circumstances, and Bosnia in the early 90's was not the best of circumstances. At a minimum, a la Switzerland, the disamate groups must have a place to join together in some higher level of governance than just the individual groupings they find themselves in. So in Bosnia a so-called country was cobbled together and we know the result: ethnic cleansing, massacres, artificiality imposed at Dayton, and for the most part, maintained solely through the possibly permanent presence of armed forces of external powers. Far from fostering stability in the former Yugoslavia, I would argue that the Bosnia so-called settlement has served to institutionalize instability. If U.S. involvement in Bosnia was the proximate cause of our current troubles, highly superficial understanding by our policy makers of the centuries of passions, hatreds, vendettas, indeed genocide throughout the Balkans was a more deep-seeded problem. If we knew nothing else, we should have known that there are no good guys in the region, and that therefore aligning ourselves in one or another direction was fraught with danger.

This truism applies equally to our current dilemma in Kosovo. With specific regard to Mr. Milosevic's the United States' misreading of his intentions is nothing short of shocking. If intelligence and diplomatic analysis are good for anything at all, they must serve the critical function of providing policy makers with accurate prognoses of the intentions of adversaries. We can forgive White House ignorance about Milosevic's likely response to a forced dictate over Kosovo, and perhaps even that of our Secretary of State. However, certainly at a minimum, emissary Richard Holbrooke and his well-meaning but judgment-impaired staff, with the hundreds of hours they spent in direct contact with Milosevic, should have been able to discern his intentions, once it became clear to him that the United States' intentions were to carve Kosovo one whit, indeed, have accelerated it. Where we do have strong national interests are vis a vis Russia, and there the Kosovo is quite possibly going to result in, if not permanent, at least long-lasting damage to reformist elements in Russian politics on whom we count for achieving societal transformations there. Or alternatively, as now seems quite likely, if Russian involvement in the settlement takes place, that might well lead to a diluted result bearing little resemblance to our stated conditions when we began this war. Or both of those might happen.

My third point: What next? Having embarked on what in my judgment is a foolish and ill-considered air war, it seems to me that the U.S. now has only two options: Stop the bombing, cutting whatever deal the Russians can broker for us, that now seems to be underway, perhaps, or immediately and massively escalate, with the specific twin goals of removing Milosevic and eliminating all Serbian fighting units in Kosovo. The first option is the one I prefer, because as I said at the outset I believe minimizing human suffering must be the goal. Each day of bombing is accompanied by more ethnic cleansing, raping and summary executions of Kosovars. It of course also leads to casualties among Serbia's civilian population. Forty-plus days of bombing have seemingly not stopped Milosevic's evil in Kosovo on whom we have accelerated it. The cessation of bombing is of course fraught with danger, since it will mean an outcome, no doubt far short of our stated objectives when we began this war, it will mean a resurgent Russia on the world scene, which might not be a bad thing, but that Russia could well be far different from the one we had hoped for, and now a truly credibility-deficient NATO. But we should have thought of those matters earlier, and in the meantime, each day brings more casualties.

I for one have reached my tolerance level of the daily dosage of atrocity stories juxtaposed with confident NATO spokespersons detailing the quote-unquote in the air war the previous night's 600 sorties have resulted in, where clearly the latter has not diminished the former.

The other option is massive force now. I do not advocate this course, but it seems to me the only other viable option. Paratroopers dropped in throughout Kosovo, going after Milosevic himself on the grounds of his long-held and publicly declared war-criminal. The other NATO partners will balk, and the U.S. should be ready to act alone, wasting no more time. Yes, this approach will result in still more deaths, and other atrocities among the suffering Kosovars, but at least the end of the agony will be sooner than with our present in-comprehensible approach.

In sum, the U.S. should not be engaged in this war in the first place, but since it is, we must either win it quickly, or get our quickly. Otherwise the lives of many, many more innocent people will be on our American conscience.

PREVENTING ABUSE OF THE HOSPITAL PAYMENT SYSTEM: INTRODUCTION OF MEDICARE MODERNIZATION NO. 5

HON. FORTNEY PETE STARK
OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. STARK. Mr. Speaker, in the Balanced Budget Act of 1997, Congress provided that for 10 hospital diagnosis related groups (DRG's), we would not pay the full DRG if the patient was discharged to a nursing home, home health agency, or to a rehab or long-term-care hospital. I include at the end of my statement the conference report language describing this provision. Note that as originally passed by the House and Senate, it applied to all hospital discharges—not just 10 DRG's.

The administration and the Congress were worried that some hospitals have been gaming the Medicare hospital prospective payment system. They have been discharging patients early to downstream treatment facilities (which they often own), collecting the full DRG payment, and requiring Medicare to pay for longer and more expensive treatments in these downstream facilities.

Many of the nation's hospitals are lobbying for the repeal of this discharge provision—even though repeal would cost Medicare billions of dollars in the years to come. The intensity of the lobbying on this issues shows that early discharge to subsidiaries has become a major strategy of many hospitals. It may have been part of the Columbia/HCA scheme to maximize Medicare revenues.

Mr. Speaker, I think we should return to our earlier decision and apply the policy to all discharges, not just 10 DRG's.

The HHS inspector general has found that hospitals that own nursing homes discharge patients much earlier than average, and the patient then stays in the nursing home longer than average—an extra 8 days (OEI—02—94–00320). The OIG has also found that patients' stays are shorter when they are discharged to a home health agency. With about half the nation's hospitals owning a home health agency, this is another way to double dip.

The bill I am introducing will save Medicare billions of additional dollars in the years to come, and it will remove a temptation to abuse patients by pushing them out of hospitals too soon.

I hope this legislation—one of a series of bills I am introducing to modernize Medicare and make it more efficient—will be enacted as part of our efforts to save Medicare for the Baby Boom generation.
The Conference agreement would provide that for discharges occurring on or after October 1, 1998, those that fall within a specified group of 10 DRGs would be treated as a transfer for payment purposes. The Secretary would be given the authority to select the 10 DRGs focusing on those with high volume and high post acute care. The provision would apply to patients transferred from a PPS hospital to a PPS-exempt hospital or unit, SNF, or other extended care facility for Medicare's current payment policy.

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