

County. He recently served on the Superintendent's Advisory and Key Communicators Committees for the Fayette County Public Schools. In 1992-93, Brad co-authored COMPEL IV, a Chamber of Commerce study of the Fayette County Public School administration. He has served on the Task Force on Excellence in the Fayette County Schools and is a 1980 and 1990 graduate of Leadership Lexington.

Brad's accomplishments are shared with his wife, Margaret, and his three children: Bo, 20; Ben, 17; and Ann, 14.

Central Kentucky is a better place because of Brad's active involvement in the Lexington community. His commitment to improving the lives of others around him is commendable. Today, Mr. Speaker, I salute and thank Mr. Bradford L. Cowgill for dedication to the Lexington community.

H.R. 3150 "AVIATION SECURITY
ACT"

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 2001

Mr. OWENS. Mr. Speaker, the time to maintain the status quo is over. The attacks of September 11th along with the recent Anthrax scare have left the public frightened and confused over who will ultimately take responsibility. Repeatedly the President has called on the American public to return to business as usual; that can only happen once the House follows the Senate's lead by passing a comprehensive Aviation Security Bill. The eyes of the American public are focused squarely on this chamber. Just recently the American Federation of Government Employees commented "Airport security, is a national defense concern. It should not be the responsibility of profit-driven companies to protect travelers, given the war-like dangers of today's world. For-profit contractors are notorious for "cutting corners" on essential services."

The key to solving our nation's aviation crisis will not simply go away by deputizing airline screeners. The American people demand a common sense approach that will restore consumer confidence by improving airline security. However, the window of opportunity is now beginning to close; now is the time to act responsibly before millions of people choose another form of transportation during the holiday season. To ensure the attacks of September 11th never occur again this House must follow the Senate's lead and pass a comprehensive bill that strengthens employee training and security background checks. We must act now to prevent future tragedies from occurring within our Nation's borders!

Since the September 11th tragedy consumer confidence in the airline industry has virtually disappeared. Nearly every major carrier has announced that thousands of employees will be laid off over the next year. The American people continue to look to us for leadership and guidance during such troubling times. Unfortunately, the Republican leadership has squandered an opportunity to restore consumer confidence and continue the bipar-

tisan effort to stabilize the aviation industry. Mr. Speaker, quite simply H.R. 3150 is a farce, a scam, a way to trick the American people into believing that the Republican leadership truly cares about workers and citizens who depend on the airline industry. Anyone who closely examines the bill will find that the Republican House leadership has chosen to protect airline industry "fat cats" and ignore the voice of the American people.

Rewarding the same private screening companies that have continuously failed to protect the American public is outrageous. The Republican leadership can not pretend to have the interests of the American people in mind when airport baggage companies are poised to make millions of dollars through new contracts. The GOP bill does not mirror the language in the Oberstar amendment which federalizes airport screeners and transfers their day to day oversight from the Transportation Department to the Justice Department. The Democratic alternative takes a stand the Republican leadership refuses to take; we provide strong oversight and place the responsibility for the safety of the American people firmly in the hands of the federal government.

MEDICARE OUTPATIENT COPAY-
MENT REDUCTION ACT OF 2001

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 2001

Mr. STARK. Mr. Speaker, today, I am introducing legislation to reduce the coinsurance amounts that Medicare beneficiaries are required to pay for hospital outpatient services. For most Medicare services, beneficiaries are required to pay 20 percent of the allowed payment amount, and Medicare pays 80 percent. However, for hospital outpatient services, Medicare beneficiaries are required to pay much higher copayments—up to 90 percent for some services.

These higher coinsurance levels are based on an historical artifact of the Medicare method of paying for hospital outpatient services. Prior to implementation of the hospital outpatient prospective payment system (HO-PPS) just last year, Medicare paid for hospital outpatient services based on a hospital's "costs" for those services. However, coinsurance amounts were based on 20 percent of the hospital's "charges" for those services, which were much higher than its "costs". Therefore, over time, coinsurance levels for hospital outpatient services grew until they now average almost 50 percent, and are more than 90 percent for some services.

The Balanced Budget Act (BBA) of 1997, which mandated the implementation of the hospital outpatient prospective payment system, would have reduced coinsurance levels to 20 percent over time; however, the Medicare Payment Advisory Commission (MedPAC) estimated that this reduction would have occurred over 30 to 40 years for most services, and up to 60 years for some services. The Balanced Budget Refinement Act (BBRA) limited the highest coinsurance levels to the dollar amount of the hospital inpatient

deductible in any year (\$792 in 2001); this limit affected coinsurance amounts for about 20 services.

The Beneficiary Improvement and Protection Act (BIPA) of 2000 accelerated the reduction in beneficiary coinsurance levels by reducing coinsurance in increments of 5 percent each year until it reaches 40 percent in 2006. MedPAC estimates that without further legislation, it would take an additional 23 years after 2006 to reduce beneficiary coinsurance levels to 20 percent for all hospital outpatient services. In its March 2001 report to Congress, MedPAC recommended that the Congress continue to reduce beneficiary coinsurance in increments of 5 percent each year to achieve a coinsurance level of 20 percent in 2010.

Mr. Speaker, my bill would implement the MedPAC recommendation. It would reduce beneficiary coinsurance rates in increments of 5 percent each year beginning in 2007 until the coinsurance rate for all hospital outpatient services is 20 percent in 2010.

Mr. Speaker, high coinsurance rates are particularly devastating for Medicare beneficiaries who have no supplemental insurance. MedPAC estimates that in 1998, 14.4 percent of Medicare beneficiaries had no supplemental insurance. Most of those individuals were "near poor"—with incomes too high to qualify for Medicaid or the Qualified Medicare Beneficiary (QMB) program, but with incomes too low to be able to afford supplemental insurance. Thus, almost 6 million Medicare beneficiaries have no supplemental insurance and must pay cost sharing amounts out-of-pocket. MedPAC reports that the number and percentage of Medicare beneficiaries without supplemental insurance grows each year as premiums for such insurance increases, and a recent report by the American Academy of Actuaries estimated that one-fourth of recent increases in Medigap premiums are due to the costs of outpatient coinsurance.

MedPAC also reports that coinsurance amounts are much higher for certain services than others. Those with the highest coinsurance are the "high tech" services, such as radiology services and cancer chemotherapy services. Thus, high coinsurance greatly limits access to these services for "near poor" Medicare beneficiaries, and MedPAC analyses confirm that use of these services is much lower for "near poor" beneficiaries than for beneficiaries with supplemental insurance.

Mr. Speaker, it is wrong to limit Medicare services to the "near poor" simply because they are not poor enough to qualify for Medicaid, nor wealthy enough to be able to purchase supplemental insurance. I urge the Congress to accept the MedPAC recommendation and enact legislation to reduce coinsurance for hospital outpatient services to 20 percent by 2010.

MILWAUKEE KIWANIAN
CELEBRATE 85 YEARS OF SERVICE

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 13, 2001

Mr. KLECZKA. Mr. Speaker, on Wednesday, November 14, 2001, the Kiwanis Club of