for the record that the inclusion of any particular criteria for the FCC to consider should not be viewed as limiting the Commission's authority to make a determination under its overall public interest standard of what existing spectrum uses may need to be continued, or from considering in making its decision the impact on any existing users of having to move to other frequencies or from requiring, as a condition of any move, that the costs of relocation be paid by new users.

Most importantly, I urge the Commission to examine all the spectrum referenced in this act and make determinations as to its allocation that are fair, equitable, and that do not unduly hurt or burden any one group or industry.

Mr. President, I hope this clarification helps guide the FCC as it moves toward auctions as mandated by this bill. I yield the floor.●

## AN OUNCE OF PREVENTION AS COSTLY AS THE CURE

Mr. SIMON. Mr. President, Henry Aaron, a respected economist at the Brookings Institution, and Prof. William B. Schwartz who teaches medicine at the University of Southern California, had an op-ed piece in the Washington Post commenting about what is driving up health care costs.

It is a solid piece of information when too often we are looking for superficial answers that may temporarily help the budget situation.

I have said for many years that the Federal Government has to look to additional revenue sources if we are to provide the fundamental services that our people want and deserve.

Nothing that I have seen has changed my mind on that.

Our inattention to our revenue problems has caused an escalation of the deficit in this country; and it has caused expenditures of huge amounts of money for interest, in addition to discouraging industrial investment.

The Henry Aaron-William Schwartz article talks about realities in the medical field, realities we seem reluctant to face but I hope will.

I ask that their op-ed piece be printed in the RECORD.

The material follows:

[FROM THE WASHINGTON POST, NOV. 16, 1995]

AN OUNCE OF PREVENTION AS COSTLY AS THE CURE

(By Henry J. Aaron and William B. Schwartz)

On the op-ed page of Oct. 25, Joseph Califano and Robert Samuelson independently comment on solutions to the excessive level and growth of health care spending. Califano invokes prevention as the long-term solution. Samuelson points to managed care, although he prudently warns of possible abuse by profit-hungry managers. Both miss the simple truth—that any sustained slowdown in the growth of health care spending will require health care rationing.

Contrary to popular belief, the principal causes of rising health care spending are not waste, fraud and abuse, an aging population or increasingly unhealthful behavior. Waste, fraud and abuse can account at most for about one-tenth of the increase in spending over the past two decades. Aging has been an even smaller factor, although its importance will grow. And people have been eating more healthfully, exercising more and smoking less than in the past.

The primary force driving up health care spending is the proliferation of new health care technology. Scientific advance accounts for at least half and probably more of the 120 percent growth in real per capita health spending that has occurred since 1975. There is no indication that the pace of scientific advance is slowing or will slow. It may be accelerating. And population aging will not stop for decades.

It would be nice if investing in preventive care could significantly slow the growth of health spending. Alas, it cannot, for two related reasons. First, with few exceptions (vaccinations stand out), most preventive health measures must be applied to large populations to prevent a relatively small amount of illness.

Take screening for colon cancer, which kills about 50,000 people annually at a treatment cost of about $1 billion. Deaths from colon cancer could be cut by 20,000 annually if all people age 50 and over were tested annually for blood in their feces and all those who tested positive underwent a colonoscopy. That sounds like a strong case for preventive colonoscopies. And indeed it is—on grounds of public health. But the added cost of the preventive tests would run $4 billion to $6 billion annually, depending on how aggressively patients with benign polyps were treated subsequently. This example illustrates a more general point: Some preventive health measures are good for health, but they seldom cut costs.

The same is true of substance abuse. Califano would like to reduce it. So would most of the rest of us. But measures to reduce substance abuse are costly and have few short-run effects on behavior. They may eventually induce less abuse or better diet, but these changes do not come quickly.

Meanwhile, the second reason prevention does not save money comes into play. It may be possible, at a price, to reduce particular forms of illness. But all of us who survive life's other hazards will one day sicken and die. Smokers spared coronaries and alcoholics spared cirrhosis will eventually get sick and consume health care. The ghoulish fact is that many people who are spared cheap death from a tobacco-induced coronary will eventually succumb to costly debility from Alzheimer's.

Treatment for degenerative diseases such as Alzheimer's, arthritis and miscellaneous organ failures will eat up much of the savings achieved through preventive measures and could end up costing more than any direct savings achieved through prevention campaigns. The offset will not be exact. Some money may be saved. Stopping smoking does cut health costs, but only modestly. In other cases, some net costs may be incurred. But the idea that prevention will materially divert the health cost juggernaut is fantasy.

Samuelson is right to remark on the importance of the managed care revolution. He is properly worried about the effects of an infusion of profit-oriented managed care plans on the quality of care. But he is too credulous about the achievements of managed care in slowing the growth of health care spending.

Yes, health care spending slowed in California during the 1980s as managed care plans spread. But education spending also slowed as California fell from 22nd in the nation in 1979–80 to 33rd in 1991–92. California experienced a protracted recession during the 1980s. Recessions produce unemployment and reduce incomes. Both cause growth of spending of all kinds to slow.

Samuelson is right that some companies have stopped growth of health insurance premiums by shifting to managed care. But that slowdown could come from reductions in benefits, increased cost-sharing and cost-shifting to other payers through negotiated discounts, as well as from genuine increases in efficiency. Despite the vaunted achievements of managed care, inflation-adjusted health care spending grew 5 percent in the past year, the same as the average for the past four decades.

Maybe managed care will do better in the future than it has in the past. But if 70 percent of all those privately insured already have managed care, as Samuelson reports, one should hesitate before cracking open the champagne in celebration of victory over rising health costs.

Managed care may eventually succeed in saving money by squeezing out waste, but it will have to save enough to pay for the extra administrative costs it generates. Much waste has been squeezed out already. Hospital days have fallen by one-third since 1984. And waste can only be squeezed out once. After it is gone, the same forces that have been driving up health care costs—technology and aging—will reassert themselves.

A sustained slowdown in health care spending can be achieved in only one way: by denying some beneficial services to some people. People have been reluctant to repose such power in government bureaucrats, who have nothing personal to gain from the decisions they make. One wonders whether they will be more willing to cede such sensitive authority to well-paid managed care executives who make larger profits every time they decide some procedure is not worth what it costs them.●

## THE BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, more than 3 years ago I began these daily reports to the Senate to make a matter of record the exact Federal debt as of close of business the previous day.

As of the close of business Friday, November 17, the Federal debt stood at exactly $4,989,662,795,523.25. On a per capita basis, every man, woman, and child in America owes $18,940.85 as his or her share of the Federal debt.

It is important to recall, Mr. President, that the Senate this year missed an opportunity to implement a balanced budget amendment to the U.S. Constitution. Regrettably, the Senate failed by one vote in that first attempt to bring the Federal debt under control.

There will be another opportunity in the months ahead to approve such a constitutional amendment.

## ADDRESSING THE CONCERNS OF ATOMIC VETERANS

Mr. WELLSTONE. Mr. President, last month, President Clinton at a White House ceremony accepted the final report of the Advisory Committee on Human Radiation Experiments. Following Energy Secretary Hazel O'Leary's announcement early in 1994 about secret human radiation experiments carried out or sponsored by the