for the new **Medicare** coverage. The **budget** does not compare the costs for the new beneficiaries with the costs for healthy people of the same age.

The President estimated that his "**Medicare** buy-in policies" would cost \$1.5 billion over the next five years.

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Donna E. Shalala, the Secretary of Health and Human Services, said, "Any costs associated with this proposal will be offset by new initiatives to combat Medicare fraud, waste and abuse."

Medicare now finances health care for 38 million people who are over the age of 64 or disabled. A Federal advisory commission is studying ways to redesign the program to keep it solvent for the baby boom generation. Although the deadline for the commission to complete its study is March 1999, Dr. Shalala said that Congress should expand Medicare this year, without waiting for the panel's recommendations.

Mr. Clinton asked Congress for \$900 million over the next five years to locate and sign up three million children who are eligible for Medicaid but not enrolled in the program.

Of this amount, he said, \$330 million would be used for advertising and other activities to find low-income families and inform them that their children might be eligible. The remainder of the money would permit schools and child care centers to enroll children in Medicaid temporarily, on the presumption that they would later be found eligible.

Mr. Clinton also proposed an initiative to let elderly Medicare patients participate in clinical trials testing experimental treatments for cancer.

Dr. Richard D. Klausner, director of the National Cancer Institute, said the President's budget earmarked \$750 million of tobacco revenue to pay the costs of such clinical trials.

The elderly account for half of cancer patients, but Medicare generally does not pay for the care of patients in clinical trials of new treatments.

Whether such clinical trials save money or increase the cost of patient care is unclear, Dr. Klausner said in an interview. The new initiative is intended to answer that question.

Mr. Clinton requested \$14.8 billion for the National Institutes of Health in 1999. That represents an increase of \$1.15 billion, or 8.4 percent, which is about half of the increase sought by Congressional champions of biomedical research. All of the additional money sought by Mr. Clinton would be derived from an increase in tobacco revenue.

Senator Arlen Specter, the Pennsylvania Republican who is chairman of the Appropriations subcommittee responsible for the N.I.H., said last week that he would seek an increase of \$2 billion, which would raise the agency's budget to \$15.6 billion next year.

Over five years, Mr. Clinton would increase spending for the health institutes by nearly 50 percent, to \$20.2 billion in 2003 from \$13.6 billion this year. The Senate, by contrast, has endorsed the goal of doubling the agency's budget in five years.

The President seeks \$80 million next year for public health programs to help low-income blacks and other racial minorities. He noted that the infant mortality rate for blacks was still twice that of whites, even though the rates have declined among both groups.

Mr. Clinton would provide \$21.4 billion to subsidize child care in the next five years. This includes an increase of \$7.5 billion in Federal grants to the states for child care, \$4.8 billion in new tax credits for working parents and \$478 million for employers who arrange child care for their employees.

The remainder of the money, \$8.6 billion over five years, would be spent on child care programs, including Head Start.

## Graphic

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## THE CLINTON BUDGET: DOMESTIC PROPOSALS;Increases Urged for Child Care, Medicare and Medical Research

Photos: Members of Congress held news conferences yesterday to react to the President's **budget**. On the Democratic side were Senator Frank Lautenberg, left in photograph at left, and Representative John M. Spratt Jr., of South Carolina. (Stephen Crowley/The New York Times); The Republicans were Senator Pete V. Domenici of New Mexico, left in photo at right, and Representative John R. Kasich of Ohio. (Associated Press)

### Classification

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**Language:** ENGLISH

**Subject:** **CHILDREN** (90%); IMMIGRATION LAW (90%); **MEDICARE** (89%); MEDICAID (89%); ELECTIONS (79%); HEALTH **CARE** POLICY (79%); LEGISLATIVE BODIES (79%); US FEDERAL ELECTIONS (79%); US PRESIDENTS (79%); CAMPAIGNS & ELECTIONS (78%); NEW PRODUCTS (78%); EMPLOYEE HEALTH PLANS (77%); POOR POPULATION (77%); BABY BOOMERS (77%); RETIREMENT & RETIREES (77%); FAMILY (76%); HEALTH DEPARTMENTS (76%); US STATE IMMIGRATION LAW (75%); WELFARE BENEFITS (74%); BUSINESS COOPERATIVES (74%); **MEDICAL RESEARCH** (72%); AGING (72%); SENIOR CITIZENS (72%); SCIENCE & TECHNOLOGY (71%); BIOMEDICINE (71%); **MEDICARE** FRAUD (71%); ASIAN AMERICANS (70%); HISPANIC AMERICANS (70%); LOW INCOME PERSONS (70%); SMALL BUSINESS ASSISTANCE (69%)

**Company:** **MEDICARE** (94%); MEDICAID (83%)

**Organization:** **MEDICARE** (94%); MEDICAID (83%); **MEDICARE** (94%); MEDICAID (83%)

**Industry:** **BUDGETS** (90%); **MEDICARE** (89%); MEDICAID (89%); HEALTH **CARE** POLICY (79%); NEW PRODUCTS (78%); EMPLOYEE HEALTH PLANS (77%); HEALTH INSURANCE (76%); HEALTH DEPARTMENTS (76%); **MEDICARE** FRAUD (71%)

**Person:** BILL **CLINTON** (79%)

**Geographic:** UNITED STATES (94%)

**Load-Date:** February 3, 1998