

INADEQUATE MSA DEPOSITS TRANSFER LARGE COSTS TO MODERATE-INCOME EMPLOYEES

Low- and middle-income employees are likely to face high out-of-pocket costs under the high-deductible insurance plans with MSAs because the MSA contributions made by their employers are likely to fall short of the annual deductible amounts under those insurance plans. In fact, employers are unlikely to be able to afford to deposit the full deductible amount. Consider the following. A company may currently offer its employees family coverage under a conventional insurance policy and pay an annual premium of \$5,200 for that coverage. If the company switches to offering a high-deductible plan with an MSA, the annual premium for the high-deductible insurance policy would be approximately \$3,900. These costs assume the insurance plans are comparable except that the conventional coverage includes a \$200 deductible while the high-deductible plan has a \$3,000 deductible. Because the company's annual premiums savings from switching to the high-deductible insurance plan is only \$1,300 per family (\$5,200 minus \$3,900), the company is highly unlikely to be willing to deposit \$3,000—the full amount of the deductible—into the employee's MSA. In addition, employers are likely to keep some of the difference as a cost-saving benefit to the company. Thus low- and middle-income employees likely would have significantly less than half of their annual deductible amount—and most likely no more than one-third of the deductible—deposited into MSAs by their employers and thereby available to meet ongoing health care costs.

Moreover, nothing in this bill requires employers to make any deposits to MSAs as a condition of offering high-deductible insurance. Once small- and medium-sized employers shift to offering only high-deductible insurance and no longer offer conventional insurance or managed care plans, they would be free to reduce or eliminate contributions to the MSAs at any time. If that occurred, the low- and moderate-income employees of those companies would be left to finance the entire deductible amounts out of their own pockets. Although the low- and moderate-income employees could make deposits on their own to an MSA, they would receive little or no tax advantage from using MSAs—because they either do not pay income taxes or pay taxes at much lower rates than the higher-income taxpayers who would be the primary beneficiaries of this MSA legislation.

In short, if low- and moderate-income taxpayers use MSAs in substantial proportions, it will likely be because they have little alternative. And the use of the MSAs with high-deductible health insurance plans is likely both to increase their risk of incurring unaffordable health care costs and reduce their ability to afford adequate levels of health care services for themselves and their families.

ANSWERING AMERICA'S CALL

HON. ED WHITFIELD

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1996

Mr. WHITFIELD. Mr. Speaker, I take this opportunity to bring to your attention a special constituent of mine, Kurt Martin, of Bardwell, KY. Kurt is a senior at Carlisle County High School and has been named a national winner in the 1996 Voice of Democracy Program. Kurt is the son of Mr. and Mrs. Rodney Martin of Bardwell.

The Voice of Democracy Program is an annual broadcast script writing scholarship contest. Kurt's winning script entitled "Answering America's Call" is an inspiration for all Americans. I would ask that Kurt's entire remarks be printed in the RECORD at this point.

ANSWERING AMERICA'S CALL

(By Kurt Martin)

I raced down the stairs trying to find my shoes as Dad impatiently honked the horn of the van outside. As I tied my shoes at record speed, the phone rang. Out of breath, I answered the phone soon realizing I was in a conversation with a military recruiter for the Marines. Great! I'm late for church, I don't have any idea what songs I'm going to play for the song service, and now I have to stand and make small talk with a military recruiter.

"So, what do you plan to do after high school?" he asked rather abruptly.

"Well, I'm planning to go to college," I answered as politely as I could, trying to end the conversation quickly.

"Have you ever thought about going to the Marines to gain money for college?" he asked.

"To tell the truth, I have considered serving in the military, but I hurt my knee. I'm going to have to have surgery in a few weeks."

"Well, that pretty much counts you out of any military action. I'm sorry about your injury, and I hope your knee gets better. Best of luck to you in the future."

During church, my mind wandered to the conversation I just had with the Marine recruiter. I has always known that the military was strict about health regulations; but since my knee injury, the subject of serving in the military had never come up. I somehow couldn't come to grips with the idea of not being able to serve my country because of a basketball injury. How can anyone, especially a man, answer America's call when he can't serve in the military? I had read about my kind in history books. If there is another war, the "real men" will go risk their lives for our country, while I sit at home selling war bonds.

After pondering the subject for a few minutes, I began to realize exactly what "America's Call" is. Even though I may not be able to serve in the military because of my injury, my dedication to my country should not end there. Franklin Roosevelt didn't let a physical handicap keep him from helping his country recover from a major depression.

The confidence of the American people in his leadership ability during World War II got him reelected three times, even though he was confined to a wheelchair.

As a student, I can answer America's call each and every day by preparing myself for the future as I apply myself to my studies. I don't know yet what type of career I will be training for, but whatever it may be, hard work will enable me to make a difference in my profession, my country, and my world. The work ethic that enabled Abraham Lincoln to rise out of poverty to become President will allow our generation to preserve the reputation America has maintained for so long.

Another way to answer America's call is by upholding Christian morals and ethics. When I abstain from premarital sex, drugs, and alcohol I not only take a stand against those vices, but I also become a positive influence on my peers. When I fight against violence and corruption, I stand alongside the founding fathers of our country by trying to make America a better place to live.

America may call me to become involved in activities that benefit my neighbors, community, or country. If I volunteer to work at

the local nursing home or roadblock for a telethon supporting disabled children, I answer America's call by showing that I care about those who are in need. When I vote for local, state, and national candidates I show that I am concerned about the future leaders of our country.

I can also heed America's call by supporting those who serve or have served in the military. Those men and women deserve all of my support, honor, respect, and appreciation. They need to know that all Americans are striving to keep the freedom that they risked their lives for. This goal will be achieved if we resolve to do as John F. Kennedy advised in his inaugural address, "Ask not what your country can do for you, ask what you can do for your country." Only then can we truly "Answer America's Call."

HONORING THE WEST SIDE VOLUNTEER FIRE DEPARTMENT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1996

Mr. GORDON. Mr. Speaker, I am taking this opportunity to applaud the invaluable services provided by the West Side Volunteer Fire Department. These brave, civic-minded people give freely of their time so that we may all feel safer at night.

Few realize the depth of training and hard work that goes into being a volunteer firefighter. To quote one of my local volunteers, "These firemen must have an overwhelming desire to do for others while expecting nothing in return."

Preparation includes twice-monthly training programs in which they have live drills, study the latest videos featuring the latest in firefighting tactics, as well as attend seminars where they can obtain the knowledge they need to save lives. Within a year of becoming a volunteer firefighter, most attend the Tennessee Fire Training School in Murfreesboro where they undergo further, intensified training.

When the residents of my district go to bed at night, they know that should disaster strike and their home catch fire, well trained and qualified volunteer fire departments are ready and willing to give so graciously and generously of themselves. This peace of mind should not be taken for granted.

By selflessly giving of themselves, they ensure a safer future for us all. We owe these volunteer fire departments a debt of gratitude for their service and sacrifice.

GRANTING MOST-FAVORED-NATION TRADE STATUS TO ROMANIA

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 24, 1996

Mr. RICHARDSON. Mr. Speaker, I rise to urge my colleagues to give their wholehearted supported to the legislation offered by the gentleman from Illinois [Mr. CRANE] which would grant permanent most-favored-nation [MFN] trade status to Romania. As I am sure you are aware, Romania has been granted MFN for the past 3 years, but it is subject to periodic renewal. It is now time to bring an end to this