

enough and modern enough to count every American in an actual enumeration as required by the Constitution.

Similarly, we're very proud that we've began strengthening defense because we think it's important that this country lead the world. I'm frankly proud that the president is working today trying to bring peace to the Middle East. I am proud that this president reached out in Northern Ireland. And I can tell you from my own visits there, and my conversations there that without his leadership and Senator Mitchell's leadership, we would not have made progress. We can work together as Americans even when we disagree about basic philosophy or even when we have other problems we have to work on.

And so we believe that just as the 1994 election changed the direction of America, and no serious person believes that the Democrats would have balanced the budget, cut taxes and reformed welfare if they had remained in charge. Jim Traficant, a Democrat has said flatly, he tried every year with his own leadership to bring up the IRS reform bill. And they would never bring it up. It took a Republican Congress, it took Rob Portman as chairman of the IRS commission, it took Bill Archer as chairman of the Ways and Means Committee to pass IRS reform. So elections do matter.

And two weeks from today, this country can vote for higher taxes by voting Democrat or it can vote for lower taxes by voting Republican. It can vote for more power and bureaucracy in Washington by voting Democrat. It can vote for more power back home by voting Republican.

It can vote for a weaker defense by voting Democrat or it can vote for a stronger defense by voting Republican. It can vote for less effort on the drug war by voting Democrat. It can vote for a much stronger effort on the drug war by voting Republican. These are basic legitimate philosophical differences. And I think we've proven over the last four years, it makes a big difference whether or not you're elected to try to move in one direction or another.

We're think we're getting our message to the American people. And if we come back and we're a majority for the third time, which would be the first time since the 1920's in 70 years. We will have our marching orders from the American people to get some more American victories starting with saving Social Security and cutting taxes. Thank you very much. (Applause.)

MEDICARE HOME HEALTH BENEFIT PAYMENT SYSTEM

HON. J.C. WATTS, JR.

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 21, 1998

Mr. WATTS of Oklahoma. Mr. Speaker, I wish to commend the staff members and administrators who provide home health care services in my home state of Oklahoma and across the country. During the past year I have had the opportunity to work with hundreds of dedicated home health care providers, and they should all be very proud of and we should all be very thankful for their outstanding service to the nation's elderly and disabled.

I have been working with these constituents to make reforms in the Interim Payment System (IPS) that was part of the Balanced Budget Act. An unintended consequence of that Act

has been an unfair payment system that has caused a 15 percent drop in Medicare certified home care agencies in Oklahoma. Regrettably, the complexities of the IPS have resulted in misunderstandings in Congress as we search for a solution.

This week I received a letter from former Senator Frank Moss who sponsored the original Medicare home care benefit. His perspective on and explanation of this benefit is enlightening, and I would like to submit his letter for the RECORD. As we continue to work on this issue in the next Congress, Senator Moss's letter will help us move forward in finding a solution.

SALT LAKE CITY, UT,
September 30, 1998.

Hon. JULIUS CAESAR WATTS,
U.S. House of Representatives, Washington, DC.

DEAR CONGRESSMAN WATTS: Your assistance, in a matter of great importance to the nation's disabled and older Americans, would be very much appreciated. I am appealing to you to help save the Medicare home care benefit, which is in grave jeopardy at the very time when we need it the most.

You may remember that I was the sponsor of the Medicare home care benefit. This came in 1965 after I had spent several years investigating nursing home abuses. We were looking for the best way to care for the growing numbers of disabled seniors. Home care keeps families together; it keeps seniors independent in their own homes where they want to be; and home care is cost-effective in comparison to institutional care. I still believe in home care so much that I volunteer my time to serve on the Board of the local Visiting Nurses here in Salt Lake City, as well as on the Board of our national organization.

You may remember that I devoted a substantial part of my career to policing Medicare and Medicaid programs. I am sending you a few clippings that capture this history. I conducted more hearings and investigations and authored more investigative reports on the subject of fraud and abuse than anyone. Among the legislation that I authored were provisions that: (1) made Medicare and Medicaid fraud a felony, (2) created the Office of the Inspector General and the Department of Health and Human Services, and (3) created State Medicare Fraud Units. Our committee put every part of Medicare and Medicaid under the magnifying glass. Home health care was unique. It was one part of the many programs that had the least amount of fraud and abuse. One reason for this is that the reimbursement formula that I wrote into the Medicare home health law is a veritable fiscal straight jacket. My most recent review of Medicare and Medicaid convictions indicate that while there have been a few highly publicized cases, the relative incidence of fraud in home health is miniscule when compared with the record of the doctors, nursing homes, hospitals and other providers. I still insist, however, that we continue with our policy of zero tolerance for fraud. I commend all Members of Congress who have continued the oversight work that was so important to me.

There is no doubt that we are on the verge of a national crisis with respect to home health care. To assist you in understanding what is happening, I include herewith, a list of questions & answers, which I have described as myths and realities. There is no way to get around the fact that 1200 home health agencies (1/8 of the total) have either dropped out of Medicare or closed their doors over the past ten months. The home health problem has many parts. The root, however, is an element within the interim payment system (IPS) called the aggregate per bene-

ficiary limit (ABL). Agencies already had their per visit costs limited. However, this new limit also spells out how much home health agencies can spend per patient based on their historical reimbursement numbers. Agencies that have been cost-efficient in the past are now being penalized. They may now have a per beneficiary limit of \$2,000 or less. Other agencies who have been less careful with Medicare monies may have \$15,000 or more to spend per patient for patients with identical needs, in the same locality. It is easy to see why the aggregate per beneficiary limits are fundamentally flawed and unfair.

If our intention was to reduce the incidence of fraud and abuse, this new aggregate per beneficiary limit does exactly the opposite. We are losing many of our best home health agencies because they are at a competitive disadvantage. To make matters worse, home health agencies were asked to comply without knowing, with certainty, what these limits will be. Nearly a full year into the program, many agencies still do not know the exact dollar amount of their limits. Moreover, when agencies do know their ABL, as computed by the intermediary insurance companies who administer Medicare for the government, they find that the per beneficiary limit works at cross-purposes with the existing agency per visit limitation. Making matters even worse, HCFA has said that they cannot comply with the October 1, 1999, deadline for putting in place a prospective payment system (PPS) for home health care under Medicare. This means the IPS, with its lethal and unfair per beneficiary limits, will be in place indefinitely. If all this is not bad enough, another 15 percent across the board cut in the Medicare home health benefit is scheduled to take effect on October 1, 1999.

There are only three ways to fix the problem with the aggregate per beneficiary limit. Option one is to abandon the idea of using agency specific costs as the basis for it and use instead a blend of national and regional costs. The second option is to delete the per beneficiary limit. Option three is to replace the per beneficiary limit with another cost control limit. Following are comments on each.

A. Develop a blended rate. The idea is to set a limit based not on a home care agency's historical costs, but upon some formula of national and regional averages. My analysis is that this simply will not work. No matter what percentages are used, some people will be helped and others will be hurt. You simply create different winners and losers. The idea, by definition, is divisive. It divides not only providers and patients, but also members of Congress, the latter who can be expected to endorse a blend that most helps their part of the country. Under this approach there can be no national consensus—to help New England is to hurt the Southeast, or vice-versa. Medicare is a Federal program that should offer patients and provides alike a level playing field.

B. Repeal the per beneficiary limit. This is probably the best option overall. There is no parallel limit in Medicare for hospitals, nursing homes or physician services. In my view, we should recognize the fact that we have cut the home care benefit by twice what Congress has intended, projected by HCFA at \$37 billion instead of \$16.2 billion from FY 98-02. Total spending for home health in FY 98-02 is down from \$127 billion to \$89 billion. I do not know how we can be thinking of tax cuts when the burden of this gift will be on the backs of the sickest of the sick—patients who need home care. I would argue that we should restore some of the cuts in home care by canceling the per beneficiary limit, since the Medicare home care

benefit, to date—according to CBO (January 1998) estimates—has already been cut by \$9.9 billion more than the Congress intended when the Congress passed the Balanced Budget Act. It seems only fair to give some of this money back by repealing the per beneficiary limit. It is this limit which works against patients who do not understand why there is a limit in the first place and why it could possibly be in hugely differing amounts depending on the agency that they visit. Undoubtedly, the behavior the patients will exhibit is to try to shop for the home care agency that has the highest per beneficiary limit. This, in turn, will have an effect of raising overall costs to the Medicare program.

C. Replace it with another limit. A final option, which has great merit, is to replace the aggregate per beneficiary limit with another limit. One example might be a global budget for Medicare home care expenditures, which sets ceilings for spending each year that cannot be exceeded under any circumstances. This concept could be coupled with a Gramm-Rudman-Hollings-like trigger, which could be applied prospectively. This mechanism would automatically initiate cuts if the Secretary of Health and Human Services finds that there is any danger that the fiscal ceiling could potentially be breached in any year. The advantage of this approval is obvious. By substituting one financial limit for another, the proposal should be budget-neutral. One suggestion that has been made is to incorporate the CBO 98 baseline as the ceiling. The essence of this proposal is included in H.R. 4404, the Homebound Elderly Relief Opportunity Act of 1998 (HERO), sponsored by Congressman Van Hilleary (TN). Senator Thad Cochran (MS) has introduced a companion bill in the Senate, S. 2508.

As I noted above, the repeal of the aggregate per beneficiary limit is probably the best way to go. This is a world apart from a moratorium, or total repeal of all home health provisions in the Balanced Budget Act, or even a repeal of the entire IPS. It is a more limited and rifle specific application. I believe Congress should be content to save \$16.2 billion from the Medicare home health benefit, as planned, when the Balanced Budget Act was passed. We should return the rest to the home health patients, the sickest of the sick, who need it. This approach would also allow Congress to cancel the forthcoming October 1, 1999, additional 15 percent cut.

For those who insist on the strict definition of budget neutrality (and that home health should be cut by more than \$16.2 billion), the notion of replacing the per beneficiary limit with another financial ceiling makes great sense. Because it incorporates and makes an absolute ceiling of the Medicare FY 98-02 CBO baseline, the HERO proposal should be budget neutral. HERO will also blunt the effect of the pending 15 percent cut. To be more precise, it makes the 15 percent cut contingent. Any portion of it that is needed will be employed to make sure that the Medicare home care benefit does not exceed the ceiling established in the 1998 CBO baseline. I helped create the Senate Budget Committee, and was one of its charter members. I hope CBO will agree with my judgments.

The HERO legislation gives providers the breathing room they need until Prospective Payment is ready. Because it sets overall spending limits and includes a Gramm-Rudman-Hollings-like trigger, it is clear to providers that this is not a signal to return to business as usual. To do so means a swift crackdown from HCFA. Because payments to home health are capped, there is no way that expenditures can exceed budget limits and therefore, no way that home health spending

can trigger increased out-of-pocket costs, such as increases in the Part B premium. Finally, HCFA should be able to administer this legislation easily. It will require little or nothing in terms of computer capacity. This will free up resources to help solve their Y2K problem and point them in the direction of developing a PPS plan for home health care. What is best of all—this proposal does not involve new spending. I urge you to consider the HERO approach.

With best wishes,

Sincerely,

Senator FRANK E. MOSS (ret.).

THE AMERICAN COMMITMENT TO HUMAN RIGHTS ON CYPRUS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 21, 1998

Mr. GILMAN. Mr. Speaker, I would like to share with my colleagues the following remarks by George Paraskevaides, a renowned Cypriot businessman, concerning the situation on Cyprus. Mr. Paraskevaides, a very good friend of the United States, as a citizen of Cyprus, has some excellent insights to offer with regard to why the American people need to be concerned about achieving a peaceful and just solution to the Cyprus problem.

Mr. Speaker I submit the full text of Mr. Paraskevaides address to the 50th Annual Dinner Dance of the American-Hellenic chamber of Commerce to be inserted at this point in the RECORD.

ADDRESS BY MR. GEORGE PARASKEVAIDES

Your decision to honour me with the 'Man of the Year' award, on this your 50th Anniversary Dinner Dance, has deeply touched me, and I thank you from the bottom of my heart. Please allow me, to consider this honour as extending to all Cypriots, both in and out of Cyprus, who are struggling for the liberation of our country.

Although not a resident of this great country, I am well aware of the success of your business activities, which, in many cases, are not limited to the boundaries of the United States.

I am sure that all of you, Americans, Greek-Americans and Cypriot-Americans, are very concerned with the problems of Hellenism. Among these, the Cyprus problem is very high on the list of priorities, and I beg your permission to elaborate on this.

I am of the opinion, that we all agree, that the Second World War was a disaster for mankind, with millions of victims. We also believed that such sacrifice would have resulted in universal freedom, democracy, the Rule of Law, and respect for Human Rights. Principles that should apply to every corner of the world.

Regrettably, since the tragic events of 1974, when Turkey invaded Cyprus, these principles, which form the corner stone of the Constitution of the United States, and of the Free World, have not been implemented in my country. The Turkish occupation, with all its evils, still continues.

You are citizens of the United States of America; but you are also descendants of ancient Greeks, and you carry with you the ideals of Democracy. You are more sensitive to its principles, because democracy grew out of the bones of your ancestors.

The ancient Greeks, did not keep democracy and civilization to themselves; they spread them, and taught them to the world, through Alexander the Great.

Nobody can deny the great and important role that the Greeks contributed to today's civilization. The world, no doubt, is grateful to Greece.

It is my humble request, that you sustain and even increase, if possible, the efforts of the world Hellenism to help Cyprus resolve its tragic situation, and reach a fair solution of its national problem, for all its people, whether Greek, or Turkish, or other ethnic minorities. I have no doubt that the misery and suffering brought about by the Turkish occupation, have increased the desire of all Cypriots to live together against as friends, in a united and peaceful country without armies.

Dear friends, the island of Cyprus, in the center of the Eastern Mediterranean, can be made into a shining star, which can help to change the whole of the Mediterranean, so that the people of the area can live in brotherly peace, for the glory of peace in the whole world.

Thank you once again for honouring me tonight, and on behalf of my wife and family, and my fellow Cypriots, I wish you health, happiness and continuous progress with God's blessings.

God bless America and Cyprus.

A DEDICATED PUBLIC SERVANT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, October 21, 1998

Mr. CRANE. Mr. Speaker, I wanted to take this opportunity before we adjourn to recognize the longest serving member of my staff, Thelma Hummel, for all the excellent work she has done over the years on behalf of thousands of Illinois citizens residing in Chicago's Northwest suburbs. Thelma has been a case worker with my office since 1988, and never will you find a more dedicated hardworking public servant. She has had to contend with the often frustrating task of trying to help constituents work with the many various agencies and departments which comprise our all too massive federal bureaucracy.

While Members of Congress often receive credit for the good deeds our offices may accomplish in helping individual constituents, it is our staffs which deserve much of the recognition. My reputation, with respect to my constituents, has benefited greatly from all the excellent work Thelma has done for my office.

Indeed, just the other day I received a letter from a constituent and veteran, Walter McCostlin, which served as another reminder of how much good Thelma has done over the years. Walter wrote that "We are only as good as those with whom we associate and/or surround ourselves." Walter went on to say that "Mrs. Hummel's dedication to seek truth and justice, devotion to uphold traits expected of government officials, and perseverance to safeguard [our] rights . . . cannot be surpassed. Her attention to duty and perseverance while supporting and assisting constituents . . . characterizes her as an example to be followed by all legislative employees." I could not have said it better, Mr. McCostlin.

Mr. Speaker, the constituents of the 8th Congressional District of Illinois should be grateful and proud to have Thelma Hummel working for them.