

State aid chief raps HEW on abortion issue

By Ellen Warren
Sun-Times Bureau

WASHINGTON—The head of the Illinois Department of Public Aid, stung by federal accusations that the state improperly billed the government for \$1 million in Medicaid abortions, demanded Thursday that those charges be withdrawn.

In a letter to Health, Education and Welfare Sec. Joseph A. Califano Jr., Public Aid Director Arthur P. Quern accused HEW of "irresponsible" behavior in bringing the charges and of "blatant disregard for the integrity" of audit procedures that led to the initial accusations.

Eight days ago, Califano, in a letter to Gov. Thompson, ac-

cused the public aid department of improperly asking for, and receiving, more than \$1 million in federal Medicaid funds for abortions performed on poor women.

CALIFANO said HEW had paid out the money for 12,600 abortions not eligible for federal funding under the stringent criteria of the Medicaid abortion funding program.

Quern, in his letter to Califano on Thursday, said releasing findings of a preliminary audit was "a new low in federal-state relationships and is an unprecedented injury to the critically important audit relationship."

Quern's letter also praised The Sun-Times for its "serious, thorough and professional journalism" in a series detail-

ing how Chicago abortion profiteers main women in their pursuit of sometimes illegal profits from abortion mills.

Quern said he feared that Califano's charges would "effect... Intelligent debate over the issues raised by the Sun-Times articles."

"I REQUEST that the (Califano) letter be withdrawn," Quern wrote, explaining that the alleged overbilling to the federal government for Medicaid abortions arose because of a Chicago federal court order requiring the state to pay the full cost of abortions for poor women.

Quern said his office has repeatedly asked HEW to advise the state how that court order affected federal reimbursement for state-funded Medicaid abortions, but that HEW did not reply until Nov. 16—only a few days before the Califano charges against the public aid department were made public.

"Mr. Secretary, you cannot expect us to accept this," Quern said of the charges, noting, "You have been placed in a position where it will be difficult to admit mistakes."

If the charges are not withdrawn, Quern asked that, at the very least, he be granted a meeting with HEW's inspector general and a copy of the preliminary audit documents that led to the accusations.

AT ISSUE in the controversy are the provisions of the "Hyde Amendment" to the HEW budget which, since Aug. 4, 1977, have prohibited federal spending for Medicaid abortions except when strict criteria are met.

The 12,600 abortions in question—performed in Illinois between Aug. 10, 1977, and June 30, 1978—apparent-

ly do not meet those criteria and thus the state is not eligible for federal reimbursement.

Because of an "inadequate" reimbursement procedure, which will be changed next year, HEW already has paid the \$1 million in "improper" public aid abortion billings, but intends to get the money back, a HEW spokesman said.

Quern has maintained that the state was required to follow a puzzling bureaucratic procedure that forces it to bill the federal government for questionable abortions and have those bills rejected to reach the point "where the process provided for an issue to be argued."

HEW declined immediate comment on the Quern letter.

Califano has been under pressure from anti-abortion congressmen to monitor care-

fully federal spending for abortions. Last February, he ordered HEW audits of payment procedures in 12 big states, but only Illinois findings have reached the preliminary stage.

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