

Center on the American Governor  
**Governor Christine Todd Whitman Archive**  
**FORUM ON THE WHITMAN ADMINISTRATION'S HEALTH AND HUMAN  
SERVICES POLICIES**

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Eagleton Institute of Politics  
(*transcript edited by: Nancy Becker* )

**Governor Christine Todd Whitman:** Before we start, and then I'll say a thank you to all of you, but I'd like to just take a moment for us to reflect on John Sheridan. I don't think there is a person here whose life wasn't impacted by him, particularly the time that we spent in the administration. So, if we could just have a moment of silence in honor of John and Joyce. Thank you. And I did want to say thank you to all of you. Thank you to Ruth, to John, to Nancy, to all those who've taken on not the Whitman years particularly but just doing it in general because as we kept saying to the-- I won't say the brains, the people in Washington, the states are the laboratories of democracy. And they really are. I mean there's a lot I think we'll hear today of ideas that were brought up by this incredible team that's here that we were able to get through that have made a difference and continue to make a difference. And so, not to have looked at the power of governors or what governors around the country have done to pave the way for changes that then were reflected in federal policy is a big gap. So, I'm really pleased that you're doing it. I'm not going to say much to start with about this particular program simply because I'd like to say it's because once we've done something you move on and take on the next challenge. And you kind of leave that behind. It's probably though because my brain is like a sieve. And I forget all the things that we did because you guys were all very busy doing things. So, the first part will-- I think Bill's going to handle the first panel. But I do want to thank you for taking time from your days to be here and add to this. And it helps me remember that, you know what, we did a lot of good things. We had a good time doing it. But that doesn't mean you can't do good things. So, with that, I'll turn it over to Bill.

**Nancy:** And I'm going to interrupt for one second. So, as I've talked to most of you, this is really a conversation. So, we don't expect this to be a lecture. We expect everybody to pitch in. I'm sure you all have ideas.

**William Waldman:** I know it's hard. Thank you, Nancy. And thank you, Governor. And thanks to Eagleton for arranging this. First, I'd like to just note for us a logistical matter. We're going to change the schedule slightly. And the presentations under the panel which I'm moderating, we're going to have the section on Kid Care and Family Care go first. Then I'm going to ask Brian Baxter and Jen Velez to talk a little bit about that. That's to accommodate some schedule changes. First off, I

think I want to speak for all of us and say how wonderful it is to be here and see each other again. I know I have a great feeling of warmth and I'm overcome by some very warm memories, some pain, but some good times as well too. And I also want to speak for all of us and say, "Governor, it was such an extraordinary honor and privilege to be part of your administration." I really mean that sincerely. I think that under your administration, we crafted and implemented some of the most progressive human services policies in the country for this state. And I think we did it in a time of devolution when the authority and responsibility for major federal programs came to the state level. We were faced with many choices. We did it in a way that I believe carefully balanced the personal responsibility of those we serve with the governmental responsibility to help. And really, particularly in the light of today's environment, we did it in an extraordinary way, in a bipartisan way. And I think very importantly, together, we also left a legacy I believe collectively, Governor, under your leadership that set the tone and the direction for future administrations in terms of improving healthcare opportunities, reducing our reliance on big institutional care for people with disabilities and health in many, many ways. And I'm proud to be a part of that. So, let me begin by talking about our Kid Care, New Jersey Family Care, and what was involved with that. And I would ask my dear colleagues and friends, Commissioner Velez and Brian Baxter to speak about that.

**Brian Baxter:** Well I recall that New Jersey was really very far ahead of the rest of the country in Kid Care. Our program was sort of overtaken a year later by the CHIP program nationally. But maybe, Eileen, you could mention the phone call that the Governor got from former Governor Tom Kean who was at--

**Eileen McGinnis:** I would if I could remember it.

<laughter>

**Governor Christine Todd Whitman:** Me, too. You remember.

**Brian Baxter:** I remember.

**Deborah Spitalnik:** This is rapidly going to be named the sieve session.

**Brian Baxter:** The Robert Wood Johnson Foundation, like a lot of foundations, did a lot of pilot programs to test out different policies, but we were approached, the Governor was approached, by one of the board members of the foundation to try

something that had never been tried before, which was to do an experiment at scale, to cover every child with insurance in New Jersey. And I recall Eileen saying to me, "The governor said yes." Your job is to figure out how to make it happen. And it was that kind of support, that instant, complete. This is a good thing for New Jersey as you were mentioning before about policy with the state. We didn't look at it from a political point of view or from a legislative point of view. We looked at it as what would be good for children. And I do recall, it says in our stuff here that the Governor was able, during her term, to reduce child poverty. And there really was-- I've always been amazed at governors, and especially our Governor, becoming a policy wonk and really being concerned about issues of policy as much as the day to day politics that you have to operate with. And she said yes to that. And so, we were able to, with Robert Wood Johnson Foundation funding, engage Mathematica. We did this the right way to get the best data we could to examine what the different pieces of the uninsurance puzzle was in New Jersey and how to attack it. So, we were way out ahead so that when the CHIP program came along nationally, Robert Wood Johnson didn't actually have to put the money in for that scaling approach because the federal government did that. But New Jersey was a leader in that. And really on a national level, we were able to explain and help a lot of other states because we had a year advance thanks to that effort.

**Jennifer Velez:** I just wanted to add, so for time context, this was in the late '90s. And I had joined, Governor, your administration and counsel's office in 1998. So, that's when I think the best collaborative efforts that I had ever experienced really professionally because Brian-- it was such a thrill really to get a call from Brian from the policy shop. And I was so new in counsel's office. And he said "Come upstairs every week, every Tuesday or Thursday. And we will sit for three hours and figure this out." And we had a room twice as large as this with twice as many people who were intently focused on the policy, the operational issues, the legislative issues. And I will say that really set the footprint or the blueprint for what Family Care-- Kid Care, then, Family Care is today. And there's very little that has changed substantively with respect to Family Care. And I just want to add a stat because I think it's important. When we rolled it out, you may remember this, there were people charged with handing out ice cream cones to sign up for Kid Care. Well, right, so we now have over-- we have seven hundred-- we have one point six million people today on Medicaid and Family Care, but seven hundred and seventy thousand children are today insured really because of those efforts. So, it was-- as my memory, being in counsel's office, it was one of the most extraordinary times, hugest privileges to be involved in that program, which was groundbreaking, and I think set a model for the country. I really do.

**Brian Baxter:** Eileen, you may remember that--

**Eileen McGinnis:** Or not, or not.

**Brian Baxter:** She remembers a lot.

**Eileen McGinnis:** I've read some of the interviews on the website, and I just couldn't believe how many people remembered very detailed things. That is not me. But I do remember the context more because right now in the country, there's a lot of discussion about income equality and the one percent. And in a lot of ways, we talked about that a lot in the governor's office because we were very much aware, even in New Jersey, where we're a state of great wealth, but also have deep pockets of poverty. And I think some of these discussion on Family Care and later on on EITC and welfare reform, the Governor was very aware of that as she drove around the state and talked to a lot of people. How do you narrow that gap and give access to goods a lot of people don't have. So, I think a discussion the country is having now, I think early on, New Jersey had that discussion because of the kind of state we are.

**Governor Christine Todd Whitman:** I don't know. Has anything more happened with-- remember with Rob Reiner, the zero to six, or--?

**William Waldman:** Oh, yes. I remember we had--

**Governor Christine Todd Whitman:** I know. We had an event with him. I remember that, but I just don't remember--

**Eileen McGinnis:** "Spinal Tap." No, I do-- about a half a dozen of those zero to three centers are still in Trenton and Camden. I think there are iterations of them. But it was the start of that. And that was when you spoke at a governor's conference, Jane was there. And he heard you speak. And he gave you a note and said he'd be interested--

**Governor Christine Todd Whitman:** I sent him a note and said I'd love to do this. That's why you hated my going to AGA meetings.

**Eileen McGinnis:** And then we started a couple of those zero to three centers.

**Brian Baxter:** Governor, I wanted to also mention as I thought back around the Kid Care to Family Care, the Kid Care thing in a way was easy because children-- everybody feels for children. And we had that head start thanks to your saying yes to Tom Kean. But then as we sort of developed-- and this gets back to, Bill, the welfare reform, is you'll recall the federal welfare reform program had eighteen months extension of Medicaid for people who went off to get jobs. And as we were successful in our welfare reform program, I think one of the best in the country, we found that we became concerned that folks that had gone off, done the right thing, got their act together, got a job, and then suddenly they were going to lose healthcare and come back on the welfare rolls.

We were also concerned about making work pay, making it for the long run that people could be better off if they worked rather than not. And they needed to have health insurance. So, we then turned to the idea of Family Care, of really taking the parents of those kids. We knew from a policy point of view-- I think Bill was one of those that espoused this-- that kids could have insurance. But they needed to be able to get the care. And mom would be much more likely to take the child to get the preventive care to do that as sort of as a policy issue if we added the parents to the program. And I recall that we spent a lot of time developing the policies in this committee that Jen was talking about. But thinking back, in the year that the legislature passed that bill, I recall your putting that front and center in your budget address, calling for Family Care. It was a major part of the address. You put your prestige on the line to see that that happened. And we met with a lot of resistance from our friends in the legislature, especially in the Senate. John was one of the guys that had to go down there and sell it. It was not easy. And I recall especially our friends in the State Senate. Senator DiFrancesco's office was really opposed to the bill. We had some very, very difficult conversations with them. And I was thinking about that on the way up that really your sort of grit and your sort of willingness to stand behind it, I believe that you had conversations directly with Senator DiFrancesco on this issue. And he asked that you withdraw the bill. And not only did you say no, you said, as I recall, maybe Mike you would remember some of this, I recall her saying that you wouldn't sign the budget bill unless this was in it. And I think if you go back, Nancy, to check the date of that bill signing--

**Governor Christine Todd Whitman:** You're going to make me popular with the legislature.

**Brian Baxter:** Seriously, it was like we were very, very concerned this thing would happen at all. And you put the prestige of your office, you put your grit behind that and said no, we're going to have that. And it happened in the last week in June.

**Nancy:** John do you remember any of that, or Mike?

**John Kohler:** I remember some of it. I know Mike does.

**Michael Torpey:** I'm going to have to claim the same ignorance that Eileen has.

**Brian Baxter:** Well, Mike, you were terrific. You were good.

**Michael Torpey:** I will say that the conversations with Donny happened practically daily.

**Brian Baxter:** We were glad to add one to your list. And I think--

**Harriet Derman:** Why were they opposed to it, it wasn't their idea?

**Brian Baxter:** It was ideology.

**Governor Christine Todd Whitman:** It was expanding the care. We took full advantage of what the federal government allowed us. And that was after we'd gone down and negotiated with the other governors with congress-- congressional leaders. And we took maximum advantage to allow people to get on their feet so they could really support themselves. And I have to tell you all, you should feel really good because even as recently as a year ago, I ran into a woman who had a job who came up to me and said, "I cannot thank you enough. What you did in giving me the ability to get educated but take care of my kids so I could understand that they were being taken care of, I have this job. And they respect me. And I feel much better about it." And that's thanks to all of your for what you did.

**William Waldman:** It doesn't get better than that.

**Governor Christine Todd Whitman:** No, that's what it's all about.

**William Waldman:** I just want to-- if I could, having worked in three administrations as well, one of the perspectives that I came away with was unique. We had a governor, in those days, that was willing to expend political capital on

very difficult issues. I remember once, this is a little spring forward, you bringing me to a Republican caucus meeting.

**Governor Christine Todd Whitman:** Sorry about that.

**William Waldman:** There was a lot of pushback on closing institutions. And one of the legislators got in my face and said "You worked for the Democrats last time. Why didn't you do it then?" And my response was, I don't know if you remember, I said, "I've got a governor with the courage to take this one on and do the right thing." And I really meant that.

**Brian Baxter:** It makes a difference.

**William Waldman:** It does in all these areas.

**Jennifer Velez:** I want to just reiterate a point. Brian mentioned it briefly, and I just don't want to gloss over it and lose it. One of the programs that you were referencing under Governor Whitman's administration was workability. So, that's the program that allowed people with Medicaid to keep their income and keep their job, and allowed people with benefits to continue. That program continues today. It's also another one that's a national model. And we're constantly trying to get the word out about that program. But that started here. And it's a huge issue for people with disabilities. It's just tremendous for them to be able to work and keep their health insurance benefits. And that was really thanks to your leadership.

**Brian Baxter:** One of things that you talk about it's still here. It's an interesting point that Bill mentioned, bipartisanship. And Jen mentioned her and my partnership on this. We reached out to, actually it was Senator Vitale, who was then in the minority in the Senate, reached out to us and wanted some tweaks to the program that had to do with working. And I can't remember the details. But we went and agreed with him. We were willing to work with someone that didn't really have the power to force us to do anything because it was right and because he was interested. And that turned out to be such an important piece to the survival of this program because a year or two later when McGreevey was governor and they were pushing to stop the program and defund it because there were economic problems, my recollection again was that they were down to one vote that they needed to pass the budget. And it was Vitale's. And he said, "You put that money back in the budget or you don't have my vote," a very courageous thing. And that sort of outreach to someone who had ideas, who had a concern, and our willingness to do

that because it made sense, and we put policy and bipartisanship ahead of an advantage that we might have had. It really allowed that program to continue. And we didn't know that was the case at the time, but it was, really looking back, a key piece to keeping that program going.

**Jennifer Velez:** It's true.

**Brian Baxter:** And once you get passed one change of administration, it's a lot easier to continue.

**Leah Ziskin:** Bill, I'd like to-- speaking of collaboration, the Department of Health at the time and still does have a very large WIC program, Women, Infants, and Children. And I remember that we promoted Kid Care through WIC. And we also went on the stump with Human Services and tried to get people enrolled. So, there was some collaboration.

**Governor Christine Todd Whitman:** We used the children as a way to get to the parents, too. We figured if they were going to take their children to get healthcare, dental care, they might get it themselves.

**Eileen McGinnis:** I think it might be worthwhile to take some time to reflect on sort of the tension in the governor's office, natural tension, on some of these issues between the politics of the office and the policy of the office. And I think we were lucky because-- there's a natural rhythm to the governor's office in a year where from September to December, there's working with the cabinet to generate new ideas for the state of the state. And then once they're announced, the way we organized it was teams among people in the Chief of Staff's office, Counsel's office, and policy office trying to get those initiatives enacted, either through legislation or by administrative order. And then really after June, when the budget was closed, actually implementing those. And then you start the whole thing over again. So, there was a nice rhythm to it. And if you're lucky and you're working with a progressive, active governor, there's a lot of things going on. And I think everybody in this room would agree, it was a fun time to be in government, not all the time, as Bill said, but a lot of time. But there was a lot of discussion in the governor's office about some of these issues because you would ignore the politics at your peril. And they would come back to you. And I think John, and Harriet, Mike, they were pointing out what others would say about some of this. And I read Tom Wilson's interview on the website. And he talked about-- I don't know if anybody else read it-- how some people in the Whitman administration were very naïve about some of the things that they did. And I read it. And at first, I got defensive. But then I said

what was he telling. I stopped. But I think Brian and I face this a lot, too, because we're always trying to push things. But I think it's a natural thing in a lot of governor's offices. But what I think was different for us was a lot of what we were trying to push was evidence-based. There was a lot of research, or we had a lot of-- Bruce, there were a lot of experts in their areas on these issues. So, it wasn't as if they weren't being pushed with a lot of evidence. And I think we were able to convince people that-- and I think one of the things that you always said was good policy-- what was the thing?

**Governor Christine Todd Whitman:** Good policies make good politics.

**Eileen McGinnis:** Right. But many hours of discussion about a lot of these issues. They weren't just easy to push through. And Mike, if you wanted to say a thing about the politics of some of these issues.

**Michael Torpey:** Well, you know-- I guess my overarching view on this is when I look back and having stayed in Trenton since the last day of the administration, and watching what's happened since, and having a perspective on how administrations operate. I look back and really am a little amazed at how much was actually accomplished. And I made a comment a little bit earlier about some tension with the Senate President. But the fact the of the matter is that even though we did have that, and there were some very difficult times and discussions, if you take a look at the actual record, the record is full of getting it done-- ultimately with the support of the Republican leadership, and when necessary, with the minority Democrats. And I always think of one thing-- the one big thing where you really put your prestige behind an effort-- it's interesting because where we are today on this issue, but where we went for the gas tax increase in order to deal with TTF [Transportation Trust Fund]. And that was the only one thing that I can think back on in seven years working with the legislature on your behalf where we really went hard at it. We spent, with your time, all of the resources of the executive going after it. And we failed. Virtually everything else that you prioritized we were able to get some version of it done. And it's interesting with respect to the TTF, that was the last time that there was a real serious effort made. And we see the condition of that today. And it's ironic. We sit here. We're talking about John Sheridan just the other day and Governor Kean's reflections on him had to do with John's involvement with the original TTF. It's just kind of interesting that all these things, they never really change. And yet, again, I don't mean to focus on the one failure. My point of pointing the one out is because of all the other things that were really accomplished. And I think that's, from a personal standpoint, what I'm most proud of when I look back on my time serving with you, Governor, and everyone here is that every single one of us can point to a series of things that we put a lot of blood

and sweat and tears into and were able to accomplish. So, today we're going to go over a series of things where Jen and Brian and I were just reflecting on Kid Care and where it is-- how far ahead it was and where we are today with that. Later on, we'll talk about Drug Courts, way ahead of the game on issues of offender reentry. I mean it's really quite remarkable when you look back.

**William Waldman:** That's a good segue, perhaps, to go to our next item. Brian, you mentioned some things about welfare reform. I wonder if you could pick them up a little bit more.

**Brian Baxter:** I did notice that in our packets today there's just a terrific piece that was written about that.

**Jane Kenny:** Did you write that Brian?

<laughter>

**Brian Baxter:** No, I did not. But I could have. It does show how--

**Nancy:** The [three papers were submitted by Bill Waldman](#).

**Brian Baxter:** It does show the teamwork, Jane, that we have and how we really do think alike. And I wanted to mention a couple of the overarching policy issues that we had as we developed in response to the federal welfare reform. One was this sort of tough love approach. We were going to have a hard and fast enforcement through the sanction process. And we developed, in cooperation with the advocacy communities, a two letter policy that you were expected to show up to sign up for work or for a work experience, we sent you one letter. If you didn't show up at where you were called in, then we would send you a second letter. If you didn't show up then, you were cut off. And a lot of states found ways to never cut people off. We took a hard-nosed position that you would work first. On the other hand, we took the tremendous savings that the block grant allowed us where we had the amount of money that was being spent on the old AFDC program prior to this, and as we had a dramatic decrease in the caseload-- and I have still on my wall a plaque that I got from the Division of Family Development, the welfare part of the Human Services Department. It's called Brian's Chart. It has each of the counties by month by year and it shows a fifty-one point five percent reduction in less than four years, greater in some counties than others. I'm sure you'll be shocked to know that Essex County (I was looking at the chart the other day), has

less reduction, about forty percent. In other counties, three quarters of the welfare rolls were cut. So, we found ourselves with a pot of money. As we took the easy people off, and then people with more and more problems, we were realizing that we were able to reinvest those savings. It's mentioned in Bill's paper, on drug and alcohol treatment, which made national news. I think, Bill, you went down and testified about that.

**William Waldman:** Yes, yes.

**Brian Baxter:** Mental health services, a lot of these folks are depressed, that's why they don't hold jobs. We need to deal with that depression straight on and get them the mental health treatment that they need. We did have the extension of Medicaid, so they had that. And childcare, we made sure that we never asked any mom to go out to work if she wouldn't have continued childcare until the child was six. So, it was almost an entitlement. But it was an entitlement of necessity because if you asked her to be out there she needed that kind of support. We had the money because the program was successful to do that sort of tough love reinvestment. The reason that we were able to do it really easily in the legislature was, again, your leadership, Governor, and insisting that we take a bipartisan approach. We appointed a committee of the majority and minority chairs of the Human Services Committees. We had that support. We did a lot of briefings and involvement of those folks. But the story that I want to tell that I will never forget was one morning Eileen said to me, "Brian, get down here. We're going to Camden. And I'm driving. I'm driving." So, we're going down to see Wayne Bryant. In the legislature in New Jersey, Wayne Bryant, who is a State Senator, Democrat from Camden, had been sort of the father of the prior welfare reform efforts. I forget what they called it. But-- family development I think it was called. And so, he was a giant in the field. And I think you and Eileen must have realized, if we could get him on board then the whole thing would come together because we had our folks, because we had the tough part of it. We had the Work Force policy. We needed to find a way to do this in a positive way. And we went down and sat in Wayne Bryant's office. And I was really shocked that we sat down with him. And he, off the top of his head, said, "I can be with you if I get these five things." He knew exactly what he wanted. He was prepared. And we were able to work through. He wanted to make sure that there was some ability for some, as you'll recall, to get college credits-- college experience. And then we said that we couldn't do art history. And I think you were actually involved in some of those conversations. But he knew what he wanted, and we found a way to get there. And it was almost smooth sailing after that when he came out as a co-sponsor of the bill. That kind of approach to government is one of the reasons I think that it worked. We didn't go out there trashing the other side and sort of saying, "This is the new way and this is what we're going to do." We found a way to get what we needed, which was get people to work, change their

lives. We found a way to do it that brought the other side on. And it was really one of the best experiences I think we ever had. It ended up, in terms of making work pay as an overall policy, with a state EITC program where we said, "We will help you with your taxes. We'll give you a break in your taxes if you continue to work. So, that you can afford to be out there without public assistance." Another area where we got an amazing thing through. So, over and over again we tried to figure out how to make it so that somebody was better off if they worked.

**Eileen McGinnis:** I do remember one story about the EITC. About fifteen states who had had it, had instituted it. It's a version of the Federal EITC tax credit. This disparity was in our state between the wealthy and not wealthy, and how do you pick people out of poverty. That was the general discussion. But there was a very pragmatic discussion about how much would it cost. OMB was very much against doing the EITC. And I think we were preparing to make an announcement in the budget address if I'm correct. And so we're back and forth in the budget discussion. You all recall the hours and hours we spent in the Governor's outer office discussing every line item. And so, finally we had discussed it for a few weeks, but we had to make a decision. So, the Governor said that I would be given ten minutes to make an argument and Charlene Holzbauer, who was at the time OMB director, talked about her concern. She was concerned that this was another entitlement that over the years, as many entitlements do-- the first year costs were about forty million dollars, significant. So we went back and forth, back and forth. And luckily the Governor chose me. And I won.

**Governor Christine Todd Whitman:** I have to live with you, Eileen.

**Brian Baxter:** You didn't see Charlene every day.

**Eileen McGinnis:** But I see-- it's nice that Jennifer's here. So, you see how these things play out year after year because I saw recently that the current governor cut-- well, I guess it was cut back to twenty-five to twenty percent. Now there's back and forth. Then Bryan told me yesterday that he's working to try to get one passed in Pennsylvania. So, these things play out over the years.

**Jennifer Velez:** Some things haven't changed. We still do fight very much with OMB about a number of things of course. But I don't want to overuse the word blueprint. But really much with respect to WorkFirst New Jersey, the supports that follow someone when they leave welfare, are still in place. And so, that is really a tremendous credit because we were so ahead of the curve at the time. And that's still in place, childcare, Medicaid, transportation. And that really was the right policy

at the time, so it's really lasting. I just wanted to make the point that fifteen years later-- more really, still in place. Right decision at the time.

**William Waldman:** Including that substance abuse initiative you referred to, still there.

**Jennifer Velez:** That's also in place.

**Brian Baxter:** I'm so proud of that.

**Jennifer Velez:** Substance abuse, mental health services, still in place.

**William Waldman:** I chair the board of the organization that operates that program. I'm very proud of it.

**Brian Baxter:** The last thing that I wanted to mention was the toughest challenge in making WorkFirst work, an internal bureaucratic struggle to marry the Boards of Assistance in the Human Service Department with the State Employment Service in the Labor and Industry Department. They're the folks in government who know how to get jobs, did job placement. And some of the worst meetings of my life were trying to get those two bureaucracies to make nice to each other. It's almost more difficult to do that than to get Donald DiFrancesco to buy onto something he didn't really want to buy onto. And that in the end just didn't work.

**William Waldman:** One of the other unique challenges I'll speak to, I think a lot of us forgot this, was I wanted to take the opportunity when we did welfare reform to consolidate what was called general assistance. This was a program operated by five hundred and sixty-six municipalities. In fact, if you went to one of our urban centers, they'd have a nine to five operation where people could come in. One of my favorite towns I won't mention, had as their municipal assistance director the barber. And if you want to apply, seriously, you've got to go to his shop on a Thursday afternoon. If you miss that, you're out of luck. So, yeah exactly. Well, you know it's also the home rules that we struggle with. And we said that the counties already operate the predominant welfare program for families, Temporary Assistance for Needy Families. Why not consolidate into the twenty-one counties what the five hundred and sixty-six municipalities do? And in passing the bills, if you remember, that was one of the most difficult struggles we had. It wasn't about time limits, how much we'll offer education. It was the masses of municipal assistance

directors supported by our legislators. So, we compromised in the end. We made it voluntary. And I think we're pretty close to fruition.

**Jennifer Velez:** There's a handful now that haven't consolidated, very few. I want to say maybe a dozen or so that are still sort of hold-outs. That's an area still ripe for--

**Brian Baxter:** Did we get more again?

**Jennifer Velez:** We did get it. We got some more. We got Newark into Essex now, and Atlantic City into Atlantic County. So, there were some big ones. That's an area still ripe for a lot of reform, how we deliver social services. But that was groundbreaking at the time for sure.

**Bob Bostock:** If I could add a little different perspective from the speech writing shops point of view. Eileen talked about September to December and January. Once all you guys came up with all this brilliant stuff--

**Brian Baxter:** Bob loved us.

**Bob Bostock:** We had to figure out a way to communicate it in some way through the Governor's speeches. And I came to realize that one of the measures of what was a good policy was whether we could communicate it in fairly simple terms that people would understand. If we couldn't get it, because we were just writers, we're not necessarily all that bright, you know we couldn't explain it to anybody else. And nobody would understand it. And you wouldn't get any grass roots support for it. So, it was a real measure of the success of these things that we were always able to find some fundamental principles that made sense to people that we could explain. And the other thing that was a benefit is that the governor did not insist, as many governors, presidents do, that in the State of the State address she's interrupted for applause every thirty-four and a half seconds. She was willing to take time in these speeches to actually lay this stuff out in a way that made sense but that also demonstrated her commitment. Too often those major speeches become just cheering sessions. Half of the chamber gets up on its feet, and the other half sits down. But she was willing to really give a substantive talk and explain this stuff in ways that people can understand. I think that really did reflect the wisdom and the principles that were behind all of these policies that helped get them through. They made sense. People could understand them because they were

addressing real concerns that people had, in a way that could actually accomplish the goals that were set out.

**Rita Manno:** Bob, I remember a lot of those speeches and how successful you were in translating them into common sense language that people could understand and how you tried to stay away from jargon. And in health, and in some of the issues that we had, there's a lot of jargon when you have to deal with people who are testing water and people who have a myopic view because that's their job. Trying to translate that to the public is a real feat. I think you did a really good job doing that over the years.

**Bob Bostock:** Well, you're very kind. I do remember one thing on WorkFirst. I think a year after the program was in place, we wanted to have some folks in the gallery who had benefited from the program. You gave us about a half a dozen names and we found two or three people that we thought would be representative. So, a day or two before, we called just to confirm with these folks that they could make it and everything else. I called one of the folks at their job at UPS. And they said, "Oh, she doesn't work here anymore. She was fired last week." So, firstly, we had called to confirm, so we were able get a hold of her and say, "You know, we're sorry you ended up on the cutting room floor. You don't need to come to Trenton in a couple days." But it's telling the stories around some of these things that really does help get them across. And the Governor's willingness to do that and also, as I said, willingness to really talk about this stuff in a comprehensive way and not just look for the applause line, I think helped a lot.

**Len Fishman:** You know there's another element to communicating. Obviously, the first step is to make it comprehensible. But I was thinking, Ruth, when you were talking about executive leadership qualities, it may have been that third or fourth cabinet meeting when the Governor said to the members of the cabinet, "When you're communicating an idea, and you have said the same words for the hundredth time, and you can't stand saying them one more time, maybe then the public is beginning to tune into the message." And I've always remembered that because Judy Shaw was a very good reinforcer of the message concept. But it's really important when you have a theme to stick with it and to not be switching all the time. And I think that was one of the executive leadership lessons I took away, Governor, which is how you have to stick with a theme and wait for it to really penetrate because it takes time. And you're kind of in an echo chamber where you may think people are getting it because you're doing it all the time. But in fact, it takes a long time for this information to sink in.

**Rita Manno:** And Len, that was particularly important in dealing with the media who we know has difficulty understanding complex issues and trying to make it into a more simplified language. And I'm thinking of Toms River right now. But to say it over and over again. I don't know how many times you said, "This is the most comprehensive and most in-depth study of water in Toms River." But those words, we used to go through the hallway saying that because it was in every speech. But it was important because then when we read the media accounts, those words were in it. So, I think that's a good point.

**Harriet Derman:** Can I make one point? I think a lot of these policy achievements were obtained because the message came from the Governor that this is what she wanted. And there was a real esprit rapport among the members of the cabinet from early on. I can only think of one exception, which I'm not going to mention now. But otherwise, you talk about some bureaucracies not liking it. But I think the message from their commissioners was we're going to get this done for the Governor. And there wasn't competition among the commissioners. It was the Governor wants to get this done. This is good policy. How can we effectuate this? How can we accomplish this? And I think there's a lot of credit, but it was because of your leadership and desire to get things done for you.

**Governor Christine Todd Whitman:** Good people, too.

**William Waldman:** There was also the support. This was a tremendous accomplishment. But there were some errors made by some of us in the cabinet. This is an embarrassing one, but it shows the kind of strength and support you got. Governor you may have remembered when the bill passed. You were very, very pleased. And you mentioned you wanted to have a press conference. And I asked you genuinely, because we had so many Latino recipients, that we wanted to translate the letter into Spanish and send it to all clients. So, they would find out. I know, it was embarrassing. We wanted to get it in the paper for her. So, they wanted to read in the paper what was going to happen to them. There would be a letter explaining all the changes. Normally, what we do, because we have such a large Latino population in Jersey, we go to a certified translator like Berlitz who'd certify it. Because I was rushing, and I wanted to make the timeline, I used my Latino staff. They were working on all different computers. We sent out a hundred thousand letters in illiterate Spanish. Not only that, one of the phrases was inadvertently obscene.

<laughter>

**Governor Christine Todd Whitman:** I don't think I remember that. You didn't tell me.

**William Waldman:** No. No. I did because I actually offered to resign over this. The headline in the Ledger was Commissioner No Habla Español. And you know, I called. I was humiliated. It's one of those days you want to just crawl in a hole somewhere and don't want anybody to look at you. And you said, "Stay with it." I offered to resign. You said, "Stay with it or stay on course." And that's strength in reinforcement.

**Rita Manno:** And learn Spanish.

**William Waldman:** But you know just to summarize this, so we move on. I had the rare opportunity to do focus groups with clients who were directly affected by this. And I asked them how they felt about it and what it meant to them. And they mentioned the difficulties they had getting their kids to childcare, to work, being single parents. My question was always, "Would you rather we had not done this initiative?" And universally, in every focus group I met with, the answer was no. We are somebody. We have a job. And it reinforced the notion of culture and work. I think to sum it up, we moved people up a significant ladder. We didn't get them completely out of poverty, but we moved so many out of dependency on state government where they were working. Maybe they weren't making a lot, still needed help, but they had the dignity that went along with that. Let me segue because of our ambitious schedule and talk a little bit about Medicaid. I'm going to ask my colleagues in health and Brian, Eileen, and others to join in on this because this was an extraordinary accomplishment.

**Governor Christine Todd Whitman:** Yeah but first, if we're going to talk about health, we have to talk about the first battle, which was getting him appointed and getting the legislature to change.

**Nancy:** That's this afternoon.

**Governor Christine Todd Whitman:** That's this afternoon? Get them to change the legislation?

**Rita Manno:** We were going to sneak that one in.

**Jane Kenny:** Early on in your term, because I was still in your office, we actually moved Senior Services from Human Services to Health.

**Governor Christine Todd Whitman:** Right.

**Jane Kenny:** And talk about cooperation with the cabinet, piece of DCA, piece of-- You sacrificed a great big part of your capital.

**Governor Christine Todd Whitman:** And so did--

**Jane Kenny:** And people were really very committed to the policy. And really, when you think about that, that was an enormous--

**William Waldman:** Len will remember that our bureaucrats, people that work for us, would disagree over every pencil, every card, every desk, every phone. And at the end of the day, Len and I would get on. and we'd work it out. It was that good spirit.

**Rita Manno:** And I remember the Governor being very decisive on that issue. We went into the Governor's office. The three departments that were making a presentation to the governor on why we should have Senior Services.

**Jane Kenny:** But I think in the way that they should have.

**Rita Manno:** No, no, absolutely. I'm just saying that was how-- we all expected the Governor to mull this over and think about the idea of it. And the governor said, "Okay, you have it."

**Harriet Derman:** Len, she stole our lines. I said, "That's the only thing I remember about Human Services--"

**Len Fishman:** Well, we'll talk about it later because there's a back story that I think is also quite interesting. So, we'll pick that up with Senior Services. Yeah.

**Harriet Derman:** I hope I don't miss that.

**Nancy:** It's foreshadowing.

**William Waldman:** Let me move on a little bit to talk about Medicaid. And there's so many of you around the table that were involved in so many critical ways. I'd certainly invite you. But I think to sum it up, the program we inherited was seriously broken. It was broken by cost. The inflation we had every year was double digit most years. It was broken by access. It was a fee for service program. Many of our clients could not find participating physicians in their geographic area. In many counties there was no pediatrician available, no obstetrician, no orthopedist. So, inevitably what would happen, people went to the emergency rooms and hospital clinics for the care that they required, or to what we call Medicaid mills, individual providers that saw hundreds of patients, of questionable quality during the day. It was also broken by reason of quality. Even though I think we have some excellent hospitals in this state, emergency rooms are not a good place to get primary and preventive care with quality. So, we made an enormous change to address better coordination, better use, and control costs. And we evolved Medicaid from a fee for service program to a capitated, at-risk, managed care approach. In order to do that, we needed to get approved a complicated waiver for the state of New Jersey. Many people around this table were helpful in leading this. We had to push back against a very powerful thrust and interest by many interest groups who want to be carved out of that. They would rather negotiate their rates in the public political sphere than in the marketplace. So, we converted the coverage for four hundred thousand lives in this state of young families, mostly young children and families, from the old fee for service, wait in the emergency room for five hours with a child with a cold, and get a massive bill, to a system where they had a primary care physician that was at the center of their care. The good news was that we had the highest rate of choice selections. We promised the federal government that we could give every Medicaid recipient a choice as to which managed care program to join. Many states had what are called default choices where clients did not make choices. They were disinterested or unconnected. We had the best rate of individual choices in the country. And I think at the end of the day, we started the movement that controlled the cost, preserved the quality, and enhanced the access for healthcare for poor people. And what's wonderful is the state, since that time, has built on that base. And I think we have one of the best programs in the country today because of the legacy that was left and the difficult choices and struggles we had in our administration.

**Christine Grant:** I'll weigh in here as someone from the second administration who then had to work on the implementation with you and others. And I think it's a subtlety that wasn't well understood outside the government. But basically, certainly Human Services had handled access, administration. Department of Insurance, because we also were facing an influx of HMOs, that for the first time in

this state, were starting to take hold, were becoming very big, very complicated, had national corporate approaches. So, how do we tailor them to New Jersey? And then the Department of Health retained the quality issues. And so to your point, I remember the time when I came in about access of pregnant women to services. We really had a situation where, for example in Mercer County, where women were being asked to go down to Gloucester or Burlington. That was the closest participating OB/GYN, which was just a non-starter. So, Rita may or may not remember this, but I called in Jack Rowe, who was the head-- not only a physician-- but the head of Aetna. And we had at our old table at the Department of Health, our conference room up on the eighth floor. And basically I had no real authority to do anything except to say, "Dr. Rowe, I'm sure we're all on the same side of the table. And we're here not to do what's best for the state, or the administration, or your company, but what's best for New Jersey." And this was a somewhat publicized meeting. So, the point was, on the strength of that, it's sort of what you can do without money and without regulations but just persuading, with the possibility of some press coverage in the background for Aetna at that time. They then really created an approach to have medical ombudsmen. I'm not saying it was perfect. It didn't change things overnight, but it was a way to help companies understand and change. And it was really a big sea change for HMOs who weren't used to doing things somebody else's way.

**Governor Christine Todd Whitman:** Partnerships with government.

**William Waldman:** Yes.

**Len Fishman:** Particularly for Medicaid recipients.

**Christine Grant:** Exactly, that was a sideline business that you weren't going to pay. That was maybe make some money, but don't pay attention to quality there.

**Len Fishman:** Bill, one thing I want to underscore that I think was one of the great accomplishments you touched on, which is the opportunity that beneficiaries had to make choices. I think there were counselors that were made available to them to help them.

**William Waldman:** Yes, we hired-- right.

**Len Fishman:** That was an extraordinary effort and it's one of the reasons that there's a lot of opposition to Medicaid managed care in other places is the feeling

that beneficiaries will be overwhelmed and will not be given choice. And so, that approach, your department thought that out so carefully. It's one of the reasons that there wasn't backlash, which there easily could have been. You guys really sweated over what the experience of beneficiaries as consumers would be. And that's a tremendous credit to your department.

**William Waldman:** One of the other big struggles we had that comes back in this conversation that may not get a lot of publicity is we were very concerned about excess profiteering on the insurance companies. There were some very bad examples that had happened in other states. So, with the support of this administration we said to the HMOs, "There's going to be a medical loss ratio, fifteen percent. You cannot spend more than fifteen percent of the capitated dollar we give you on administration and profit, period." They pushed back and said, "Well, you're not going to have a program in this state. We can't get capitalized on Wall Street with that kind of arrangement." But with the advice and support of a lot of people in this administration around the state, when we held firm, we succeeded. The way the market played out, worked for them, and it worked for us. And most importantly, it worked for the clients that we serve.

**Michele Kent:** Bill, do you remember the conversation you and I privately had about whether we should cover (under Medicaid) Viagra?

**Nancy:** I remember that. I remember that.

**William Waldman:** That was one of the most embarrassing-- I remember the phone call when I had to call for your advice. And I said, "Governor, the federal government said we must cover Viagra in the healthcare program." The only option we had was the amount of dosage.

**Michele Kent:** How many times we got into that. Right, exactly.

**William Waldman:** I called the Governor. I said, "Governor, what do you think?" And she said, "Bill, what do you think?"

**Governor Christine Todd Whitman:** I didn't ask you how much you needed.

**Len Fishman:** That conversation has a lot more resonance now.

**Harriet Derman:** Governor, that would have been the one time it would have been okay to defer to your husband.

**Governor Christine Todd Whitman:** Oh, no, Harriet. You're implying things. We were younger then, remember?

**William Waldman:** That's right. That's right.

**Deborah Spitalnik:** Reminder, we're videoing.

**Nancy:** This is supposed to be spontaneous.

**Governor Christine Todd Whitman:** Well-- yeah. Draw the line somewhere.

**William Waldman:** I think the other good part that I remember, then we can move on to another topic, is there were a lot of questions about did clients really benefit? What did they think of it? As we did in other areas, we had a systematic way of asking their relative satisfaction about it. It was really interesting. The response we got about this was, well, people reflected the same kind of problems we have in managed care. I have to get a prior authorization for this. I've got to wait for that. And the ultimate question was, "Would you rather go back to the old system?" And the universal response was, "Absolutely not. We like this. And one of the reasons we like it, we have our own physician. We have our own personal physician that's the center of our care." That meant a lot.

**Len Fishman:** And we did-- our two departments collaborated on the reports, the public reports, that were won on satisfaction with the managed care plans, which was another way of incentivizing them to perform well, knowing that they were going to be judged, and that it was going to be made public.

**William Waldman:** Great. Anything else on Medicaid? Anybody else have an experience? I think subsequently, we set the stage the state then proceeded and enrolled the elderly and disabled under Commissioner Guhl's leadership. And that's been a great success. And now, as a matter of fact, the state is moving to do all behavioral health within the managed care framework as well. So, that direction keeps going on, and that's great. One of the areas where I can't claim any leadership or responsibility for, I defer to my colleague, Commissioner Guhl who really took the lead.

**Nancy:** Kent.

**William Waldman:** Kent, I'm sorry. I apologize. You know you get fixed at that point in time--

**Michele Kent:** They tape.

**William Waldman:** That's right. But it was the Children's Mental Health initiative that truly revolutionized the way we provide behavioral health care to our children.

**Michele Kent:** Thank you, Bill. And for the record, I've almost forgiven you for sentencing me to the lowest rung of Dante's Inferno when you asked me to step in and run DYFS. I want to tell you. Well, I would like to-- without sounding like a sycophant here and just singing the Governor's praises.

**Governor Christine Todd Whitman:** Oh, that's all right. It doesn't happen very often anymore.

**Michele Kent:** I remember I started out under her administration in the Governor's office. But it was not until I actually went over to a state agency, Human Services, that I got the opportunity to see the woman behind the title. And I say that because as I had an opportunity as Deputy Commissioner to Bill, to accompany Governor Whitman to various hospitals and group homes, and this and that type of human service program. I could watch her very personal reaction. And I say this without sounding like I was taking advantage, or maybe just a little, but I saw the warmth and the melting of her heart with some of the children and what they were encountering. And I knew I had someone who would listen to whatever proposals I wanted to pitch to her.

**Governor Christine Todd Whitman:** It was that-- particularly that neonatal-- the children going through withdrawal, drug withdrawal.

**Michele Kent:** Yes, that was awful. I also remember a group home with older kids that no one would adopt.

**Governor Christine Todd Whitman:** We adopted those. We went to those--

**Michele Kent:** So, I knew that was someone who--

**Governor Christine Todd Whitman:** We all went, remember?

**Michele Kent:** --was going to take care of the state's underprivileged and the populations that really were often overlooked. So, when I had the honor of being appointed as commissioner, after a while, one of the things-- and you know that department is now two. But it was massive. Each division was larger than many of the state departments. So, one of the things-- and every division director oversaw a huge span of control and a lot of money. One of the things, having been sentenced to DYFS, that I learned was that what children with severe behavioral health issues receive in terms of treatment had to do with where they showed up. The door they entered determined what qualitatively and quantitatively they could get in terms of care. And since most of that was under my span of responsibility, I thought this is insane, and gathered some of my key kitchen cabinet together to say we've got to do better. We've got to come up with a better model. We came up with a very sound white paper. I pitched it and I want to say, because this played on for some time, to Eileen and the Governor about developing the Children's System of Care, a behavioral health initiative. This took tremendous fortitude and courage to push through. I mean it was very hard for me to even push it through my own bureaucracy. But when you talk about all the external groups to get this done, it was amazing. I went online knowing this was coming up. And I saw that the department (Jennifer Velez's has left) did an external review about five years after the program had started. I was very proud, one it still exists, two it's actually become almost its own division (I wasn't trying to grow bureaucracy). The external evaluators said it was unprecedented in scale and scope at the time. So, that's yet another example of how, through this administration's dogged leadership, we were really at the forefront. This program resulted in, regardless of where a child showed up, whether it was through DDD, whether it was through DYFS, through the mental health system, they were funneled, their care and case, to one organization. Then a very elaborate system of supports was available for them. For me, the most personally rewarding moment I think I had in my entire time with Governor Whitman was the strength that she exhibited to get this done. As I say, it was massive. It was most amazing to me her continued commitment and Eileen's when the Governor had announced she was leaving one year early. I too announced that I would leave early, and we started getting significant resistance as we were trying to roll out the final phases. There was legislative resistance on this because one of the key components was hiring and outside firm to really be the ASO, the administrative services organizer, do all the intake and assessment. Tremendous push to dismantle that, not to do that key component, for political reasons. And again, I don't really want to get into particular name-calling, but it was extreme pressure. And every time the pressure got ratcheted up, I would pick up the phone,

call Eileen, who would go to the Governor. The governor would say, "Hang tough. Keep going. Keep going. Keep going." When I left, the Governor had just left, I was worried that this would fall apart. And I was happy, very happy to know that what, for me, is my legacy continues to this day.

**Nancy:** We're very passionate about that.

**William Waldman:** If I could then add to that, I would say it's not only continued, but it's been so successful that that is the model that you created that the state would like to use now for adult behavioral health. And that's an extraordinary compliment. I remember those days. It was truly extraordinary. And I think it took away a lot of social injustice that occurred to children in the old system where, depending where you were, where you lived--

**Michele Kent:** The stovepipe kind of, yeah.

**William Waldman:** Exactly, so it was a huge step forward, still very well received today and appreciated.

**Michele Kent:** Thanks.

**Nancy:** We're actually on.

**Bob Bostock:** Can I just take a minute to raise one thing that was not on the agenda but I thought was a great reflection on the Department of Human Services? And that was Tropical Storm Floyd. Remember that in its infinite wisdom, the legislature appropriated eighty million dollars to assist the victims of Tropical Storm Floyd. That created a huge problem because when the governor asks for federal disaster declaration, they have to certify that the extent of the disaster exceed this state's ability to deal with it. So, this eighty million dollar appropriation was in danger of losing our federal disaster declaration. So, Carol Cronheim and I were tasked with kind of figuring out how to make this work. And it was the folks at Human Services who really helped us design the program that we used to kind of piggyback onto FEMA stuff that they wouldn't cover that we would then cover up to whatever the limit was. And what was so great about the job was that your bureaucracy actually did-- and I know human service bureaucracies in general get a bad rap-- but we got all of that money out the door quickly and without any-- when audits were done later on-- any waste, fraud, or abuse and helped people who would otherwise not have been helped. FEMA, if you have four feet of flood water in

your house-- and I know this is off the subject, but I think it's important, FEMA will give you money to replace four feet of drywall. Well, nobody replaces four feet of drywall. You replace eight feet. So, the program we created with Human Services was to pay them so that they could get all eight feet.

**Governor Christine Todd Whitman:** The four feet up.

**Bob Bostock:** And the folks that you assigned to that, Michele, did such a great job with that because you were used to interacting with people where you had to verify the information you got, verify income and all that other thing. We were able to piggyback onto the experience that your folks already had and get that job done. And I kind of think that ought to be a model for disaster relief going forward because it really did work.

**Michele Kent:** You know, Bob, thank you for reminding me of that. I think it also points out something that we had the honor and responsibility of being at the top, everyone here. And there's so much badmouthing of public servants. And my experience was that I had never met such passionate, caring, and bright people who were down through some of these bureaucracies as I did when I was in this administration. And they go very unsung.

**Harriet Derman:** Bill, didn't you also have a role in the Edison disaster, too, that explosion in Edison?

**William Waldman:** I believe we did. We've been repatriating people from--

**Harriet Derman:** But that was early in the administration.

**Governor Christine Todd Whitman:** That was very right at the beginning.

**Harriet Derman:** Because I remember thinking, "I think I'm in charge of fire safety, but I'm not sure."

<laughter>

**Harriet Derman:** As I passed the fire department in Edison, I said--

**Rita Manno:** Firefighter hat.

**Harriet Derman:** But anyway, I know at DCA, we took care of housing, but I know that Human Services had a piece and was there helping people right away. There was no road map for that either.

**William Waldman:** Exactly.

**Governor Christine Todd Whitman:** That's for sure.

**William Waldman:** You know, before break, I just want to close. One of things that's emerged for me is that good policy is good politics. And I think this administration recognized that. I remember governors-- and this goes back in welfare reform. We had some tough decisions to make. One of them was whether or not to make illegal immigrants eligible for a lot of benefits, very controversial national issue. And I remember a conversation. You know like a good staffer, I prepared you with some options like how much it would cost, perhaps, what do you think. And I remember you looking right in my eye and saying, "Bill, when did your family come to this country?" And I said, "Well, you know, I'm only second generation." And I think you said, "Well, mine probably came over on the Mayflower. But aren't we all immigrants in this country at one time? Shouldn't we all also hold out that hand?" That was a very impressive message I got.

**Jane Kenny:** I'm not going to be here this afternoon. I just wanted to add something. Looking around the table, I don't think any of us-- I mean I think there's a real diversity in our backgrounds in this group. And I know when governors come together. A lot of people, especially in the cabinet, were always members of a political party and really supported those goals. If you look around, a few of us were from Hudson County. I never met a Republican until I went to college.

<laughter>

**Jane Kenny:** I know that the Governor was very committed to get the best people for her cabinet, which she got a lot of flak for. People that were in the governor's office when we hired policy people. We were really looking for people that could help represent some real expertise in those areas. I think this is really a tribute to the fact that what Mike said before that we got so much done, that we did really come from different perspectives. The Governor loved to have people around the

table disagreeing so she could come out with a more informed decision at the end. And I really think even though it was a Republican administration, and we certainly upheld the Governor's policies-- it was such a different time in terms of the way we look at the Republican Party now. I think we were really a party of people of a tremendous inclusiveness. We really cared about cities. We cared about Medicaid. We cared about kids. We cared about people that weren't privileged. It really is a testament to your core and your values, but also that we put together the people that really could help us deliver those great policies. So, I just want to say that. Looking around the table, I'm struck again by that.

**Governor Christine Todd Whitman:** Jane, there was something in-- I know some people may have to leave at different times, but I'll say this before the end. But I would have saved for the end otherwise. We've done two others of these things. I must say I am always humbled when we do it because I've forgotten a lot of what we did. We accomplished a lot. But it's the we. I didn't. My strength was finding good people like all of you and then relying on you, saying this is where we should go policy-wise. You figure out how we're going to do it. Let's see how we get it done. And none of this could have happened if you all hadn't been such a great team. And we've already heard a couple of examples. And we'll hear some more where people have to come together and give up some power, give up some responsibility. But everybody seemed to be focused on the greater good. And that's what was important. So, I just want to thank all of you for being, to my mind, what is the definition of a public servant, somebody who really cares about the public. I can remember in campaigns, when I would say I was a politician, all the advisors said, "No, don't say that." I said, "Well, how dumb do you think the people are, A? I'm running for office. I think they figured that one out. But, B, if you go back to the origins of the word, it's based on polis, on the Greek word for people. And it's about serving people." And so, I just want to say I am humbled by the quality of the people I was able to attract because of the job that you all did to make these things happen.

**Len Fishman:** Well, to Jane's point, Governor, that's true, the teamwork. But the fact is that you were willing to look at a very large pool in a way that many executives were not.

**Governor Christine Todd Whitman:** We'll get into how large a pool that was and how difficult it was in the next go around.

<laughter>

**William Waldman:** But just to build on that and lead to our break is the other element that may emerge out of this work was the kind of leadership that you exercised. I think in working in a number of administrations, it is so difficult to anchor vision, mission, and values within a large bureaucracy like state government. Your leadership was successful in doing that. We had a sense of your values. They were part of decisions we made every day and programs we worked out. That's important.

**Governor Christine Todd Whitman:** We were making it-- we can all say it together, the best place in which to live, work, and raise a family.

**William Waldman:** Yes. Take a break for.

<fade to black>

**William Waldman:** Okay, let's continue our discussion of the Human Service issues, and it's now my pleasure to move on to a very significant policy thrust of our administration, which was to reduce our reliance on large state institutions to care for persons with disabilities. I can't say that was a unique trend that started in New Jersey, but it's one that we believed in. We faced a dilemma and an imbalance in our system that much of the dollars budgeted for developmental disabilities or individuals with mental illness were invested in large institutions which were exorbitantly expensive to maintain. The irony of it was, many of those individuals living in those institutions could have more fully productive lives, and had the capacity to live in community settings with the right kinds of services and supports. So we undertook an ambitious process to close two institutions. We didn't just pick them out or do it arbitrarily. We actually went through a relatively transparent public process, where we struggled with issues such as what is the incidence and prevalence of this disorder, how many institutional beds will we need, where should they be located, what of our existing stock of buildings? We had many old rambling institutions, which could be closed, and which ones could be best converted to continue to use in the future? It was certainly a contentious process. We faced enormous resistance, which is fair to say. Clearly the unions were dug-in, dead set to oppose. I remember getting my house picketed on this issue, personally. <laughter> The reason they had is clear. Each of the institutions, and we picked one for mental illness, and one for developmental disabilities-- each one had over 1,000 employees. They sat on very large tracts of land, over 1,000 acres. Their budgets were in the vicinity of about 50 million dollars apiece. So this was a very

big deal. But even more significantly, we had a lot of community resistance to overcome.

**Governor Christine Todd Whitman:** Parents.

**William Waldman:** Parents, on two sides. The parents, particularly on the developmental disability side said that we were taking away their children's home. And many of them had had really very difficult life experiences from the time their child was diagnosed to finding the right placement. Even though they agreed that our institutions weren't ideal, they felt that their child was safe, had a roof over their head, and so forth. On the community side, people realized very quickly that we were going to create supportive community housing for those individuals to reside in. And the fear was by many people, "What's going to happen to my family? Will they be safe? Who are these individuals that are mentally or developmentally disabled?" And although not stated explicitly underneath it, "What is this going to do the property values of my most important investment, my home?" So we proceeded further with the planning effort. We tried. It's not an easy situation to close one of these large institutions, and one day just go in and turn out the lights and say, "Everybody out." So it was very progressive, and what the Governor understood and supported is we needed an initial investment. We called it a Bridge Fund. That gave us the ability to systematically and thoughtfully close the institution, place people in good settings, customized to their needs, at the same time continue to operate the institutions with the expense of the costs that they incurred. We were able to do it over a period of time. This wasn't precipitous. And I believe that ultimately we were successful in doing it. We did something that I don't think was done much at that time. Because of the challenges of doing this, and what we thought was the right thing to do, we committed to engage outside independent experts to do research on what was the impact on the former residents and patients in these institutions. And both studies showed that they had an equal or superior level quality of life. There was a lot of controversy about this. One of the things I was proud of, we did it in transparent way. We had public hearings all over the state. I remember one in which we were closing Marlboro Psychiatric Hospital, and the folks in Ocean Grove were very, very upset. They were afraid that we would just dump people out in the street. And at that time, in fairness, Ocean Grove did have a disproportionate number of individuals with mental illness. Mostly because the summer housing that was originally there, particularly after disturbances in Asbury Park-- some of you remember the history-- went from being nice little summer places you rented to SROs, Single Room Occupancy, that many people had gravitated to. Just one fond memory I have is standing in the Great Auditorium there, which was a meeting that started out to be just with the mayor. He kept requesting to have more people so we wound up in the Great Auditorium. And I had the unique experience of being cursed at and physically threatened for

about two-and-a-half hours. But it came out okay. <laughter> Mostly it came out okay, because we had the Governor's strong support from the legislative opposition. So many municipalities affected were opposed, because it meant a loss of business for them. Many of our workers worked there, bought gasoline there, ate in diners there, and so forth, but ultimately it worked out. What I'd like to do is, we have a formidable advocate in our State for this population, and expert with national credentials, who was with me at the time, and very supportive. I'd like to turn to Deborah Spitalnik for a moment, and have her give an outside independent take on this.

**Deborah Spitalnik:** Oh, well, thank you so much, Bill. And I'm really honored to be part of this. And also to have heard the conversation this morning. Because I think the very successful effort in closing North Princeton Developmental Center, really mirrored the themes that people have discussed this morning. The notion of using evidence to make good decisions. At the time that the Governor made this commitment, New Jersey was lagging behind the rest of the country in services to people with developmental disabilities. We had one of the largest numbers of institutions and some of the population issues still persist, but we had entered the ICF program that would have given us federal resources later than most states. The selection of North Princeton was, I think, based on the evidence both of the physical space that had been various incarnations of human services entities, and was also continually losing federal reimbursement and then trying to regain it. And I think very much demonstrated the way that this was not-- neither an adequate nor a humane way of serving people. But I think what is so compelling to me was the process that Commissioner Waldman discussed, the decision to close this setting, but the process to do that. Starting at the level of the individual, in terms of providing significant case management, planning, family support for people working with communities, I think that there are various waves of policy that this pulled together. I think the first time that people who had been living institutionally were now employed, which is a lot of the work that Brian has done. Some of which even benefited from the Medicaid buy-in. But I think it was a very courageous thing to do at the time. But what characterized this effort, was that it was done very well, and it was really a partnership between government and other parts of government in terms of state universities and the private sector, and provider agencies. And the fact that Bill and Bob Nicholas, who was then the Assistant Commissioner, convened people. I think it gave us a very demonstrable example that a lot of the issues that we deal with that government can provide, not only leadership, but if it really works in partnership with the private sector, similarly to the managed care issues, we really can create better outcomes. The long-term outcomes from this should be held to our hearts-- that there were not more deaths, as people had predicted. People achieved better health. People were on fewer psychiatric medications. People were employed. The continuing family satisfaction with those who moved. Moving

forward-- subsequent interest in closure really ran into very vocal opposition. Limited numbers of people. But I think that this really illustrated a way that government could provide leadership, as well as tools. That's one of the things that we struggle with a lot today, the idea that you know you need a bridge fund. You know you need a cadre of state workers, but also people in the private sector providing care. So I'm honored to be able to report that those individuals are still thriving, and have really full lives and are making a contribution to the community because of your leadership.

**William Waldman:** Thank you, Deborah, very much appreciate it.

**Len Fishman:** You know, you were talking about it doesn't get much better than that to have a national advocate praise the program that was really hard to pull off, that was pretty great. And I just want to mention that Dr. Spitalnik also sat on an Advisory Council that we had at the Department of Health that redesigned the Early Intervention program. So she's been helpful in a number of ways.

**Governor Christine Todd Whitman:** We always try to pick the best from wherever we can find them. Still trying to remember some of those meetings. Remember the meeting in the State House with the parents of the developmentally disabled, and the real concerns-- the very legitimate concerns-- that they had that their children had a structure, and they were comfortable with that structure and if you took them out of that, they all of a sudden would be lost. And it was just the fact that there's so much research that said, "No, they were going to be better, and they would be able to do more than they thought." By making the commitment that we were going to continue to fund them, because that was the other thing that they didn't believe. They said, "You're just going to put them out there, and then stop funding." And we made the commitment, and kept to it. And the nice thing is that I've had parents, or had parents at that point, who, after a couple of years, say, "Well, my son or daughter is doing more than I ever thought they would be able to do."

**Len Fishman:** You have a parent sitting at the table.

**Governor Christine Todd Whitman:** No, I didn't know that.

**Leah Ziskin:** Yes, I am a family representative on the New Jersey Council on Developmental Disabilities, but I know that this is being filmed for students. And I can't let the opportunity go by not to mention that it's 50 years since the enactment

of the Americans for Disabilities Act. And coming out of that is something called the Olmstead Decision.

**William Waldman:** The Supreme Court decision, yes.

**Leah Ziskin:** And I think it's very important that, especially for the students who are going to see this, that there actually was a suit brought by-- actually it was mental-- they were mentally ill occupants in a institution-- and I believe it's Alabama or Georgia.

**Deborah Spitalnik:** And one of them had both intellectual disabilities and mental illness co-occurring.

**Leah Ziskin:** Intellectual and mental illness

**William Waldman:** I want to say it was the Commissioner of Human Services in Georgia, Tommy Olmstead.

**Leah Ziskin:** So it was Georgia.

**William Waldman:** Yeah, definitely.

**Leah Ziskin:** And they sued and won because of the Americans for Disabilities Act, which said that intellectually disabled persons and mentally ill persons should be housed, they deserved to live in the place that could make the most of their potential.

**Governor Christine Todd Whitman:** The least constrictive.

**William Waldman:** Exactly. One way to look at that is that that Supreme Court decision, which had dramatic impact on our field, really codified into law the public policy that the Governor supported.

**Leah Ziskin:** That's right.

**William Waldman:** I remember, Governor, this was a hard fight in many ways. But one of the most gratifying parts of it-- I don't know if you would recall this-- is at the end, we actually won the parents around. The parents that opposed us.

**Governor Christine Todd Whitman:** Oh, yeah. Mm hm.

**William Waldman:** And they gave us a plaque, which you let me keep. <laughter> And it was something that really made us feel part of an important movement. It was the original brass door handle. At the time, on that brass door handle, the institution was called the New Jersey Village for Epileptics. Just thinking about how far we came since the 1890s, when everybody who was slightly different was locked away, had no choices about their life, to where we were today, closing an institution was very, very moving. I have to polish the brass now. <laughter>

**Deborah Spitalnik:** Brian, didn't you also have something from the institutions?

**Brian Baxter:** I have one of those handles, too.

**William Waldman:** Good for you!

**Brian Baxter:** I got the policy office's. <laughter>

**Deborah Spitalnik:** There were keys for it, too. I think you got a key.

**Eileen McGinnis:** Right before you left, you went down to the vault where seven years of gifts had accumulated. We all took different things.

**Nancy Becker:** Are you sending them all to us for the archive?

**Eileen McGinnis:** This was a tough one. And I think it was a re-elect year, was my recollection, and McGreevey really had the unions behind him.

**Governor Christine Todd Whitman:** We loved fun things that re-election. We had lots of issues.

<overlapping conversation>

**Eileen McGinnis:** It was a political context in which this was happening, and the unions, or some other group, funded a lot of billboards, right on 29 where I live, and right on 523. It was a parents' day, and the message was that we were doing this for budget reasons, that we were going to save money, and that was the political atmosphere. And so then after it was over-- the election was over, the billboards remained. Because sometimes if they don't get re-- whatever they call it.

**Governor Christine Todd Whitman:** Right, re-rented.

**Eileen McGinnis:** But it really upset you. So I asked Mike about it. And I said, "Can't we do something to get those billboards down?" And he had the State Committee-- you might not remember this-- the State Committee--

<overlapping conversation>

**Governor Christine Todd Whitman:** Spray-painted them.

**Eileen McGinnis:** And they were just white then. <laughter> But you were really disturbed by passing those every day. But I do remember it was such a political environment, that it took a lot out of you. This was one-- so we finished them, and then I think Brian, of course, always wanted to do more. And so, "Let this breathe first." It was a tough one.

**Harriet Derman:** I think we also tried to use housing money from DCA. I wish I could remember the particulars that there would be a place for these people to go.

**William Waldman:** You did even more than that. I don't know if you recall.

**Harriet Derman:** I don't. <laughs>

**William Waldman:** The political opposition in the Monmouth County area was enormous.

**Harriet Derman:** Well, we were just whispering about that.

**William Waldman:** And they already had had several sub-standard boarding homes there. So what you worked out for us, which really cleared the political decks was the opportunity to move out of those boarding homes. Move people to better facilities throughout the state, and to dedicate that plan for affordable housing at the time.

**Harriet Derman:** Right. It was part of the housing theme that you had, you know, with affordable housing, and how many units could we build? The wonderful HMFA really jumped in to help, and they were very creative. And the housing money we had from DCA. So we had a housing policy. We used to say it was the first time there was a housing policy in the State of New Jersey. And you built-- I wish I knew the number, thousands of units and accommodated many people. And I don't think you ever got credit for that.

**Eileen McGinnis:** Even like Debby, and John, her husband, I remember they were very much in favor, and my husband was a die-hard Democrat. For the first time in many years people gave to the Republican party because they were so happy that this was actually getting done.

**Governor Christine Todd Whitman:** First and only. First and last.

**Deborah Spitalnik:** But also, I think the work continued even if it was not in the visible action of closing another development center, in that there were a huge number of families, as there continue to be, on the waiting list for community services, and to continue to support the development of group homes and supported living, both with HUD with Section 8. I think the next generation of issues was about really building a community where everyone could have an opportunity.

**Eileen McGinnis:** And I think this is a story that you, Debby, mentioned, and I recall, too, the Department of US Public Justice was actually pushing us to do some of this, because we were housing so many people at large institutions. So we had that push. And we were behind, but I think the success story here is the successful execution of it, and not retrenching when there was so much politics involved in a re-election year.

**Michael Torpey:** Governor, I was not really directly involved in this one, I just watched a lot of you folks go through an awful lot in getting this done. But this is one of the very best examples in your administration of evidence-based decision making. Then a proposal, a solution that was developed was brought to you, you

gave it the green light-- and as we were kidding around a little bit at the break here, how when you went in with a proposal, you better be ready to execute the next day, <laughter> because you often said, "Yes," and were ready to go. But then because of the politics of this, it would have been very easy to back down in the context of this, particularly the election year. And you just didn't. And I have to say, as someone who dealt with the politics of these issues regularly, you have to sustain a level of commitment for a period of time until you get the opponents to understand it's inevitable, it's going to happen. And then once you get to that point, they have to start to compromise. And then you start to find out what their real problems are. Then you can bring them in and start to address their real concerns. And you went through that process here. Ultimately, the other thing, too, this proposal, this solution was properly resourced. This is one of the problems that we have right now. Again, having stayed in Trenton and watched some of these grand proposals being made over the years, they simply lacked the resources. And then the appropriate resources and then the follow-through. It was really great to hear that report on what's happened since then, because often what happens is, you get through all-- you get through the announcement, you put out the solution, you start to get through the politics, lack of resources, the lack of follow-through, lack of execution. And all those things, in this case, were done. And again it's first a credit to your leadership, but the folks here really did a fantastic job.

**Governor Christine Todd Whitman:** Well, it really comes down to all the people who were involved in the implementation, putting together a comprehensive plan. That did it all. It looked at where the resources were going to come from and what we could do, how we could meet the demands-- because you have to be able to answer those questions. Because they were real questions, and understandable questions from the people who were opposed.

**William Waldman:** Absolutely.

**Len Fishman:** There was, maybe still is, a peculiar civil services legacy to some of these facilities. Because as Bill mentioned, they were vast, and they had an agricultural component. I remember when I first came to the Department and was briefed on civil service, one of the classifications was Assistant Swineherd, <laughs> which, I assume, was a legacy of those days.

**Jane Kenny:** That was the Governor's Office. <laughter>

**Len Fishman:** I was going to say, Jane, there were days when I felt as though that was my civil service.

**Deborah Spitalnik:** There's also a very positive community development aspect going forward. The property in Montgomery Township in one of the large buildings that people felt warehoused living in, is now a community center. And one of the buildings is used as a school.

**Governor Christine Todd Whitman:** The school's across the way, and then they've got a park there. We told them that they could have that. That was part of our incentive to them, not to get too upset in the township.

**William Waldman:** And Marlboro also got some benefits and a park. A park for Monmouth County, which worked out well. Mike, I really liked your point about making it clear that, "This is going to happen." The Governor did that. I remember being on 101.5.

**Governor Christine Todd Whitman:** I try to put those times out of my mind.  
<laughter>

**William Waldman:** But we stood there, and I think you sent the message that you were committed to this, you understood it fully, and you were going to stand by it. And I think that brought us to the tipping point to make it work.

**Eileen McGinnis:** Brian, you probably spent a good year on this. Do you have any stories to--

**William Waldman:** Yes, he did.

**Brian Baxter:** Well, I have one story on a related topic, which again points to the Governor's commitment, which is once you establish the community services, one of the major issues over time is the pay of the direct care workers. That was a major issue in the communities that we built both on the development disability side, and on the mental health side. I recall one of those wonderful budget meetings we used to have where we're all sitting around with the Governor, and we had our friends in the Treasury Department, I remember Betsy Pugh and Brian Clymer. And Bill and I used to conspire.

**William Waldman:** Yes, we did! <laughter>

**Brian Baxter:** To bring to your attention, Governor, and the budgets, since we were always waiting until the last budget session, and we'd bring it up, and say, "Well, we need to do a cost-of-living adjustment for these folks." And I recall at one point-- and I think this is where you put policy forward and made decisions. We had put money in the budget, and it came to you for Human Services. But we hadn't done it for other Human Services in the drug and alcohol programs and other parts of the budget. And Betsy said, "Governor, if you're going to do it here, you have to do it in these other places." And you looked at her and said, "This is good policy, we're doing it everywhere," and you made the decision, and we did it across the board, and it was only another 10 or 15 percent more money, because most of it was in Human Services. But you were very clear and committed once you made a decision to do it. And I think we've all appreciated that, the clarity.

**William Waldman:** That's right.

**Brian Baxter:** That was so obvious to you, you weren't involved in the day-to-day interactions of it, but if this was a good policy, and it needed to be somewhere else, then, "Take care of it!" I think it was the last time Betsy suggested it. <laughter>

**Governor Christine Todd Whitman:** She learned.

**Len Fishman:** It's true. You know, my experience, too, on issues that were difficult. Very little dithering.

**Len Fishman:** By the Governor or by the policy folks, and Counsel. I mean, that was pretty remarkable. You could turn decisions around really quickly. Quicker than the private sector. Contrary to the private criticizing government. And over issues that were, frankly, more difficult and more public.

**Brian Baxter:** You'll recall Governor, in the last budget address that you gave, the item that was a very controversial item that we had identified some dollars that would allow for a dollar a year increase in the direct care worker's pay. And it went-- Bob, I don't know if it was you or someone else-- but that particular announcement went in and out of the speech three or four times. I would have to go down the hall and--

**Governor Christine Todd Whitman:** You were generally a pain on those people. <laughter>

**Brian Baxter:** It was wonderful--

**Governor Christine Todd Whitman:** You kept trying to slide things in.

**Brian Baxter:** We did. And it brought the house down. The applause from all four caucuses in the legislature that you were invested in them on that budget speech, I think took all of us by surprise, including you. And it was just an incredible-- the feeling and reaction that you had, really understood the need. It was across everybody, it's not Democratic or Republican, it's not house or senate, it was all four caucuses, and it was an amazing example of doing the right thing, and being out there on something that-- we actually had enough money to pay for the raises for two-and-a-half years. <laughter> Two-and-a-half years, which is an incredibly responsible approach to government.

<overlapping conversation>

**Bob Bostock:** It was also a great example of how to write a good applause line.

**Governor Christine Todd Whitman:** You get credit for those.

**Bob Bostock:** It really was.

**Brian Baxter:** We all worked it together.

**William Waldman:** The other part that reinforced the team spirit and whatever that I haven't seen in all the administrations that worked for me is that when we as cabinet officers felt very strongly about a point that you might be differing on, you always heard us out. You called us in many times, the Treasurer and I had different points of view.

**Governor Christine Todd Whitman:** Bill! No! I don't believe that! <laughter>

**William Waldman:** And you called us both in and you let us express our points of view, and you made a decision, and it was very clear.

**Harriet Derman:** Especially when she was on your side, right?

**Governor Christine Todd Whitman:** Yeah, exactly. <laughter>

**William Waldman:** That was very gratifying. You know, there was clarity. You walked out of that room, you supported that decision. That's how it worked.

**Eileen McGinnis:** We had a joke among the Chiefs about what we'd call you "Governor Next," you know, because you did the "Next."

**Michele Kent:** I'm not going in. That's what I remember, Eileen, I would be driving or wherever, all times of day and night, and some horrible incident would have occurred somewhere in this vast thing that we call the Department of Human Services, and I would get the "Eileen Call." And she'd say, "Michele, the Governor's going to choke on her Cheerios." <laughter> "Take care of it." Exactly, right.

**Eileen McGinnis:** And you did.

**William Waldman:** Someone mentioned the evidence-based approach that we took. You know, one of the things we neglected to mention, and Brian, I believe you were part of this as well, is that we were fortunate enough to connect with a grant from the Casey Foundation that permitted us to bring in national experts, researchers and others, that really enlightened us about what we were thinking of. How did they play out in other jurisdictions, what's best practice, what is there an evidence base for? That really helped us shape what was one of the better welfare reform programs in the country.

**Eileen McGinnis:** I was talking with John about this during the break. Governors' offices don't know have the luxury of hiring people with a lot of subject-matter expertise. But also, you know, we had a Washington office that was very talented. Jane headed that, and there was a Medicaid expert, Linda Wilson, on that staff. We did really call in a lot of experts across the country to inform us. And I don't know if people had the time or the resources or the inclination to do that.

**Jane Kenny:** Or want to know.

**Eileen McGinnis:** Or want to know.

**Jane Kenny:** But we did, really wanted to know what was going on, what were the best practices nationally.

**Governor Christine Todd Whitman:** There's no point in reinventing the wheel.

**Jane Kenny:** But it was interesting, because you had a lot of attention with your first tax cut, and you got some great publicity, and so we really could pick up the phone and talk to just about anybody. I remember talking to Jack Kemp about it. He read our Urban Policy and asked me for advice. That's just an example, but we could bring in Casey [Annie Casey Foundation]. People wanted to come in and talk and help us, and give us advice, and it was great.

**Governor Christine Todd Whitman:** It was great. We were lucky.

**William Waldman:** To put this into context, too, after I left your administration, Governor, to go in Washington as the head of something called The American Public Human Service Association and the various commissioners of different states were our members. I used to talk to them about their experiences, and just in the way of context, if you remember the debate we had about welfare reform. That long process.

**Governor Christine Todd Whitman:** Oh yes.

**William Waldman:** And a bill that was three separate bills that was probably over 100 pages in the end.

**Governor Christine Todd Whitman:** We went to Washington three times, I guess.

**Len Fishman:** Exactly, yes.

**William Waldman:** My colleague in Kansas, I was relating the story to, "How does your legislature approach this?" Well he said, "They met one day, and they passed a single page bill. They authorized the executive branch to do all things good and necessary, and it went through." <laughter> So I mean, the difficulty of getting through a very diverse legislature, and highly politicized environment was a great accomplishment.

**Eileen McGinnis:** Bill, if you don't mind, I'll segue into the Early Childhood.

**William Waldman:** Oh, please do, yes. And this is the low point in the administration for me. I guess Brian and I spent a year-and-a-half on this. For students who are watching this, who are familiar with the Abbott decisions in this state, I guess there's been 21 of them by now, and during the Whitman administration, the administration had to respond to two different Abbott decisions. And many of us in the Governor's office were involved with this. But the first one, Mike, and you have a better memory of it-- maybe you don't-- but try to help me out. The Supreme Court ruled that CEFA, which was our comprehensive bill with core curriculum standards, you'll recall, and I think an attempt to equalize spending between suburban and urban schools was unconstitutional. We needed to increase spending by 250 million or something. So we had the second about a year-and-a-half later. Again, the Education Law Center went back to Supreme Court and after a lot of remands from a judge, decided that the Supreme Court ruled that the state had to implement a universal preschool for three- and four-year-olds across the State. And among a lot of other things, the School Facilities Administration, which was a huge undertaking. So these were about four or five different components of the Supreme Court ruling. By themselves, each one was a huge implementation issue. And I have to say, we did not pull this off. We did not. We tried really hard, but I think we just couldn't pull it off. I think what was happening was, first of all, we were the first state in the country to provide universal preschool for three- and four-year-olds, so we couldn't go to a state and say, "How'd you do this?" So we were doing that. We spent hours and hours on an inter-agency group between Education and Human Services and the Governor's Office, trying to figure out how to do this. And we had a very tight deadline. I think it was 18 months, we were supposed to this in all the Abbott Districts. A lot of the superintendents did not want to play in this game. We were intent on trying to not create a whole new education infrastructure that was already provided by community centers and church groups. And it was funny, my memory's so tricky, because I was thinking that we were doing that for all altruistic reasons. But Brian reminded me yesterday that, in part, it was to save money. And I thought, "I don't remember that part."

**Governor Christine Todd Whitman:** That was so unusual for him.

**Brian Baxter:** We did it on the cheap.

**Eileen McGinnis:** Yeah.

**Brian Baxter:** Well, teachers' salaries versus the daycare salaries were about \$6,000 a year different. We tried to make it somewhere above. We tried to increase it, but nowhere near what the teachers would cost. These were large sums of money. At that point, we didn't have the money.

**Eileen McGinnis:** Yeah, and we were trying to define high quality. We were trying to get the superintendents on board. And we had 18 months to do it. I think we got the call back into court again for failing to do it on time, and they ordered us to spend a half a billion dollars or something. It was huge amounts of money. Looking back on it, after having the experience I had at EPA where big initiatives like this take four or five years to implement, and there's lots of white papers. You know, EPA took years to roll out those big initiatives. I was thinking it was almost like we were set up for failure, because there was no way we could have done that in 18 months. It was just unrealistic to do that. I was just reading a quick time-table of all the subsequent Abbott decisions, and it seems like it's still going on. But that was an issue, we tried to implement something, and we just didn't have the resources or the experience to fall back on. We just didn't do it well. I don't know, Brian, if you--

**Brian Baxter:** I think part of it was that-- and this often happens to governors-- is that we have our own agenda. We were talking about all the different initiatives we try to do, and here's this mammoth additional thing that hit us. I remember it being a cold, gray January day. It was not too far before the budget. And suddenly, like you said, there's like this half-a-billion dollar a year thing, which was--

**Governor Christine Todd Whitman:** Which is huge.

**Brian Baxter:** Unprepared for. It came out of-- not the clear blue sky-- but pretty much. We didn't have the time to plan for it in terms of the financial piece of it. And then you had the problem of the school system-- really the teachers' union and the superintendents really wanted to have that money.

**Governor Christine Todd Whitman:** Is that the one where we sent the letters to teachers, and we didn't have their home addresses, but we had their individual names and we sent them bulk to the schools to try to get a message out on one of these. And they sent them back to us in bulk. <laughter> The schools sent them back. I don't know why that wasn't tampering with the federal mail.

**Brian Baxter:** And it's my recollection that, or my understanding, the subsequent governor, the Republican Governor Donald DiFrancesco, agreed with the superintendents to have it run at a much higher cost through the school system, so that we sort of lost our approach to building on the childcare system.

**Eileen McGinnis:** Just out of curiosity, I looked to see one of the speech lines that we often put in. Bob often put in your speeches, was that New Jersey was spending more on education than any other state in the country, than any other country in the world, right, Bob? Is that--? <laughter>

**Bob Bostock:** Right! One of the recipes.

**Eileen McGinnis:** Yeah, you said it many times.

**Bob Bostock:** You can't remember stuff?

**Governor Christine Todd Whitman:** Only when it's a good speech. <laughter>

**Eileen McGinnis:** You made it stay with me. So here we were spending so much money on education, and we were told we had to spend a half-a-billion dollars more. So my recollection was that you were concerned that this money would not-- not that money doesn't matter-- money does matter, but money spent wisely matters more. And money spent not wisely just leads to more cynicism about government being able to do these things. That was your worry, as I recall. So I just took a look to see if there are any evaluations, what the results were of all this money. Columbia University had a day-long symposium about a year ago looking at the Abbott Decision and what happened. They showed results, positive results for preschool, but not good results in middle school and high school for the Abbott Districts. So it's sort of interesting to see what happened to all that money. There was so much focus from the Supreme Court, but very little on the outcomes or what should happen. It was all spending, spending, spending. And then I was surprised to see there was actually an Abbott 21. We were dealing with Abbott 4 and 5. So it goes on.

**Governor Christine Todd Whitman:** It never ends, no.

**Eileen McGinnis:** Bill, but you, Dave Hespie, myself, Brian and about ten staff people, really spent many hours trying to figure it out.

**William Waldman:** I do remember that.

**Governor Christine Todd Whitman:** Is that when we went up to Newark and went through some of the school buildings to see the holes in the bathrooms, and the--

**Eileen McGinnis:** Yes, we struggled with that as part of the School Authority legislation. That was a huge amount of money, too. And you remember trying to figure out where to house that. We decided to house it in the Economic Development Authority, because Karen Franzini had a track record of spending money well, and she was able to vet big projects. But I think that's been back and forth over the years, too.

**Michael Torpey:** That ended up getting changed to a new School--

**Eileen McGinnis:** Authority, right?

**Michael Torpey:** Separate Authority. It became a disaster, frankly. Yeah, I'm actually just sitting here. You know, you hit me between the eyes a second ago with a date. I'm trying to orient that. So I'm looking-- I'm trying to figure out exactly what the-- this is like one Abbott thing after the next. It seemed like, and you're right, by the way, it was a cold day in December. But I'm thinking in '97. This one did kind of surprise us. We had gotten CEFA passed, which was a real difficult heavy lift.

**Brian Baxter:** I remember that, just draft after draft after draft.

**Michael Torpey:** It was a very, very tough one. And I remember the legislative leaders coming in at the last minute, asking for an extra 250 million dollars, literally, the day of the vote. And Harriet and I practically fell out of our chairs.

**Eileen McGinnis:** Your heads were exploding.

**Michael Torpey:** Yeah, exactly. I know you're on Early Childhood, but this is one we never really did get our arms around completely. And it continues to this day, with respect to education funding. The core concept that we were trying to get across, that we were just modestly successful in winning, at the Supreme Court was

the notion that it shouldn't be about just the money, it should be about the outcomes, and that had to do with core curriculum. But, unfortunately, we couldn't ever quite get past that completely, and so we're constantly being hit with these new funding levels. The one that really-- not to cause anyone here for their tics to come back or anything like that <laughter>, but-- maybe mine-- but that's with respect to the pension bond. We had almost gotten to the point of not having to do that. And then the Supreme Court ruled on one of the Abbott cases, blew a 300 million dollar hole in the budget and with about four weeks to go, we had to go to the pension bond, go back to that proposal. We all know what happened with that.

**Eileen McGinnis:** I think it's CEFA, but wasn't there an attempt to cap the suburban districts to sort of try to equalize, and the legislature didn't want that. They took the cap off.

**Michael Torpey:** That's right. Yeah, the cap, and that we thought that would address a constitutional concern, if we could put a cap on that. But I'm sorry David's not here-- that's another long discussion.

**Eileen McGinnis:** Again, in a state like ours where there is extreme wealth and extreme poverty, and I remember this discussion about capping the suburban districts and increasing the urban districts. I looked at the Teacher's College study, the urban districts now spend 20 percent more than the state average, so it's a significant amount of money. Your concern was that this would somehow backfire and the suburban districts would-- and we did see that play out in the legislation. The legislators took the cap off.

**Harriet Derman:** Here's my memory, not only was it a cold day, I remember getting off a plane with you, Governor, when we got the news. We had been to Washington DC, and we heard, it's like, "Oh, God, what are we going to do?" I think we thought with a lot of Abbott that if we could get accountability-- we were very concerned-- they were sending all this money to these school districts and there's no accountability. I'm not sure we ever did get the level of accountability. To this day, I have some exposure to an Abbott District, and I cannot believe the waste that goes on. So I remember that we thought, "Well, we'll just have to implement accountability standards and make sure at least we're getting something for our money." But that was a challenge. And of course, the suburban legislators didn't want the cap. They just didn't want the cap.

**John Kohler:** You know, many times these initiatives, even though if they're not as successful, they're picked up on, and it's part of the longer struggle. Brian, you

remember, you and I went around the state and tried to convince everybody to change the child support enforcement system of the state and take away the judicial accounting and other roles that were more executive branch.

**Brian Baxter:** I recall on a holiday, I think maybe like Veteran's Day, going over to the State Supreme Court office, the Administrative Office of the Courts, and having a private discussion with Debby Poritz to try to change her mind on that, as you were suggesting, totally unsuccessful. <laughter> And we tried everything.

**Governor Christine Todd Whitman:** There was no way you were ever going to do that.

**Brian Baxter:** We were making the argument to the Court that here you have in the Human Service Department, these excellent bureaucrats, folks that knew how to do their job, and knew how to do it well, and why was the Court in the business of collecting from the child support payments, and other kind of administrative function? The courts should do what they do best, which is making legal decisions, and not trying to run a large bureaucracy. The two bureaucracies needed to be better coordinated. And she just wasn't having it.

**William Waldman:** Yeah, it actually starts earlier than that. I had met with Dr. Winston's chambers and explained it to him. And his response to me was, "You know, you're probably right, you make sense. But I don't want this to happen at the end of my tenure, because I know you and the Executive Branch, you're going to economize, you're going to consolidate positions, you're going to save money, but I don't think I want to do this at the end." If you remember, our response with Chief Justice Poritz was, "Well, you know, this is the beginning of my term, but--" <laughter> But I think it set the tone that the effort, all that effort wasn't really lost. We also had some key legislator who didn't follow through for us, and some promises, if you remember.

**Michael Torpey:** Yes, well, why don't I name names? I remember being involved in this, too.

**William Waldman:** You were. You were very helpful.

**Michael Torpey:** I thought we had a-- I thought we had an agreement with Debby, number one, and then it just magically didn't happen.

**Governor Christine Todd Whitman:** It disappeared.

**Michael Torpey:** Yes.

**Governor Christine Todd Whitman:** She had a way of making things change.

**Michael Torpey:** Yeah, that one we got out-maneuvered on.

**Governor Christine Todd Whitman:** She was good at that.

**William Waldman:** Eileen, is there anything else you'd like to cover on this one?

**Eileen McGinnis:** Oh, no, I don't think so.

**William Waldman:** I just want to say, the ITC in this were enormous accomplishments. If you think about our goal of making work pay, and the working people really tried. We were using the taxes on this one. Okay! Bruce, Drug Courts, Bond Issue.

**Bruce Stout:** So I think it's important to provide a little historical context, because where we are today is so dramatically different from where we were when Governor Whitman created drug courts in New Jersey. At the time, the prison population was undergoing explosive growth. We had more than quadrupled our prison population over that previous two decades, and our spending on corrections had gone from 70 million to 1.3 billion dollars. The Governor came into office with a Supreme Court decision that was handed down after the November election, but before the inauguration. It said, "You have to get state inmates out of county jails," which was how corrections was dealing with the very serious crowding problem. They were backing up inmates into county jails. And we were spending a hundred million dollars a year paying counties to hold state inmates. So that was just dramatic, explosive growth. A bond issue had been approved in the previous administration to build the state a new prison, South Woods, which holds 3,300 inmates. Everyone thought, "Well, let's build South Woods 2. We have to deal with this unrelenting geometric growth in the prison population." The way we had really gotten there was that at the height of New Jersey's crack epidemic, we had enacted what is now referred to as the CDRA, or the Comprehensive Drug Reform Act. And we had definitely come to a fork in the road, where we could have approached addiction as a public health issue, or as a criminal justice issue. We had decidedly taken the

criminal justice road. The CDRA's whole premise was, "We can deter drug use and drug dealing through very severe punishment and incarceration." It was the first law to include mandatory minimums for non-violent crimes. It was the principal driver of this explosive growth in corrections spending and corrections' budgets. Also at the time, I think it's important to say, criminal justice policy or crime policy, was viewed as the third rail of political life. Touch it and you die. And if you can't demonstrate that you're tougher on crime than anybody else, then that's it. You're done. So there was the increasing call, the three "more punitive, more punitive, more punitive."

In that context, we looked at some data of who was locked up in our state prison population, and we found that there were 8,000 inmates out of a population of about 28,000 who were locked up just for drug crimes. Of that 8,000, 7,000 had never engaged in an act of violence. So they committed a drug offense, but they'd never been violent. Two-thousand of them had never had a prior criminal conviction at all, they just had a mandatory sentence for a drug crime. One of those was a school zone offense, which imposed a mandatory three-year term of incarceration for a drug crime within a thousand feet of a school. Six-thousand had prior convictions, but not involving violence. So there was this huge population of non-violent drug offenders. The best data we had, and it was somewhat limited, was that most of them were engaged in drug crimes because they were addicts, and they needed treatment. So in our very tough drug laws, and the CDRA was about as tough as any drug law in America, perhaps with the exception of the Rockefeller drug laws in New York, there was a provision that allowed a judge to sentence an offender who was facing a mandatory prison term, to a court-supervised term of residential drug treatment followed by a special probation term for five years. That had been part of the 1987 law. We looked to see how often that provision had been utilized. It had been utilized never. Not once. And the reason behind that was while it was an enlightened provision, there was not one dollar appropriated to fund a treatment infrastructure to make treatment beds available to judges when faced with an offender who was appropriate for that disposition.

There was a proposal developed to use that provision. Specifically, I think, what was neat about it is that we came up with a way-- a stable and sustainable funding stream, where we would literally take money out of the Department of Corrections and put it in, at the time it was the Department of Health, to fund treatment beds that would specifically be dedicated to offenders sentenced under that provision. We knew that we would be saving money, because they'd be facing a three-year prison term, which at the time was maybe 35,000 dollars a year. So we're talking over a hundred-thousand dollars per offender. We could put them in six months residential treatment which was about twelve-thousand dollars, and five years' probation, which was less than ten-thousand dollars. So it was very cost-effective, and a more

appropriate way to deal with addiction. A lot of the research that has actually been done at Rutgers Center for Alcohol Studies talked about the efficacy of treatment generally, but also coerced treatment. You know, the old AA model was you had to reach such a low point in your addiction that you *asked* for help before it could be effective. Research really was beginning to indicate, that's not necessarily true. You can compel treatment, and it can work. And what is the criminal justice system do well? It compels. <laughter> So this idea was developed, and I would have to say that in 49 governor's offices in America, it would have gone over like a lead balloon. But we had in New Jersey, a Governor who had very direct personal experience with these issues, having been on the Board of Directors of the National Council on Crime and Delinquency.

**Governor Christine Todd Whitman:** Oh, that was used against me in the campaign.

**Bruce Stout:** Yes, the Liberal Think-Tank I believe.

**Governor Christine Todd Whitman:** Liberal Think-Tank, that was the primary, yes.

**Bruce Stout:** Then you had been Vice-Chair of the State Sentencing Commission, and had specifically looked at alternatives to incarceration. Eileen referenced earlier the kind of natural tension between policy and politics. I can remember when the policy shop kind of came up with this idea. I don't think there was a single political advisor who wasn't aghast. <laughter> "Oh, not this is-- that's the third rail. You never do this! It looks soft on crime." You had the courage and the wisdom to say, "No, we're going to do this!" And you created Drug Courts. And I have to say, we've been talking about evidence, this isn't a time-- where even now we take Drug Courts for granted-- this is a good thing. Because they were very much in their infancy at this time. They were not a part of the American jurisprudence landscape. The evidence was more about treatment efficacy. There wasn't a lot of evaluative research that said Drug Courts work. So in that sense we were flying a little bit blind.

**Eileen McGinnis:** So when was it announced? In the State of the State Address?

**Bruce Stout:** It was either in the State of the State or the Budget Address. I don't remember. I can remember a great-- the speech writer is still giving me a hard

time about this, because I just didn't talk about "non-incarcerative dispositional alternative." <laughter> And they would look at me like this.

<overlapping conversation> <laughter>

**Rita Manno:** Bob, those were simple words, right?

**Bob Bostock:** There was a nickname when he told us about this, "Turn 'em Loose Bruce." <laughter>

**Eileen McGinnis:** And Bruce, who'd you work with? Did it require legislation?

**Bruce Stout:** It didn't require legislation, and it was actually run as a result of this for the first year or so. And the broader context of this is this issue of mass incarceration, and the dramatic growth in prison populations and prison spending, is now something that we're beginning to take a different look at in this country. Many states are still struggling with this. Probably the worst, you know, is the Supreme Court intervention in California, which said that that prison system was so crowded that the conditions constituted an 8<sup>th</sup> Amendment violation of "cruel and unusual punishment." New Jersey is at the forefront of both protecting public safety and reducing its prison population. At our highest point, we had 32,000 inmates. We now have less than 22,000. We were just cited-- and our crime rates continue to plummet. The Pew Charitable Trust just released their report talking about two states that are exemplars of how to protect public safety, and reduce cost and reduce prison populations; New Jersey is one of them. And I have to tell you, that while Drug Courts are an important part of that, Governor, every single thing that is cited in that report, you did it! Like you were *way* ahead of the curve on this! Way ahead of the curve. And I think you had political courage, fueled by your real knowledge of this area, that enabled you to do things that were very politically risky at the time, that I thought were great policy. We now know in retrospect, they were demonstrably effective.

**Eileen McGinnis:** How many Drug Courts are there now?

**Bruce Stout:** Oh, now they're state-wide. It's funny, you know, there was a lot of resistance in the Judiciary to this at first. And now when the Administrative Director of the Courts goes for his budget hearing, it's the number one question from the legislators is about, "How are Drug Courts doing?" They love them! They're popular. And people's lives are at stake! Not only is crime reduced.

**Governor Christine Todd Whitman:** Yeah, it's more about--

**Bruce Stout:** Not only do we save money but people's lives are saved! And when we started, I remember the law enforcement folks were so skeptical, and they used to derisively call this "hug-a-thug." <laughter> And now I see that like the most hardened law enforcement people go to a graduation of a Drug Court, and they cry! Because like parents come in and say, "You saved my son or my daughter's life! They would be dead without this intervention."

**Christine Grant:** So tell us, how has this affected the access issues? How did you affect the access issues since the availability of access to treatment was then, and--

**Bruce Stout:** Well, unfortunately, it's been a fixed pie. We haven't really been able to dramatically expand the amount of drug treatment services that are available, so what happened is services that were available to other populations, the Criminal Justice System started to take up, because they were the stable funding source. That's been one downside of this, perhaps, that because we haven't been able to expand this-- and I don't know if you remember, Governor, but after a tragic death of an adolescent in South Jersey, we tried to open a South Jersey Adolescent Drug Treatment facility. Remember that, Leah? And I traveled all over looking at sites, and it was just, you know, <inaudible> really, it wouldn't fold out.

<overlapping conversation>

**Bruce Stout:** "We believe it's important, but don't do it in our community."

**Michael Torpey:** Yeah, Governor, Bruce and I have talked about this a lot actually since our years together, and we were discussing it at the break, too. You were so far ahead on this one. Literally 20-25 years ahead on this one.

**Governor Christine Todd Whitman:** That was part of the naïve take the legislature pointed to.

**Michael Torpey:** It's really remarkable. I was recalling that Bruce said that in the second term, because the prison population was still growing at that time, and we had in front of us a consideration-- Bruce alluded to it, "Should we open South Woods 2?" And I remember the strong advocacy coming from Corrections to build a new prison.

**Governor Christine Todd Whitman:** And some southern legislators.

**Michael Torpey:** Yeah, and southern legislators. And by the way, there was some evidence to suggest that we needed to do something here on the capacity front. And so it wasn't only Drug Courts, but you also implemented for the first time, we also started to fund these day reporting centers out of parole. So we were trying to - what's now commonly called offender re-entry was not really used. That wasn't so much the terminology in vogue at the time, but that's what you were on the front-end of funding. And I'm glad. I remember personally being of the opinion that we should probably build another prison, because it looked like that's what we needed to do. In retrospect, you actually did the right thing. By the way, another example of bringing in some good smart people, like having Bruce come into the policy shop, and again, using evidence-based research to make policy.

**Governor Christine Todd Whitman:** Bruce was the driving force. He was it.

**Michael Torpey:** He really pushed back very hard on the Corrections interest here. Given your background with the NCCD, you went in the right direction. And the prison population, as Bruce mentioned, has dropped dramatically. Now there's demographic reasons for that as well, but fundamentally the laws of New Jersey have not changed in terms of sentencing. In fact, in the next round, we really need to get the sense of reform in this state, but it's been done primarily through diversion, and through a more successful offender re-entry programs. I have to say that one of my post-government clients has been one of the leaders in offender re-entry. I've been around the country, I've lobbied in a dozen state capitals on behalf of more expansive offender re-entry. And over time, it's not partisan, it's not ideological any longer. It's quite remarkable. Back in the time you did it, though, it was highly ideological, highly partisan. And again, your leadership was *way, way* ahead on this.

**Bruce Stout:** I just want to reiterate that, 'cause I think it's important for Eagleton to really note that, and if any students listen, to really know, that you were so far ahead of the curve on this! You put New Jersey on a whole different track, when no other state was doing that.

**Governor Christine Todd Whitman:** That's because people were harassing me constantly to do that! <laughter>

**Len Fishman:** Bruce, that was a terrific presentation. You were talking about mass incarceration, and it's so interesting to think about the retrospective we have now of the impact of that.

**Bruce Stout:** Right.

**Len Fishman:** You know, people calling it the new Jim Crow because of the obvious racial bias associated with it. I'm assuming people were not projecting what the ultimate outcome of these laws would be. But was that something that you were also thinking about back then? What the cumulative impact of the legislation would be, and how it would so differentially cut racially?

**Bruce Stout:** I have to honestly say, "no." At the time, we knew. We had probably the most racially disparate prison population in America. We still do. It's right up in the Top 3. More of the things--

**Len Fishman:** "Racially disparate" meaning?

**Governor Christine Todd Whitman:** Heavily disproportionate number of minorities.

**Bruce Stout:** People of color in the prison population versus the general population. Probably the biggest driver of that I did get involved with, after my role in the Governor's administration as a member of the State Sentencing Commission, I did a study on the School Zone Law, where we found that it was 96 percent of the people who were incarcerated for a drug-free School Zone Law offense, were people of color, because in cities, the density in the zones was such that--

<overlapping conversation>

**Bruce Stout:** -- they completely overlapped, so we couldn't get out of a zone. But I have to say, at the time that law had been on the books for almost two decades. We were still in a drug mania at the time. And no-one was really talking about revisiting that.

**Len Fishman:** I remember your reminding me that we had the DARE program at the parks.

**Governor Christine Todd Whitman:** Oh, yeah.

**Len Fishman:** Which had been evaluated many times, and was shown to be a waste of money. But it was incredibly popular with law enforcement and I remember a meeting we had at the Department where an officer was making a case for DARE. As the evidence was presented, about the study showing it wasn't effective, at some point, pushed to the wall, he said, "If, you know," we were talking about what the national expenditures were, and I don't know, it was three-- five-hundred million dollars. "If that five-hundred million dollars saves one life!" <laughter> You wanted to say, "Well, Officer, you know, I think we can do better. Really." <laughter> But this was an example of common sense right out the window, because the lobby was so powerful, and people were unwilling to stand up and say, "This is a bogus program, and we have better ways of spending the money."

**Governor Christine Todd Whitman:** Well, we did Be Free. I do think the bullying part of Be Free, "Victimization, Vandalism and Violence" might have made a difference, and it didn't cost nearly as much.

**Bruce Stout:** I think we should also say that at the time while we were doing this, we were also dealing with treatment quality issues in this state. Leah and I worked very hard on this. And later I worked with Christine on this. That was a real concern, that we had some great treatment providers in New Jersey. We were trying to ensure that, at least for the drug court, that they partnered up with the better treatment providers. It was important. But even among the better ones there was resistance to limiting the treatment to six months. "Nah, we'll keep them for three years."

**William Waldman:** Bruce, one of the other accomplishments with this, and I appreciate your comment on this was that the drug courts opened the door for further therapeutic jurisprudence. So we now have mental health courts. There are domestic advocates in court. It really opened the door to the courts to look at a better way of dealing with populations affected by these issues.

**Leah Ziskin:** The one point I wanted to make was our treatment modalities were so limited. Then it was methadone maintenance, and that was the way of choice. But that only worked for the heroin and the opium addicts, and we had crack and we had all these other things floating around, and we really had very, very limited ways of addressing them. Well, I am happy to announce that today Daytop has come down from the north and has a facility in Salem County.

**Bruce Stout:** Oh, my goodness. That's wonderful.

**Governor Christine Todd Whitman:** Really? That's great!

**Christine Grant:** Bruce alluded to that, but I was checking my memory with him earlier. The providers themselves then, and I think still, were very resistant. There's some evidence-base for treatment, in a very discreet setting. But we really tried to get them to enter the end of the 20<sup>th</sup> Century as to what other health providers were being asked to do, and they were so emotional. "You have to accept on our say-so that it works." "Yes, and the longer the better," even long-time in-patients. That is something that still needs a lot of attention paid to it.

**Brian Baxter:** That's true, yes.

**Bruce Stout:** Even with our suspect treatment infrastructure, the outcomes of the drug court are about 18 percent recidivism compared to 66 percent of recidivism. It's fairly dramatic.

**William Waldman:** Wow, okay.

**Eileen McGinnis:** Those of you who don't know, Bruce has a PhD in Statistics.

**Christine Grant:** Really?

**Eileen McGinnis:** Yes.

**Bruce Stout:** It was very useful.

**Eileen McGinnis:** Yes, it was.

**William Waldman:** Any other comments on the drug courts? If not, we have a few extra moments if anyone else would like to bring up something else.

**Brian Baxter:** As we talk about the Center on the American Governor, and the Governor's Office, one of the things that I think is unsung (really I don't think I need to speak to too much more) is the fact that the decision was made to have the

speech writers as part of the policy shop. Many other Governor's Offices are competing from very different places. The New Jersey Governor has organized that differently over time. And having some smart people who knew something about the substance actually helped to inform policy. But then to have the speech writers as part of that group, and as you said, "If you can't sell it, you really can't happen." That was a critical decision that was made that made a big difference.

**Governor Christine Todd Whitman:** That's interesting.

**John Weingart:** I wonder if in other administrations, my sense has been more tension between the policy shop and the departments and the cabinet. I mean, Bruce in your particular talk, you didn't talk about the Department of Corrections. Where were they?

**Bruce Stout:** Oh, there was certainly tension. Absolutely. That tension existed. I'm sure others had a similar experience.

**John Weingart:** So was that a debate Governor that you would preside over?

**Governor Christine Todd Whitman:** Bill Waldman-- I mean, Bill Waldman, sorry. The head of our Corrections would, after a while he would go along. Now he was getting a lot of pressure from the unions. I mean, they were really strong in the prisons, in Corrections. They were tough. And we had some really rough times with them, because we also did some reform.

**Christine Grant:** I also remember a press conference, what was the Commissioner's name, Mike? The Corrections.

**Michael Torpey:** Jackson?

**Several participants:** Fauver.

**Governor Christine Todd Whitman:** Fauver, yeah, Bill Fauver.

**Eileen McGinnis:** The Governor said something about clients, she was talking about that got a treatment or something, and he said, "I'll never get used to calling them clients." <laughter>

**Bruce Stout:** That was a whole different approach.

**William Waldman:** But I think the tension is healthy. What worked for our department was Brian always urged us not to move in the same direction, and sometimes said, "Well, we can't do quite that much," "Yes, you can."

**Brian Baxter:** And we had a very productive and unusual relationship.

**Bruce Stout:** Yes, we did, we really did. And support.

**Brian Baxter:** It worked very, very well.

**Woman off camera:** We thought it was Co-Commissioners, they used to tease me, "Mr. Baxter's coming up for Commissioner."

**Brian Baxter:** Well, I do think the fact that the Governor had those two major initiatives with the Welfare Reform and the KidCare Childcare.

**Governor Christine Todd Whitman:** Yes, it was very healthy.

**Brian Baxter:** We did interdepartmental coordination, and I admit to sort of stepping over the line to some extent, supervising some of the people on a daily basis indirectly. But Bill and I always worked together on these things. I never got ahead of him. And then he was very good--

**William Waldman:** We shared the vision, really.

**Brian Baxter:** Yeah, we did really.

**Eileen McGinnis:** John started out the morning by saying that this Governor's Group starts meetings on time. I mentioned this to remind you that all of us watched the Governor for seven years she was there. You know, one thing she is was punctual. You sat down, you started the meeting, and you ended. You got a decision and you left. But another thing that I carried on in subsequent jobs is respect for the people you work with and civility. So the importance of civility, even

though I had to call you many, many times, Michele, I think you would agree it was never with rancor.

**Michele Kent:** Absolutely, I do. Because we would do the same thing. <laughter>

**Eileen McGinnis:** For all of us, I think that was what we learned. You know, sort of that's how you treated people. But also one thing-- I don't know if it exists anymore, be curious what do people think. I think a lot of us in the room share a belief and a dedication and commitment to government at its best. And even in passing, people make such derogatory comments about government workers, and that certainly was not (I know Michele you would agree) our experience. I don't know if it's still the same or not. You know, I taught, lots of public policy classes, and I would always try to encourage students to go into government and do a stint - not stay there forever. It's good to get in and out and get some breath of air. But I don't know if people encourage people to go into government much anymore.

**William Waldman:** Yeah, I do that in my classes.

**Governor Christine Todd Whitman:** I think to John's question, though, I would say that if the focus is on policy, it's easier to get over the tension. There'll be tensions on how fast you do something, or how you pay for it, or who actually has the final control, but they're not the same kind of tensions that you get if people are trying to do things for reasons other than good policy. And we tried to do good policy.

**Michael Torpey:** I just have one other comment, just kind of a structural issue for how things were set up, and how you operated, Governor. And since Eileen and I spent the entire administration in the Governor's office, and one of the things I'll say is every cabinet officer knew that they had direct access to the Governor. But the Governor was very good about it. If any of them did call her directly, in making sure that the senior staff knew about that contact, and would often direct that cabinet officer to come back through the senior staff. I think over time-- you know, there are cabinet officers here, so they can tell you themselves, but most of them did actually start by calling Eileen, or calling the Chief Counsel, Chief of Staff, Chief of Policy, one of the three. And that was usually the way in which the conversation started. We had a few who liked to jump right to the Governor, and call her in the car, or something like that.

**Governor Christine Todd Whitman:** You think Brian Clymer. Would that be a name that came to the top of the list? <laughter>

**Michael Torpey:** And you know even Brian-- You know, I worked very closely with Brian through the first term, and he didn't start out on such great terms. I think he would tell you that, too. But we all found a place. It became very collegial ultimately. And I think there was just mutual respect amongst the cabinet and the senior staff. But my point is, the Governor kind of enforced-- everyone understood, there is a structure to the way in which we communicate and the way in which we will make decisions. I think that was pretty clear.

**Harriet Derman:** I also think that as I talked before about it being a collaborative experience, there was some commissioners who were a little bit more independent than others. I would only say-- and I'm not mentioning the name-- there was really only one commissioner who went rogue on us. And he or she didn't last too long after it was all revealed. But otherwise, it was really a very--

**Michael Torpey:** Forty hours.

**Harriet Derman:** Forty hours. <laughs>

**Len Fishman:** So speaking as somebody not in the Governor's Office, this advice is easier to give than probably it is to take, but my perspective was that the three chiefs really got along, which makes a huge difference. Because if there's friction among them, the message you're sending to the members of the cabinet is that it's okay to break ranks.

**William Waldman:** To take a decision <inaudible>.

**Michael Torpey:** And to that point structurally, everyone knew this, but certainly by the second term, and it started in the first term, there was a morning meeting where the three chiefs and all their deputies sat around one table. That's how our day started. And it was kind of an understood requirement that you shared any matters of the day, and any issues. Certainly communications coming from the cabinet about important issues, you were expected to put on the table. And this wasn't a meeting where we had policy discussions. This was an organizational thing. Okay, "You were going to go and do this, you were going to go and do that." And we set our priorities for the day.

**Harriet Derman:** And we had press people.

**Michael Torpey:** Oh, yeah, and had the speechwriters, had the press people, and the chiefs and their deputies, and that was the meeting. There were probably 12 or 15 of us. And that's how every day started.

**Governor Christine Todd Whitman:** Wasn't that unusual, though? Did the legislature as I recall, the legislature thought that the way we had organized the three chiefs was--

**Eileen McGinnis:** There was always some, is it three...?

**Governor Christine Todd Whitman:** Different.

**Eileen McGinnis:** Chief of Staff is usually the first among equals, and that's the way it is now.

**Michael Torpey:** Actually it's a little different right now the way they've set up. But I mean, they do have the three chiefs, but they actually have two, really. They have Chief of Staff and Chief Counsel. Policy is underneath the Chief of Staff now. I think it was kind of very collegial, but we had our structures, and everyone understood what they were. So.

**Rita Manno:** I also think it was very clear to the departments that we had a responsibility to notify the Governor's Office. And I don't know, Mike, but whenever something was brewing in our own department, or something had the potential to explode so that the governor would know about it and be prepared, and then we would start writing the kind of things that she would need. But I think that was the responsibility that we felt, and certainly you kind of upheld, and I'm sure Human Services and the other departments, too, did not want anything happening that the Governor didn't know about.

**Christine Grant:** And that's an excellent point, Rita, but the other side of that was I found that staff were comfortable in bringing issues, because you didn't get hit on the head with a hammer as a result of that. And you won't suffer as a result.  
<laughter>

<overlapping conversation>

**Michele Kent:** I think one of the things that hasn't quite been said, but it correlates to all of this was that we were given tremendous latitude. Really a lot of growth, if we could hang in. <laughter> But when I see subsequent administrations and how command central it is, we-- as long as we were open and forthright with the Governor and her team, you know, for the most part, we were trusted. And we felt that trust.

**Len Fishman:** I could not agree more. Something I always wonder about, because the governor's office is the headquarters for state government, which is a huge enterprise, and you've got these three posts, basically, working with the Governor who are basically the traffic controllers. And I've never been able to figure out how so few people-- 'cause you know, obviously stuff gets backed up, and you know, some stuff takes a long time. Hiring was very difficult. Hiring good people could be very challenging, because at a certain level you had to get clearance from the Governor's Office. And I'm not faulting you guys, because you had limited staff, but we lost some good people, because they couldn't wait. But how did you guys overtly discuss the balancing act between having some control and central messaging, etcetera, versus you gotta let the traffic move? I mean, that's huge!

**Michael Torpey:** The Governor. I wasn't party to your initial thinking behind the structure, but I came in as a Deputy Chief Counsel, so the structure was set, and it was the three chiefs with the understanding that Chief of Staff was first among equals, as Eileen said. And there was really a very clearly set requirements or responsibilities for each of those offices. For example, the Chief Counsel was responsible for all departmental liaisons and legislative contact. That was pretty clear. So if there's anything (and the Chief of Staff kind of stayed out of that), so anyway, the initial structure kind of dictated that. I think-- as the administration went on, when Harriet became Chief of Staff, she was the first Chief Counsel and Chief of Staff, we had kept that in place. Then into the second term, we called it the Three Chiefs and Pete, right? <laughter> We had all been in the Governor's Office. The three chiefs had been in the Governor's Office for the entire first term, so we all knew each other really well. And to your point as to whoever mentioned it, yes, we got along extremely well. Everyone had each other's back, so to speak. There was not in-fighting of any sort. And, you know, to this day, we're all very good friends. I think that had a lot to do with it. That had a lot to do with it.

**Harriet Derman:** I'm chuckling now, because I just thought of where we'd expend our energy on trying to keep the peace, and that was on legislators. So, I can

remember, it just came to me, Eileen, you would say, it was like dealing with children fighting over a limited amount of candy. That, right? Wasn't that what you had said.

**William Waldman:** Always having a common enemy. <laughter> What was it like for you going from a Department to the Governor's Office, because you were experiencing both sides.

**Harriet Derman:** <laughs> Stressful. Well, you know, I went from DCA Commissioner, I think I was there for two years, to Chief Counsel. I think from April to early July. And we got through the budget, and it was like, I thought, "Oh, I think I'm going to actually like this job!" I used to call the legislation ugly babies. Whatever, "This ugly baby. We got that budget done, we got through." And then, you know, Chief Justice Wilentz told you that he was going to retire, he was ill, and you had a succession plan in place, and so before I knew it, I'm Chief of Staff during election time. So for me, it just made sense not to reinvent the wheel. We all knew each other, we all got along. It seemed to be working. And the goal was to, I think, effectuate the best public policy, and also to make sure that the Governor's image wasn't tarnished in any way. And that she could win reelection. I mean, we weren't naïve, we knew we wanted her to win reelection. So it seemed like the most logical effective way to proceed, and we really did get along. I can't remember-- I mean, correct me, or whisper to me, I can't remember that we had any tension among the three of us. You know, we met, and sometimes we'd get a call, if the Governor knew we were meeting, and she'd say, "Did you check on this?" And some of the times, the Senate President would call. "What are you doing about this?" You know? But it seemed to work. We seemed to work and be able to get the job done. And you know, some Commissioners, I don't want to make it seem like it's a little bit too perfect. There were some--

**William Waldman:** Mm, we had some issues, too.

**Harriet Derman:** Some, we had to push them back a little bit. But for the most part, I think it was effective. It was effective.

**William Waldman:** We're getting very close to lunch. One other thing that perhaps we wanted to close on. Someone had mentioned, we really didn't speak on it-- the challenge at the cabinet level-- and I'd ask other cabinet officials who might want to throw in-- is how do you motivate a workforce that's predominantly civil service, have tenure equivalents and/or union representation? Many of them had been there for many years, they had seen commissioners come and go, governors

come and go. And they didn't get too excited about some of the great ideas that we had. <laughter> But I think, and mine was the largest, I think we had a show of about 17,000.

**Jane Kenny:** Eighteen-thousand.

**William Waldman:** Eighteen-thousand, right, employees; it was a challenge. But it goes to leadership, I think. And the leadership from the top set an example for all of us to follow, and I think we were relatively successful in many of these endeavors.

**Jane Kenny:** I do, too, and I think it goes to what was said earlier that if you can stay on message, eventually the bureaucrats figure out that you're, at least for some period of time, you're going to stay.

**William Waldman:** It's going to happen.

**Jane Kenny:** And that the support is there all the way up.

**William Waldman:** That's right.

**Jane Kenny:** And that they're going to have to just argue about the details a little bit.

**William Waldman:** That's good. Well put, well put.

**Christine Grant:** Yeah, the only thing I'd add, in addition to what you're saying, the hygiene factors. The hygiene factors, we had a time, because of the expansion of Senior Services of having to move a couple hundred people. And it's so easy in a bureaucracy to just let budget say, "Oh, I'm sorry, it'll be 18 months to 24 months before they'll move, or, you know, the electorate won't be in; they'll have to suffer for a while." And I don't know. I know Bill and I, when Bill was there, and Kathy Mason, I mean, we'd be over at Quaker Bridge trying to rally the troops. And we did push. I mean, that's so obvious, but I think a lot of cabinet members felt that they're above that. You know, and I don't mean our cabinet members, but just people in bureaucracy. You have somebody doing that, not knowing that that person knows you won't be there. They'll be there. They've got to deal with

buildings next year, facilities next year. So they're not going to push the button, what do they care about these people? That was important. And then the occasional opportunity to promote from within or laterally. I mean, just little management things. And visibility and respect. I think-- and you two, you both were examples of managing lots of people, but what do commissioners do that helped?

**Leah Ziskin:** Yes, there was difficulty in firing if somebody-- if you had an employee who really--

**Christine Grant:** That was not used.

**Leah Ziskin:** Retirements.

**Christine Grant:** We had a lot of retirements and parties.

**Len Fishman:** Yes, face-time as you were saying, Chris, is really important. So you have to remember that you are the CEO of your department and people have to see you. And as I mentioned earlier that, you know, the Governor's advice about delivering consistent messages. We used to have lunches in different divisions where employees were free to ask whatever question they wanted. You do it sort of regularly. We never told Counsel that we had a gospel choir over at the department, which may have been a violation of church and state separation, <laughter> but it helped me singing in the choir to communicate with the more fundamentalist members anyway of the department. <laughter> But that is a responsibility you have to take very seriously, because workers are cynical. Having seen-- and particularly at the Department of Health, where the average lifespan of a Commissioner back when I was there, was a little under two years. So they see people cycling through and you hear more than once, "I'll be here when you're gone." Having said that, I found, and Michele, you were saying this earlier, I was really impressed by the dedication and talent of the workforce.

Most of the people there, by far, the vast majority were mission driven. As mission driven as any organization I've ever been in. I think that it's unfortunate that that's overlooked. I'll say one other thing, which is that the salary differentials that we have now between the private sector and the public sector, are really outrageous. I remember when I was clerking in my second year of law school at the National Office of the Small Business Administration. The guy who's the head of the legal section said to me, "When I graduated law school," which was probably late '50s, early '60s, "The lawyers who went to Wall Street, and the lawyers who went to the

Justice Department earned roughly the same salaries." And that's always stayed in my mind, because his message was society valued what people in government service were doing as much as they valued people who were trying to make money. At the upper levels of government now, the message is, "You're a schnook if you're going to hang around, because you could be earning four times that amount in the private sector." It's so easy for elected officials to beat up on people who are earning-- "You're running the Medicaid program, 1.6 million people, maybe the largest health plan in New Jersey, and you're earning a tenth or so maybe of the CEO, of a private health plan." That is a serious problem in government. It is something that needs to be like a comparables thing that you do in HR. It'll be useful, if the press, instead of saying, "So-and-So's earning \$120,000," and making it seem like an outrageous salary, would show what his counterpart in the private sector is making. Because it would be so much more! Why are we willing to pay people in the private sector that much more? It's not as bad in the middle and lower levels.

**Rita Manno:** Unfortunately, Len, the media hardly ever puts what they write in context.

**Len Fishman:** Yeah.

**Rita Manno:** That is the one thing that's missing in almost every paper and almost every story. So when they talk about a salary for a commissioner and you expect them to talk about the salary for the head of Aetna, they're not going to do that, because it requires one more step, which they don't want to do. So it's unfortunate, but that's what we have to deal with, and what we had to do with the media. But I wanted to just make a point about workers in the department. I found that in programs that the workers, the staff felt real support from a commissioner and from the Governor, people worked harder. Our tobacco program, there was just nobody who worked harder than Cindy Kirschner and Sue Goldman in that program. And they did it because it was the right thing to do. And we'll talk a little bit about tobacco. But also because they knew that the commissioner supported it, and supported their efforts. They knew that the Governor did, by showing up at many of the events. And you know, there are certainly employees that didn't quite come under that, didn't work hard and were waiting for us all to leave. But there certainly were others that felt the support of those above them, and it made them work harder.

**William Waldman:** William, did you have a point?

**William Conroy:** Yeah, I know we're going to talk about health in the afternoon, so I was really holding, but at least for the Department of Health, with Senior Services, we did merge three different agency employees together to form an operating unit. So, I think, and it's already been said that there was engagement from leadership from the leadership of Len and from Chris, and also from the Governor. The Governor incorporated statements in her State of the State address describing initiatives to support improvements in Senior Services, for instance. And so I think that really just engaged the employees in the department where I've stayed since I started as a second-term Whitman Administration employee. And after hearing Len talk about the depressingly low wages-- <laughter>

**Unidentified woman:** You're out of here!

**Nancy Becker:** If he's got an interview now, it's all right.

**William Waldman:** This might be a good time.

**John Weingart:** Bill, I wanted to make just one point in response-- actually two points, one is on a positive note, the Eagleton Fellows, are the 27 graduate students we have each year doing internships in government. And we always ask them what most surprised them? And they continue to say, "It's how hard people work in state government." But what in terms of Len's question that started this piece of the conversation, I think as someone who's a bureaucrat in a different part of the bureaucracy, the appointment of Judy Shaw as Chief of Staff was a huge symbolic thing to people in State Government of picking someone who was a bureaucrat in a positive-- using that word positively. And to have that post. And I think that sent a signal that people in state government were going to be valued in the administration.

[BREAK]

**Len Fishman:** Welcome back from Lunch. I want to announce that there's going to be one change in session two. The second bullet which reads "H.I.V. Kids" is going to be replaced with a category we are calling "Innovations in Consumer Protection". We will be talking about H.I.V. and kids in that context. But we thought this was an opportunity to highlight a number of innovative programs that the department was able to muster. So I was thinking about the remark, John, that you made at the beginning about how surprised folks at Eagleton were at finding that there isn't a more organized focused study on governors. And obviously governors do well when

they are pragmatic and looking back on what to me is an important aspect of Governor Whitman's legacy in health and healthcare policy from this vantage point looking back 20 years. Something that didn't seem remarkable then does seem remarkable now which is how non-ideological the governor was in reviewing the initiatives that we brought to her. There was not an ideological lens. Each issue was reviewed on the basis of its own merits and generally was resolved according to common sense which is not to say that political considerations weren't pertinent. Of course they were and the responsible cabinet people knew that that was the case and that's something you try to take account of when you were advancing an initiative. And as I think Michele said earlier, we had a great deal of autonomy to do what we thought was right and we had a pretty good sense of what we needed to check in on. John Kohler who had run the Assembly Majority staff told me that there was only one sign in the caucus room and it had two words on it: "No Surprises". The idea being that that you can deal with any crisis if you have a heads up and there's an opportunity to prepare for it and we certainly took that to heart.

**Governor Christine Todd Whitman:** Wait a minute. You can't get into all of this without starting with how you got to where you are because of that law so a non-doctor can become head of the Department of Health.

**Rita Manno:** You know, Governor we said that to the Commissioner. We said "That's the first thing we should say." And he said "Oh no, no, no. That's too personal." We said "No, let's do it!"

**Governor Christine Todd Whitman:** No, it was a big political thing because at that point in time from at least my looking at it, health care had become big business. You needed to understand that. It didn't mean you didn't need to have the medical background and that's why we did the legislation so that the Deputy Commissioner had to have a medical background. But the fact that there was a law saying that the commissioner had to be a doctor, life had changed. And at that point we didn't have as many as we do today joint M.D.s and business degrees.

**Len Fishman:** M.B.A.s, J.D.s, yeah.

**Governor Christine Todd Whitman:** Yeah, now there's a crossover and we didn't have that. But because of your qualifications and who you were, we were able to get it done but that was our first test.

**Len Fishman:** Well it was so your approach. I subsequently talked to Governors Kean and Byrne about this. Both of whom said that they too wanted to change the legislation. Your approach was to appoint me as the Acting Commissioner. And so one of the things that did is really called the question which is, is this guy really incompetent in this role because he lacks an M.D.? Obviously people reached different conclusions about that but I was fortunate that Leah Ziskin who had been at the department for years and was beloved, I'm sure still is by the Medical Society, very highly respected, took me under her wing instead of being oppositional so that made a big difference. You obviously had a lot of confidence in me. And I also caught a little bit of a break because H.M.O.s were beginning to explode in New Jersey at that time. There was a lot of resistance to them. I'll say more about that later. And we had a very strong consumer protection approach to H.M.O. regulations and so physicians who weren't that crazy about H.M.O.s saw this Acting Commissioner as somebody who was championing a perspective that they held. And I think it was maybe eight months in.

**John Kohler:** It was.

**Len Fishman:** I was certainly the last person who was sworn in by the old governor.

**Governor Christine Todd Whitman:** It was in August.

**Len Fishman:** You were governor by then. And so it was as you mentioned at a time when the pool of doctors who were interested in the job, let alone had the training, was pretty small. That situation is different now and as I said then, all things being equal you are better off with a doctor if that person is also capable of administering a department. But the other thing is during the transition, you and I had never met before my being appointed co-chair of the transition team with Brenda Davis on health. And you asked me to meet with you for what I thought was a sort of interim report from the transition team. It turned out to be a job interview. And I think that, at that time, you had only met with M.D.s.

**Governor Christine Todd Whitman:** Right.

**Len Fishman:** And then you met me. If you met with some other non-M.D.s maybe you would have picked one of them but obviously the pool seemed somewhat constrained and that's what motivated you to want to change the law.

**Governor Christine Todd Whitman:** Well they didn't have the breadth of experience that I thought was going to be necessary to make this transition into the new world and recognize what was happening in the health care field. It was becoming-- there was a lot of money in health care and there were going to be a lot challenges to work it right and so I wanted a broader background.

**John Kohler:** Governor if I may just for a second. Behind the scenes John Sheridan and Hazel Gluck came to me and said, "We've got to get this law changed. Develop a plan to get the law changed and we'll help." So the plan was fairly simple. We went to meet with the Medical Society, Vince Maressa, remember Len?

**Len Fishman:** Yes.

**John Kohler:** And we talked about it and Vince said "There's no way I can do this. My members have to do this." And Clark Martin was there representing the Medical Society and Vince Maressa was a really good guy. He said "If four or five of my county medical societies come to me and say 'We want this guy' then," he didn't say we'll support. But he said "We'll be neutral. We won't come out in opposition to the law change." So what we did is employ the best weapon we had and that was him. We had meetings with County Medical Societies and at the end some of these guys said, "We don't need a doctor anymore. We got him." And they went to Maressa and Maressa gave the thumbs up. And then we had to deal with the legislature which is where both John and Hazel came in, in terms of helping out. They went to Donny, a reluctant hold out simply because he wanted some quid pro quo who was Jack Synagra. So we figured-

**Governor Christine Todd Whitman:** Surprise.

**John Kohler:** Yeah, surprise. Jack was a pretty good guy. He got us quid pro quo down the line. We gave him something down the line. But essentially Len was our best weapon. When they talked to Len, that was it.

**Len Fishman:** John did what he does best. He ran me for office. Essentially it was sort of like an election. For eight months letting people-- and it was a healthy exercise for me to get around and spend time with a lot of folks to let them get a sense of who I was and what the Whitman team would be like if I were leading it in the department. So back to-

**John Weingart:** Can I ask one thing about that? Was there discussion then about your Republican credentials or lack thereof?

**Len Fishman:** Knowing the Governor I have to assume that somebody told her that I am a Democrat and a liberal Democrat for that matter. She and I have never in all the years that we've known each other had a conversation about my party affiliation which I don't quite understand. But this goes to the non-ideological piece.

**Woman 1:** But you weren't the only one.

**Len Fishman:** I know I wasn't the only one.

**Governor Christine Todd Whitman:** No you weren't. As the Republican legislature pointed out to me on several occasions.

**Len Fishman:** I'm sure. So if you think about the agenda that we were pursuing, we are going to talk about deregulating some facilities and services and certificates of need that we thought were unnecessary. We streamlined the process. We also, as I mentioned, created what people regarded as the strongest consumer protection H.M.O. regs in the country. We went after big tobacco which was a very powerful lobby in both the Republican and the Democratic sides in the legislature. With every tool in the tool kit you will hear about that from Leah and Rita in a moment. We had very good relations in the legislature on both sides of the aisle. I was thinking John obviously was a big part of that. Our legislative relations guy, Scott Alloco, was the first out gay guy in government at the time. It's amazing to look back now and remember what a big deal that was not that long ago.

**John Kohler:** And he was very good, too.

**Len Fishman:** So in general, it wasn't just me. If you looked at the senior staff of the department I would imagine, Bill, this is true at your department and others, you had a complete range of people to my left and what we would call tea party.

**Woman 2:** Not to your left.

**Governor Christine Todd Whitman:** I was just going to say not to your left. Not to your left. No.

**Len Fishman:** I don't know how you classify people. I'll let John classify them. But what was interesting was we also had career people like Leah. We had a lot of new folks. We had people who were policy experts. People who were clinicians. People who had some political expertise. And this team of folks who otherwise would not have done business with each other not only became supportive of each other, but really had each other's back. And we used to say that if we could get something that senior management could agree on, it was going to do well in the legislature on the regulatory front because we were bringing a diverse set of views. I was very proud of that. For me the most fun was the senior team at the department and how this incredibly unlikely motley group worked so well. Most of the senior staff at the department were women. That seems to happen when you have the mayor hiring. We also had a nurse Deputy Commissioner eventually. That was the highest that a nurse had risen at the department until that time and the three top staff not including John: Leah, and Susan Reinhardt and I. It was like the beginning of a bad joke, a doctor, a lawyer, and a nurse come into a bar. So it was a really diverse group. As I said the governor was not interested in ideology. She was interested in the quality of the ideas that we were bringing to her. So we're going to start with tobacco because it's such an interesting and important story. And Leah, who is the doctor who took me under her wing when I came to the department, is going to start us off.

**Leah Ziskin:** Well, I'm not going to quite start with tobacco. I'm going to start with Len Fishman as a commissioner and I congratulate you, Governor Whitman for choosing him. I had been through, worked for several commissioners and he was by far the best. I just want to mention very briefly some of his traits. He's a man of integrity. He pays attention to detail and he wants good work products. But he's very courteous and he works well with women which I know is one of your criteria. But he also was ahead of the curve as we speak in health disparities, not only in being concerned about what was the difference between the health of the minority populations and the health of our majority population. He really wanted to try to reduce that gap.

**Len Fishman:** Leah, I've already got the job, or I already had the job. Let's talk about tobacco. Thank you.

**Leah Ziskin:** I'll stop there. I just want to reiterate.

**Woman 3:** He's hoping for another term.

**Leah Ziskin:** Okay. I'll get on to tobacco.

**Woman 4:** Well no, for the record, that's great, Leah. Just do it.

**Leah Ziskin:** Okay. I have to start again with a historical fact and it's very significant that today in the year 2014 we are talking about how the Whitman administration addressed tobacco initiatives. Because this year marks the 50<sup>th</sup> anniversary of the release of a landmark document in the history of public health in America namely "Smoking and Health" was released by the U.S. Surgeon General, Luther B. Terry in the year 1964. While the findings in this report may have seemed dated even during the Whitman administration 20 years ago, the significance of the report which labeled cigarette smoking "the principle cause of lung and laryngeal cancer in men and a probable cause of lung cancer in women" should not be underestimated. Because the report really opened the discussion and woke up this nation to the single most preventable cause of death and disease. Who was in the days when this first came out, and in the subsequent years, there was a lot of talk about who was responsible for people's smoking. The tobacco industry had long held that this was a personal choice and people could make up the choice to smoke or not, and just quit if they didn't want to. But that didn't take into account that nicotine was addictive. The view that smoking was a personal choice was even strengthened by the tobacco company putting messages, warning messages, on the cigarette packs. Governor Whitman, you were known to have even expressed this view as in 1997 when you were asked about should New Jersey join other states who were then preparing to sue the major tobacco companies. However, what we found impressed you was new information that said that 80 percent of adult smokers had started to smoke before they were 18. And this fact made Dr. David Kessler who was then head of the F.D.A. call smoking a "pediatric disease". This so impressed you that at a meeting with Len and Peter Verniero and I was happy to I feel honored to have been there, you changed your mind and you told Peter go ahead, you can join the other Attorneys Generals in the other states who are putting together this coalition.

**Len Fishman:** May I just add to that? This is a huge issue and looking back now it's hard to remember how common smoking was back then. We have cut smoking rates roughly in half since then. And if you look at the public health data on the health of adults in this country, there is a direct correlation. The most powerful thing that has affected adult health is the drop in cigarette smoking. Several hundred thousand people a year were dying from it and the tobacco companies as Leah said, were hiding behind this idea that this is a free choice. Governor, you and I talked about this a couple of times because the states were beginning to organize this lawsuit based on Medicaid claims. The argument was that this is costing the states money and we have standing therefore to sue the tobacco companies. It looked a little shaky at the beginning but then gathered strength. You were, I believe, the first Republican Governor to sign on to the lawsuit.

**Governor Christine Todd Whitman:** I think we were.

**Len Fishman:** This was very big news. David Kessler came to this state. He came to the Science Center and gave a talk about this. Bill Mavelli who was the head of Tobacco Free Kids who went on to A.A.R.P. came to this state for the press conference when you announced it because for the advocates it was huge having a Republican join the law suit. And it's hard to remember what a big deal that was and how much pressure there was on the other side to not do this. Mike, I'm sure you and John remember some of the folks who were doing the lobbying, very skillful, smart people, giving out a lot of campaign funds and this was a big deal. John is going to talk a little bit later about another issue that concerned the tobacco lobby when we talk about cigarette tax. But there were a series of things you did that I think not only were good for New Jersey but made it safe for other non-Democrats to sign on. Go ahead Leah.

**Leah Ziskin:** Well you gave some of the statistics. When the Surgeon General's report was released, more than half the men in the United States were smokers and thirty percent of women had been smoking so that was a large amount. Our statistics when our comprehensive tobacco control program began in 1997 nearly 20 percent, one out of five New Jersey adults smoked. What also is really disturbing was we did a baseline survey and found that 40 percent of New Jersey high school students had used tobacco in the month before our program began or when the survey was taken. And nearly twenty percent of middle school students had used tobacco. So they were really starting early. In New Jersey the health care bill to treat smokers' illnesses was estimated to be between 1.7 billion and over 2 billion dollars a year. I'm now going to ask Rita Manno who played such a big role in organizing and carrying through our tobacco campaigns to talk a little bit about that.

**Rita Manno:** Thank you, Leah. Leah was talking about adults and adult cancer rates. I'm going to talk more about kids and middle school kids which is where we were putting our emphasis. In terms of the campaign, I remember back in 1964 I mean I wasn't around then, but I heard a speech by Robert Kennedy and he called tobacco he said tobacco companies were "peddling a dangerous weapon". And that was unusual to be saying that at the time. Then there was a Congressional hearing with all the C.E.O.s of the tobacco companies lined up and they were all asked the question "Is tobacco addictive?" And each one of them stood up and said "No, tobacco is not addictive." They went all the way down the line. So there were very powerful forces protecting the tobacco industry and fighting against the kind of initiatives that we had in New Jersey. As Len said, the smoking environment back then in the mid-1990s was very different from today. Remember going into a

restaurant you'd see this cloud of smoke above all of the tables? And then maybe a little while later and going into a restaurant and hearing "Smoking or non-smoking?" You couldn't tell the difference in the restaurant? You could pretty much smoke everywhere back then: ball parks, outdoor concerts, offices.

**Governor Christine Todd Whitman:** Airplanes.

**Rita Manno:** Airplanes absolutely yeah.

**Governor Christine Todd Whitman:** Sure it really didn't make a difference when you were in the row right behind the smoking row.

**Rita Manno:** I can remember being at the ball park at Vet Stadium and having people behind you smoking and if the wind was the wrong way it was going. So we don't have that today but back then it was just normal and we forget how far we have come in terms of those kind of public health issues. Cigarettes cost a dollar eighty in 1995. Now they are almost five dollars a pack I think or at least I see signs or whatever. Things have changed certainly in New Jersey, but they changed because there were leaders in public health and they had the foresight to engage younger students in anti-smoking efforts. Peer groups spread the word about the horrors of smoking. Of course I'm talking about the public health leaders of the commissioner and the governor.

So in 1997 when we unveiled our first campaign which was "Smoking: Don't Get Sucked In" it was aimed at middle school students, seventh and eighth graders. Right now looking back at it, it was probably a small campaign, but at the time it was a big deal. We were extremely happy with this campaign. We thought we're going to make a big difference. We thought it was a blockbuster and it was something that was never before championed by the department in such a clear manner. We took the aggressive campaign to the schools and we found that it was made even stronger every time the governor showed up at one of our assemblies. It was like a rock star coming in. It turned into a pep rally. There were T-shirts, there were bumper stickers, there were all kinds of things to get kids excited about not smoking. Excuse me. It's important to note that the campaign was financed with money from the department. This was before there was even talk about the master settlement, so it means that the leadership here, the governor and the commissioner believed this issue was so important that they were going to find the money in addictions and in grants to do this campaign and weren't going to wait for any federal money or weren't going to wait for anything else to happen. They were going to target the middle school students where we had the best chance of

convincing them to either stop smoking or not smoke. That figure that Leah said is extremely important that 80 percent of adults who smoked started when they were teenagers is pretty startling. My personal history and I always thought of this when we were doing the campaign is that I had a brother, my only brother who died of lung cancer. He died at the age of 35 and he was a smoker from high school on. He was a college graduate. He was a professional. It was so addictive and if you don't believe it's addictive, and I know all of you do, you just have to watch that in someone that you know how extremely difficult it is to quit. So in my little mind this campaign even though it was seventh and eighth graders-- we were very, very proud of this effort and very proud of the leadership that we had. The governor was instrumental in making this campaign, and then eventually a larger one when the master settlement money came in, a success. I remember, I don't know if you remember this, Governor, you sat with middle school students and listened to their attitudes and concerns about smoking, almost like a focus group. And as I remember, and it was a while ago, you taped anti-smoking ads with some of the Philadelphia 76ers.

**Governor Christine Todd Whitman:** I remember.

**Rita Manno:** Which given their record now you may not want to do it at all.

**Governor Christine Todd Whitman:** I wouldn't want to do that today.

**Rita Manno:** But back then it was cool. As I said earlier about the workers in smoking, Cindy Kirschner and Sue Goldman worked extraordinary hours to build this campaign and they were so motivated by the fact that they knew and saw evidence of the support of the Governor and the Commissioner. That just did a lot and they were hard workers anyway, but they really, really believed in this campaign. The Commissioner always told us that targeting middle school students was critical. He always said that "young kids knew the Marlboro Man more than they did Mickey Mouse". This was an opportunity with this campaign to bring partners into the anti-smoking effort and get partners with the health department like New Jersey Breathes and the Medical Society and create a sort of bond on this issue that we could all agree about. In addition to the anti-smoking program and the campaign, we established a peer leadership program in the middle schools. It was launched around the same time and it trained students to teach other students about smoking and drugs and alcohol use. And these were all seventh and eighth graders and we knew that they were more likely to listen to their peers than they were to adults. Anybody who has had teenage kids knows that for sure. These youngsters in these schools formed their own anti-smoking groups. They picked up

butts along the beaches. They performed all kinds of activities throughout the state that were tied to this smoking "Don't Get Sucked In" campaign. And we held a youth summit called the Day of Learning about substance abuse prevention for about 500 of these peer educators where they came and they did various activities and they formed anti-smoking programs. We were getting enthusiasm and we wanted to take our enthusiasm and extend it out to the students and we found that it worked. Not that awards are motivating but it was nice for the program itself to get awards from the Silver Anvil P.R. Foundation and the Golden Apple Awards. New Jersey was beginning to be recognized as a clear tobacco prevention state and we were being lauded for the programs in the department in addition to the campaign.

The results at that time, 1999 middle survey on substance abuse. Seventh and eighth graders who smoked cigarettes had dropped 35 percent over the last four years and that was from surveying 8,600 students. As Len said our anti-tobacco efforts attracted the attention of the Tobacco-Free Kids organization. Bill Novelli was up here. Kessler was up here. They didn't lightly give their time. They were here to congratulate the state and the Governor on these efforts and to promote them.

We also tried to tackle the sale of tobacco to kids under the age of 18 which was rampant in the '90s. The Age of Sale law was on the books, Len tells me since 1883 but we didn't do a good job of enforcing it at all. Surveillance in the 1990s found that 75 percent of the stores were selling cigarettes to kids. "I want some Marlboros." Here you are. Where is your money? After Governor Whitman signed the enforcement law in 1995 and surveillance and funding began the number of stores selling to teenagers dropped to 44 percent which was still not good enough but certainly a drop that we were happy with. We had middle school kids from the Peer Leadership Program with chaperones going into stores and trying to buy cigarettes and then we had public health officials doing surveillance and watching whether they actually were sold the cigarettes and then fining them. It was quite a surreptitious kind of program. And the results from 1999 to 2001 were that smoking by middle school students had declined by 38 percent. We were happy with that.

You know adolescents are under tremendous pressure to conform. We found the way that most people start smoking is by lighting up with a friend who already smokes. Of course most teenagers believe they are invulnerable. Nothing will happen to them. They are young. They are healthy. They know that smoking can cause serious health problems but they smoke anyway. Back then, we were sure that we weren't convincing all kids in that age group not to smoke or to stop smoking but the campaign and the prevention efforts that Leah was in charge of

were a really strong statement to kids from the Governor and the Commissioner that we were taking a stand against tobacco. It wasn't just something that was kind of on the side of things. It was a focal point. It was a priority. The message also was that adults care about you, your health and your lives. Certainly there's much more to say.

**Len Fishman:** Should we ask Commissioner Grant to pick up with what activities were like once we had the additional funding?

**Christine Grant:** Sure and you can see why Rita was such an able Director of Communications and brought enormous energy and creativity to this program. So I think the takeaway message for someone who had the benefit of coming in at the best time, when there was a lot of money to be had, is that one-

**Eileen McGinnis:** It was a good time.

**Christine Grant:** It was always a great time in state government. First New Jersey-- you've heard sort of a downplaying of how impressed people were with what was going on in New Jersey. How ahead of the curve we were once again in having a very comprehensive program starting with strong communication, building with peer leadership programs which again at the time seemed rather novel to have. It was not for tobacco only. In a sense the benefits of working with school systems to test the notion of peer leaders to just keep moving ahead in a way that was obvious, frankly from the department. We stayed completely out of what must have been a lot of behind-the-scenes neutralizing of ongoing lobbying at every step of the way. I'm looking at John. I'm sure many hours were spent keeping-

**Woman 5:** You said to John. John you do that.

**Christine Grant:** Well no, I didn't even have to. We just stayed out of that. But one of my first memories about getting the money was there was tremendous pressure. I just had walked into this position. I mean now that I understand the difficulties that you had, I was the second beneficiary in short order as a non-physician to waltz into this position and that was wonderful. But GASP was on my doorstep. This was the state advocacy group initially. "You're going to get X-millions tens of millions and we want you to go for all that money." And of course I had to get up to speed. I went to see Novelli myself to, sort of off the record, tell me where he put this money. But I remember going to the Governor because I'm sure you were also hearing through your people-

**Governor Christine Todd Whitman:** Well they had lots of ways to use the money.

**Len Fishman:** Yeah.

**Governor Christine Todd Whitman:** Lots of ways.

**Christine Grant:** Tens of millions of dollars and basically because this was several months in. We looked at a comprehensive program. We knew what we wanted to add and I can go into that if necessary. But basically I said "Governor, it seems to me that a couple of years from now we're going to have to go back to the legislature and show them results. And I think the worst thing we can do is have too much money and not spend it wisely." And so we went for what I thought was closer to 40 million but the evaluation done talks about 32.8 so maybe, we didn't lowball it. Thirty-two million dollars to spend in the government within a year was not going to be easy getting contracts through, getting people hired. We took that approach. We were successful in selling that behind the scenes to GASP saying it's just going to be the kiss of death if we can't spend this money wisely, we need you to work with us. And we went from there. I think that one of the things I hope you remember that we were successful, you did win an award from the American Medical Association as the outstanding public servant nationally. She was the only Governor there. My only worry was: was she going to show up? Does she realize how important this was? It was a really big deal. And yes you did show up.

**Governor Christine Todd Whitman:** Well as I recall and Eileen and Mike, you probably can make it was a fight over the money. I think we dedicated more of the tobacco settlement money to healthcare-

**Christine Grant:** Than any other state.

**Governor Christine Todd Whitman:** Than any other state. I think that was what was the distinguishing factor.

**Woman 6:** What was the figure, like 20 percent I think?

**Christine Grant:** Yes, something like that.

**Governor Christine Todd Whitman:** It was a bigger percentage than the other states were doing at the time.

**Len Fishman:** Let's take just a couple two or three more minutes to wrap up tobacco.

**Christine Grant:** Okay one of the themes I mentioned is we did want to work in research. No reason for most of us to remember that was the time that U.M.D.N.J. was starting up a School of Public Health. We did say that this would be an opportunity, "Would you be interested?" Audrey Gotch, first Dean, "Yes, we'd love to have a research capacity to really study the implications." So not only did we plan to have them evaluate the program which fortunately did come out a few years later. We did get an evaluation long after our time, but also it really started the ball rolling in several areas. Smoking in pregnant women which people now think of as more for children and that indeed was very important. But of course unborn fetuses, early nursing mothers was a very important issue that New Jersey I think was way ahead of the curve. We also had some able researchers brought in to U.M.D.N.J. who were really looking at the addictive-- they didn't really know what they were going to find. It was sort of a hornet's nest. We unlocked this because we knew when lobbyists started really being concerned about this: oh we are on to something here. So we really helped that capacity, early on.

Then I think I would also give a nod to, Kirschner. The other thing that we did not like, unlike maybe the drug courts, we really held within the department after Leah, and sadly for all of us, tendered her resignation we had Cindy Kirschner. I had it run right by the Governor's office because it was a standalone. But in order to keep track of it make sure it was done well, was done quickly, it was done efficiently. But at the same time and this is the other point I'll make, because it was the biggest thing going on in our department and we really felt very seriously about this issue, we challenged each division. Each of you can do something so WIC and Maternal and Child Health could do something. Senior services could do something in tobacco control. Certainly epidemiology. So each division felt a piece of the action and that at least within the department helped us move in that direction. It was really an excellent opportunity for the state and I certainly would say your front end choice of having the courage to go after this money was very, very important.

**Len Fishman:** Yeah well that was the Governor's choice. One last observation which is that sometimes problems seem insurmountable. You think about the epidemic of obesity, diabetes. To me this is a reminder that people can really change the course of history and this was probably the single biggest public health

intervention of the 20<sup>th</sup> century. And one could argue that it all hinged on David Kessler changing the paradigm with the term "pediatric disease" because that reframed the issue entirely. Kessler didn't know it at the time, he was framing it in a way that the Governor ultimately agreed with and made a big difference.

**Governor Christine Todd Whitman:** Yep.

**Len Fishman:** So let's move now to a category that we're calling "Innovations in Consumer Protection." John, I'm going to ask you start by talking about charity care. Before, while you cue that up, I want to make an observation which is that for many years prior to Governor Whitman taking office, the Department of Health had been where hospital rate setting occurred. A lot of power came with hospital rate setting because you were controlling the rates and the destinies of all of the hospitals in the state. When that went away, the department had to look at other ways of having an impact which were not as direct. One of the reasons that we put together this series of innovations is to show the different ways that we were experimenting with making a difference in public health. And one of the most important was Charity Care and bad debt and John will pick up with that.

**John Kohler:** In terms of setting a new way to go in charity care distribution, essentially what happened was senior staff at the Department of Health got together and we were extremely worried because we felt a number of hospitals were on very thin ice financially. We happened to have the virtue of working with a guy names Steve Fillebrown in Healthcare Finance Authority. He's a brainiac. He's really, really good knowing about financing of hospitals. We had talked with him and he indicated three or four or five hospitals were on very thin ice. We determined what we had to do with charity care was somehow set up a formula that distributed the money fairly to those hospitals that were in the most need, that were serving high populations of Medicaid, uncompensated care, people walking in the door with no insurance. Essentially they didn't have the ability because of their payers: Medicare, Medicaid, they didn't have the ability to shift onto private pay patients. So we began sitting down and going over ideas, throwing out ideas. Obviously we had documented charity care claims paid at Medicaid rates. We then began to toy with a couple of indexes that would get tacked on there. One was shiftability, that is the ability of hospitals to shift their nonpayers over to paying patients, which hospitals do all the time. The second was coming up with a profitability index. So the combination of documented charity care with a shiftability index with a profitability index gave you some indices of how hospitals would get paid. Let's say we started with, Len, as I remember, ninety-eight cents on the dollar for the really endangered hospitals that we thought were maybe likely to go under and no hospitals could take their place. They were things like Jersey City Medical Center, University

Hospital, although they were state they would probably still get funded. Cooper down south was in bad shape.

**Len Fishman:** I want to interject. I can't believe I'm going to go to the politics before you but--

**John Kohler:** I was just getting to that.

**Len Fishman:** But just to remind us, under hospital rate setting all hospitals were reimbursed for their charity care and bad debt cost. Once hospital rate setting went away you had a limited fund that had to be distributed to hospitals and you couldn't pay them all 100 percent-

**John Kohler:** Correct.

**Len Fishman:** Without vastly increasing the pool. Now what had always created an urban suburban coalition in favor of reimbursing uncompensated care and bad debt is that all the hospitals benefited. Once you were going to preferentially benefit basically urban hospitals, there was a real problem with holding on to Republican legislators for this fix. I just wanted to mention that, John, because that was the big challenge that you were dealing with.

**John Kohler:** Absolutely. So we did a series of runs with Steve Fillebrown in the room, senior staff in the room. We did a series of runs to see how this charity care would get distributed. We played with how much people would get and then given increments down the line to hospitals until the money ran out. And of course I was sitting in the room as was Greg Hook. A run had come up where for example Jack Sinagra's hospital.

**Len Fishman:** Not that we were paying any attention.

**Woman 7:** I just said that, I just said "What did Jack want?"

**John Kohler:** Fast friends with Harvey Holzberg who was at Robert Wood Johnson. If Harvey's hospital wasn't going to get an adequate amount of money this wasn't going to fly. If Donny's-

**Woman 7:** Did you say that Jack was Chairman of the Senate Health Committee?

**Len Fishman:** Yeah.

**John Kohler:** Yes. He was Chairman of the Senate Health Committee and also was very good friends with Saint Barnabas.

**Len Fishman:** A well off system that was not going to do well under this formula.

**John Kohler:** Right. So we played with those figures until we thought we got to a good position with regards to literally getting the votes in the Senate. The Assembly we were in much better shape in terms of getting votes. But we, of course, ran this by the Governor's office and received a "go for it". We had the legislation drafted and we ran it by people. In many instances, though not all, we got the votes we needed to get it passed. We had to promise some things down the line to certain legislators and those promises were kept and they weren't big promises. One even included football tickets to the Giants game.

**Woman 7:** They had no shame.

**Governor Christine Todd Whitman:** It was easy. That box was a wonderful thing. Could use that in a lot of ways.

**John Kohler:** So from that perspective the money was distributed in a very fair and equitable manner. A lot of hospital C.E.O.s didn't like it because the money did run out before their hospitals got it. You hated to see a hospital right on the cusp because those guys would lobby the hardest. But from the perspective of politics and entering into policy determinations, we did play with the formula a little bit.

**Len Fishman:** I think this was one of the first things that you might call fall-out of removing hospital rate setting. There were a lot of good things about removing hospital rate setting. One of the tough ones was dealing with the decision. And I think the concept behind this formula that John and others worked so hard on was pretty easy to explain and people understood that there weren't enough dollars to go around and that this was a fair way of doing it. Basically we were able to get the job done. And again it would have been more popular with Republican legislators if we had just said "We're going to give everybody X-cents on the dollar," but that was not tenable. It also speaks to what historically, I don't know what it's like now,

had been a pretty bipartisan approach to health care issues in the legislature, and ended up with a good outcome.

**John Kohler:** The reason this was a legacy issue for Governor Whitman is that it established for the first time the top tier of hospitals, six or seven, that came to be known as safety net hospitals and those hospitals today are still safety net hospitals and receive preferential treatment when it comes to charity care.

**Michael Torpey:** I'd like to add to that too. When the hospital rate setting was removed and I'm really reaching for this number but my recollection is that we were at uncompensated care rates at somewhere of one point two, three, or four billion dollars and rising. And so rate setting was removed. You then had this competition for a limited amount of dollars. I think that first formula might have been 900,000,000 or so?

**John Kohler:** I think it was about 750. It went down low.

**Michael Torpey:** So my point is maybe out of necessity as a result of rate setting being removed. That's prior to the administration owner. We needed to come up with a way of ensuring that this cost driver that had no cap just a couple of years ago didn't just start to become something different and become another cost driver. So we ended up capping it and coming up with this mechanism. And it is as John was just alluding to, it is essentially the mechanism that's used today which by the way is under 700,000,000 today. So when you take a look at this thing going back 20 years plus now, an enormous amount of real money has been saved. It certainly placed pressure on hospitals and maybe just my own editorial comment: some of those pressures were not necessarily bad. It required hospitals to take a look at the way they were conducting their business and has led to the closure of some hospitals in the state of New Jersey over time. These had been mostly managed rather ineffectively with very little impact on the communities where those closures had occurred. So I just say that the policy was pretty well thought out and balanced. It's really effectively the same with some political considerations over the years where they've had to make adjustments accordingly, but mostly pretty much the same mechanism that exists today.

**Governor Christine Todd Whitman:** When did we put in the report cards? Hospital report cards.

**Len Fishman:** Oh you are talking about the coronary artery bypass graft surgery reports?

**Governor Christine Todd Whitman:** Right.

**Len Fishman:** We did the first one in '95?

**Woman 8:** Ninety-five I think.

**Governor Christine Todd Whitman:** I remember going around.

**Len Fishman:** So we will talk about that in a moment. But you mentioned hospital closures and that's another phenomenon that was a fallout of removing hospital rate setting and for me one of the takeaways. When I was practicing law I did some work for the hospital rate setting commission so it's a part of the department I knew quite well. One of the downsides is that if you can keep the hospital alive by simply increasing its rates you never close hospitals no matter how poorly they are managed, no matter how excess their capacity is. The political pressure to keep the hospital open will always trump other considerations. Once that device was gone what we found is that there were some hospitals that were not needed. Not just because they weren't getting uncompensated care but because their inefficiencies weren't being pumped up in other ways through hospital rate setting. And we ended up having managed closures of hospitals in the state. What we found is that when hospitals closed, their former patients were always getting better care at the surviving institutions because they were better to begin with. It was really a matter of jobs. It wasn't about health care. It was an economic issue which is not to say it was insignificant when you're talking about an urban area where jobs are scarce. But it does point up the difficulty you have when government is in a position to keep an enterprise going even when it's not needed. It's very hard to not keep doing it. So John, do you want to add anything? There was one hospital closure that was particularly tough in Newark.

**John Kohler:** Yes. Children's Hospital in Newark, run by a gentleman by the name of John Dandridge. He called up one day and requested a meeting with the commissioner and we had senior staff in there. We really didn't know at that point what it was about. He came down and he told us. Now at this point in time remember hospitals didn't have to submit their financial information to H.C.F.F.A., Health Care Facilities Financing Authority, and I don't think John Dandridge was submitting his information. He walked in and he told us he had a problem. He was

50,000,000 dollars in debt. We just looked at each other in shock. He went through all the things he had to go through and he thanked us for meeting with him. I remember, Len, we had a senior staff meeting right after that and we all said "We've got to manage this one. We've got to have everybody in the department involved because this hospital is going to close. There's no way we can bail. We don't have enough money to bail that out." Again it was Children's Hospital in Newark. So he knew it when we told him. He sort of had a hint that he was going to have to close. We told him we were going to help manage that. Len I think you were taking private counsel in addition to the A.G.'s office and so we were on the phone daily for about two months with an hour-long or an hour and a half long call between us, H.C.F.F.A., the private counsel. The A.G.'s office was in on it and once in a while Dandridge's people. In the end with Leah's assistance she put together some crack teams to go up and inspect the hospitals that would be taking over a lot of these patients and verified for us which one would be best. Don't forget they were the Children's Hospital in Newark so other people wanted to vie for that designation: Ron DelMauro at Saint Barnabas controlling Newark Beth Israel was one. Saint Michael's I believe was another. In the end we chose the bankruptcy court was thinking it was going to determine who got that designation and Len Fishman fought for the fact that no, that designation remains with the Department of Health and we went back to Children's Hospital board. We presented all the issues. The attorney's presented all the issues and that board chose Newark Beth Israel. So the transfer occurred and from my understanding with ambulances in the area, in one day the transfer of patients went off without a hitch.

**Len Fishman:** I'm glad that you mentioned Leah's role which was obviously very important in the case where you want a clinician in charge.

**John Kohler:** Right.

**Len Fishman:** Who is able to speak to the safety of patients.

**Leah Ziskin:** Well the only thing I would add is that these teams, because Neonatal Intensive Care was such a main factor, had a neonatologist, pediatricians, nurses, pediatric nurses. But the two leading contenders were Newark Beth and University Hospital. I think you made the important point, our teams found that either one of those two would be competent. They had the right facilities, they had the right depth of practitioners to carry the load. So as John mentioned in what I think was extremely important, we turned the decision, we gave the facts to the board and the board itself chose which one they wanted to inherit their mission.

**Len Fishman:** This was one of several hospital closures that the department had to manage and I think did in a way that's consistent with what John and Leah have described, and I think left the health care system more efficient and providing better health care to the folks going to the hospitals that continued.

**Rita Manno:** Len, I think we also averted the real problems in the community even protests of hospitals.

**Len Fishman:** It is pretty remarkable, in fact, that that didn't happen. But we were very inclusive in reaching out to folks and letting them know what was going on. One little item before we leave this which was so interesting to me. The chair of the department who chaired the Health Care Facility Financing Authority-- after one meeting I was approached by the executive director about one of the Cathedral Hospitals which was very close to default. And I don't remember the name of the C.E.O. but evidently she had not been sharing that information with her board and I had to go meet with-- I don't know whether McCarrick was Bishop at the time.

**Governor Christine Todd Whitman:** Yes.

**Len Fishman:** He was. So I went to visit the Bishop in his offices. I thought to make it a little easier for him to meet with a little Jewish guy I would take John Kohler along. And he was officially the C.E.O. of all of the Catholic hospitals.

**Governor Christine Todd Whitman:** He was the Archbishop.

**Len Fishman:** As people here know an incredibly smart skillful guy.

**Governor Christine Todd Whitman:** Wonderful man.

**Len Fishman:** He knew nothing about health care and had not a clue that this hospital was close to default. He was stunned to learn this. It was to me illuminating because you figure this kind of stuff doesn't happen. It's a big sophisticated hospital. You've got a board of people who are smart, etcetera. As people around the table probably know almost all Catholic hospitals today are run by non-profit boards that actually know how to run health care systems. But back then it wasn't unusual for hospitals that were owned by the Archdiocese to be overseen by whoever the most senior clergy person was. And so you are sometimes surprised by how a system you assume is going to work logically in fact does not.

**Michael Torpey:** Len, I think what happened too is we provided some type of advance against Charity Care to get through some of this and eventually there was a request made for us to forgive the last payment.

**Len Fishman:** Yes.

**Michael Torpey:** And I remember this because at the time of course the Governors, the three chiefs and Pete were McGinnis, Farmer, Torpey, McDonough, four Irish Catholics. I got a call from McCarrick. I kid you not from Rome where he was making his last ditch pitch to us to do this forgiveness. I would have much rather been a little Jewish guy, and not an Irish Catholic on the end of that call. We ultimately did. We developed an appropriate framework for forgiveness, but we did forgive I think the last four million dollars of the debt.

**Governor Christine Todd Whitman:** He was hard to refuse even for a non-Catholic.

**Woman 8:** Did you ask for forgiveness too?

**Woman 9:** Governor, this could be a comic interlude, do you remember the best Archbishop McCarrick story?

**Governor Christine Todd Whitman:** Oh if you are talking about that lunch we had, yes.

**Woman 9:** Do you want to share?

**Governor Christine Todd Whitman:** That was every year we had to have lunch with the Archbishop.

**Woman 9:** Nursing Mothers.

**Governor Christine Todd Whitman:** Yeah the Archbishop and all the bishops for New Jersey and we did this one at Drumthwacket. We did it up at his in Newark one year and then Drumthwacket the other. McCarrick was wonderful because he always kept the Bishop from Camden who was the most conservative of the bishops to the last one because he knew that he and I weren't going to be on the same

page. He always wanted to talk about abortion and we just weren't going to get there. But this time he surprised us. Unfortunately my husband was there too for this one. You two, you and my husband. This fellow who was really, really dead straight serious very Catholic. The Bishop was against things like abortion starts to go off about how he's been making this study on breast feeding, and how we really should make breast feeding legal in all places. We're looking and he said "I've been studying it. I've been studying it hard." I don't want to know. You can study this. I really don't want to know. <laughs>

**Woman 10:** We were all looking at each other.

**Governor Christine Todd Whitman:** We were all trying so hard not to laugh, let's just not laugh. And I think McCarrick got it too. It was the most bizarre conversation.

**Len Fishman:** We've got 30 minutes to cover a lot of other material so let me move now to another item that fits under innovations which is the consolidation of senior services and we already had a little bit about that. So this actually went back to the transition when we heard from senior advocates that the system in New Jersey, as in virtually every other state, was very fragmented. It was difficult for seniors and their families to figure out where to go for benefits, referrals and so on. In fact there were 20 programs for seniors in the state of New Jersey that were spread over four departments but principally three: the Department of Human Services, Department of Community Affairs, and the Department of Health. We had received a grant from the Robert Wood Johnson Foundation to look at whether there was a better way to configure senior services in this state. We put together a large workgroup of folks who represented seniors and facilities that served them and a wide array of experts and consumers. And then eventually the issue came to the three commissioners and Bill Waldman and Harriet and I began meeting to talk about the findings of this advisory group which were that we should consolidate all services related to seniors in a single department of government. After meeting a few times, and this is maybe my favorite kind of insider story with state government, we all agreed with that precept. I remember Bill Waldman talking about how it was difficult for him to navigate the system when he had a family member in need, and all of us had stories to tell. Today it's much more common because of the aging population, but we all agreed that the services should be consolidated. We also surmised that we weren't going to agree about where. So we did something that I think was really unusual. We said "Let's stop here and prepare a memo to the Governor telling her why we believe services should be consolidated in one place," without getting to the next question which is where? Because we are probably not going to agree about that. Let's find out first of all if the Governor

agrees with us and if she does, the process will be there; there will be no turning back. So even if we end up not agreeing about where that will be the Governor's call and seniors and their families won't suffer because three people can't agree on how to divide the turf. And I think that was a great intervention. Had we not done that, maybe it wouldn't have happened. We sent a memo to the Governor as you've already heard, it didn't take the Governor long to say that she agreed. I'm sure she had Eileen's and Jane's counsel on that issue. When the three commissioners heard back from the Governor and we reconvened not surprisingly we didn't agree. Actually Harriet, you were altruistic. You wanted to see another department created. Some of us thought that was an unlikely outcome. So the Governor asked each of us to come and make a presentation to her and to Eileen and Jane. Each of us prepared and we made our pitches and then expected the Governor to dismiss us with the promise that she would soon make a decision. In fact were you there, Mike?

**Michael Torpey:** No I wasn't.

**Len Fishman:** So I think all three of us were stunned when the Governor issued her decision right then and there. I assume you'd given a little thought to this before.

**Governor Christine Todd Whitman:** We'd had a little conversation. We had a few conversations before.

**Len Fishman:** And the decision was to create the Department of Health and Senior Services. Harriet was the first to say "Governor, while this wasn't my recommendation I want you to know that I will do everything in my power to make sure that this goes as well as possible."

**Harriet Derman:** I went home and cried. But I said that.

**Len Fishman:** Bill echoed the sentiments and maybe it might be interesting to have the two of you say something about how this process went.

**Eileen McGinnis:** I do remember the next morning the 8:30 meeting that Mike referred to telling the rest of the senior staff and they were shocked that it all happened so quickly. But I think the commissioners--

**Governor Christine Todd Whitman:** Well we talked about and you'd sent your memo in and I agreed with the concept and we went back and forth. You all had let one of the chiefs know a little bit of how you thought about it. I sort of had a feeling as to where everybody was coming from and it just made the most sense to me. No point in dragging it out.

**Len Fishman:** This is an area that you'd had experience with back in the county level.

**Governor Christine Todd Whitman:** Yeah.

**Len Fishman:** And you had friends and colleagues back there who were in the senior services community. And it made sense to you.

**Harriet Derman:** And you recommended the wonderful Ruth Reeder, wasn't that her name?

**Governor Christine Todd Whitman:** Yes, Ruth.

**Len Fishman:** Right, that's right.

**Harriet Derman:** Somerset County.

**Len Fishman:** So I think everybody around the table probably knows that the consolidation in the Department of Health which then became Health and Senior Services was one stop on the way back to Human Services. But Human Services now has all of the programs in one division sitting alongside the Division on Disabilities. What's becoming clear to states that are in the vanguard is that there is a lot that these two communities have in common. So have a Division of Disabilities, of Aging and they are reporting up to one deputy within the Department of Human Services.

**Governor Christine Todd Whitman:** That's what actually made my decision easier on going to the Department of Health because seniors had so many health issues and it seemed to me that was the most logical place to put it.

**Michele Kent:** I think part of it why it went back, and tell me if I'm wrong, when you had to bifurcate Medicaid. The issue of having a single Medicaid agency and when you obtain a waiver from C.M.S., it just became increasingly complicated from what I could see. At this point I'm dealing in Senior Services. So I think that helped.

**Len Fishman:** Right. So I think it's worth noting a couple of things about this which was the biggest government reorganization in many years. I remember when the meeting was over, you asked me to stay and somebody expressed regret about Harriet. And it was either you, Eileen or Jane. Then Jane said "Harriet, Bill just lost one and a half billion dollars." So I think there are a couple of things that were noteworthy. One is that we created a program called New Jersey EASE, Easy Access Single Entry. That was a program that was intended to create a single number that any senior or family member could call anywhere in the state. We didn't have a lot of money to incentivize the triple "A"s to do this and so we turned it into a competition. We said that counties would have to be triple "A"s and would have to demonstrate competence to have this designation in order to win it from the department. It was overseen by Susan Reinhardt who unfortunately could not join us today. Susan really worked hard at building the competency of these agencies and they had to go through a training program. We had people who would make calls unbeknownst to them to determine whether they were ready. We did a lot of evaluation of whether they were capable of meeting the requirements. At first there was a lot of resistance. Then we had the first one, the Governor was there to cut the ribbon.

**Governor Christine Todd Whitman:** OSHA right?

**Len Fishman:** Yes I think it was OSHA. The Governor made a big deal out of this. It was a big local press event. A lot of pride in having reached that designation. Then we got another one and another one and there was a cascade of triple "A"s. This was the precursor to what are now called the A.D.R.C.s or the Aging and Disability Resource Connection agencies that exist in this state and around the country. This was a model that other states picked up because every state had the problem of how do you help people navigate a very difficult system. Not that this made it go away but it was certainly a major step in the right direction. Governor, it was great. I think it was good for you it was a love fest with seniors.

**Governor Christine Todd Whitman:** Oh yeah.

**Len Fishman:** Everywhere you went they loved that you were doing this and paying attention to them. One of the values of having a cabinet-level presence was the feeling that seniors were getting the attention that they deserved. Another program that we were able to do was called Community Choice which was a program where we sent nurses into nursing homes to evaluate first Medicaid, but then all patients that were residents in nursing homes to determine whether they could be relocated to the community. We were able to move many nursing home residents into community settings where they were getting support from other state and federal programs and making a very strong statement that nursing homes were a critical part of the continuum. But the only people living in them should be people who could not be living elsewhere. Assisted living facilities were just coming along. Part of the streamlining of the regs is that we created an administrative approval category that allowed assisted living facilities to automatically be approved if they met certain requirements. We really wanted to create more nursing home alternatives and the growth of assisted living in the state was significant. Medicaid then finally approved paying for people in A.L. That was a tough one with O.M.B. but they finally agreed. So there were a bunch of initiatives that we began unveiling and watching once there was more focus on this population. I think seniors were very appreciative of the attention that you paid to them. So are there any other in the interest of time I'm going to ask if anybody else has something to say about seniors?

**William Conroy:** I think you really nailed it, Len but just in our state we have over 200 assisted living facilities so as a result of the Governor's leadership and your leadership it went from zero to now 215. Almost as many assisted living facilities providing care to seniors as nursing homes. So it's really a rebalancing and you did bring in with your team the national leaders: the Canes from the University of Minnesota who set the framework for looking at rebalancing. Oregon was a model so you weren't going to reinvent the wheel. You had a model to look at and make commitments to expand so you had a new system and then you put money into it and you presented it in your State of the State speeches. At least in the second term when I came in. So we were under Chris Grant we were really appreciative of the fact that it was already sort of designed and now we needed to run it. Included in that was the Eden alternative which was the animals and the homelike atmosphere that you were trying to embellish within nursing homes.

**Len Fishman:** We used several monetary penalties to give nursing homes the incentive to enter this program. The Governor did a press conference with Bill Thomas who was the founder. And I remember this because there were a lot of press there and after a lot of nice questions somebody said "Governor, you know there are dogs and cats around here. What about people who are allergic to animals?" And your response I will never forget. "I would say to them, 'get a life'."

Can you imagine any other Governor delivering a line like that? What a breath of fresh air. "Get a life." Let's turn to one other item that you mentioned Governor which was the Coronary Artery Bypass Graft surgery report card. Another thing the department was beginning to experiment with was big what we now call big data. An opportunity to shine a light on programs that we thought would benefit from public attention, transparency, and disclosure. One of them was a program that looked at the outcomes of CABG surgery by hospital and cardiac surgeon. With a risk adjustment so that we could tell whether surgeons in hospitals had a rate of mortality that was above what would be predicted. We wanted to avoid the sensationalism in the reporting that had accompanied a similar project in the state of New York. So we looked for support. This was typical of the way under your leadership we proceeded. We enlisted a wide variety of people to support us including the Medical Society and the cardiac surgeons and cardiologists, they weren't that enthusiastic about it, but there-

**Governor Christine Todd Whitman:** That's a nice way of putting it.

**Len Fishman:** There were a lot of fly-by-night agencies that were producing reports on them that were unsupported by good data. They eventually concluded they'd rather have us do it responsibly than have somebody else do it irresponsibly. It took about eight months to do this and we did something else that I think was novel. Before the press conference we required any reporter who wanted to get this report and Rita was good enough to bring me a prop that I will find and show you. We had this little report card and then we had a more technical report for people who wanted it. But we said to the reporters, "If you want to get this," and it was going to be in the front page of every paper in the state, "you must attend a two-hour workshop that will present you with information about the limitations of this data." Because in New York without really understanding the underlying data there was a lot of damaging reportage and we had a panel of experts including one guy from Dartmouth who thought that these report cards were a bad idea. We wanted to present a full range of ideas about this. If you go back and look at the reporting because the fact was there were surgeons and hospitals that had higher rates than would have been expected. It was extremely responsible and I believe it was partly because we made them eat their vegetables before they got dessert. One of the big outcomes of this report was that as we expected low volume cardiac surgeons were the ones with the highest mortality rates. The next year most of them had left the state to go to other states that don't do these reports, I suppose. We also heard from the heads of cardiac surgery programs. I remember two in particular saying "I have been asking my C.E.O. to get rid of these surgeons for years. I didn't have the data. This allowed me to convince my C.E.O. to do this." So this report in and of itself was a good thing. But we were also experimenting with how we could start putting our oar in the water around public disclosure, transparency, other ways of

encouraging improvements in healthcare that were not just about rate setting and more regulation. So let's turn now to an issue that I think was a very important one, Governor, for you in your career which had to do with late term abortion.

**Governor Christine Todd Whitman:** Another fun one for the reelect year.

**Len Fishman:** I was with the Governor at an unrelated press conference in the outer office one morning when we presented whatever it was that concerned the Department of Health. And then as soon as she opened the floor for questions the first question was about President Clinton having vetoed this bill the day before. Now if you remember, partial-birth abortion was selected by pro-life folks because it seemed so horrific that nobody could oppose it. Democratic Governors were signing these bills because it was just so difficult not to. The Governor was asked that question and without revealing I'll give the Governor the opportunity to deliver the line. I can tell you that I was quite surprised at the swift and unequivocal answer that she delivered.

**Governor Christine Todd Whitman:** Well they said basically "Would you take it on, what would you do?" I said "Well if they present me with a bill that observes the constitutional requirement to protect the life and health of the mother I would sign it if that's what it would do. I'd sign a bill that did put some restrictions on third-trimester abortion." I think you had a heart attack right after that.

**Harriet Derman:** I actually wasn't there then.

**Governor Christine Todd Whitman:** Eileen? Mike?

**Len Fishman:** May I just say? Actually it was more than you were asked about Clinton and you said "I agree with the President."

**Governor Christine Todd Whitman:** Oh that's right.

**Len Fishman:** You went on to say "I would sign a bill that prohibited late term abortions with an exception for the mother and that bill would become law. The bill that's making its way through the legislature which does not have that exception is unconstitutional and will not become law."

**Nancy Becker:** I just wanted to add a little bit of history to this. What was interesting to me as somebody who was involved in the issue from the outside was that for the years that Chuck Haytaian was the Speaker of the Assembly, even though he was not pro-choice, never did a bill appear on the issue. When Jack Collins became Speaker, he, pardon my vernacular, wanted to "stick it to the Governor." He put this bill in and it became very contentious.

**Governor Christine Todd Whitman:** We asked him not to just because it was an election year. That's the worst year to make major policy.

**Woman 12:** And Donny too, we asked him.

**Governor Christine Todd Whitman:** Yeah we asked them not to. We said "Don't do this. This is an election year. You guys are all up. It's not a good time to make policy on an issue like this," but they were feeling the pressure.

**Michael Torpey:** We did get that bill and vetoed it.

**Governor Christine Todd Whitman:** I conditionally vetoed it. I rewrote it.

**Michael Torpey:** I think this is important too. I think from a standpoint of the history of this and any students who are looking back on this. I think the general perception was that you were an abortion on demand person. I remember when the issue started to arise I was Chief Counsel at the time. I went in to speak to you and John Farmer who was Deputy. The two of us went in to ask what are your views on abortion? That was important for us to know. Because we were now going to have to deal with a very specific policy and the legal implications of it and the political implications of it. I have to say I was a little surprised at your position because I think I had viewed you as more of an abortion on demand type of person. But you actually had a much more nuanced position that was ultimately reflected in the conditional veto.

**Woman 13:** Which turned out brilliantly.

**Michael Torpey:** Yeah and one of my being as brilliant as I am, I let the most brilliant lawyer I knew write all this stuff and do the initial work. I mean John is just fabulous with this. I remember going through this. We met with you several times on this and really made sure that this thing was nailed down. That it "A", reflected

your views, and "B", that it was solid as a legal proposition. I actually did the one thing I did in advance of coming here today this morning. I actually pulled the C.V. message and read it for the first time in many years. It's to John's credit. In consultation with you, Governor, it's very well stated, it's well-reasoned and it is dead on as a legal proposition. It was dead on. Interestingly enough if they had actually concurred with the C.V. it would have placed some of the most restrictive abortion policies anywhere in the country, ironically. They were thoughtful but we tried to explain the rationale behind this. But the politics of it clearly overwhelmed and there was an element of some people who did enjoy "sticking it to the Governor" as you said. On the other hand I think there were a large number of people as well who had some genuine beliefs here that they were upholding. But the law was overturned and it's never been implemented. It remains unconstitutional.

**Governor Christine Todd Whitman:** That's the ultimate irony. There would have been some restrictions on third trimester abortions in a state that has no restrictions at all. The only time they overrode me on an unconditional veto. But I don't think the other part of it was it was so easy to demonize because it was such an emotional issue and three-quarters of the people, ninety-nine percent of the people in the state have no clue what a conditional veto is or was at that time. So it was just that little lady who followed me around with a sign with dismembered babies and a running tally on how many I'd murdered since I'd vetoed the bill. You couldn't talk to them about what is being passed is unconstitutional. It's pretty clear. It's unconstitutional.

**Bob Bostock:** I recall having the unenviable task after the *Wall Street Journal* had written a scathing editorial about your conditional veto having to draft a letter from you explaining the conditional veto. Unlike in a legal brief you can only do 300 words or something and it was one of the very, very few times that I actually asked to have a chance to talk to you before I wrote anything because I was like how the devil am I going to do this? And I remembered speaking to you. You were standing in Chris Levinson's office and I said "You know, Governor, no matter what I write here it's just going to piss everybody off." She said "Yeah, that's right." <laughs> So that's what we did and wrote a very strong defense of it that didn't make hardly anybody happy. But I recalled it this morning when I walked in and saw this on the agenda not having thought about it at all since then as one of those repressed memories I think. But as one of the times when I was most proud to be able to write stuff for you to consider because it was such a principled stand and such a toxic political environment. I really, really felt good about having the opportunity to do that. And they ran the letter and I think we got a lot of hate mail afterwards.

**Len Fishman:** I wanted to nominate you for the Profiles in Courage Award. The Kennedy Library gives that every year. But some of your Republican advisors thought that was not a good idea and I understood the logic behind it. So Chris, let's turn to you and I think this is going to be the last segment.

**Christine Grant:** Is it even worth speaking?

**Len Fishman:** On eHealth initiatives?

**Christine Grant:** Okay this is sort of a bookend then, maybe I'll phrase it that way. Looking back at what ground work was laid was quite invisible. But with the support at the time, if you remember, Wendy and her computerization initiatives?

**Governor Christine Todd Whitman:** Oh yes.

**Christine Grant:** And we all were probably several years ahead of capabilities out there in thinking what we might do. But I think we should end up feeling good about the fact I labeled this "e-Public Health" just because it seemed real clever at the time so we were going to make it e-Public Health. Basically it was to not only introduce web capacity in the department and create our first webpage but also to intentionally use it to communicate and to quantify because it created the platform for the first time ever. Vital statistics was still paper-based and so we were trying to transition all vital statistics to the computer. Therefore it would give not only access to the public to their own vital statistics, but would be able to have a data base to do something statistically with those statistics. Third it was sort of an unintended consequence when we had the West Nile (David talked about real content of public health) outbreak. If you remember we had several deaths, only less than a handful fortunately. But instantly it was the big media event and we were very ably supported by Eddie Bresnitz and even Tina Tan who is Deputy today. I was able to convene the press and it quickly became, Rita Manno, remember this? I know we thought, we're going to be exhausted, because they would call every day. So I quickly said "Why don't we say that once a week on Thursday we will have it on the web." I mean it sounds like duh, so obvious. But just having that capacity then allowed us to not only save but do a much better job of informing the general public and to have press content which, with the limited staff we had, helped us to do that. But then for the first time, we developed, related to that but not as e-based was pandemic planning. If you remember at the time everybody was crazy scared about bird flu and the H5N1 flu. That really set into motion what those of us in public health were hoping for would be able to have a capacity of reporting infectious disease. I mean it was so haphazard. It was so unorganized, so hit and

miss, whether because most of the physicians didn't even bother and certainly private sector physicians, private practice physicians didn't. But again with those limited tools that we had. The staff as all of us, immediately identified lots of things to do under this rubric of e-Public Health and so I would say that today the department is much better prepared for, God forbid, an Ebola outbreak or whatever. I'm just exaggerating because I don't think that will happen. But for a resurgence of any epidemic, really use those tools both proactively and to receive information. Just sort of as a book end of what you never thought was going to have such major impact, insisting that at least we try early on. We really got quite far in that process so thank you.

**Len Fishman:** So I'm sorry that my poor time management means that there are some issues that we are not going to get to.

**Rita Manno:** This is like our morning meeting.

**Len Fishman:** Yes. But I think one theme that I think you certainly have heard is that we were able to pursue 95 percent of the time the policy that we thought was the right policy with the Governor's strong support and so I will end where Bruce started in talking about executive leadership. And at the risk of gender stereotyping, Governor, I want to say that I think that you were demonstrating a feminist style of executive leadership that included an expectation of collaboration among your cabinet members. You have heard all of us say this. It was expected we were going to play nice. You had two retreats when I was there-

**Governor Christine Todd Whitman:** Didn't work with my children.

**Len Fishman:** And that was a big deal. We had these retreats.

**Governor Christine Todd Whitman:** Retreats. Trying to get Debbie over the high ropes.

**Len Fishman:** You invested time in these cabinet meetings. We actually did the high ropes, the low ropes whatever it was. You invested time in cabinet meetings. There you were so comfortable in your own skin. Maybe that's not a feminine thing but I think about you meeting with teenagers, whether it was H.I.V. and AIDS or smoking whatever it was. Most governors don't want to go into a room with a bunch of teenagers. You were always so cool and comfortable with those guys and I do think that there is something worth examining in the style that you brought:

really strong out there leadership but in a way that made the people who worked for you feel so appreciated. I felt incredibly fortunate to do this job, and not that I haven't had other good jobs, but this was the highlight of my career-- getting to work with you and for the people of New Jersey. And I know all of us are grateful to you for this opportunity that you gave us.

**Nancy Becker:** Thanks, Len, and the Governor has closing remarks.

**Governor Christine Todd Whitman:** Thank you. I mean it's as I said it's very humbling to listen to all of you talk about things because the thing that reminds me is it's the work that you've done. Maybe it's because I'm lazy and I like to get good people and then sit back and let them do what they do best and set the overall policy. That definitely has a potential to be true. But I was very fortunate that you all were willing to do it. And I think, Len, what you just touched on there was serve "the people of New Jersey" and that I think is what distinguishes careers and what distinguishes the ability to get things done. When you talk about what are the people in civil service like? Are they all going to hate you because you're the other party and they are going to wait until you get out? If they sense that you are honest and you are really trying to do the job within whatever department area is your responsibility and you want to do it for the greater good, they may not always agree with how you want to do it but they will work for you on it because they want to get it done too. And they respect that and people do in general if you are open, if you are honest with them. If you can be clear about what it is you want to do and why it's important, you'll get their support. All of you were able to do that and get the people with whom you worked to be part of a team that together got things done. So thank you.

**Len Fishman:** Thank you, Governor.

<applause>