OBAMA-BIDEN TRANSITION PROJECT

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

AFSCME
We Make America Happen

Transition Paper
United States Department of Health and Human Services

Gerald W. McEntee
President

William Lucy
Secretary-Treasurer

Vice Presidents

Ken Allen
Portland, OR

Henry L. Bayer
Chicago, IL

George Boncoraglio
New York, NY

Anthony Caso
Boston, MA

Greg Devereux
Olympia, WA

Danny Donohue
Albany, NY

David R. Fillman
Harrisburg, PA

Michael Fox
Harrisburg, PA

Albert Garrett
Detroit, MI

Raglan George Jr.
New York, NY

Sherryl Gordon
Trenton, NJ

Lakesha Harrison
Oakland, CA

Danny J. Homan
Des Moines, IA

Salvatore Luciano
New Britain, CT

John A. Lyall
Worthington, OH

Roberta Lynch
Chicago, IL

Glenard S. Middleton Sr.
Baltimore, MD

Veronica Montgomery-Costa
New York, NY

Doug Moore
San Diego, CA

Michael D. Murphy
Madison, WI

Henry Nicholas
Philadelphia, PA

Eddie L. Parks
Westerville, OH

Randy Perreira
Honolulu, HI

George E. Popyack
Oakland, CA

Greg Powell
Austin, TX

Eddie Rodriguez
New York, NY

Joseph P. Rugola
Columbus, OH

Kathy J. Sackman
Pomona, CA

Eliot Seide
South St. Paul, MN

Mary E. Sullivan
Albany, NY

Braulio Torres
San Juan, PR

David Warrick
Indianapolis, IN

Jeanette D. Wynn
Tallahassee, FL

446-08
8/08

As the union representing 1.6 million members who primarily work for state and local governments and in health care, AFSCME is acutely aware of the missed opportunities of the past eight years and the potential for positive change within the U.S. Department of Health and Human Services (HHS). Our members promote public health, determine eligibility for Temporary Assistance for Needy Families (TANF), subsidized child care, and adoption and foster care services, provide early childhood education as child care providers and Head Start teachers and aides, collect child support, and perform casework in a number of different areas including child welfare. We offer these recommendations on their behalf and the millions of Americans they serve.

Reinvigorate the Delivery of Public Services

State and locally-administered safety net programs within HHS's jurisdiction have suffered from neglect and even outright hostility over the past eight years. Instead of supporting and strengthening key public delivery systems, the Bush administration has denigrated the role of government and public servants at every turn.

- We urge the Obama administration to evaluate the capacity of federally funded, state or locally-administered programs – such as child support enforcement, foster care, TANF, Medicaid and others – to provide timely and high-quality services.

- Based on the findings, additional investments should be targeted to those programs that currently lack the resources to fulfill their mission.

Child Support Enforcement Funding Restoration

AFSCME represents a substantial proportion of the over 60,000 child support enforcement workers across the country. Child support enforcement is a uniquely effective program that collects $4.73 in support payments for every public dollar spent. However, the Deficit Reduction Act substantially reduced federal financial support for state and county child support programs by eliminating the federal match on incentive payments. These recent cuts in federal funding will cost children $1 billion per year or more in uncollected support. While most states were able to enact temporary stop-gap funding for FY 2008 to prevent service and staffing cuts, the current recession makes this difficult or impossible for most states going forward. Indeed, states and counties are starting to cut staff, which will force states to cut basic services for support collection and promising initiatives to provide employment and case management services to low-income noncustodial parents.

- In the short term, we urge a two-year restoration of the matching incentive payments in the economic recovery package. The Congressional Budget Office cost estimate is $1.1 billion over 2009-2010.

- In the medium term, we urge support for legislation that permanently reinstates federal matching payments for child support incentive payments.

Early Childhood Programs

AFSCME represents 300,000 child care and Head Start providers nationwide. Investing in early childhood helps America's families, workers and communities prosper. Young children need to be in safe and stimulating environments that will prepare them to succeed in school and in life.

American Federation of State, County and Municipal Employees, AFL-CIO
TEL (202) 429-1000 **FAX** (202) 429-1293 **TDD** (202) 659-0446 **WEB** www.afscme.org 1625 L Street, NW, Washington, DC 20036-5687

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

Reliable, high-quality early childhood opportunities also give working parents the support and peace of mind they need to be productive at work.

The current economic crisis has created tremendous strains for families as well as child care and Head Start providers who were already vulnerable after years of neglect of these critical programs. These programs have been essentially flat funded without even inflationary increases throughout the Bush administration. States have cut assistance, with nearly 140,000 fewer children receiving child care help in 2005 than in 2002.

Head Start and Early Head Start have experienced a 13% real cut in funding from FY 2002 to FY 2008. As a result, programs have been forced to lay off critical program staff, cut back on the number of children served, eliminate some supportive services for families, and reduce transportation, making it difficult for families to access Head Start's comprehensive services.

Investments in these programs will have a strong stimulative effect, allowing child care and Head Start programs to serve more families and hire additional staff. Studies have shown that child care is a key part of the economy and is responsible for generating nearly $580 billion in labor income and $69 billion in tax revenue and providing more than 15 million jobs.

- In the economic recovery package, President Obama should support increased funding for CCDBG and Head Start by $3 billion each in the first year. The additional funding for child care will allow states to provide child care assistance for approximately 480,000 children in low-income working families who have been hit hard by the economic crisis, and create paid work for an estimated 190,000 caregivers. The additional funding for Head Start will allow over 162,000 more children to participate in the program and creates over 80,000 jobs.

- For FY 2010, President Obama should request an increase of $10 billion for early childhood programs and work with Congress to enact such an increase. This new investment should be divided equally among the Child Care and Development Block Grant (CCDBG), Head Start, and the new Early Learning Challenge Grants proposed by candidate Obama. These new grants should include a strong focus on helping families with young children access high-quality child care options that enable their children to thrive and families to work.

9-11 Workers

Tens of thousands of municipal employees in New York City are AFSCME members, many of whom were heavily involved in the rescue and clean-up efforts at Ground Zero. Shortly after the attack on the World Trade Center (WTC), it became apparent that those who died or were injured in the collapse of the Twin Towers were not the only victims. Since then, many others have become ill due to exposure to toxic air and other physical and mental health hazards. Among the victims who suffered the most intense exposure to these hazards were workers who were engaged in the extraordinary rescue, recovery and clean-up operations, and the restoration of utilities and other vital services at and around Ground Zero.

These workers, after putting their lives on the line during the rescue and clean-up efforts, are sick and many of them can no longer work. Nearly 70% of responders examined by the Mount Sinai School of Medicine suffered respiratory problems, with one-third suffering significant loss of lung function. The Fire Department of New York (FDNY) found that rescue workers suffered an average loss of 12 years of lung capacity. Gastrointestinal problems, post-traumatic stress disorder, and other mental health problems are also widespread. Despite these pervasive health problems,

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

workers' compensations claims are being contested and many workers have lost their health insurance.

- We urge the Obama administration to work with Congress to enact the James Zadroga 9-11 Health and Compensation Act (H.R. 7174), which is a comprehensive response to the needs of these stricken workers, as well as residents, students and others in the affected area who have been harmed. The bill provides short and long term solutions to the health and income security needs of the Ground Zero workers and surrounding residents.

- The bill would:
  - Establish the World Trade Center Program as an entitlement program, providing health care for at least 70,000 responders and residents for WTC health problems;
  - Establish a similar program for community members; and
  - Re-open the Victim's Compensation Fund as an alternative to the tort system and limit future liability for New York City and the contractors who assisted in clean-up efforts.

Pandemic Influenza Preparedness

Forty million people died when the last major influenza pandemic swept around the world in 1918. If a moderate or severe pandemic influenza were to spark, the result could be up to 10 million hospitalizations and an estimated 200,000 to 2 million deaths in the United States. During a pandemic, our nation will depend on our 15 million health care workers, firefighters, law enforcement, emergency medical services and other essential first responders. These workers face high exposure risks. In addition, water treatment, sanitation, and other public works employees will be vital under a pandemic. Protecting all these workers is crucial and will prevent the progression of pandemic or subsequent public health emergencies.

HHS, along with Department of Homeland Security, will lead in developing the blueprint for pandemic influenza preparation and response. In 2009, HHS is responsible for drafting and issuing a coordinated National Health Security Strategy, which includes a national strategy for establishing an effective and prepared public health workforce and identifying strategies to protect them from workplace exposures during public health emergencies. While HHS has issued guidance for employers and hospitals to prepare and protect their workers, there are no minimum required preparation actions or means to hold hospitals accountable for taking the needed steps to protect workers who will be providing care in the case of a pandemic.

- HHS should involve labor unions representing public employees, health care workers, firefighters, law enforcement, emergency medical services and other essential first responders to develop the needed protections for workers.

- HHS should support a change in current administration policy to have the Department of Labor's Occupational Safety and Health Administration (OSHA) issue an emergency pandemic influenza standard. Because the existing federal OSHA law does not cover public hospitals and public employees, HHS must take administrative action to ensure that the new OSHA standard and other important pandemic preparation requirements apply to public hospitals and public employees. This can be achieved using the Centers for Medicare and Medicaid Services' (CMS) existing authority to set requirements for hospitals' participation in Medicare and Medicaid reimbursement (42 CFR Part 482). CMS should consider increasing payments to public safety net hospitals to help meet the costs of implementing these needed preparations to protect workers.

THIS DOCUMENT WAS PRODUCED BY AN OUTSIDE PARTY AND SUBMITTED TO THE OBAMA-BIDEN TRANSITION PROJECT.

- HHS should establish a system to evaluate and review hospitals' and key public safety and public works institutions' compliance with both guidance on and required actions for pandemic influenza preparation.

Temporary Assistance for Needy Families Program

AFSCME represents tens of thousands of TANF workers whose jobs would be adversely affected by a proposed HHS rule restricting the caseload reduction credit. The recently Proposed Rule would eliminate the enhanced caseload reduction credit for states' Excess Maintenance-of-Effort (MOE) expenditures. Current regulations permit states to receive additional caseload reduction credits for MOE expenditures in excess of what's required. The proposal would make it difficult for states to meet the TANF work participate rates, increase the likelihood of financial penalties for states, and impose substantial financial burdens on states already reeling from our economic recession.

- AFSCME recommends that HHS rescind this Proposed Rule (73 Fed. Reg. 46230-46232 (8/8/08).

The current economic recession could force large numbers of people into poverty. There are projections that the unemployment rate could reach 9% with urban unemployment rates reaching double digits. The TANF program has a "contingency fund" that was created to provide additional resources to states when recessions temporarily increase the number of families needing assistance.

However, this fund is likely to run out of money in fiscal year 2009 and should receive additional funding targeted to states where the recession is having the greatest impact. Without additional funding, states will face a dilemma: if they provide assistance to additional families, they may have to cut other TANF-funded services including work programs and child care for working parents. If states do not want to cut these services, they may lack the resources needed to fund the additional cash assistance. The contingency fund also requires state matching funds that many states will be hard pressed to find given deteriorating state fiscal conditions.

- AFSCME recommends adding $3 to $5 billion to the TANF Contingency Fund.

AFSCME
December 2008