

News
From _____

Nick Rahall

WEST VIRGINIA-4th DISTRICT

FOR IMMEDIATE RELEASE
March 5, 1986CONTACT: Jerry Burkot
202-225-3452

Rahall Denounces Primary Block Grants as Failure for West Virginia

Washington, D.C. -- Fourth District Rep. Nick Rahall (D-WV) today denounced the Primary Care Block Grant system as a "dead dog" for West Virginia and urged discontinuation of the program.

The Primary Care Block Grants system encompasses funding for a multitude of community health centers under certain conditions of matching funds by the state, reporting procedures, and the definition of a health center. Only two states applied for this program when it first started, and only one, West Virginia, has operated under this system before it pulled out of the program.

Speaking on the floor of the House in favor of H.R. 2418, providing for the discontinuation of the program, Rep. Rahall addressed the House as follows: "...The question before us is, why should the Primary Care Block Grant be repealed? The answers are: it is confusing and unfair to leave our health centers in limbo; every organization representing public health and primary care programs supports the approach of H.R. 2418; and not one state currently operates under this block grant.

"Let me speak to you as a representative from the only state that did apply for and operate under the Primary Care Block Grant. I would like to explain why we turned it back after only eight months, and why it is dangerous to leave this Block on the books. The reason is simple. West Virginia lost money because of a fixed formula that failed to meet changing trends, namely high unemployment and flood disasters in our state.

"According to the figures made public by our Governor's office, West Virginia lost over \$300,000 in the first year. Conversely, once the program was returned to federal management and funds were allocated on a need basis, our state's proportion increased by about \$2 million. As our Governor so aptly put it, 'It is in the best interest our state's citizens that I am returning this block grant.' As I am sure the Administration will continue to try to push this 'dead dog' on any innocent bystander, it is important that we take a stand based upon what is good policy."

H.R. 2418 was passed by the House.

House of Representatives
Washington, D.C. 20515

MEMORANDUM

March 5, 1985

NJR:

Please find attached:

- (1) A memo outlining your approach on making the attached statement. Please read.
- (2) A background on the issue, prepared by Leonard Gauldin, FYI ONLY.
- (3) Your statement. re your discussion with Mr. Gauldin and my clarification with the Subcommittee staff, it is important that you make your statement at the appropriate time. (all on memo)

February 5, 1986

To: NJF

From: MED

re: the attached statement

I talked to Bill Coor with Mr. Waxman.

They cannot be certain which amendments Dannemeyer will offer, or in what order, however, it is important that you make your statement during consideration of the appropriate amendment.

It would not help much to talk during general debate because the other MCs will not connect your statement with the amendment later on, and

it will be helpful for you to speak, because MCs must be made aware of the ills of reinstituting the current block grant, or they may out of ignorance go with the status quo.

Bill Coor thinks the following will be the scenerio.

First, Waxman & Tauke will introduce their amendment to freeze the authorizations for FY87 and FY88 at FY86 appropriations levels. [Leonard Gauldin's group supports this.]

*** Bill Coor suggested that during the recorded vote on the Tauke amendment, you stop by the Committee Table to check with either he or Mr. Waxman to find out if they have any better idea of when (if at all) the appropriate Dannemeyer amendment will be offered.

Next, Dannemeyer will begin offering his amendments. There will be an opportunity for MCs to talk for 5 minutes on each should they desire.

It is important that you speak during consideration of the appropriate amendment.

Possible order of Dannemeyers amendments:

- (1) an amendment to reduce funding levels to FY85 levels. [You are opposed to this, but this is not the right time to make your statement.]
- (2) an amendment to put in the Administration's pet block grant. [Again, you are opposed, but this is not the right time for you to speak.]
- (3) an amendment to retain the current primary care block grant. [You are opposed to this and it is the appropriate and most effective time for you to make your statement.]

Honorable Nick J. Rahall, II

Statement on the Dannemeyer amendment to H.R. 2418

Mr. Speaker. The Bill before us, H.R. 2418, would repeal the Primary Care Block Grant. This [Dannemeyer] amendment would continue to leave that program on the books.

The question before us is, why should the Primary Care Block Grant be repealed? The answers are: it is confusing and unfair to leave our health centers in limbo; every organization representing public health and primary care programs supports the approach of H.R. 2418; and, not one state currently operates under this Block Grant.

Let me speak to you as a representative from the only state that did apply for and operate under the Primary Care Block Grant. I would like to explain why we turned it back after only eight months, and why it is dangerous to leave this Block on the books. The reason is simple. West Virginia lost money because of a fixed formula that failed to meet changing trends, namely high unemployment and flood disasters in our state.

The problem was not the other requirements of the bill; we met the match requirements handily, and the reporting requirements were not cumbersome. The problem was simply that a fixed formula penalized our high-need state, especially the rural areas.

According to figures made public by our Governor's office, West Virginia lost over \$300,000 in the first year. Conversely, once the program was returned to federal management and funds were allocated on a need basis, our state's proportion increased by about \$2 million. As our Governor so aptly put it, "It is in the best interest of our state's citizens that I am returning this Block Grant."

As I am sure the Administration will continue to try to push this "dead

dog" on any innocent bystander, it is important that we take a stand based upon what is "good policy."

I urge you -- in the strongest terms -- to vote against this Amendment.
A block grant is bad policy for this program.

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Widens
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Mentha
Chapman
V. J. Gaudin

STATEMENT RE:

REPEAL OF THE PRIMARY CARE BLOCK GRANT

[Situation: In 1981, the Administration tried to implement its "unrestricted" block grant which would have folded 4 programs into one Block: (a) Community Health Centers
(b) Migrant Health
(c) Black Lung Clinics
(d) Family Planning

This legislative proposal would simply have turned the funds over to the states without regard to their ability to administer these programs or -- more importantly -- even specify how these funds would be used.

Most fortunately, this approach was rejected by the House at that time, and subsequently by the Congress.

Instead, a new section was added to the Public Health Service Act which: (1) Allowed states to apply for and obtain a Block Grant to operate the health center program under certain conditions (i.e., match funds, reporting and defining a CHC); and (2) Allowed for continued federal management of the health center program should states not apply for the Primary Care Block Grant.

NOTE: Only 2 states applied for the Primary Care Block Grant (Georgia and West Virginia) and of those only 1 (West Virginia) operated it. Georgia's application was ruled illegal (after a costly court battle); and West Virginia turned the Block Grant back -- "in the best interest of its citizens" because the state lost dollars.]

STATEMENT

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- It's confusing and unfair to leave our health centers in limbo.
- Every organization representing public health and primary care programs supports the approach of H.R. 2418, and
- Not one state currently operates under this [PCBG].

Let me speak to you as a representative from the only state that did apply for and operate under the Primary Care Block Grant;

and,

Why we turned it back -- after only 8 months;

and,

Why it is dangerous to leave this Block on the books.

The reason is simple: West Virginia lost money because of a fixed formula that failed to meet changing trends, i.e., high unemployment and flood disasters in our state.

The problem was not the other requirements of the bill: (1) We met the match requirements handily, and (2) The reporting requirements were not cumbersome. A fixed formula penalized our high-need state -- especially the rural areas.

According to figures made public by our Governor's office, West Virginia lost over \$300,000 in the first year. Conversely, once the program was returned to federal management and funds were allocated on a need basis, our state's proportion increased by about \$2 million.

As our Governor so aptly put it, "It is in the best interest of our state's citizens that I am returning this Block Grant."

As I am sure the Administration will continue to try to push this "dead dog" on any innocent bystander, it is important that we take a stand based upon what is "good policy".

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Primary Care Block grant
and,

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The reason is simple: West Virginia lost money because of a fixed formula that failed to meet changing trends, *such as* i.e., *namely* high unemployment and flood disasters in our state.

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National Association of COMMUNITY HEALTH CENTERS, Inc.

1625 I Street, N.W. - Suite 420

Washington, D.C. 20006

[202] 833-9280



March 5, 1986

Dear Member of Congress:

A vote to retain the Primary Care Block Grant is a vote against Community and Migrant Health Centers. The proposed amendment to H.R. 2418 (by Mr. Dannemeyer) to reauthorize this useless Block Grant should be opposed for several reasons:

1. It is inflexible -- currently CHC funds are distributed based on need. This Block distributes funds on a rigid formula which penalizes high-need states and fails to recognize natural disasters, such as West Virginia's floods.
2. Despite a "hard sell" by the Administration, no state now operates under the Primary Care Block Grant. Only one state operated the Block (West Virginia) which, according to its Governor, returned the Block "in the best interest of its citizens" after only 8 months because it had lost substantial funding under the formula.
3. All organizations representing primary health care, public health, and even the National Governors' Association, have supported the approach of H.R. 2418, and its Senate counterpart, S. 1282, which specifically repeals this Primary Care Block Grant and provides for more meaningful involvement by state officials in the designation of high-need areas.
4. Keeping the Primary Care Block Grant on the books is confusing and leaves these programs in limbo.
5. Traditional public health services, such as immunizations, venereal disease screening, and the like, are substantially different than the direct health services, i.e., treatment of illness by doctors and nurses, provided by centers. Most states have little or no experience in administering or operating these types of programs.

For these and a host of other reasons, the Senate has twice unanimously approved legislation to repeal the Primary Care Block Grant.

A vote for any block grant is a vote to dismantle the highly effective health center programs -- the only federal response for needy, uninsured people. We urge you to oppose any and all attempts to block grant these programs.