

Currently, 1.6 million elderly live in skilled nursing facilities. These people are among the sickest and most vulnerable segment of the population. A major portion of the Omnibus Budget Reconciliation Act of 1987 (OBRA 87) brought sweeping reforms to the nursing home industry. That legislation did much to improve and ensure the quality of health care provided in skilled nursing facilities. Fortunately, the majority of skilled nursing facilities responded well to these changes and continue to offer quality care for their patients. Unfortunately, a sizable minority of skilled nursing facilities continues to place profits ahead of quality care. Because of the continued failure of these providers, we must give the states and health care regulators the legal tools to bring these providers into line or remove them from the system.

This title provides several important modifications and additions to the OBRA-87 legislation. First, all skilled nursing facilities will be required to conspicuously post in each ward of the facility a list of the names and credentials of the on-staff employees directly responsible for resident care and the current ratios of residents to staff. This simple requirement will allow families and the nursing home ombudsman program to determine whether the facility provides adequate staff to attend to the residents' needs. In addition, the legislation would direct the Secretary of Health and Human Services to issue guidelines for adequate staffing for skilled nursing facilities.

The second provision of this title gives states alternative punitive measures to use with repeatedly noncompliant nursing facilities. One of the distressing trends identified in the GAO report is a phenomenon they describe as a "yo-yo" effect. A nursing facility will correct the problem and avoid the fines or penalties. Once found to be in compliance, the facility will slip back and provide substandard services until cited again by regulators.

Our proposed legislation offers two fixes. First, the legislation would allow states to recover the expense of resurveying and re-inspecting the skilled nursing facility where there has been a substantial violation of the regulations. Second, the legislation would prohibit the facility from including the costs of the resurveying and reinspection in its reasonable costs figures. In other words, they cannot pass the bill of rectification onto Medicare or Medicaid. This proposal is a clear financial disincentive for homes to practice a yo-yo management and adds an important regulatory tool for the states.

The third major initiative in our legislation is the requirement of criminal background checks. Skilled nursing facilities would be required to conduct a criminal background check of all employees and would be prohibited from hiring any person who has been convicted of patient or residence abuse. This portion of the legislation makes clear that we do not want felons who have a history of abusing others working with one of the most vulnerable groups of people in the nation.

Finally, the legislation requires skilled nursing facilities to report cases when an employee has harmed a patient or resident. The legislation calls for revising the current Nursing Aide Registry. Under our legislation, the new name of the data base will be the Nursing Fa-

cility Employee Registry and will list any nursing facility employee who has been convicted or had a finding of abuse or neglect of a patient.

TITLE IV: LONG-TERM CARE INSURANCE

Title four of the legislation addresses long-term care insurance. The first chapter encourages long-term health care policies for federal and nongovernmental employees. The second chapter extends the consumer protection standards contained within the Health Insurance Portability and Accountability Act to all long-term care policies.

First, it directs the Office of Personnel Management to provide for the sale to the general public of group long-term care insurance policies that are offered to federal employees.

The legislation keeps separate the premiums and costs of nongovernmental employees from governmental employees, thus protecting the federal employees from potential adverse cost impacts. In other words, nongovernment employees could pay a higher premium if the cost of underwriting that population is higher than the cost of underwriting federal employees. It is our hope, however, that by helping create a group market and offering economies of scale, this provision will help nonfederal employees obtain lower cost policies.

The next section extends the consumer protection standards contained within the Health Insurance Portability and Accountability Act to all long-term care policies. Currently, these standards apply to only tax-qualified policies. Without these protections, some insurance providers may be tempted to provide long-term care policies that do not provide the level of financial protection that consumers need. Because of the expense of these policies, the consequences of purchasing inadequate insurance, and the difficulty of understanding these policies, we need to ensure that reasonable quality standards protect consumers from buying inadequate and inappropriate long-term care policies.

TITLE V: REAUTHORIZATION OF THE OLDER AMERICANS ACT OF 1965

Title five of the legislation is an extension of the Older Americans Act of 1965, as proposed by the President to include grants for care giver assistance.

TITLE VI: EARLY BUY-IN FOR MEDICARE

Title six of the legislation would provide caregivers an early option to join Medicare. This important portion of the bill would provide increased access to health coverage for Americans who are the primary caregivers for family member with long-term care needs.

Many Americans must quit job or retire early to care for a family member who has long care needs. In addition, they tend to range in age from 55 to 64. Consequently, health insurance companies refuse to insure them or charge huge premiums. Our proposal would cover nearly five million early caregivers who face the prospect of being uninsured and who are helping all of us by keeping other individuals out of taxpayer-subsidized institutions. This provision allows qualifying individuals to receive Medicare coverage when they leave their employment to provide long-term care for a spouse or relative.

TITLE VII: LONG-TERM CARE GIVER SOCIAL SECURITY CREDIT PROTECTION

Title seven also protects the future retirement income of caregivers who leave their employment to offer long-term care. This title does two things. First, it ensures that caregivers will continue to receive their Social Security credits while they are caregivers. Second, while the caregiver is unemployed he or she will be credited with the arithmetic average of his or her previous three years of employment as a contribution to income.

FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT, 2000

SPEECH OF

HON. LORETTA SANCHEZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, August 2, 1999

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 2606) making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2000, and for other purposes:

Ms. SANCHEZ. Mr. Chairman, today the House considered the Foreign Operations Appropriations Bill for fiscal year 2000. One issue of great concern to me was the absence of funding for the Community Adjustment and Investment Program (CAIP) in this appropriations bill. The CAIP is a way of helping communities that are negatively impacted by NAFTA.

With NAFTA came hard times for many areas around the country. Businesses moved operations to Mexico, leaving thousands of Americans without jobs and many communities in economic distress.

The CAIP program allows NAFTA affected communities to receive funding for job training and investment capital for job creation. Providing workers with the skills to acquire new jobs, and providing the communities with the funding to establish new enterprises, will help to bolster the economies of many NAFTA impacted areas. President Clinton understood this when he requested that the CAIP receive \$17 million in his fiscal year 2000 budget.

NAFTA was supposed to increase economic prosperity for everyone involved in this agreement. The least we can do in Congress is to make sure that those American workers who were negatively impacted by NAFTA have a chance to succeed as well. The CAIP is a program which helps to achieve that goal.

I am hopeful that my colleagues will realize the importance of CAIP and ensure that it will receive funding when this bill goes to conference.