

Anselm's college; Marie Kirn, executive director of the New Hampshire Hospice Association.

This is a group that is dedicated to saving our Medicare Program, and they are not interested in political rhetoric. They want results, and that is what the 104th Congress is going to provide.

We heard from three panels: a panel representing doctors and hospital administrators, a hospital representing the State of New Hampshire which has to provide many Medicare and Medicaid services, and last, a panel consisting of seniors, representatives of the AARP and other groups, the United Seniors Association.

This is not an issue that we can afford to bicker about on a partisan basis because, as the President's own trustees' appointments to the Medicare trust fund state,

The Medicare program is clearly unsustainable in its present form and we strongly recommend that the crisis presented by the financial condition of the Medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit provisions, and delivery mechanisms.

That is precisely what my Medicare Preservation Task Force is in the process of addressing, and we heard testimony yesterday from three distinguished panels. We allowed the public half an hour to address the panel with their concerns. In August, we will be putting together a report of recommendations which we will be presenting to the House Ways and Means Committee in September.

This is the way the 104th Congress should go about solving the Medicare crisis that will confront this country, because there is not one person in this body that wants to see 33 million senior citizens lose their benefits in the 21st century.

I am proud of the Medicare Preservation Task Force. I am proud of the 104th Congress for what it has done to bring this problem to the fore and deal with these tough difficult issues. Let us get together and solve this Medicare crisis now and stop the partisan bickering.

On this 30th anniversary of Medicare, let us look to the next 30 years for a program that can be self-sustaining and provide the needed benefits to our seniors that they deserve.

HOUSING CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Massachusetts [Mr. KENNEDY] is recognized during morning business for 2½ minutes.

Mr. KENNEDY of Massachusetts. Mr. Speaker, last week the Committee on Appropriations struck a mortal blow against affordable housing in this country. They were swinging at housing but they hit hundreds of thousands of elderly, disabled households and hundreds of thousands of kids and hundreds of thousands of homeless people.

Overall, their bill would cut the housing budget of this country by over 23 percent.

The Republicans are ensuring that public housing dies a slow death by cutting the funds it needs to do the routine maintenance on a day-to-day basis and then slashing by one-third the funding needed to modernize decaying buildings.

The bill kills the drug elimination grants programs, despite its outstanding success over the past few years, and the bill imposes a new minimum rents that force people living in public and assisted housing out of their homes, including elderly living on fixed incomes, many of whom will have to pay 12 to 16 percent more of their incomes toward rent. It means a thousand-dollar-a-year rent increases to most of the elderly receiving assisted housing in this country. And then to really rub salt in their wounds, it cuts the homeless budget in half.

The fact is, the vast majority of public housing authorities are well run in this country, providing safe, decent, and affordable housing to hundreds of thousands of poor people in our Nation. Yet, we see politicians that want to run out in front of some gutted old abandoned decrepit housing and make the Americans believe that that is all public housing.

There are 3,400 public housing authorities in America, only 100 of which are poorly run. There are bad housing projects and we ought to get rid of them, and we ought to get rid of the bad housing authorities, but we ought not to throw out the baby with the bath water and pretend that every single unit of public housing is these decrepit housing photo ops that we see politicians running out and taking their pictures in front of these days.

Let us stand up for the poor. Let us not abandon this country's commitment to making certain that we have a fundamental safety net in America. People look around and they see homeless people on the streets and they are outraged. The only reason we have homelessness is because we do not build affordable housing for the most vulnerable people in this country, and coming in here and wholesale just cutting out the housing budget by 23 percent makes no sense.

Let us make certain that we come at this problem and deal with it. But we are throwing away some of the most important housing in the country without looking at what makes the cheapest housing for the most amount of people.

Let us look at the problem. Let us solve it, but let us not throw it out in order to make a nice, quick fancy speech that will hurt a lot of people and will not help our country.

A MESSAGE FROM THE PUBLIC TRUSTEES ON MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May

12, 1995, the gentleman from Ohio [Mr. HOKE] is recognized during morning business for 5 minutes.

Mr. HOKE. Mr. Speaker, I want to talk about a report that has been issued by the Social Security and Medicare Board of Trustees. It is labeled, "The Status of the Social Security and Medicare Programs: A Summary of the 1995 Annual Reports."

I really want to urge, Mr. Speaker, people who are watching this on C-SPAN, every single American, regardless of whether you are a senior citizen, if you are a citizen of this country, and particularly if you are paying taxes or you are a recipient of Social Security or Medicare, you should get a copy of this report.

This report is like a summary of an annual report. It is like the summary of an annual report that a shareholder would get in a company that he or she owns shares in. Only in this case, this is the summary of the annual report for American citizens about their own government, and specifically how four trust funds are being handled and what their financial health is at this point of time.

I am going to give a phone number, too, because I really urge you very strongly to call your Representative and get a copy of this. I do not think that anybody can truly understand or assess or have a very clear picture of what is going on with Medicare if you have not read this.

It is very clear. It is well written. It is thoughtfully done. I am going to read some things from it. 202-224-3121. That is the switchboard number at the Capitol. 202-224-3121. Call it up, ask for your Representative and ask for this. It is a status of the Social Security and Medicare programs. It is a summary of the 1995 annual reports, and they will have a copy of it at their office. They will send it to you or they can clearly get a copy.

This is a report that was created by the Medicare trustees, and they include Mr. Rubin, who is the Secretary of the Treasury, Mr. Reich, who is the Secretary of Labor, Ms. Shalala, who is the Secretary of HHS, and then a woman named Shirley Chater, who is the Commissioner of Social Security, and two private trustees, David Walker and Stanford Ross.

They are charged with the responsibility of reporting to the Congress, to the President, and to you more than anybody else, Mr. speaker, to the American people, to the public, about the status of these trust funds.

I want to just read a couple of things that are more in a summary nature, and again encourage you to get your own copy of this because it just lays the whole thing out.

It talks about the Social Security trust fund and also the disability insurance trust fund, but the one I want to concentrate on is the Medicare trust fund. What it says is, the Medicare

trust fund, which pays inpatient hospital expenses, will be able to pay benefits for only about 7 years and is severely out of financial balance in the long range.

The trustees urge the Congress to take additional actions designed to control Medicare costs, and to address the projected financial imbalance in both the short range and the long range through specific program legislation as part of a broad-based health care reform. The trustees believe that prompt, effective and decisive action is necessary.

And then it shows what the assets of the various funds are. It talks about the taxes. We spend 1.45 percent of our payroll, both that is matched by the employer that is paid for by the employee, for a total of 2.9 percent. That is what pays for the Medicare trust fund. It shows where the money has been in the past and what it is projected to be in the future.

I want to read one other summary that is at the very end of it because I think it is important. I think it is critical. It says, "A Message From the Trustees." This is the fifth set of trust fund reports on which we have reported.

During the past five years there has been a trend of deterioration in the long-range financial condition of the Social Security and Medicare programs and an acceleration in the projected dates of exhaustion in the related trust funds.

With respect to the Medicare Program, the most critical issue, however, relates to the Medicare Program. Both the hospital insurance trust fund and the supplementary medical insurance trust fund show alarming financial results, and it goes on to describe those.

Now, get a copy of this. Read it through yourself so you can cut through some of the rhetoric you hear if you are a regular C-SPAN viewer or that you see in the media. There is a serious problem, and it is our responsibility as your elected officials to deal with it.

This problem did not just come to light in the 104th Congress. The problem has been around for awhile. We certainly knew about it in the 103d Congress, and the reason that we were not able to solve something is that the President and the Democratic majority at that time wanted to bring about a solution that was not very popular with the American people.

I had so much more I wanted to tell you about. The solutions that we are proposing, I will pursue this later in a special order.

HOUSING CUTS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from New York [Mrs. MALONEY] is recognized during morning business for 2 minutes.

Mrs. MALONEY. Mr. Speaker, the HUD appropriations bill that is coming before the House takes a giant step

backward. The cuts will have a devastating impact on many regions of the country, including New York City, which I represent.

New York has a chronic problem in providing affordable housing. Section 8 public housing and other programs make the difference for many poor families. The New York City Housing Authority stopped accepting applications for section 8 in 1944. We have over 200,000 families on the waiting list. If this bill passes, we will have no housing for them in the foreseeable future.

New York's housing crisis and the crisis across the country will only grow worse. This bill will eliminate all new section 8 assistance. It will reduce funding for the elderly, the disabled, and AIDS by 45 percent. It will reduce funding for the homeless by 50 percent. This is about ensuring that all Americans have access to one of the most basic necessities of life: shelter.

In this country where we should be the beacon of progress for the rights of all, bills like this one show that we have become part of the darker side of the politics in the world. We cannot let this happen. We can reverse it.

STOP WASTING MEDICARE FUNDS

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Florida [Mr. STEARNS] is recognized during morning business for 5 minutes.

Mr. STEARNS. Mr. Speaker, I do not think many Members know how many more cases of fraud, waste, and abuse have come before our Committee on Commerce. According to the General Accounting Office, the amount of taxpayers' dollars that will be lost to waste, fraud, and abuse for fiscal year 1996 is estimated to be an astounding \$19.8 billion, or roughly 10 percent.

In hearings held in both the House and Senate, evidence was presented showing how widespread these practices have become. The Committee on Commerce on which I sit has been holding a series of hearings on waste, fraud, and abuse; and frankly, some of the examples that we have discovered are simply unbelievable.

One such example was transmitted to me by Willis Publishing Co. in Lebanon, GA. I was provided with documented evidence of licensed providers of goods and services marking up their products by as much as a thousand percent. That is right. You heard me correctly. A thousand percent.

You might ask, how is this possible? A good example is billing of Medicare-Medicaid \$1,210.55 for 155 adult diapers which on a wholesale level cost 41 cents. Tripling the wholesale cost, a great markup, would have resulted in a price of \$1.23 each.

The licensed Medicare provider billed Medicare for \$1,210.55, collected \$986.44, and then had the nerve to bill Medicaid for the remaining \$242.11. U.S. taxpayers paid \$7.81 for each one of these diapers which went on wholesale for 41 cents each.

I will include the material I received from Willis Publishing in the RECORD.

Another very telling example of that further demonstrates that this type of abuse, but on a larger scale, was reported during the hearings held before the Senate Select Committee on Aging this past March.

At those hearings, the inspector general at the Department of Health and Human Services testified that a special investigation of home health care visits for which Medicare reimbursement was sought by a health care agency in Florida showed that from the \$45.4 million that was claimed, the office of inspector general estimated that almost \$26 million did not meet Medicare reimbursement guidelines.

This is just one agency in the State of Florida covering home health visits. Frankly, I shudder to think what the IG's office would find if it investigated all 50 States.

I would like to convey yet another example that was sent to my office by a constituent from Altoona, FL. This letter read, in part, "The hospital charges seemed to me to be excessive. One in particular in the amount of \$195 was for trimming my toenails. My only comment to that would be, that is a pretty expensive pedicure."

Mr. Speaker, it doesn't take a math genius to figure out how much money we could save by wiping out waste, fraud, and abuse in the Medicare Program. By my calculations, if, as has been reported by the GAO, such practices of bilking Medicare at the cost of \$20 billion a year are now prevalent, then by putting a stop to this type of fraudulent behavior we could save \$140 billion in expenditures over the next 7 years.

Mr. Speaker, earlier this year I introduced legislation to establish a bipartisan commission on the future of Medicare to make findings and issue recommendations on the future of this program. One of the areas on which the commission shall make specific findings is the need to eliminate waste, fraud, and abuse.

We are doing a vast disservice to our seniors if we do not stop this type of abuse from occurring. Such practice not only costs taxpayers money, but it cheats our seniors by denying them access to benefits they would have otherwise received.

Mr. Speaker, I include the following material for the RECORD:

WILLIS PUBLISHING,
Lebanon, GA, July 13, 1995.
c/o Representative CLIFF STEARNS,
Rayburn Building,
Washington, DC.

MS. CROW: Here is the question I'd like someone to answer during your congressional hearings on fraud and abuse in the Medicare/Medicaid system:

"How are prices set for the goods and services sold to Medicare/Medicaid recipients and who approves those prices?"

It is my belief, based on 2 years research, that there is corruption in every step of the Medicare/Medicaid delivery system. Per our conversation today, here is a synopsis of my findings: