

This legislation provides a cost-effective means of providing assistance to those small rural hospitals who are struggling with the unintended consequences of the Balanced Budget Act of 1997. As those of us who represent rural areas can attest to, rural hospitals are desperately in need of such assistance. According to a survey conducted by Texas CPAs in April of 2000, the operating margin for hospitals outside a Standard Metropolitan Area with under 50 licensed beds pre-BBA was \$26,000,000 while the operating margin post-BBA was negative \$7,900,000. Reimbursement has been reduced by over \$34 million since the BBA, while at the time the average rural hospital has incurred uncompensated and charity charges of \$1.1 million since the changes contained in the Balanced Budget Act went into effect. Unless action is taken this year to provide assistance for these hospitals, many of them will be forced to close their doors, leaving many rural areas without access to hospital services.

I believe I can speak for all of my colleagues when I say that while none of us want to endanger the Medicare trust fund, we also want to ensure that Medicare reforms do not drive valuable health care providers into bankruptcy. After all, denying Medicare recipients in rural areas access to quality health care breaks the promise the government makes to the American people when it requires them to pay taxes to finance the Medicare trust fund that they will receive quality health care in their golden years.

Therefore, I am pleased to advance this proposal, which was developed by experts in rural health care in my district, which provides help for rural health care without endangering the soundness of the Medicare trust fund. The proposal consists of four simple changes in current Medicare laws for "Essential Service Hospitals." An Essential Service Hospital is defined as a hospital located in a non-Metropolitan Statistical Area with 50 state-licensed beds or less. The specifics of the legislation are:

1. A wage index for Essential Service Hospitals set at 1.0—Essential Service Hospitals receive 26 percent less Medicare Reimbursement than hospitals in MSA area. This places rural areas at disadvantage in competing for high-quality employees with hospitals in urban areas. Setting the wage index at 1.0 will enhance the ability of rural hospitals to attract the best personal and thus ensure residents of rural areas can continue to receive quality health care.

2. Allow Essential Service Hospitals to treat 100 percent of Medicare copay and deductions which become hospital bad debts as an allowable cost—The BBA of 1997 reduced the amount of bad debts incurred because of uncollected Medicare copayments and deductions that hospitals can submit to Medicare for reimbursement as an allowable cost. This places an especially tough burden on Essential Service Hospitals which often have a high percentage of bad debts because they tend to have a high percentage of low-income populations among their clientele.

3. Exempt Essential Service Hospitals from the Outpatient Payment System (PPS)—Since rural hospitals lack the volume necessary to achieve a fair reimbursement rate under PPS,

it makes no sense to apply PPS to these hospitals. Exempting Essential Service Hospitals from PPS assures that they will have their reimbursement rate determined by a formula that matches their unique situation.

4. Provides a 20 percent Medicare Disproportionate Share (DSH) payment to Essential Service Hospitals—Since small rural hospitals tend to serve a larger number of low-income persons than the average hospital, they have a particular need for Medicare DSH payments. However, many of these hospitals are not benefiting from the DSH program, this legislation will help ensure these hospitals received the support from Medicare they need to continue providing vital health care to low-income residents of rural areas.

Considering that the BBA of 1997 has resulted in Medicare savings of over \$50 billion more than projected by Congress surely it is not too much to ask that Congress ensure Medicare patients in rural areas are not denied access to quality health care services because of the unintended consequences of the Balanced Budget Amendment. I therefore call on my colleagues to stand up for rural hospitals by cosponsoring the Essential Rural Hospital Preservation Act.

WILDFIRES IN THE WEST RAISE QUESTION ABOUT ADMINISTRATION ACTIONS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Mr. BEREUTER Mr. Speaker, this Member commends to his colleagues the following editorial from the September 8, 2000, Norfolk Daily News. The editorial questions the Administration's actions restricting the construction of wilderness roads which have allowed preventive measures designed to avoid blazing forest fires.

[From the Norfolk Daily News, Sept. 8, 2000]
POETIC JUSTICE IN ACCUSATIONS—CLINTON ADMINISTRATION DESERVES CRITICISM FOR POLICY THAT AIDED FIRES

President Clinton is no more to blame for the wildfires ravaging the West than he is responsible for the nation's economic prosperity. But there is a certain poetic justice in political efforts to portray him and Vice President Al Gore as villains in the frightening destruction of thousands of acres of forest.

Several Western politicians—who, not coincidentally, are Republicans and allies of George W. Bush—have taken particular aim at a sweeping White House executive order preventing the building of large numbers of wilderness roads needed for forest-thinning by the lumber industry. The rationale of the order was that the lumber industry would do critical damage to the forests. But some critics have maintained that, by cutting some smaller trees and removing the underbrush, the industry can help keep forests healthy and prevent small fires from becoming raging blazes.

Vice President Gore, who is constantly lambasting industries in his presidential campaign for supposed instances of greed and chicanery, was an outspoken supporter of the executive order. Judging by the language

he used, his thesis seems to be that making profits from trees is a premeditated and soulless insult to nature. A number of experts—and not just Republicans and industry spokesmen—agree, however, that some controlled lumbering activity in these areas can be a blessing to nature.

Mr. Gore's business-bashing rhetoric and other aspects of the Clinton roadless policy suggest it was at least as much an effort to score political points as an effort to protect wilderness. The administration, as a result, seems to have earned the politically motivated accusations being tossed its way during this dreadful summer of fires.

In the end, of course, the fires are mainly a result of a very hot, very dry summer and of unfortunate no-burn federal policies that scarcely made their first appearance when President Clinton was elected.

President Clinton and Vice President Gore simply happen to have been in office when the fires occurred, just as they simply happened to be in office when the end of the Cold War, high-tech productivity and Federal Reserve anti-inflation policies helped create good economic times.

TRIBUTE TO CAVE SPRING NATURE PARK

HON. KAREN MCCARTHY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 20, 2000

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today to pay tribute to one of Missouri's treasured historical and natural sites as it celebrates its 25th Anniversary. Twenty-two years ago as a Missouri State Representative, I had the privilege to join the members of the Cave Spring Association in creating and preserving the Cave Spring Nature Park as one of our country's celebrated historical sites.

The roots run deep in the area now named the Cave Spring Nature Park. From as far back as pre-pioneer times this site was referred to as the "Osage Trace." This name was attributed to the Indians who occupied the area: the Osage, Sac, Kansa, and Fox tribes. Later the area and its trails were surveyed and soon opened as trading routes to Santa Fe, New Mexico. Under the ownership of Jesse Barnes, this land would become one of the principal campgrounds for pioneer settlers, traders, and wagon trains heading west to discover the new territory. The cave spring was producing up to a million gallons of water a day to replenish the travelers and their horses, as well as creating a lush landscape.

It was this breathtaking landscape that would later attract horseback riders and picnickers including the young Harry Truman and Bess Wallace during their courtship. A picture of the infamous cave at this site would later be featured in a 1945 Life Magazine edition entitled "Truman's Missouri." From 1857 to 1877 the Cave Spring was owned by Harry Truman's grandfather, Solomon Young. Soon the Truman family would build their family farm just on the outskirts of the Cave Spring area, which is today appropriately known as Grandview. In the following years the Cave Spring would be the recognized by the Daughter's of the American Revolution as one of the foremost significant sites along the historic Santa