

**NOMINATIONS OF RICHARD J. TARPLIN AND
KEVIN L. THURM**

HEARING

BEFORE THE

COMMITTEE ON FINANCE

UNITED STATES SENATE

ONE HUNDRED FIFTH CONGRESS

FIRST SESSION

ON THE

NOMINATIONS OF

**RICHARD J. TARPLIN, TO BE ASSISTANT SECRETARY FOR LEGISLATION,
DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND KEVIN L.
THURM, TO BE DEPUTY SECRETARY, DEPARTMENT OF HEALTH AND
HUMAN SERVICES**

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APRIL 30, 1997
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BE ASSISTANT SECRETARY FOR LEGISLA-
TION, DEPARTMENT OF HEALTH AND
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TO BE DEPUTY SECRETARY, DEPARTMENT
OF HEALTH AND HUMAN SERVICES**

WEDNESDAY, APRIL 30, 1997

U.S. SENATE,
COMMITTEE ON FINANCE,
Washington, DC.

The hearing was convened, pursuant to recess, at 11:53 a.m., in room SD-215, Dirksen Senate Office Building, Hon. William V. Roth, Jr. (chairman of the committee) presiding.

Also present: Senator Moynihan.

**OPENING STATEMENT OF HON. WILLIAM V. ROTH, JR., A U.S.
SENATOR FROM DELAWARE, CHAIRMAN, COMMITTEE ON FI-
NANCE**

The CHAIRMAN. We will now invite our two nominees, Kevin Thurm and Richard Tarplin, to the witness table.

But before we hear from the nominees, let me emphasize the importance of the issues facing the Department of Health and Human Services.

Last week, we heard again from the trustees of the Medicare and Social Security trust funds that Medicare is growing at a rate that is unsustainable. The Medicare HI trust fund will be bankrupt in 2001. Likewise, the Medicaid program is also facing serious challenges from the aging of our population.

The Department is also faced with implementing two very important pieces of legislation passed by the Congress, the Welfare Reform Act, and of course the Health Insurance Portability and Accountability legislation.

In 1965, the year that Medicare and Medicaid were enacted, Health and Human Services programs represented 4 percent of Federal spending, and today Health and Human Services programs represent almost 22 percent of our Federal budget.

This information is sobering. It shows why we need individuals of the highest caliber to administer our Nation's health and welfare program.

Our first nominee is Kevin Thurm, who is nominated to be Deputy Secretary of Health and Human Services.

Mr. Thurm, are there any members of your family here that you would like to introduce?

Mr. THURM. There are, Mr. Chairman, and I would. I thank you. My wife, Suzanne Seiden, has joined me, as has one of my sons, Eric Thurm. I have a younger son who has not come. My mom, Phyllis Thurm is here, and my sister, Wendy Thurm, and my brother-in-law, David Green, are also here. Thank you.

Senator MOYNIHAN. My God, you have packed the place. [Laughter.]

The CHAIRMAN. And a very good-looking family. I do not blame him for doing so. We are delighted to have you here.

I would, first, like to note the importance of the position of Deputy Secretary of Health and Human Services. In addition to working closely with the Secretary on the major policy issues, the Deputy Secretary serves as the Chief Operating Officer of the very large and very complex Department of Health and Human Services.

Mr. Thurm has been serving as Deputy Secretary for HHS since last August, and prior to that he served as Chief of Staff for HHS. So, by now, he should have—and I am sure, has—a good idea of what the position entails.

Senator Moynihan, would you like to make any comments at this time?

Senator MOYNIHAN. Just to welcome a distinguished young New Yorker and his family to this company, and we look forward to your comments, sir.

The CHAIRMAN. I notice that both of the nominees are from New York.

Senator MOYNIHAN. Both.

The CHAIRMAN. As a preliminary matter, Mr. Thurm, I will now swear you in. Will you please rise and raise your right hand.

[Whereupon, Mr. Thurm was duly sworn.]

The CHAIRMAN. Please be seated. Do you have a statement you would care to make?

STATEMENT OF KEVIN L. THURM, TO BE DEPUTY SECRETARY, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. THURM. I do, Mr. Chairman. Thank you.

Mr. Chairman, Senator Moynihan, members of the committee, my name is Kevin Thurm. I am honored to be here today as President Clinton's nominee for the position of Deputy Secretary in the U.S. Department of Health and Human Services.

I have already introduced you to the members of my family who are here, and I appreciate the opportunity to do so.

Since January 1993, I have had the privilege of working with Secretary Shalala on issues that touch the lives of every American, first as Chief of Staff, and since last fall as Deputy Secretary.

I have worked closely with the Secretary on all major policy and management issues, and now function as the Department's Chief Operating Officer, responsible for the day-to-day management of the Department, which includes over 57,000 employees, some 300 programs, and a budget of over \$350 billion.

I also oversee the Department's regional activities and lead several departmental initiatives, including the Hispanic Agenda for

Action, the Historically Black Colleges and Universities Initiative, and the Tribal Colleges and Universities Initiative.

I share the Secretary's commitment to improving the efficiency of our operations, focusing on results, and serving our customers better.

As part of this commitment, I serve as the HHS representative on the President's Management Council as chair of the HHS Union Management Partnership Council, and as the lead departmental official responsible for implementing the Government Performance Results Act.

HHS has made long-term commitments to improving the health and well-being of Americans, to protecting the Nation's public health, and to further advances in medical and public health science. We have made progress over the last 4 years, but there is much left to do.

As we face the issues of today—for instance, implementing welfare reform, modernizing Medicare, and improving children's health, to mention a few—we are committed to working in partnership with the Congress, State and local government, the private sector, and communities.

Secretary Shalala has asked me, if I am confirmed by the Senate, to concentrate my energies as Deputy Secretary not only on the day-to-day management of the Department, but also on ensuring that the Department is ready to meet the new challenges as we head into the 21st century.

Mr. Chairman, if I am confirmed I will continue to work on a bipartisan basis with you, the members of this committee, and the Congress to achieve our mutual goals of improving the health and well-being of the American people.

Thank you. I am prepared to answer any questions you may have.

[The prepared statement of Mr. Thurm appears in the appendix.]

The CHAIRMAN. Mr. Thurm, I will now turn to some standard questions we ask all nominees who come before the Finance Committee.

First, is there anything you are aware of in your background that might present a conflict of interest with the duties of the office to which you have been nominated?

Mr. THURM. No, sir.

The CHAIRMAN. Second, do you know of any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office for which you have been nominated?

Mr. THURM. No.

The CHAIRMAN. Third, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly-constituted committee of Congress, if you are confirmed?

Mr. THURM. Yes.

The CHAIRMAN. Mr. Thurm, you have some very impressive academic credentials. You are a former Rhodes scholar, you are a graduate of Harvard Law School, you have practiced law, worked as a legislative assistant in State government, you directed the New York State political campaign for Clinton-Gore in 1992.

Can you tell this committee how your background and experience have prepared you to be the Chief Operating Officer of a Department of the Federal Government with a budget this year of over \$350 billion, which is not inconsiderable, and approximately, I gather, 57,000 employees?

Mr. THURM. That is right. Mr. Chairman, I appreciate your comments. I think among the most important responsibilities of the Chief Operating Officer of the Department is to ensure that the different agencies of the Department work in a collaborative fashion, that the agencies in the Department set goals for themselves and we create processes in which we can meet those goals, and we hold ourselves accountable for the goals we set and the results we produce.

Further, in order for the Department to operate efficiently requires not just the Deputy Secretary as the Chief Operating Officer, but really a team of qualified people and highly competent people, not just at the Assistant Secretary level or the head of operating divisions, but several layers down.

I think my training as a lawyer, my experiences as Chief of Staff have helped me to ask the right questions, bring the right people into the room, and be prepared to make decisions when decisions need to be made in a timely and efficient fashion.

As well, my experience as a State legislative aide, I think, reinforced to me the premium we should pay to working collaboratively with colleagues in other branches of government, and I think I am prepared to serve as the Chief Operating Officer of the Department.

The CHAIRMAN. Along the same lines, would you describe your relationship to the Administrator of HCFA, what your role would be, and has been, in the management of HCFA?

For example, I understand that HCFA recently announced a halt to the Medicare Transaction System, after spending millions of dollars, and, I would point out, despite GAO warnings since 1994 that the project was in trouble. What was your role in this project until now, and how do you envision your involvement in MTS changing in light of these recent developments?

Mr. THURM. First, Mr. Chairman, all of the operating divisions of the Department report to me and the Secretary, so in essence I have management responsibilities over HCFA, as I do other agencies in the Department.

Second, MTS has been a long-term project that was started before we came to the Department and has continued since we came to the Department. I believe that we, the Congress, and the GAO share the same goals to create an integrated single payment system that would protect the integrity of the Medicare system, improve service to beneficiaries, do front-end edits so that we can prevent fraud and abuse to the Medicare system, to reduce the number of carriers and sites, to become more efficient.

Last, the HCFA decision several weeks ago to implement a partial stop-work order on the GTE contract for the development of the software I was aware of and supported. What we are doing, I think, Mr. Chairman, and what I think HCFA has done, is demonstrate its exercise of management over a project that has not gone, admittedly, as well as we would have otherwise liked.

With respect to earlier GAO comments, we have actually taken into consideration the GAO report. We have created modules for the implementation of MTS and continue to pay attention to both inside and outside the Department.

I have asked, immediately after the decision to implement a partial work stoppage on GTE, to be briefed on an every other week basis on the progress of MTS. We have laid out a 90-day timeline in which to revise where we are and where we are going to go, and I intend to be personally involved in that process, along with HCFA and other people from the Department.

The CHAIRMAN. I am sure, as you can appreciate, the matter is very worrisome. It seems like cost overruns in this program have run to something like \$65 million.

We seem to be having big difficulty, Pat, in using modern technology in the Federal Government, and this is something that is, indeed, very disturbing.

Let me ask you this. In October of last year, I understand the administration proposed, and then retracted in the face of public criticism, a plan that would have scaled back nursing home inspections.

According to an April 23rd New York Times article, nursing home executives who were major contributors to the Democratic National Committee and the Clinton/Gore campaign met with the Secretary of Health and Human Services.

The article states that nursing home industry officials were given an advance copy of a draft of new rules later issued in January that limit use of civil monetary penalties for certain nursing home violations.

My question is, did you attend any of these meetings or were you involved in the formulation of the rules for nursing home inspections or for civil monetary penalties?

Mr. THURM. Yes, Mr. Chairman. Let me briefly explain. With respect to the report by Robert Pear, the October memo was an internal HCFA memo about the better targeting of enforcement resources. I had no knowledge of the memo when the story was written and it was, in your words, or Robert Pear's words, withdrawn. But I had no knowledge of that memo.

With respect to advance copies and new rules on the imposition of civil monetary penalties, I have no knowledge of any representatives of the industry getting advance copies. I do not recall being involved in any meetings about that, though I will be happy to more fully answer for the record.

Finally, the story also talks about issues about the implementation of the nursing home quality regulations in July of 1995. Before that date, and subsequent to that date, I was in meetings with representatives of the American Health Care Association, which is known as AHCA, which is the large industry lobby association.

There were at the time considerable pressures on the Department not to go forward with implementation of the regulations, considerable pressure from industry, from members of Congress. There were meetings in which I participated in which we were urged not to go forward.

Representatives of the Department met not only with industry, which I think, Mr. Chairman, is good government, we should meet

with people we regulate, we should meet with people who are affected by our regulations, and the Department went forward with those regulations for the first time and posted fines on nursing homes in instances in which there was serious jeopardy to patients.

Subsequent to the implementation of the July 1 nursing home guidelines regulations, HCFA instituted a process to closely monitor how the guidelines were being implemented by the States. There was concern about the way in which they would be implemented by the States, which do our implementation, and whether they would be disparately enforced across the country.

I met with representatives of the industry afterwards on how implementing was going and whether the predictions of dire consequences on nursing homes were, in fact, being borne out by the data we were collecting on this by survey of the implementation of the regulations.

With respect to anything else on this matter, I would be happy to answer more fully for the record.

The CHAIRMAN. Let me ask you this question. Are you aware of any internal department investigation relating to these matters?

Mr. THURM. No, I am not, Mr. Chairman.

The CHAIRMAN. Well, I would appreciate a full written description of this matter and the role you played in it. We may have immediately additional questions we will want to send you, or, after receiving your written statement, as a follow-through there.

[The information appears in the appendix.]

The CHAIRMAN. Senator Moynihan, do you have any questions for Mr. Thurm?

Senator MOYNIHAN. Well, none other than yours, sir. May I say, Mr. Thurm has been fully forthcoming. He said he will provide in writing answers to your questions, and I look forward to seeing them with confidence, indeed, that they will be satisfying and satisfactory. You are in your job, so it will not disrupt your routine while we resolve these matters.

Mr. THURM. Thank you.

The CHAIRMAN. Well, Mr. Thurm, we will, as I say, look forward to your full written statement. We may well immediately send some additional questions for you.

Mr. THURM. And, as I said, Mr. Chairman, I am happy to answer any questions that you or other members of the committee may have on this issue.

The CHAIRMAN. Very good. Thank you, Mr. Thurm.

I would now like to introduce Richard Tarplin, who is nominated to be the Assistant Secretary of Legislation at the Department of Health and Human Services. Senator Dodd wanted to be here very much for your consideration, but unfortunately other commitments prevented him from that. But he, I must say, is a very enthusiastic friend and supporter of you.

Mr. TARPLIN. Thank you, Mr. Chairman.

Senator MOYNIHAN. I believe Mr. Tarplin once worked on Senator Dodd's staff.

Mr. TARPLIN. Yes, sir. That is right.

Senator MOYNIHAN. He was very enthusiastic about that. May I note that yet another New Yorker is before us.

The CHAIRMAN. No comment. [Laughter.]

Before we begin, Mr. Tarplin, I would like to ask you to introduce any family members you might have here.

Mr. TARPLIN. Thank you, Mr. Chairman. I would like to introduce my wife, Linda, who is right behind me, who is a constituent of Senator Grassley.

The CHAIRMAN. Very good. Welcome. Who is the young man?

Mr. TARPLIN. My 3-year-old son, Sam.

Senator MOYNIHAN. And he has been very quiet for the last 10 minutes.

Mr. TARPLIN. We have a 4-month-old, Joshua, who is at home, hopefully watching on C-SPAN. [Laughter.]

The CHAIRMAN. Well, we are delighted to have them here.

You are, of course, well-known to the committee. You have served as the principal Deputy Assistant Secretary for Legislation since 1993, been acting as the Assistant Secretary for Legislation since May of last year. You undoubtedly have excellent qualifications, having served more than 10 years as a staff member in both the House and the Senate.

Senator Moynihan, do you have any statement you would like to make?

Senator MOYNIHAN. Yes. It is a joy to see virtue rewarded in this city. It does not happen that often. It is our opinion you very much deserve this position, and you will serve with distinction.

Mr. TARPLIN. Thank you, sir.

The CHAIRMAN. Mr. Tarplin, we will now swear you in. Would you please rise and raise your right hand.

[Whereupon, Mr. Tarplin was duly sworn.]

The CHAIRMAN. Thank you. Please be seated. Do you have a statement you would like to make?

STATEMENT OF RICHARD J. TARPLIN, TO BE ASSISTANT SECRETARY FOR LEGISLATION, DEPARTMENT OF HEALTH AND HUMAN SERVICES

Mr. TARPLIN. Yes. Mr. Chairman, Senator Moynihan, I am honored to be before you today as President Clinton's nominee to be Assistant Secretary for Legislation at the Department of Health and Human Services.

I am especially grateful to Secretary Shalala and to my close friend and colleague, Deputy Secretary Kevin Thurm, who is here with me today, for the opportunity they have given me to continue to serve with them.

I have submitted a prepared statement for the record, so I will be brief this afternoon, but I would be pleased to answer any questions that you might have.

Thank you, sir.

The CHAIRMAN. Your full statement, of course, will be included as if read.

[The prepared statement of Mr. Tarplin appears in the appendix.]

The CHAIRMAN. I will turn to the same standard questions that I asked Mr. Thurm.

First, is there anything you are aware of in your background that might present a conflict of interest with the duties of office to which you have been nominated?

Mr. TARPLIN. Mr. Chairman, I have no conflicts of interest, per se, but I would like to bring to the committee's attention that my wife, whom you have met, is a lobbyist here in Washington.

I have received very specific guidance on issues of recusal related to my wife's work from the HHS Ethics Officer and I intend to follow that guidance, to the letter and spirit of the guidance, in every way.

The CHAIRMAN. Now, let me ask you this. As far as the future is concerned, how will you handle matters that may arise? How will you be aware of what your wife is involved in as a lobbyist?

Senator MOYNIHAN. Could I ask, just so we do not be too vague about this, she represents an industry or firm?

Mr. TARPLIN. Senator Moynihan, she works for a firm in town called O'Brien, Calio. Nick Calio and Larry O'Brien—you may know one or both of them—are the principals.

Senator MOYNIHAN. Well, yes. So there is a wide range.

Mr. TARPLIN. That is correct, sir. I am not even sure what her list of clients is, to tell you the truth.

Senator MOYNIHAN. Sure.

The CHAIRMAN. So I go back to the question. How will you ensure in the future that conflict of interest does not arise on matters before your wife?

Mr. TARPLIN. Mr. Chairman, my understanding is that the only potential for conflicts, based on the guidance I have received from the Ethics Officer, is on what are known as specific matters involving specific parties.

That is, issues in which my wife is directly involved that, in turn, directly affect a particular client as opposed to a broad class of individuals or organizations. Even more narrowly, the recusal would only apply to matters in which my wife is in contact with the Department directly.

My understanding is that parallel efforts, with each of us working directly with the Congress, is acceptable and does not call for recusal.

The CHAIRMAN. Let me ask you, second, do you have any reason, personal or otherwise, that would in any way prevent you from fully and honorably discharging the responsibilities of the office for which you have been nominated?

Mr. TARPLIN. No, sir.

The CHAIRMAN. Third, do you agree without reservation to respond to any reasonable summons to appear and testify before any duly-constituted committee of Congress, if you are confirmed?

Mr. TARPLIN. Yes, sir, I do.

The CHAIRMAN. Mr. Tarplin, as Assistant Secretary for Legislation you will be involved in setting the legislative priorities for the Department. Do you believe Medicare reform should be at the top of the list of the Department priorities?

Mr. TARPLIN. I do, sir, as does Secretary Shalala, the Deputy Secretary, and the President.

The CHAIRMAN. Now, I will ask you the same question I asked Mr. Thurm, so bear with me.

In October of last year, I understand the administration proposed, then retracted in the face of public criticism, a plan that would have scaled back nursing home inspections.

According to the April 23rd New York Times article, nursing home executives who were major contributors to the Democratic National Committee and the Clinton/Gore campaign met with the Secretary of Health and Human Services.

The article also states that the nursing home industry officials were given advance copies of draft new rules, later issued in January, that limit use of civil monetary penalties for certain nursing home violations.

Again, my question, did you attend any of these meetings or were you involved in any way of the formulation of the rules for nursing home inspection or for civil monetary penalties?

Mr. TARPLIN. Mr. Chairman, to the best of my recollection, I was not involved in any way in the formulation of departmental policy on that issue. I do recall having a courtesy visit last year when I assumed the duties of Acting Assistant Secretary with a lobbyist from the nursing home association. It was a courtesy visit, pretty cursory introduction, to their legislative agenda, and so forth.

I may have participated in one or two other meetings at the Department, but I do not recall that those were policy meetings, or could be defined as policy meetings.

The CHAIRMAN. Well, I would ask that you consider this matter further and, if you have any additional information, that it be submitted in writing.

Mr. TARPLIN. I would be happy to. I will check my records and calendar and will be happy to do that, sir.

The CHAIRMAN. Are you aware of any internal investigations of these matters?

Mr. TARPLIN. No, I am not.

The CHAIRMAN. As I say, again, I would like a written explanation of what contacts you did have.

Mr. TARPLIN. I would be happy to provide that, sir.

[The information appears in the appendix.]

The CHAIRMAN. Senator Moynihan.

Senator MOYNIHAN. Yes. Again, Mr. Chairman, I have to express concern verging on alarm at Mr. Tarplin's response to your question, did he consider Medicare reform to be a priority, the top priority I think you said, of the administration and the Department, and he said of his, the Secretary, and the President.

Now, last year we had welfare reform, a curious formulation under which we repealed Title 4A of the Social Security Act, Aid to Families with Dependent Children. Does Medicare reform imply that you wish to repeal Title 18 of the Social Security Act?

Mr. TARPLIN. No, sir, it does not.

Senator MOYNIHAN. I see. This is a different kind of reform.

Mr. TARPLIN. I guess, yes, sir, you could say that.

Senator MOYNIHAN. Like Humpty-Dumpty, when you use a word, it means exactly what you wish it to mean, neither more nor less? I am only trying to torment you a little. [Laughter.]

The CHAIRMAN. You are doing very well. [Laughter.]

Senator MOYNIHAN. Again, can I say, I think Mr. Tarplin has been very forthcoming, and if you have questions I am sure you will be satisfied with the answers, sir.

Mr. TARPLIN. Thank you, Senator.

The CHAIRMAN. Those are all the questions we have at the moment. We will look forward to your written statements. Thank you for being here today, and we particularly appreciate your family members joining you on this important occasion. Thank you very much.

The committee is in recess.

[Whereupon, at 12:24 p.m., the hearing was concluded.]

APPENDIX

ADDITIONAL MATERIAL SUBMITTED FOR THE RECORD

PREPARED STATEMENT OF RICHARD J. TARPLIN

Mr. Chairman, Senator Moynihan, distinguished Members of the Committee.

I am honored to appear before you today as President Clinton's nominee to be Assistant Secretary for Legislation at the Department of Health and Human Services. I am especially grateful to Secretary Shalala, and to my close friend and colleague, Deputy Secretary Kevin Thurm, who is here today, for the opportunity they have given me to continue to serve with them.

Since 1993, I have served at HHS as Principal Deputy Assistant Secretary I for Legislation, and, most recently, as Acting Assistant Secretary. Prior to joining the Administration, I worked for eight years with Senator Chris Dodd on the Senate Committee on Labor and Human Resources, and for three years before that as a Legislative Assistant to then-Representative Leon Panetta.

Through my work in and with the Congress, I have developed great respect for the legislative process, particularly the bipartisan tradition of the U.S. Senate.

Under Senator Dodd's leadership, I learned the value of this tradition firsthand, helping to craft bipartisan legislation like the Family and Medical Leave Act, the 1990 Child Care law, and legislation to reauthorize the Head Start program.

If I am confirmed by the Senate, I will be called upon to be the Secretary's principal legislative advisor and liaison with the Congress. I intend to bring to the job the same spirit of bipartisanship and cooperation that I learned over the past 15 years.

Mr. Chairman, I look forward to working closely with you and the Members of this Committee on the many important issues we face. I would be pleased to answer any questions you may have at this time.

The White House
Office of the Press Secretary

For Immediate Release

September 18, 1996

Clinton Names Tarplin Assistant Secretary for Legislation at the Department of Health and Human Services

The President announced today his intent to nominate Richard J. Tarplin of Arlington, Va., to be Assistant Secretary for Legislation at the Department of Health and Human Services.

Tarplin was appointed Principal Deputy Assistant Secretary for Legislation in February, 1993. In this role, he has aided the Assistant Secretary in overseeing the Office of Legislation. He works with top-level officials at the Department, the White House, the Congress, Office of Management and Budget, non-governmental organizations, and representatives of the media.

Before joining the administration, he served for five years as staff director of the Senate Subcommittee on Children, Family, Drugs, and Alcoholism, chaired by Senator Christopher Dodd. Additionally, he served as a legislative assistant to former Representative Leon Panetta and as a research assistant to former Representative Thomas Downey. Tarplin received his B.A. from Skidmore College in 1981.

The Assistant Secretary for Legislation serves as a principal advisor to the Secretary in all aspects of the Department's legislative programs, manages departmental relations with Congress, and serves as legislative liaison with the White House.

SENATE FINANCE COMMITTEE
STATEMENT OF INFORMATION
FILED BY
RICHARD J. TARPLIN

A. BIOGRAPHICAL INFORMATION

1. Name:
Richard Joseph Tarplin
2. Position to which nominated:
Assistant Secretary for Legislation
U.S. Department of Health and Human Services
3. Date of Nomination:
January 30, 1997
4. Address:
(H) 3839 North 26th Street
Arlington, Virginia 22207
(703) 525-1475
(O) Office of the Assistant Secretary for Legislation
Room 416G
200 Independence Avenue S.W.
Washington, D.C. 20201
(202) 690-7627
5. Date and Place of Birth:
December 23, 1959
Tarrytown, N.Y.
6. Marital Status:
Married to Linda Eischeid Tarplin
7. Names and Ages of Children:
Samuel Reece Tarplin; Age 2 years.
Joshua Grayson Tarplin; Age 1 month.

8. Education:

High School: Horace Greeley High School; Chappaqua, N.Y.; 1973-1977; High School Degree in June, 1977.

College: Skidmore College; Saratoga Springs, N.Y.; 1977-1981; Bachelor of Arts Degree in May, 1981 (Also attended "Washington Semester" program at American University, Washington, D.C., during the spring of 1980 while a student at Skidmore College).

9. Employment Record:

10/81 - 4/82; Waiter/Bartender; Lenny's of Washington; Washington, D.C.

4/82 - 8/82; Research Assistant; The Honorable Thomas J. Downey; U.S. House of Representatives; Washington, D.C.

8/82 - 6/85; Legislative Assistant; The Honorable Leon E. Panetta; U.S. House of Representatives; Washington, D.C.

6/85 - 4/88; Professional Staff Member; Committee on Labor and Human Resources; U.S. Senate; Washington, D.C.

10/92 - 11/92; Issues Director; Chris Dodd for Senate; Hartford, Connecticut.

4/88 - 2/93; Staff Director; Subcommittee on Children, Family, Drugs and Alcoholism; U.S. Senate; Washington, D.C.

2/93 - 5/96; Principal Deputy Assistant Secretary for Legislation; Office of the Assistant Secretary for Legislation; U.S. Department of Health and Human Services; Washington, D.C.

5/96 - Present; Acting Assistant Secretary for Legislation; Office of the Assistant Secretary for Legislation; U.S. Department of Health and Human Services; Washington, D.C.

10. Government Experience:

None other than the positions listed in response to Question #9. I have not served in state or local government in any capacity.

11. Business Relationships:

None.

12. Memberships:

None.

13. Political Affiliations and Activities:

a. List all public offices for which you have been a candidate.

None.

b. List all memberships and offices held in and services rendered to all political parties or election committees during the last 10 years.

I am a registered Democrat. I served briefly as Issues Director in Senator Christopher J. Dodd's 1992 reelection campaign.

c. Itemize all political contributions to any individual, campaign organization, political party, political action committee, or similar entity of \$50 or more for the past 10 years.

I have not retained all of my financial records for the past ten years. However, my best recollection is that I made only one contribution during this period: \$500 to President Clinton's 1992 election campaign.

My spouse is a registered Republican who contributes regularly to Republican congressional candidates.

14. Honors and Awards:

I was elected to the Periclean Honor Society at Skidmore College in 1981.

15. Published Writings:

I have authored no books, articles, reports or other published materials since graduating college. I wrote several articles on defense and foreign policy issues for my college newspaper, The Skidmore News, but I do not recall the individual titles.

16. Speeches:

None.

17. Qualifications:

To serve effectively as Assistant Secretary for Legislation, I believe one must have experience in working with the Congress, and knowledge of a broad range of health and human service issues. In my opinion, my extensive service as a congressional staff person has prepared me well to advise the Secretary on congressional matters and to act as the Department's principal liaison with the Congress. I have also spent more than twelve years handling many of the same health and human service issues now before the Department and the Congress. In addition, as the Principal Deputy Assistant Secretary for Legislation for the last three years, I have performed many of the duties required of the position to which I have been nominated.

B. FUTURE EMPLOYMENT RELATIONSHIPS

1. Will you sever all connections with your present employers, business firms, associations, or organizations if you are confirmed by the Senate? If not, provide details.

Not applicable.

2. Do you have any plans, commitments, or agreements to pursue outside employment, with or without compensation, during your service with the government? If so, provide details.

No.

3. Has any person or entity made a commitment or agreement to employ your services in any capacity after you leave government service? If so, provide details.

No.

4. If you are confirmed by the Senate, do you expect to serve out your full term or until the next Presidential election, whichever is applicable? If not, explain.

Yes.

C. POTENTIAL CONFLICTS OF INTEREST

1. Indicate any investments, obligations, liabilities, or other relationships which could involve potential conflicts of

interest in the position to which you have been nominated.

None.

2. Describe any business relationship, dealing or financial transaction which you have had during the last 10 years, whether for yourself, on behalf of a client, or acting as an agent, that could in any way constitute or result in a possible conflict of interest in the position to which you have been nominated.

While I do not believe any conflict of interest is involved, I was advised by the MHS ethics officer last year that I should divest of small stock holdings in companies that may be subject to regulation by the Food and Drug Administration. Pursuant to a letter from Jack M. Kress to Stephen D. Potts, Office of Government Ethics, a copy of which has been furnished to the Committee, I divested of all holdings in the following stocks: Johnson and Johnson, Varian Associates, Motorola, And Pepsico.

3. Describe any activity during the past 10 years in which you have engaged for the purpose of directly or indirectly influencing the passage, defeat, or modification of any legislation or affecting the administration and execution of law or public policy. Activities performed as an employee of the federal government need not be listed.

None other than in the performance of my duties as an employee of the federal government.

4. Explain how you will resolve any potential conflict of interest, including any that may be disclosed by your responses to the above items.

While I do not believe I have any conflicts of interest, I would resolve any conflicts brought to my attention in any way deemed necessary by the Committee or the Office of Government Ethics.

5. Two copies of written opinions should be provided directly to the Committee by the designated agency ethics officer of the agency to which you have been nominated and by the Office of Government Ethics concerning potential conflicts of interest or any legal impediments to your serving in this position.

I understand that the MHS ethics officer will supply this material directly to the Committee.

6. Not applicable.

D. LEGAL AND OTHER MATTERS

1. Have you ever been the subject of a complaint or been investigated, disciplined, or otherwise cited for a breach of ethics for unprofessional conduct before any court, administrative agency, professional association, disciplinary committee, or other professional group? If so, provide details.

No.

2. Have you ever been investigated, arrested, charged, or held by any Federal, state, or other law enforcement authority for a violation of any Federal, state, county or municipal law, regulation, or ordinance, other than a minor traffic offense? If so, provide details.

No.

3. Have you ever been involved as a party in interest in any administrative agency proceeding or civil litigation? If so, provide details.

As Acting Assistant Secretary for Legislation, I was involved last year in the resolution of an employee grievance proceeding that stemmed from a "marginally successful" performance rating given to a clerical employee in the Office of Human Services Legislation in 1995. I was neither the rating official nor the reviewing official for this employee, and had no involvement in the rating or initial stages of the grievance procedure. I simply inherited this grievance from my predecessor when I assumed the duties of Acting Assistant Secretary for Legislation.

4. Have you ever been convicted (including pleas of guilty or nolo contendere) of any criminal violation other than a minor traffic offense? If so, provide details.

No.

5. Please advise the Committee of any additional information, favorable or unfavorable, which you feel should be considered in connection with your nomination.

None.

E. TESTIFYING BEFORE CONGRESS

1. If you are confirmed by the Senate, are you willing to appear and testify before any duly constituted committee of the Congress on such occasions as you may be reasonably requested to do so?

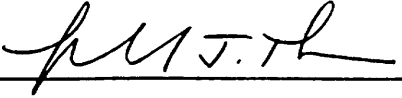
Yes.

2. If you are confirmed by the Senate, are you willing to provide such information as is requested by such committees?

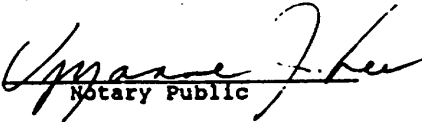
Yes.

AFFIDAVIT

Richard J. Tarplin, being duly sworn, hereby states that he/she has read and signed the foregoing Statement of Information Requested of Nominee and that the information provided therein is, to the best of his/her knowledge, true, accurate, and complete.



Subscribed and sworn before me this 3rd day of March, 1992.


Notary Public

RESPONSES TO QUESTIONS SUBMITTED BY SENATOR ROTH

DEPARTMENT OF HEALTH AND HUMAN SERVICES,
OFFICE OF THE ASSISTANT SECRETARY,
Washington, DC, May 19, 1998.

Hon. WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance,
U.S. Senate,
Washington, DC.

Dear Senator Roth: I appreciate the opportunity you gave me to appear before the Senate Committee on Finance on April 30, 1997, in connection with my nomination to become Assistant Secretary for Legislation of the Department of Health and Human Services. I am pleased to provide the explanation I proffered on April 30th of any role I had regarding the formulation of (1) changes to the standards for imposition of civil monetary penalties (CMPs) for violation of nursing home regulations, and (2) proposed changes to federal policies regarding inspections of nursing homes [hereinafter "the policies"]. As you know, your staff suggested that my explanation be formatted as answers to six specific questions you sent to me on May 2, 1997.

Question 1. I believe I attended only two meetings at which individuals from the nursing home industry were involved. On June 14, 1996, I met in Room 614G at the Hubert H. Humphrey Building at 3:30 p.m. with Bruce Yarwood, Legislative Counsel for the American Health Care Association (AHCA), Paul Willging, AHCA Executive Vice President, Kevin Thurm and Bruce Vladeck to discuss a range of legislative and regulatory issues related to the nursing home industry. I cannot recall whether other persons were also at that meeting. Thereafter, on December 3, 1996, at 4:00 p.m., in Room 416G of the Humphrey Building, I had a courtesy visit with Bruce Yarwood who spoke with me about the American Health Care Association's legislative agenda. I do not believe that other persons were present at that meeting. I do not recall either of the policies being discussed at either of these meetings, but cannot say for certain that one or both was not. I do not recall any telephone or other contacts with individuals from the nursing home industry regarding either of the policies.

Question 2. I had no role in the formulation of either of the policies and attended only the meetings I described in answer to Question 1. I neither prepared nor reviewed memoranda or other documents on either of the policies.

Question 3. I do not have a copy of the draft policy on changes to the standards for imposition of CMPS for violation of nursing home regulations that you report having been sent by the HCFA Administrator to members of the nursing home industry. I understand that Kevin Thurm will forward a copy of the draft distributed, and a list of the persons who may have received the draft policy.

Question 4. I do not have a copy of the Department's proposed inspection policy, as described in the April 23, 1997, New York Times article you reference. I understand that Kevin Thurm will forward a copy of the document you request.

Question 5. As I have described above, my role in the formulation of the relevant policies was extremely limited. The only representatives I met with were from the American Health Care Association. I have no knowledge of any individuals representing the Democratic National Committee or the Clinton-Gore campaign attempting to influence the formulation of nursing home policy by the Department of Health and Human Services.

Question 6. Again, my role in formulating the policies was limited to the activities I described above. I have no knowledge or recollection of the subject of political contributions ever arising in my experience in connection with the formulation of nursing home policy by the Department of Health and Human Services.

To the best of my knowledge and recollection, the information I have provided here is true, accurate and complete. Please let me know if I can be of further assistance to the Committee.

Sincerely,

RICHARD J. TARPLIN.

PREPARED STATEMENT OF KEVIN L. THURM

Mr. Chairman, Senator Moynihan, and Members of the Committee, my name is Kevin Thurm, and I am honored to be here today as President Clinton's nominee for the position of Deputy Secretary in the U.S. Department of Health and Human Services. I would like to introduce you to the members of my family who are with

me this morning: my wife, Suzanne Seiden and one of my two sons, Eric, who is nearly 5. My younger son, Jason, who is one and a half, did not accompany us today.

Since January 1993, I have had the privilege of working with Secretary Shalala on issues that touch the lives of every American, first as Chief of Staff and, since last fall, as Deputy Secretary. I have worked closely with the Secretary on all major policy and management issues and now function as the Department's Chief Operating Officer, responsible for the day-to-day management of the Department which includes over 57,000 employees, some 300 programs, and a budget of over 350 billion dollars. I also oversee the Department's regional activities and lead several Departmental initiatives, including the Hispanic Agenda for Action, the Historically Black Colleges and Universities Initiative, and the Tribal Colleges and Universities Initiative.

I share the Secretary's commitment to improving the efficiency of our operations, focusing on results, and serving our customers better. As part of this commitment, I serve as the HHS representative on the President's Management Council, as chair of the HHS Union-Management Partnership Council, and as the lead Departmental official implementing the Government Performance Results Act.

Before my appointment to HHS, I was an associate with the New York law firm of Cahill Gordon & Reindel from 1989 to 1991. My educational background includes a bachelor of arts degree from Tufts University in 1983; B.A. and M.A. degrees from Oxford University in 1986, where I was also a Rhodes Scholar; and a J.D. degree from Harvard Law School in 1989. Additionally, from 1983 to 1984, I served as legislative assistant in the Massachusetts state legislature.

HHS has made long-term commitments to improving the health and well-being of all Americans, to protecting the nation's public health, and to furthering advances in medical and public health science. We have made progress over the last four years, but there is much left to do. As we face the issues of today, implementing welfare reform, modernizing Medicare, and improving children's health, to mention a few, we are committed to working in partnership with the Congress, state and local government, the private sector, and communities.

Secretary Shalala has asked me, if I am confirmed by the Senate, to concentrate my energies as Deputy Secretary not only on the day-to-day management of the Department but also on ensuring that the Department is ready to meet new challenges as we head into the 21st century.

Mr. Chairman, if confirmed, I will continue to work on a bipartisan basis with you, the members of this Committee, and the Congress, to achieve our mutual goals of improving the health and well-being of the American people.



Kevin L. Thurm
Deputy Secretary
Department of Health and Human Services

President Clinton nominated Kevin L. Thurm to be Deputy Secretary of Health and Human Services on Aug. 1, 1996. The President appointed Thurm to that post on Aug. 30, 1996, and he was sworn in on Sept. 4, 1996.

HHS is the federal government's principal agency for protecting the health of all Americans and providing essential human services, especially for those who are least able to help themselves. The Department includes some 300 programs, covering a wide spectrum of activities, including medical and social science research, preventing outbreak of infectious diseases, assuring food and drug safety, Medicare and Medicaid, financial assistance for low-income families, Head Start, substance abuse treatment and prevention, and services for older Americans. The Department's budget in Fiscal Year 1997 is about \$354 billion.

As Deputy Secretary, Thurm works closely with HHS Secretary Donna E. Shalala on all major policy and management issues, and he serves as the Department's chief operating officer. Additionally, Thurm chairs the HHS Union-Management Partnership Council, and leads several special Departmental initiatives, including the Hispanic Agenda for Action, the Historically Black Colleges and Universities Initiative, and the Continuous Improvement Program, a Department-wide effort to refocus the Department on improving customer service while streamlining the HHS workforce.

The Deputy Secretary is also helping to lead some major cross-cutting federal initiatives. Thurm serves as the HHS representative on the President's Management Council, as chair of the HHS-Labor Management Council, and as the Department's lead for implementing recommendations of the National Performance Review, the major federal effort to cut waste and increase efficiency in government.

Since January 1993, Thurm had served as HHS Chief of Staff. In addition to coordinating HHS activities and issues and serving as a principal advisor to Secretary Shalala, Thurm served as the central point of liaison between the Department and the White House. As the Department's Regulatory Policy Officer, Thurm played a key role in setting the Department's regulatory agenda and reviewing all regulations issued by the Secretary, a role he continues.

Before coming to HHS, Thurm served as New York state director of both the 1992 Clinton for President primary campaign and the 1992 Clinton-Gore general election campaign. Following the Clinton-Gore victory, he helped lead an effort to review the functions of executive branch agencies as a member of the Presidential transition team.

Thurm, who is a former Rhodes Scholar, received a bachelor of arts degree from Tufts University in 1963, B.A. and M.A. degrees from Oxford University in 1968, and a J.D. degree from Harvard Law School in 1969.

From 1989-1991, he was an associate with the New York law firm of Cahill Gordon & Reindel. He also worked as a legislative assistant in Massachusetts state government in 1983-84.

Thurm was born on April 5, 1961, in Brooklyn, New York. He and his wife Suzanne Seiden and their two sons, Eric, 4, and Jason, 1, reside in Washington, D.C.

Senate Finance Committee Questionnaire

A. Biographical

1. Name: Kevin Lee Thurm
2. Position to which nominated:
Deputy Secretary,
Department of Health & Human Services
3. Date of Nomination: January 9, 1997
4. Address: 3902 Georgetown Court N.W.
Washington, D.C. 20007
- Office: Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201
5. Birth: April 5, 1961; Brooklyn, New York
6. Marital Status: Married to Suzanne Beth Seiden
7. Children: Eric Daniel Thurm (4 yrs. 8 months)
Jason Brett Thurm (1 year, 7 months)
8. Education:
 - A. John F. Kennedy High School
Bellmore, New York
September 1976 - June 1979
Diploma, June 1979
 - B. Tufts University
Medford, Massachusetts
September 1979 - May 1983
B.A., May 1983
 - C. Oxford University
Pembroke College
Oxford, England
October 1984-June 1986
B.A./M.A. (Oxon), officially
conferred May 1991 .
 - D. Harvard Law School
Cambridge, Massachusetts
September 1986 - June 1989
J.D., June 1989

9. Employment:

- A. Legislative Assistant; Rep. Stephen J. Karel,
Massachusetts House of Representatives; Boston,
Massachusetts;
June 1983-August 1984
- B. Group Leader; Camp Pontiac;
West Copake, New York;
August 1984
- C. Research Assistant; Professor Alan Dershowitz;
Cambridge, Massachusetts;
June 1987 - September 1987 (full-time and part-
time)
- D. Research Assistant; Professor Mort Horwitz;
Cambridge, Massachusetts;
June 1987 - September 1987 (part-time)
- E. Basketball coach; Beaver Country Day School;
Chestnut Hill, Massachusetts;
November 1987 - March 1988;
November 1988 - March 1989 (part-time)
- F. Summer Associate; Cahill Gordon & Reindel;
New York, New York;
June 1988 - August 1988
- G. Law Associate; Cahill Gordon & Reindel;
New York, New York;
September 1989 - December 1991
- H. New York State Director; Clinton for President;
New York, New York;
January 1992 - April 1992
- I. New Jersey State Director; Clinton for President;
West Orange, New Jersey;
April 1992 - June 1992
- J. Deputy Convention Manager; Clinton for President;
New York, New York;
June 1992 - July 1992
- K. New York State Director; Clinton-Gore '92;
New York, New York;
July 1992 - November 1992

- L. Transition Consultant; Democratic National Committee; New York, New York; November 1992
 - M. Executive Branch Agencies Management, Internal Coordinator; Clinton-Gore Presidential Transition; Washington, D.C.; November 1992 - January 1993
 - N. Chief of Staff; U.S. Department of Health and Human Services; Washington, D.C.; January 1993 - September 1996
 - O. Deputy Secretary; U.S. Department of Health and Human Services; Washington, D.C.; September 1996 - present
10. Government Experience:
- None other than those listed above.
11. Business relationships
- None
12. Memberships:
- A. Member, American Bar Association (1990-present)
 - B. Member, Alumni Advisory Board; Tufts University Hillel; 1986-1996
13. Political Affiliations and Activities:
- A. None.
 - B. Services Rendered:
 - See answers to question 9, H-L
 - C. Contributions:
 - 1. Campaign to Elect Mike King
 - 2. People with Hulbert James
 - 3. NY State Democratic Committee - Victory '92
 - 4. Bellamy for the '90s
 - 5. The Stephen Karol Committee
 - 6. Titcomb for Congress
 - 7. New York State Democratic Committee-Victory '94
 - 8. Burstein '94
 - 9. Feinstein for Senate
 - 10. Hubbard for Delegate

14. Honors/Awards:

Omicron Delta Epsilon - 1982
 Donald A. Cowdery Memorial Scholarship - 1982
 Tufts Alumni Association Senior Award - 1983
 Marion Ricker Houston Prize Scholarship in
 Economics - 1983
 Wendell Phillips Memorial Scholarship - 1983
 Rhodes Scholarship - 1983

15. Published writings: None

16. Speeches:

In addition to speeches to outside audiences over the past four years for which formal remarks were prepared (copies attached), on occasion I have offered remarks at in-house HHS-related events (such as employee honor award ceremonies) at which remarks were prepared. Also, on occasion, I have spoken at outside events where I did not use prepared remarks.

17. Qualifications:

Over the past four years, I have served as a principal advisor to Secretary Shalala on all major policy and management issues and initiatives. As well, I have played a leading role in coordinating the activities of the Department's staff and operating divisions and in coordinating HHS's relations with other federal agencies. During this time, I believe I have demonstrated a sustained commitment to public service, an appreciation of the mission of this Department, and the ability to successfully fill the position of Deputy Secretary.

B. Future Employment Relationships

1. Not applicable; I am currently employed by the United States government, Department of Health & Human Services
2. No.
3. No.
4. Yes.

C. Potential Conflicts of Interest

1. I have no such arrangements or agreements.
2. None.
3. None.
4. Not applicable.

D. Legal and Other Matters -

1. No.
2. No.
3. No.
4. No.
5. None.

E. Testifying Before Congress


1. Yes.
2. Yes.

AFFIDAVIT

Kevin Thurm, being duly sworn, hereby states that he has read and signed the foregoing Statement of Information Requested of Nominee and that the information provided therein is, to the best of his knowledge, true, accurate and complete.



Subscribed and sworn before me this 14th day of April, 1997.



Notary Public

4/14/97

Date

My Commission Expires June 30, 1998

RESPONSES TO QUESTIONS SUBMITTED BY SENATOR ROTH

THE DEPUTY SECRETARY OF HEALTH
AND HUMAN SERVICES,
Washington, DC, May 19, 1998.

Hon. WILLIAM V. ROTH, JR.,
Chairman, Committee on Finance
U.S. Senate,
Washington, DC.

Dear Senator Roth: I appreciate the hearing your Committee afforded me in connection with my nomination to be confirmed as Deputy Secretary of the Department of Health and Human Services. At that hearing, you referenced an article appearing in the New York Times on April 23, 1997, which questioned whether the nursing home industry received favorable treatment from officials of the Department of Health and Human Services in the formulation of certain nursing home policies (hereinafter "the policies") in exchange for political contributions. The answer to the question is no.

In my position as Chief of Staff for the Department, I was involved in bringing forward the nursing home survey, certification and enforcement regulation [described in your letter as policy (1)] and planning for its implementation. As I stated at the hearing on April 30, 1997, members of this Department, including me, met with members of the industry and their representatives, and, as well, sought the advice and counsel of advocates, state and county health officials and others in implementing this nursing home regulation. I am pleased to describe this process more fully in responding to the questions you have asked me to address.

1. I met with the following nursing home industry members and/or their representatives from the American Health Care Association; Bruce Yarwood, AHCA Legislative Counsel; Paul Willging, AHCA Executive Vice President; Kip O'Neil, of O'Neil & Athey; Dale Thompson, AHCA President; and Alan Solomont, President and CEO of the ADS Group, an enterprise doing business in the nursing home industry. Prior to some of these meetings, briefing papers were prepared referencing Departmental personnel expected to attend. When the meetings actually occurred, some of those persons may have attended, others not; HHS personnel not listed may also have attended. I cannot recall with certainty who attended each meeting referenced in answer to this Question. Other details of those meetings follow:

- 5/4/95—5:45 Secretary's Office. The Secretary; Mr. Solomont. The meeting was about a range of issues including subacute care in nursing homes, the nursing home survey, certification and enforcement regulation, Medicare Routine Cost Limits (RCLs) for nursing homes, and full certification of all beds in Medicare/Medicaid-serving nursing facilities.
- 6/8/95—2:30 Secretary's Office. The Secretary; Messrs. Yarwood and O'Neil; Assistant Secretary for Legislation; Deputy Administrator, Health Care Financing Administration (HCFA); HCFA legislative official; Executive Secretariat representative. The meeting was about a range of issues including subacute care units, implementation of the nursing home regulation, and financial screening of nursing home applicants.
- 4/15/96—3:30 Secretary's Office. The Secretary; Messrs. Yarwood, Willging, Thompson and Solomont; HCFA Administrator; Assistant Secretary for Legislation; Deputy Assistant Secretary for Planning and Evaluation. The meeting was generally about legislative changes to nursing home quality standards, implementation of the nursing home regulation, proposed changes to the Boren Amendment, and a study on the Prospective Payment System (PPS) for Medicare Skilled Nursing Facilities.
- 4/25/96—3:00 Deputy Secretary's Office. Messrs. Yarwood, Willging, and Solomont; the HCFA Administrator; the Assistant Secretary for Legislation; the Deputy Assistant Secretary for Planning and Evaluation; Acting Assistant Secretary for Aging. The issues discussed included long term care insurance, Medicaid, Medicare and implementation of the nursing home regulation.
- 6/14/96—3:30 Deputy Secretary's Office. Messrs. Yarwood and Willging; the HCFA Administrator; the Acting Assistant Secretary for Legislation; the Deputy Assistant Secretary for Planning and Evaluation. The meeting was about a range of nursing home regulatory and legislative issues including long term care, PPS in skilled nursing facilities, salary equivalency, RCLs and nursing home enforcement.

In bringing forward and implementing the survey, certification and enforcement policy, I attended many meetings which were gatherings of only Departmental personnel. Those meetings are more fully referenced in answer to Question 2.

I had some telephone conversations with Alan Solomont, and perhaps with Bruce Yarwood and Kip O'Neil, but I cannot recall the dates, times or other details for which you have asked. I believe that typically the calls were about scheduling or following up on the meetings or the issues noted above.

2. I was involved in bringing forward the nursing home survey, certification and enforcement regulation and planning for its implementation. This was a major regulation of the Department, and, as Chief of Staff and Regulatory Policy Officer, I chaired and participated in numerous Departmental meetings concerned with this effort. Most of these meetings were broadly attended gatherings. When policy decisions were called for, the Secretary was briefed so that she could make those decisions. Meetings chaired by me and presentations for the Secretary occurred on or about the following dates:

July 15, 1994
 May 15, 1995
 June 6, 1995
 June 19, 1995
 June 20, 1995
 June 27, 1995
 July 19, 1995

September 29, 1995
 October 3, 1995
 October 11, 1995
 October 13, 1995
 March 1, 1996
 April 15, 1996

For some of these meetings, I am unable to locate a briefing paper and believe there probably was not one. Where I was able to locate briefing papers, the documents themselves reflect the subjects to be covered in the sessions. I did not prepare but did review these documents. The scheduled times and places of the briefings appear on the documents, although meetings may have been canceled or their dates may have slipped and may not correspond exactly with the dates on the documents. Briefing papers were distributed to the persons listed on the documents. Not all people listed may have attended the meetings, and/or others, typically from within the divisions whose heads are listed on the documents, were probably present. In addition to memoranda prepared by and/or widely circulated in the Department, I received and reviewed other documents on the CMP policy. All the documents I could locate are collected in Exhibit 1.*

Although I participated in discussions and decisions relating to implementation of the survey, certification and enforcement of the nursing home regulation, the draft policy regarding inspections of nursing homes [described in your letter as policy (2)] was developed by HCFA without my participation. I played no role in the formulation of that proposed policy.

3. You have asked me to provide a draft policy on civil money penalties that was described in the New York Times article you reference as having been "provided to certain members of the nursing home industry . . .". [Question 3] In order to answer your Question, I obtained from HICFA a copy of this draft policy. See Exhibit 2. I do not recall seeing the mailing or having knowledge about it before it was sent. As you will see on the face page of the memorandum, the draft was sent on July 15, 1996, to scores of recipients including state survey agency directors, federal officials, public interest advocates, and industry representatives.

4. I have obtained from HCFA a copy of the nursing home inspection proposal sent out by that agency in October 1995. It is attached as Exhibit 3.

5. No individuals representing the Democratic National committee or the Clinton/Gore Campaign attempted to influence the formulation of nursing home policy by the Department of Health and Human Services. I was generally aware that Mr. Solomont was affiliated with the DNC. He did not come to the Department representing the DNC or the Campaign, but rather in his capacity as a member of the nursing home industry.

6. The subject of political contributions never arose in connection with the formulation of nursing home policy by the Department of Health and Human Services.

I have answered your questions and gathered and offered further information in the interest of responding to your concerns. I swear that the information provided is, to the best of my knowledge and recollection, true, accurate and complete. If I can be of further assistance to the Committee, please do not hesitate to contact me.

Sincerely,

KEVIN L. THURM.

* Due to their large volume, the three exhibits referred to in this response were made a part of the official files of the committee.