

of safety and first aid to the people of Delaware. As a former Governor, I know first hand the important role that these dedicated and vital organizations play in recruiting and retaining young men and women in the public service arena. Mr. Speaker, I am proud to have this privilege to extend my warmest wishes for a successful conference. I salute and thank them for their unwavering commitment to excellence and the example they set for all of us. Their efforts are deeply appreciated.

A TRIBUTE TO REVEREND
VERTANES KALAYJIAN

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. PALLONE. Mr. Speaker, I am honored today to recognize the achievements and spiritual leadership of the Rev. Fr. Archpriest Vertanes Kalayjian, pastor of St. Mary's Armenian Church in Washington, DC. On October 1, the Washington-Baltimore Armenian community will be honoring this most outstanding religious and community leader among Armenian-Americans in the United States. On this date, parishioners and many others will recognize the 40th anniversary of Rev. Kalayjian's ordination into the priesthood.

Those who gather from across the country and the world on October 1 will also recognize the 25th anniversary of the service to St. Mary's of Rev. Kalayjian and Yeretzgin Anahid Kalayjian, his wife of 31 years.

Mr. Speaker, as the cochairman of the Congressional Caucus on Armenian Issues, I am acutely aware of the many extraordinary contributions Father Kalayjian and Mrs. Kalayjian have made to the Armenian community in the United States. Over the years, his outstanding missionary and humanitarian efforts have also been of immeasurable help to the struggling families and youth of Armenia, as well as Armenian families spread throughout Eastern Europe and the world.

In his important assignment as the head of the pastorate in Washington, DC, he has played a crucial role representing the diocese in the Congress, the State and Justice Departments and the Brookings Institute. Every year, Father Kalayjian briefs the Appeal of Conscience Conferences, the State Department's Foreign Service Institute, on the status of the Armenian communities in Eastern Europe and in the former Soviet Union republics.

Father Kalayjian was born in Aleppo, Syria, and was ordained on February 7, 1960, at the St. James Seminary of Jerusalem Armenian Patriarchate. He came to the United States in December 1964 and was assigned to the St. George Parish in Waukegan, IL. In addition to his pastoral work, he did Christian Education; Biblical Studies and Public Administration at Lake Forest, Carthage College and South-eastern University.

In subsequent years, he served the parishes of Holy Cross, Union City, NJ; and St. Mary's Church in Elberon, NJ (now St. Stephanos and in my congressional district.)

In 1976, he assumed the pastorate here in Washington, where he serves the St. Mary's

community, including nearby Baltimore city and the neighboring towns.

During most of this career as a servant of God, Mrs. Kalayjian has been a partner, colleague and spiritual supporter to her husband's ministry. She has contributed invaluable to the growth and spiritual well-being of St. Mary's Parish. She has been surrogate mother, nurse, chaplain, Armenian Cultural Program director and advisor to successive camp directors and committees at the Armenian General Benevolent Union's Camp Nubar in the Catskills in New York. The AGBU promotes philanthropy, human rights land education throughout the world.

Her services to the Armenian people have included numerous other missionary and humanitarian initiatives in Armenia, including missionary outreach in the aftermath of the earthquake. Her early training and work as a pediatric nurse and nursing supervisor only added to the invaluable contributions she has made to families in need here and in Armenia.

Mr. Speaker, I am proud to call these tireless and devoted humanitarians my friends. I wish them both a most deserved and joyous celebration on October 1.

DRUG PROFITS DISTORTING HOW
DOCTORS PRESCRIBE?

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. STARK. Mr. Speaker, in the September 19th CONGRESSIONAL RECORD, I provided some documentation of how profits from prescribing drugs may be causing some doctors to over-prescribe or change their prescribing patterns, not on the basis of medical need, but simply for the sake of money.

The enormous profits available to many doctors on the "spread" between what Medicare and other payers reimburse for a drug (the average wholesale price), and what that drug is really available for 'on the street' may be one of the most serious ethical issues in American medicine today.

I submit into the CONGRESSIONAL RECORD a letter I've sent to the Agency for Healthcare Research and Quality on why this is a problem which must be investigated as soon as possible and a memo in reference to physician prescribing practices in Japan.

The Justice Department and the HHS Inspector General have, I believe, documents which show how drug companies have manipulated the AWP to move doctors to prescribe various drugs. These documents raise the most serious questions about the integrity of health care delivery.

The letters follow:

COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON HEALTH,
Washington, DC, August 18, 2000.

Dr. JOHN EISENBERG,
Administrator, Agency for Healthcare Research
and Quality, Washington, DC.

DEAR JOHN: Nice Norman Rockwell exhibit at the National Gallery—and nice paintings of doctors the way we want them to be: grandfatherly figures we can totally trust our lives with.

But the data in various areas of health care show that physicians are just like the rest of us mortals: they are economic animals; they respond to financial incentives. We see this economic influence in the fact that for-profit hospitals do more Caesarian sections than not-for-profit hospitals, because the fees and profits are higher for a C-section. We see this in the extensive literature that physicians who own or invest in a downstream service (such as a lab or MRI) tend to order many more tests (and more expensive tests) than doctors who do not invest in such facilities. We see this in foreign countries where physician income is much lower than it is in the United States on average, but physicians are allowed to make money on each prescription that they write. As a result in Japan (and in the past Italy) the patients get many more pills than Americans do. Doctors in those countries make money by pushing medicines on their unsuspecting patients.

I fear the same thing may be happening here in the United States on certain drugs, and I would like to request AHRQ's help in determining whether Medicare's Average Wholesale Price system of paying doctors for certain medicines may have caused some distortions in prescribing practice.

As you know, after years of work, the Justice Department and the HHS OIG have finally persuaded Medicare and Medicaid to use a more realistic set of data for purposes of paying doctors 95% of the AWP. The use of the more accurate AWP data will save taxpayers and patients hundreds of millions of dollars a year. Of course, the physicians the savings are coming from are lobbying furiously to block the cuts, saying that they have used the profits from the difference between 95% of the AWP and the real purchase price to run their offices. HCFA is investigating whether the practice expense (PE) payment to doctors needs to be adjusted to pay more accurately for the cost of administering the drugs. If the PE payment is inadequate, we certainly should adjust it.

But we should not, I believe, pay more for the drug than the cost to the doctor of purchasing the drug. Otherwise, if these other domestic and foreign examples apply, we will see a misuse of the drug.

To determine whether there has been misuse, would it be possible for AHRQ to examine the use of chemotherapy drugs in settings where there is no financial incentive to either over use or not use (e.g., Kaiser, VA, DoD, etc.) versus chemotherapy drug use in private, for profit, physician-run oncology practices? Adjusting for severity of illness, are the outcomes (remission, deaths, etc.) similar in these settings? Is more or less chemotherapy medicine used? for patients who die, is chemotherapy administered longer in one setting versus another? is chemotherapy administered beyond a point where the patient might be considered terminal?

Thank you for your help in understanding whether there are different patterns of chemotherapy drug use, depending on whether one profits from the drugs' use, and if so, whether there is any better outcome and quality as a result of additional chemotherapy usage.

Sincerely,

PETE STARK,
Ranking Member.

In Japan, where physicians and hospitals are allowed to make money on each prescription they write, there are high levels of drug utilization and incentives for drug overprescribing. For example—

Health Affairs (Healthcare Reform in Japan), found that pharmaceutical dispensing is more profitable for doctors since physicians dispense drugs directly and profit by buying from wholesalers at a discount and selling at the fee-schedule price. Japan has the highest per capita drug consumption in the world.

According to Asahi News Service, the cost of prescription drugs represents 30% of all medical expenses in Japan. And according to Financial Times, this is the highest proportion in the EOCOD and far higher than the 11% in the US and 16% in the UK.

Like physicians, hospitals in Japan also can make a profit on the sale of medicines to their patients. The Asahi News Service found that "medications of dubious value are used carelessly because information about their effects is not made public . . . and that the more prescriptions hospitals issue, the greater their profits will be, because of the huge gap between the government-designated base prices and the market price."

The Nikkei Weekly reported that in April of 1997, the Japanese government proposed revision of the ". . . drug-payment system, which has been criticized for enabling doctors to line their pockets and causing over-prescription."

Based on these facts, it is highly likely that Medicare's Average Wholesale Price (AWP) system of paying doctors for certain medicines causes distortions in prescribing practices.

European countries, in contrast, have, in the last ten years, instituted practices to curb overutilization by eliminating some financial incentives. Italy, Germany, Sweden, Denmark and the Netherlands have introduced "reference pricing" as a financial disincentive for patients to accept and doctors to prescribe non-reference drugs. These countries are probably not the best examples of countries with overutilization. Japan is the best in this regard (we are still trying to find another clear cut case, like Japan).

It's interesting to note that, on the flip side, reimbursements for surgery are low in Japan and, as a consequence, one third as much surgery is done in Japan as the U.S.

COMMEMORATING THE THIRTIETH ANNIVERSARY OF AIR STATION CAPE COD

HON. WILLIAM D. DELAHUNT

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. DELAHUNT. Mr. Speaker, I rise today to recognize the thirtieth anniversary of U.S. Coast Guard Air Station Cape Cod. For all of us who go to the sea, for pleasure or by profession, the Air Station has been an enormously reassuring presence all these years.

Since its commissioning in 1970, Air Station Cape Cod has performed more than 10,000 search-and-rescue missions, saved 3,500 lives and saved more than \$450 million in property—all this while safeguarding our natural resources and seizing shipments of illegal drugs bound for our shores. It's all in a long day's work—and often a long night's work as well—for the personnel of the U.S. Coast Guard.

While the breathtaking heroics of the men and women of the Air Station have recently been made famous by recent feature films, perhaps the most fitting tribute comes from the

grateful communities served by the men and women of the Air Station. I am pleased to enter in today's CONGRESSIONAL RECORD the following words of appreciation from a recent edition of the Cape Cod Times newspaper.

[From the Cape Cod Times, Aug. 30, 2000]

AIR STATION CAPE COD TURNS 30

(By Kevin Dennehy)

AIR STATION CAPE COD—Ed Greiner won't soon forget the week last summer he moved his family to Cape Cod to assume his duty as executive officer at the local Coast Guard installation.

That same weekend, John F. Kennedy Jr.'s airplane dove into the Atlantic Ocean. And within hours, the tragedy sparked one of the largest Coast Guard searches ever undertaken off Cape shores, and a media swarm that enveloped the Upper Cape air station for several days.

But then, it was not that much different than what the Coast Guard does on a regular basis, Greiner says.

"Sure, it was hectic," he said yesterday. "But it was a large version of what we're trained to do, and do everyday."

They've been doing what they do at Air Station Cape Cod since August 1970. Yesterday, the Coast Guard marked its 30th anniversary with a quiet ceremony at one of the station's hangars.

It's been a busy three decades. Since 1970, pilots and crews have responded to more than 9,500 calls—nearly one search-and-rescue mission per day during that time. As of yesterday, they'd saved 3,312 lives and prevented the loss of \$455 million worth of property.

"For recreational boaters and those who use the water to make a living, it adds a measure of safety," Greiner said. "If folks get into trouble, we're always standing ready to assist."

One of the busiest of America's 24 air stations, Air Station Cape Cod started operating when Air Station Salem and Air Detachment Quonset Point, R.I., were consolidated in 1970.

About 400 employees work at the station, including 250 active-duty members.

And with more than 2,000 people—including those from other military branches—living in the nearly 700 units of Coast Guard housing, it's the largest continuous presence on the base.

These days, the Coast Guard uses four Jayhawks and four HU-25 Falcon jets to conduct nearly 300 rescue missions each year.

The Coast Guard also assists in law enforcement and fishing zone enforcement; is involved in drug interdiction; and repairs navigational aids throughout the northern Atlantic.

"It's a great job," said Lt. Bill Bellatty, who flies a HH-60 Jayhawk helicopter at the station. "It's always great when you save lives. It's when it's nasty out that it's terrible. That's when we earn our money."

FIFTIETH BIRTHDAY OF LINDA FAYE SOFFER

HON. JAY DICKEY

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. DICKEY. Mr. Speaker, I want to recognize one of my constituents, Linda Faye Soffer (nee Cook) of White Hall, Arkansas, who will

be celebrating her 50th birthday on October 15, 2000. Linda was born on October 15, 1950 in Memphis, Tennessee to William Allen Cook and Dorothy Annice Cook (nee McGill) of Earle, Arkansas. I want to join Stu Soffer, her husband, in wishing her a Happy Birthday with best wishes for the upcoming year.

HONORING CHRIST LUTHERAN CHURCH FOR ITS 200TH YEAR OF SERVICE

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. GOODLING. Mr. Speaker, I rise today to honor Christ Lutheran Church, Filey's Parish, for its 200th year of service to the Gospel in their community.

Christ Lutheran Church is a small country church in a growing area of Dillsburg, Pennsylvania. It was founded in 1800 by the New German community, and in 1811 a building was erected for worship and it also served as a school. In 1938 Jacob Filey donated the land on which the church is presently located. Today, the congregation is made up of 90 people that attend weekly services. The church houses a daycare, with a nursery school located nearby, named Filey's Nursery School.

I ask my colleagues to join me in recognizing the congregation of the Christ Lutheran Church for their 200th year of outstanding service to the community. I wish them continued strength and unity as their parish continues to grow and thrive.

IN HONOR OF MICHAEL ZONE, MARY ZONE, AND THE ZONE FAMILY

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 28, 2000

Mr. KUCINICH. Mr. Speaker, I rise today to acknowledge the Neighborhood Social Club and Archives' posthumous recognition of former City of Cleveland Councilman Michael Zone and his surviving wife, former City Councilwoman Mary Zone for their contributions to the Italian American neighborhood that is part of the Mount Carmel West neighborhood. The organization will present the Giuseppe T. Focca Award to the Zone family on October 1.

Michael Zone, whose family immigrated from the region of Campania near the City of Caserta, was among the early Italian families to settle in this westside neighborhood. Michael was instrumental in the early development of the current Our Lady of Mount Carmel Church and School and the development of Villa Mercedes, a senior citizen assisted high-rise.

As a councilman, Michael Zone worked hard for the Italian American residents he represented. He helped many gain meaningful employment and assisted them with immigration and government services. He put his constituents first, and demonstrated that public service is a higher calling.