Congress of the United States

House of Representatives Washington, DC 20515

March 1, 2005

The Honorable Michael O. Leavitt Secretary of Health and Human Services Department of Health and Human Services 200 Independence Avenue, SW Washington, DC 20201

Dear Mr. Secretary:

We are writing about recent statements by an HHS spokesman that the agency continues to use prepackaged video news releases as part of the Department's public relations efforts.

The use of illegal video news releases by HHS first came to light during a 2004 GAO investigation. GAO found that HHS created video news releases with fictional "reporters" named Karen Ryan and Alberto Garcia focusing on the benefits of the Medicare Modernization Act. These video news releases concealed the fact that they were not independent news stories and were in fact produced for HHS (under a contract with the PR firm Ketchum, Incorporated). GAO found that because of the covert nature of these products, they violated federal laws preventing federal agencies from engaging in propaganda.

In a similar case in January 2005, GAO found that fabricated video news releases produced by the White House Office of National Drug Control Policy were also illegal.³ And on February 17, 2005, GAO issued a circular to all federal departments and agencies declaring that any prepackaged video news releases that "conceal or do not clearly identify for the television viewing audience that the agency was the source of those materials" are illegal.⁴

We are writing today regarding new allegations. A recent report by investigative journalist Chris Raphael on the website Corpwatch.org quotes an HHS official stating that the Department was still using video news releases. According to the report,

¹ U.S. Government Accountability Office, *Department of Health and Human Services*, *Centers for Medicare and Medicaid Services* — *Video News Releases* (May 19, 2004) (GAO/B-302710).

² *Id*.

³ U.S. Government Accountability Office, *Office of National Drug Control Policy* — *Video News Releases* (Jan 4, 2005) (GAO/B-303495).

⁴ U.S. Government Accountability Office, *Prepackaged News Stories* (Feb. 17, 2005) (GAO/B-304272).

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While both [CMS and ONDCP] have discontinued their use of the VNRs, the Health and Human Services Department continues to use them, said Bill Pierce, an HHS spokesperson. Pierce added that . . . the GAO report didn't have a "dramatic" effect on the way the department used video releases.⁵

We would like to know whether HHS is continuing to distribute video news releases, as Mr. Raphael reports. If so, we ask that you provide us with the following:

- 1) Copies of all video news releases produced by or distributed by HHS, HHS agencies, or any contractors or subcontractors after May 19, 2004.
- 2) Information on where and when these video news releases were distributed, and where and when they appeared on broadcast television.
- 3) Complete information on the contracts under which these video news releases were produced, including copies of all contracts, subcontracts, and deliverables under the contracts and subcontracts.
- 4) Internal correspondence concerning these video news releases and their legality with regard to GAO findings.

We ask that you provide us with these materials by March 15, 2005. Our staff contacts for this request are Brian Cohen (Waxman), Amy Rosenbaum (Miller), and Becky Salay (DeLauro).

Sincerely,

Henry A. Waxman

Ranking Minority Member

Committee on Government

Reform

George Miller

Ranking Minority Member

Committee on Education

and the Workforce

Rosa L. DeLauro Member of Congress

⁵ Chris Raphael, CorpWatch, *Spinning Media for Government* (Feb. 10, 2005) (online at http://www.corpwatch.org/article.php?id=11836).