1. Plans would have to establish written procedures for responding to complaints and grievances in a timely manner;

2. Patients will have a right to a review by a grievance panel and a second review by an independent panel in cases where the plan decision negatively impacts their health services;

3. Plans must have expedited processes for review in emergency cases.

F. Non-discrimination and service area requirements

1. In general, the service area of a plan serving an urban area would be an entire Metropolitan Statistical Area (MSA). This requirement could be waived only if the plan's proposed service area boundaries do not result in favorable risk selection.

2. The Secretary could require some plans to contract with Federally-qualified health centers (FQHCs), rural health clinics, migrant health centers, or other essential community providers located in the service area if the Secretary determined that such contracts are needed in order to provide reasonable access to enrollees throughout the service area.

3. Plans could not discriminate in any activity (including enrollment) against an individual on the basis of race, national origin, gender, language, socioeconomic status, age, disability, health status, or anticipated need for health services.

G. Disclosure of plan information

1. Plans would provide to both prospective and current enrollees information concerning; Credentials of health service providers; Coverage provisions and benefits including premiums, deductibles, and copayments; Loss ratios explaining the percentage of premiums spent on health services; Prior authorization requirements and other service review procedures; Covered individual satisfaction statistics; Advance directives and organ donation information; Descriptions of financial arrangements and contractual provisions with hospitals, utilization review organizations, physicians, or any other health care service providers; Quality indicators including immunization rates and health outcomes statistics adjusted for case mix; An explanation of the appeals process; Salaries and other compensation of key executives in the organization; Physician ownership and investment structure of the plan; A description of lawsuits filed against the organization; Plans must provide each enrollee annually with a disclosure statement regarding whether the plan restricts the plans malpractice liability in relation to liability of physicians operating under the plan.

2. Information would be disclosed in a standardized format specified by the Secretary so that enrollees could compare the attributes of all plans within a coverage area.

H. Protection of physician-patient communications

1. Plans could not use any contractual agreements, written statements, or oral communication to prohibit, restrict or interfere with any medical communication between physicians, patients, plans or state or federal authorities.

I. Patient access to clinical studies

1. Plans may not deny or limit coverage of services furnished to an enrollee because the enrollee is participating in an approved clinical study if the services would otherwise have been covered outside of the study.

J. Minimum Childbirth benefits

1. Insurers or plans that cover childbirth benefits must provide for a minimum inpatient stay of 48 hours following vaginal delivery and 96 hours following a cesarean section.

2. The mother and child could be discharged earlier than the proposed limits if the attending provider, in consultation with the mother, orders the discharge and arrangements are made for follow-up post delivery care.

II. AMENDMENTS TO THE MEDICARE PROGRAM, MEDICARE SELECT AND MEDICARE SUPPLEMENTAL INSURANCE REGULATIONS.

A. Orientation and Medical Profile Requirements

1. When a Medicare beneficiary enrolls in a Medicare HMO, the HMO must provide an orientation to their managed care system before Medicare payment to the HMO may begin;

2. Medicare HMOs must perform an introductory medical profile as defined by the Secretary on every new enrollee before payment to the HMO may begin.

B. Requirements for Medicare Supplemental policies (MediGap)

1. All MediGap policies would be required to be community rated;

2. MediGap plans would be required to participate in coordinated open enrollment;

3. The loss ratio requirement for all plans would be increased to 85 percent.

C. Standards for Medicare Select policies

1. Secretary would establish standards for Medicare Select in regulations. To the extent practical, the standards would be the same as the standards developed by the NAIC for Medicare Select Plans. Any additional standards would be developed in consultation with the NAIC.

2. Medicare Select Plans would generally be required to meet the same requirements in effect for Medicare risk contractors under section 1876. Community Rating, Prior approval of marketing materials, Intermediate sanctions and civil money penalties.

3. If the Secretary has determined that a State has an effective program to enforce the standards for Medicare Select plans established by the Secretary, the State would certify Medicare Select plans.

4. Fee-for-service Medicare Select plans would offer either the MediGap ''E'' plan with payment for extra billing added or the MediGap ''J'' plan.

5. If an HMO or competitive medical plan (CMP) as defined under section 1876 offers Medicare Select, then the benefits would be required to be offered under the same rules as set forth in the MediGap provisions above.

D. Arrangements with out-of-area dialysis services.

E. Coordinated open enrollment

1. The Secretary would conduct an annual open enrollment period during which Medicare beneficiaries could enroll in any MediGap plan, Medicare Select, or an HMO contracting with Medicare. Each plan would be required to participate.

F. Comparative Information

1. The Secretary must provide on an annual basis for publication and use on the internet information in comparative form and standard format describing the policies offered, benefits and costs, disenrollment and complaint rates, and summaries of the results of site monitoring visits.

G. Office of Medicare Advocacy

1. Establishes Office of Medicare Advocacy within the Health Care Financing Administration. The purpose of the office is to act on behalf of Medicare recipients, especially to address complaints and concerns. A toll free telephone number would be established to facilitate communication. Additional outreach programs such as town meetings would be developed and an internet site would be established for posting information.

2. The office would have authority to provide for an expedited review and resolution of complaints under emergency circumstances as described in the bill.

H. Exclusion from Medicare and Medicaid Program

1. If plan submits information relating to the quality of services provided that is material and false, the Secretary shall exclude the plan from continuing to qualify for Medicare and Medicaid payments.

III. AMENDMENTS TO THE MEDICAID PROGRAM

A. Orientation and Immunization Requirements

1. When a Medicaid beneficiary enrolls in a Medicaid HMO, the HMO must provide an orientation to their managed care system before Medicaid payment to the HMO may begin;

2. Medicaid HMOs must perform an introductory medical profile as defined by the Secretary on every new enrollee before payment to the HMO may begin.

3. When children under the age of 18 are enrolled in a Medicaid HMO, the immunization status of the child must be determined and the proper immunization schedule begun before payment to the HMO is made.

A BEACON-OF-HOPE FOR ALL AMERICANS: CHRISTINE MCFADDEN

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7 , 1997

Mr. OWENS. Mr. Speaker, with the 1996 election behind us, this Nation has completed another cycle for the ongoing democratic process which makes America great. The electoral process and the public officials selected through this process are invaluable assets in our quest to promote the general welfare and to guarantee the right to life, liberty, and the pursuit of happiness. It is important, however, Mr. Speaker, that we also give due recognition to the equally valuable contribution of nonelected leaders throughout our Nation. The fabric of our society is generally enhanced and enriched by the hard work done year after year by ordinary citizens. Especially in our inner city communities which suffer from long public policy neglect, local grassroots leaders provide invaluable service. These are men and women who engage in activities which generate hope. I salute all such heroes and heroines as Beacons-of-Hope.

Christine McFadden is one of these Beacons-of-Hope residing in the central Brooklyn community of New York City and New York State. Ms. McFadden currently serves as the program director for Renaissance Development Corporation, a nonprofit social service agency whose focus is to help enhance the quality of life in the Brownsville community by providing a variety of services for the young and elderly.

In addition to her work, Ms. McFadden's church is very special to her. She has often stated that her church allows her to serve God and mankind. As a member of the Macedonia Church, Christine McFadden has served on the board of trustees; mother's board; missionary board; senior choir; and is currently secretary of the building fund.

Ms. McFadden's deep love and affection are evident in her tireless contributions to the Girl Scouts of America. This year will mark her 39th year as a scout leader. Additionally, Ms. McFadden currently serves as the correspondence secretary for the Brownsville Tenant Council and is a member of the advisory board for Bay Center. She has also served on

the auxiliary police; block watchers for the 73d precinct; and tenant patrol. In recognition of her commitment, Christine McFadden is also the recipient of numerous community and church awards and citations.

Christine McFadden was born in Fuquay Springs, NC and at the age of 14 moved to Brooklyn, NY where she completed her education. After marrying James McFadden, they moved to the Brownsville housing complex where they raised two daughters.

Christine McFadden is a Beacon-of-Hope for central Brooklyn and for all Americans.

COMMUNITY AND GREEN SPACE CONSERVATION

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is no secret that some of the Nation's most scenic open spaces are disappearing at a time when many cities—large and small—are decaying. This phenomenon is commonly referred to as sprawl. The causes are many: the development of the Interstate Highway System, relatively inexpensive commuting expenses, and tax incentives for home ownership have made it easier for people to live further from the cities in which they work. In more recent years, jobs have followed families to the suburbs, and breakthroughs in telecommunication have spawned telecommuting, eliminating proximity to the office as a factor for many people in deciding where to work or live. Obviously, public safety, the quality of schools, and the financial health of the Nation's cities figure prominently in decisions to move businesses and families to the suburbs.

The situation in my hometown of New Britain, CT, illustrates another facet of the dilemma faced by aging, industrial cities and towns, especially in the Northeast and Midwest. A huge, old factory near the center of town sat unused for years, as fears over asbestos and groundwater pollution blocked rehabilitation and re-use of the building and adjacent property.

Only recently, thanks to a cooperative effort that includes Federal, State, and local resources, is the old Fafnir site finally being reclaimed. A powerful incentive for manufacturers and retailers to flee the city is being addressed and the promise of new, centrally located job growth is once again on the horizon.

In a broader sense, it is tragic that many cities are suffering at a time when the countryside is disappearing. The American Farmland Trust estimates that the United States converts to other uses 2 million acres of farmland annually, much of it on the edge of urban America. The USDA natural resources inventory found that developed land increased by 14 million acres between 1982 and 1992.

Many provisions of tax law have come into play as well. Last summer, the Ways and Means Subcommittee on Oversight held a hearing on the impact of tax law on land use decisions. We learned that it is sometimes more difficult to recover many of the costs of development in urban areas. We also learned that estate taxes can have a tremendous impact on land use decisions. According to one of our witnesses, the Piedmont Environmental Council, farmland that sold for $500 an acre in the 1960's is selling for $10,000 to $15,000 an acre today. The tax costs of passing along such expensive acreage to the next generation, coupled with the pressure for development in many areas, is a major reason for the disappearance of open spaces. We learned more about proposals to build on or expand current empowerment zones and enterprise communities.

In recent Congresses, several of our colleagues introduced important legislation addressing these issues. The gentleman from Florida [Mr. SHAW] and the gentleman from New York [Mr. RANGEL] introduced a bill providing for more realistic cost recovery for improvements to commercial buildings. The gentleman from Florida and my colleague from Connecticut [Mrs. KENNELLY] introduced a bill to provide a tax credit for qualified rehabilitation expenditures of historic properties used as owner-occupied homes. Our colleague from Missouri [Mr. TALENT] and our colleague from Oklahoma [Mr. WATTS] introduced the American Community Renewal Act, which would create 100 ''renewal communities'' and provide a number of incentives for conducting business within the communities.

Our colleague from New York [Mr. HOUGHTON] introduced the American Farm Protection Act, to exempt from estate taxes the value of certain land subject to a qualified easement. The legislation targets the benefit to land adjacent to metropolitan areas and national parks where development pressure and land values tend to be greatest. Our former colleague from New Jersey [Mr. ZIMMER] introduced two bills related to conservation easements. One would permit an executor to donate land or a conservation easement to a government agency and credit the value of the donation against estate taxes owed. Under current law, donations must be provided for before the owner's death. Mr. ZIMMER's other bill would change the way that the gain on bargain sales of land or conservation easements is calculated for tax purposes.

We should all be grateful for the many hours of hard work our colleagues have devoted to these initiatives. With so many factors contributing to urban decay and sprawl, there is not single solution. Certainly, I would not suggest that all of the challenges facing our Nation's communities can be addressed by tax policy. But there are several provisions of tax policy that are important. That is why several of our colleagues have come up with some important ideas. I believe several others merit consideration as well. Early this session, I intend to introduce a series of measures to address some of the factors that contribute to sprawl.

First, I intend to re-introduce a bill I offered in the last Congress, related to the costs of cleaning up contaminated land and buildings in urban areas so that they can be put to productive use. The rules surrounding the tax treatment of environmental remediation expenses are so convoluted and confusing that it is no wonder that a number of businesses decide to sidestep them altogether and invest in previously undeveloped land and newer buildings outside of environmentally distressed urban areas.

Repairs to business property can be deducted currently as a business expense, but capital expenditures that add to the value of property have to be capitalized. This means that some environmental remediation costs are treated as a business expense, but others are treated as capital expenditures, depending on the facts and circumstances of each case.

The administration in its brownfields initiative has proposed to allow an immediate deduction for cleaning up certain hazardous substances in high-poverty areas, existing EPA brownfields pilot areas, and Federal empowerment zones and enterprise communities. This is commendable, as far as it goes, but there is a disturbing trend in urban policy to pick and choose among cities. If expensing environmental remediation costs is good tax policy and good urban policy, and I believe that it is, then it should apply in all communities. My bill would apply this policy to all property wherever located, and would expand the list of hazardous substances to include potentially hazardous materials such as asbestos, lead paint, petroleum products, and radon. This would remove a disincentive in current law to reinvestment in our cities and buildings.

Another proposal would address the blight of the many boarded up buildings. Of course, many of these buildings should be rehabilitated. But many buildings that have no economic viability are still standing because the current tax rules provide a disincentive to tearing them down.

Before 1978, costs and other losses incurred in connection with the demolition of buildings generally could be claimed as a current deduction unless the building and the property on which it was located were purchased with an intent to demolish the building. In that case, costs and other losses associated with demolition were added to the basis of the land.

To create a disincentive to demolishing historic structures, the 1978 tax bill required that costs incurred in connection with the demolition of historic structures would have to be added to the basis of the land.

Under the Deficit Reduction Act of 1984, the special rule for the treatment of costs associated with demolishing historic structures became the general rule. There was concern that the old rule may have operated as an undue incentive for the demolition of existing structures. But the new rule is a disincentive for tearing down buildings with unrecovered basis. Many boarded up buildings are still standing because the owners are still depreciating them.

My proposal would restore the old rule for nonhistoric buildings.

While many people prefer the amenities offered by living in our Nation's cities, many new jobs are being created outside urban areas. As the cities are losing their manufacturing industries, 95 percent of the growth in office jobs occurs in low density suburbs. These office jobs accounted for 15 million of the 18 million new jobs in the 1980's. Mass transit is important if people in the cities are to reach the new jobs in the suburbs.

Under current law, some employer-provided transportation assistance can be excluded from income. The value of transportation in a commuter highway vehicle or a transit pass that may be excluded from income was $65 per month in tax year 1996. On the other hand, up to $170 per month in qualified parking can be excluded from income. I am proposing to establish parity by raising the cap for transportation in a commuter highway vehicle or a transit pass to the same level as that for qualified parking.