

By Mr. CRAPO (for himself and Mr. CRAIG):

S. 1071. A bill to designate the Idaho National Engineering and Environmental Laboratory as the Center of Excellence for Environmental Stewardship of the Department of Energy Land, and establish the Natural Resources Institute within the Center; to the Committee on Armed Services.

By Mr. DEWINE (for himself, Mr. HELMS, and Mr. VOINOVICH):

S. 1072. A bill to make certain technical and other corrections relating to the Centennial of Flight Commemoration Act (36 U.S.C. 143 note; 112 Stat. 3486 et seq.); to the Committee on Governmental Affairs.

By Mr. ASHCROFT (for himself, Mr. INOUE, Mr. BURNS, Mr. GRASSLEY, Mr. ROBERTS, Mr. ENZI, and Mr. HAGEL):

S. 1073. A bill to amend the Trade Act of 1974 to ensure that United States industry is consulted with respect to all aspects of the WTO dispute settlement process; to the Committee on Finance.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. HUTCHINSON (for himself, Mr. WELLSTONE, Mr. FEINGOLD, Mr. SMITH of New Hampshire, Ms. COLLINS, Mr. BUNNING, Mr. KYL, Mr. ABRAHAM, Mr. SESSIONS, Mr. GRASSLEY, Ms. SNOWE, Mr. JEFFORDS, and Mr. BROWNBACK):

S. Res. 103. A resolution concerning the tenth anniversary of the Tiananmen Square massacre of June 4, 1989, in the People's Republic of China; to the Committee on Foreign Relations.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS:

S. 1063. A bill to amend title XVIII of the Social Security Act to provide for a special rule for long existing home health agencies with partial fiscal year 1994 cost reports in calculating the per beneficiary limits under the interim payment system for such agencies; to the Committee on Finance.

##### MEDICARE HOME HEALTH TECHNICAL CORRECTIONS LEGISLATION

Ms. COLLINS. Mr. President, I rise today to introduce legislation that would make a technical correction to a provision of the Balanced Budget Act of 1997 that is causing great unfairness to long-established home health agencies and their patients. It would provide for a special rule for long-existing home health agencies that have been classified as "new" home health agencies for purposes of the Interim Payment System (IPS) simply because they happened to change the ending date of their fiscal year, and, as a consequence, do not have a full 12-month cost reporting period in federal fiscal year 1994.

Under the complicated formula for the Medicare Interim Payment System for home health agencies, Medicare de-

termines a limit for most established agencies using a formula that recognizes the agency's historical costs and blends them, in a proportion of 75 percent to 25 percent, with regional norms. For new home health agencies without a historic record of cost reports, the per-beneficiary limit is set at the national median.

In defining the difference between new and existing agencies, the Administration focused on fiscal year 1994 and established a general rule that the national median per-beneficiary limit would apply to "new providers and providers without a 12-month reporting period ending in fiscal year 1994." Congress did, however, specifically exclude from the "new" category any home health agency that had changed its name or corporate structure.

Nevertheless, one of the home health agencies in my State—Hancock County HomeCare—has been classified as a "new" home health agency, even though it has been serving the people of rural Down East Maine for more than 60 years. I am sure that there are other long-standing home health agencies across the country that have found themselves in a similar situation as a consequence of this provision.

Hancock County HomeCare is a division of Blue Hill Memorial Hospital, a charitable, tax-exempt hospital. Hancock County HomeCare emerged as a result of a merger of the hospital with the Four Town Nursing Service and Bar Harbor Public Health Nursing, both non-profit home health agencies that have provided uninterrupted service to residents of Hancock County, Maine for more than 60 years. The unified agency, which provides skilled home nursing and therapies to residents of 36 towns, has been part of Blue Hill Memorial Hospital since 1981.

Despite its 60-year history of service to the community, Hancock County HomeCare has been classified as a "new" agency simply because it happened to change the ending date of its fiscal year during 1994, when Blue Hill Memorial and its affiliate changed theirs. Solely because it changed its fiscal year from a period ending June 30 to a period ending March 31, this 60-year old agency is being treated as a new agency by HCFA. Given the care taken by Congress to exclude name changes and corporate structure changes from the definition of a "new" agency, I simply do not believe that it was our intent to visit radically different treatment upon an agency that simply changed its financial reporting practices, but otherwise has a continuous history of operation and is fully able to provide 12 months of reliable data in accordance with Medicare cost reporting requirements.

I believe that the statute gives the Health Care Financing Administration sufficient discretion to deal with this situation administratively. Unfortu-

nately, however, HCFA does not agree with that interpretation and insists that further legislative action is necessary if Hancock County HomeCare is to be considered an "old" agency for purposes of the Interim Payment System.

The legislation that I am introducing today to clarify the law was prepared with technical assistance from HCFA. Essentially, the bill would provide for a special rule for home care agencies that were in existence and had an active Medicare provider number prior to fiscal year 1980, but which had less than a 12-month cost reporting period in fiscal year 1994 because the agency changed the end date of its cost reporting period in that year. For these agencies, Medicare could, upon the request of the agency, use the agency's partial-year cost report from fiscal year 1994 to determine the agency-specific portion of the per beneficiary limit. As a consequence, the agency could then be treated as an "old" agency for purposes of the Interim Payment System.

Mr. President, this legislation is simply a technical correction to address a specific problem that Congress clearly did not intend to create when it enacted the Balanced Budget Act of 1997. The legislation is narrowly drafted and, in all likelihood, will not affect more than a few home health agencies, but it will make a critical difference in the ability of those agencies to continue to serve their elderly clients.

Home health agencies across the country, however, are experiencing acute financial problems due to other problems with a critically-flawed payment system that effectively penalizes our most cost-efficient agencies. These agencies are finding it increasingly difficult to cope with cash-flow problems, which inhibit their ability to deliver much-needed care. As many as twenty organizations in Maine have either closed or are no longer providing home care services because their reimbursement levels under Medicare fell so far short of their actual operating costs. Other agencies are laying off staff or are declining to accept new patients with more serious health problems. The real losers in this situation are our seniors, since cuts of this magnitude cannot be sustained without ultimately affecting patient care.

Moreover, these payment problems have been exacerbated by a number of new regulatory requirements imposed by HCFA, including the implementation of OASIS, sequential billing, medical review, and IPS overpayment recoupment. I will soon be introducing legislation to provide some relief for these beleaguered home health agencies and also plan to hold a hearing next month in the Permanent Subcommittee on Investigations to examine the combined effect that these payment reductions coupled with the multiple new regulatory requirements have