

misguided. All managed-care plans have strong financial incentives to minimize care and maximize profits, which amounted to some \$10.5 billion for the industry last year. There is no disincentive to keep administrators from interfering with patient care by denying needed services, understaffing or imposing cumbersome authorization requirements. Unlike every other private business or profession, employee managed-care plans cannot be sued and held accountable for the harm they cause.

This unusual immunity is not something Congress intended, or even considered. In 1974 the legislature passed the Employee Retirement Income Security Act (ERISA), a complicated statute designed to promote and to protect employee pension funds. To avoid conflicting regulations, Congress pre-empted state law. As a result if a plan denies or delays testing for a premature baby at high risk for retinopathy and the child becomes permanently blind, the maximum amount of compensation that the parents can recover is the cost of the test itself. To avoid this harsh result, Congress should fix the problem it created.

The industry's primary strategy in its fight to keep its special immunity has been to frighten Americans with dire predictions of a flood of lawsuits and skyrocketing premiums. Fortunately Americans can see for themselves what happens when managed care is made accountable.

For example, ERISA does not apply to government workers. A study by the Kaiser Family Foundation of approximately 1 million government workers in California from 1991 to 1997 found that only 20 had filed lawsuits. The study estimated that permitting liability actions added only between 3 and 13 cents to each policyholder's monthly premium.

In 1997 Texas enacted a statute that created an external review for managed-care decisions and allowed patients to sue their HMOs. The number of lawsuits that have flooded Texas courts: three. The Texas Department of Insurance, the designated external review board, predicted that there would be 4,400 complaints in the first year. Only 531 were registered, 46 percent of which were resolved in favor of the patients. Texans' liability premiums are almost exactly what they were in 1995.

Missouri also chose in 1997 to allow liability suits. So far there have been none. The experience in Texas and Missouri suggests that the deterrent effect of legal accountability has encouraged managed-care insurers to provide better patient care.

Doctors, unions and groups that represent patients, consumers, veterans and seniors all support the Patients' Bill of Rights. They want more accountability for managed-care plans. The industry claims that it needs immunity to save money, which keeps premiums low. Yet in many cases delay necessitates a much more expensive and risky course of treatment.

Congress should do something. Close the loopholes that encourages managed-care bureaucrats and administrators to interfere with doctors caring for patients.

IN THE HOUSE OF REPRESENTATIVES
IN HONOR OF
STRONGSVILLE SAVINGS BANK

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. KUCINICH. Mr. Speaker, I rise today to honor Strongsville Savings Bank for their 38 years of service to Northeastern Ohio.

Strongsville Savings Bank was established by a group of local community businesses in May of 1960. In April 1961 it initiated its service to the Strongsville community, as an Ohio chartered, federally insured savings association. Since then, Strongsville Savings Bank has grown and expanded to 16 offices in Cuyahoga, Lorain, and Medina counties.

Nevertheless, the Bank has remained community-oriented, with an emphasis on customer service. Its services include consumer and commercial checking accounts savings accounts, certificates of deposit, residential and commercial real estate loans, home equity line of credit, use of proprietary ATMs, electronic fund transfer services, access to a network of ATM and many other services. The Strongsville Savings Bank is very active in its support of developers and builders of residential housing in their market area by providing a wide array of loans and retail financial services.

Recently, in 1996, Emerald Financial Corporation became the Bank's parent company and unitary thrift holding company. Mike Kalinich, one of the Bank's original shareholders, is chairman of both Emerald Financial Corp. and Strongsville Savings Bank. Of the original 128 shareholders, 38 years ago, 21 continue to be owners of Emerald Financial Corp. stock, and many others are the children and grandchildren of the original shareholders.

Historically, Strongsville has had such success, with strong community involvement and investment in local interests. I would like to congratulate Strongsville Savings Bank for their 38 years of success and service, as well as wish them continued success in the years to come.

PERSONAL EXPLANATION

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. McDERMOTT. Mr. Speaker, I was absent and unable to vote due to my recovery from heart surgery, July 19, 1999—July 22, 1999.

On July 16, 1999:

I would have voted in favor of H.R. 1033 (Roll Call number 308).

I would have voted in favor of H. Con. Res. 121 (Roll Call number 309).

I would have voted in favor of H.R. 1477 (Roll Call number 310).

On July 20, 1999:

I would have voted in favor of H. Con. Res. 158 (Roll Call number 311).

I would have voted in favor of the Campbell amendment to the Smith amendment to H.R. 2415 (Roll Call number 312).

I would have voted against the Sanford Amendment to H.R. 2415 (Roll Call number 313).

I would have voted against the Paul Amendment to H.R. 2415 (Roll Call number 314).

I would have voted against H. Res. 253 (Roll Call vote 315).

I would have voted in favor of the Goodling amendment to H.R. 1995 (Roll Call number 316).

I would have voted in favor of the Mink amendment to H.R. 1995 (Roll Call number 317).

I would have voted in favor of the Crowley amendment to H.R. 1995 (Roll Call 318).

I would have voted in favor of the Martinez amendment to H.R. 1995 (Roll Call 319).

I would have voted against H.R. 1995 (Roll Call number 320).

On July 21, 1999.

I would have voted against the Gilman amendment to H.R. 2415 (Roll Call number 321).

I would have voted against the Sanders amendment to H.R. 2415 (Roll Call number 322).

I would have voted in favor of the Gibbons amendment to H.R. 2415 (Roll Call number 323).

I would have voted against the Goodling amendment to H.R. 2415 (Roll Call number 324).

I would have voted against the Stearns amendment to H.R. 2415 (Roll Call number 325).

I would have voted in favor of the Waters amendment to H.R. 2415 (Roll Call number 326).

I would have voted in favor of the Bilbray amendment to H.R. 2415 (Roll Call number 327).

I would have voted in favor of the Doggett amendment to H.R. 2415 (Roll Call number 328).

I would have voted in favor of the Engel amendment to H.R. 2415 (Roll Call number 329).

On July 22, 1999:

I would have voted against H. Res. 256 (Roll Call number 330).

I would have voted in favor of the Rangel amendment to H.R. 2488 (Roll Call vote 331).

I would have voted in favor of the motion to recommit H.R. 2488 (Roll Call vote 332).

I would have voted against H.R. 2488 (Roll Call number 333).

I would have voted against H.R. 2561 (Roll Call number 334).

CONGRATULATION TO DR. LAWRENCE A. JOHNSON UPON HIS RETIREMENT

HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, July 22, 1999

Mr. OBEY. Mr. Speaker, I rise today to recognize the career of a longtime public servant, Dr. Lawrence A. Johnson, a leading researcher and international authority in the field of artificial insemination and semen physiology and preservation in swine.