CONFERENCE REPORT ON H.R. 3103, HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

SPEECH OF

HON. KEN BENTSEN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

Mr. BENTSEN. Mr. Speaker, I rise in strong support of this health insurance reform conference report. I am pleased that Congress has put aside partisan politics and found agreement on these commonsense steps that will help millions of people to buy and keep health insurance.

This legislation is exactly the kind of assistance the American people want and need from Congress to address the challenges they face in their daily lives.

It will help employees who change or lose jobs to continue to buy health insurance for themselves and their families. It will help people with preexisting health conditions—those are most likely to need health care—to buy insurance. It will help self-employed people to buy health insurance by increasing the tax deduction for the self-employed from 30 to 80 percent. And it will help senior citizens and others needing long-term care to afford these very expensive services by providing necessary tax relief.

These modest reforms will give peace of mind to millions of families without imposing new costs on businesses and government and without adding to the bureaucracy. This is an example of what Congress can do when we put common sense and the public interest first.

As a sponsor of the Democratic version of this legislation, I am pleased that the conference agreement closely reflects the priorities that we offered earlier this year. It focuses on reforms that do have broad, bipartisan support and that will make an immediate, positive difference for millions of people and it takes a responsible, slower approach to testing new approaches such as medical savings accounts. I applaud those who developed the compromise on MSA's and their willingness not to let this controversy hold up other provisions in this legislation.

I want to highlight several provisions of this conference report.

This conference report will increase the tax deduction for the health insurance for the self-employed from 30 to 80 percent, a critical provision in the Democratic substitute that affords the same treatment to the self-employed as we do to corporations. For many self-employed people, this tax deduction will make health insurance more affordable and cost-effective.

The conference report prohibits discrimination against people with preexisting health conditions and guarantees that workers can keep their health insurance if they change or lose their jobs. No longer will Americans fear losing their insurance due to a medical condition such as diabetes or breast cancer. Health insurance companies would be prohibited from excluding coverage of a preexisting condition for more than 12 months. This 12-month period would be reduced by the time period for which the individual was covered under a previous group-based plan. For individuals who lose their jobs, health insurance companies would be required to offer the choice of two plans. To protect individuals, these plans would have to be priced at a level similar to other popular individual plans.

This conference agreement requires the renewal of health insurance coverage for those Americans who pay their premiums. This consumer protection will ensure that families can continue to keep their health insurance as long as they continue to pay premiums for this coverage.

This conference report also provides new incentives for Americans to provide for their long-term care. With the average cost of $40,000 per person for long-term care services, it is critical that we provide relief for American families. This legislation allows taxpayers to deduct qualified long-term care expenses, including premiums for long-term-care insurance, as an itemized medical deduction. This legislation also permits terminally ill and chronically ill patients to receive their life insurance benefits prior to death without paying taxes on such benefits. Both of the tax provisions should help American families to deal with the costs of medical treatments.

The conference legislation includes provisions to discourage fraud. I strongly believe we should not tolerate fraud and abuse in our medical system. This section ensures that medical professionals who commit fraud will be prosecuted for these acts, without imposing unnecessary burdens on medical providers.

Mr. Speaker, I urge approval of this commonsense, bipartisan, and long-overdue legislation.

ENGLISH LANGUAGE EMPOWERMENT ACT OF 1996

SPEECH OF

HON. CARDISS COLLINS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, August 1, 1996

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 123) to amend title 4, United States Code, to declare English as the official language of the Government of the United States:

Mrs. COLLINS of Illinois. Mr. Chairman, the Gingrich Republicans have now apparently adopted the carrot and the stick concept of legislative strategy and behavior. The Gingrich Republicans would rather wield the stick at people who are different and punish them because they are non-English speaking. The stick: read like me, talk like me, or don't try to be like me—successful, confident, self-sufficient. Not a carrot, learn the English language as well as your native language, then you can be more economically competitively because I don't speak your language. Republican stick: I don't want to compete with you on a level playing field and I am in control, so I will make a rule that says you will not ever have a chance to catch up with me.

As if the major political parties of America needed any further demonstration of their differences, H.R. 123 is another prime example from its intend to its description. The Gingrich Republicans labeled it the English Language Empowerment Act, but to the Democrats it is the English-only bill. When we look at the differences in the political parties, this can be another prime example of the arrogant, elitist demeanor of the Gingrich Republicans who do not subscribe to the basic principles of polite society and guaranteed under the U.S. Constitution that we don't all have to be the same to be acceptable.

I support programs to assist immigrants and other non-English-speaking persons to learn the English language. Furthermore, I believe it is important that our Government provide these individuals every opportunity to achieve this goal. However, at the same time, we must remain respectful of the traditions and cultures of those who came to America in search of safety, economic opportunity, a new life. No law should ever be passed which states, or even implies, that immigrants to the United States must give up their native language or traditions. It is, in fact, the intermingling of such diverse peoples which has made our country so great and this must be remembered. I am one of the fortunate Members who is privileged in representing a district that is diverse with a multi-ethnic and multi-lingual constituency. We celebrate our diversity in all things and oppose any efforts to impose a one-size-fits-all mentality for language.

One example of the ill-conceived results of this bill would be to discontinue bilingual ballots. As the cultural makeup of our Nation continually changes, so too must the Government adapt to most effectively serve the needs of all its citizens. In 1992, when Congress passed the Voting Rights Improvement Act authorizing bilingual registration forms and ballots to communities with bilingual populations, there were over 88,000 people in Cook County, IL, who had not previously been able to vote because they were not fluent in the English language. One of the most fundamental rights that we Americans are guaranteed under the U.S. Constitution is the right to vote.

Voting, justice, education, economics, and safety are just some of the areas where language should not be a barrier to access or equality. This bill, in attempting to discriminate against non-English-speaking persons, begins an unfortunate precedent.

I urge my colleagues to defeat this legislation.

PREVENT TEEN PREGNANCY

HON. EVA M. CLAYTON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. CLAYTON. Mr. Speaker, I am pleased that we have established a congressional advisory panel to the National Campaign to Prevent Teen Pregnancy. This bipartisan, multiidealogical panel is an important step. During the 104th Congress, I have spoken out often and devoted more time and energy to teen pregnancy prevention.

The ''Kids Having Kids'' report recently released by the Robinhood Foundation gives the alarming costs and consequences of teenage childbearing. It shows that teenage childbearing costs U.S. taxpayers a staggering $6.9 billion per year and the cost to the Nation in lost productivity rises to as much as $29 billion annually. The consequences to the families and the children of these teen parents in health, social, and economic development are devastating.

Let me just list a few of the report's findings about children born to teenage mothers:

They are more likely to be born prematurely and 50 percent more likely to be born low birthweight than if their mothers had waited 4 years to bear them.

They are twice as likely to be abused or neglected.

They are 50 percent more likely to repeat a grade and perform significantly worse on cognitive development tests.

The girls born to adolescent moms are up to 83 percent more likely to become teenage moms themselves.

The sons of adolescent mothers are up to 2.7 times more likely to land in prison than their counterparts in the comparison group. By extension, adolescent childbearing in and of itself costs taxpayers roughly $1 billion each year to build and maintain prisons for the sons of young mothers.

''Kids Having Kids'' is the most comprehensive report done on the costs and consequences of teenage pregnancy to parents, children, and society. This groundbreaking report graphically illustrates this financial loss in terms of social and economic costs to our Nation.

I commend this report to all of my colleagues as essential reading.

Yesterday, the House passed the welfare reform conference agreement, with the Senate expected to vote on it today. This welfare reform legislation will then be signed into law by the President. However, we should realize that this alone will not prevent or drastically reduce teenage pregnancy. A far more expansive effort will be required to motivate and encourage young people to take positive development options rather than the negative options that result in teen pregnancy.

We, in the House, missed an opportunity to make a statement about teen pregnancy prevention and to provide funding for the $30 million Teen Pregnancy Prevention Initiative requested in the Labor, Health and Human Services and Education appropriations bill. Thirty million dollars is less than one-half of 1 percent of the 6.9 billion tax dollars per year spent on teenagers once they become pregnant and give birth.

Each year approximately 1 million teenagers become pregnant. Once a teenager becomes pregnant there simply is no good solution to the problem. The best solution is to prevent the pregnancy in the first place.

Teenage pregnancy is a condition that can be prevented. It is critical that this Nation take a clear stand against teenage pregnancy. Devoting more energy, resources, and funding to preventing teen pregnancy will not only save us money in the long run, but it will also improve the health, education and economic opportunities of our Nation's youth.

The situation is urgent. I encourage other House Members and Senators and all Americans to unite in a sustained, comprehensive effort to prevent teen pregnancy.

MANDATORY ARBITRATION VIOLATES CIVIL RIGHTS

HON. PATRICIA SCHROEDER
OF COLORADO
IN THE HOUSE OF REPRESENTATIVES

Friday, August 2, 1996

Mrs. SCHROEDER. Mr. Speaker, many employers are forcing their employees to relinquish their civil rights by requiring them to sign contracts mandating arbitration under the employers' terms.

This past week, the New York Times told about another victim of mandatory arbitration—a woman named Michele Peacock.

As the July 28 article points out, Ms. Peacock's sexual harassment case against Great Western Mortgage Corporation was compelling, but she will probably never be able to take her case to court because her company required her to agree, as a condition of her employment, to mandatory arbitration under terms that were highly advantageous to her employer. I ask that this article be included in the RECORD.

Members of this body have the opportunity to ensure that employees don't sign away their civil rights at the corporate door by cosponsoring a bill introduced by myself and Mr. MARKEY, the Civil Rights Procedures Protection Act, H.R. 3748.

H.R. 3748 would prevent the involuntary application of arbitration to claims that arise from unlawful employment discrimination. It would amend seven federal statutes to make it clear that the powers and procedures provided under those laws are the exclusive ones that apply when a case arises.

This bill would also invalidate existing agreements between employers and employees that require employment discrimination claims be submitted to mandatory, binding arbitration, while allowing employees who want to resolve their claim under arbitration to elect to do so voluntarily.

I urge Members to support this bill.

[From the New York Times, July 28, 1996]

WORKERS WHO SIGN AWAY A DAY IN COURT

(By Roy Furchgott)

When Michele Peacock left the Great Western Mortgage Corporation in January 1996, she and her lawyers thought they had an ironclad sexual harassment suit, one rife with examples of on-the-job innuendo. At an Atlantic City convention, she said, one executive tried to maneuver her into bed as a chance ''to get to know you better.'' Ms. Peacock sued. ''I wanted my trial by jury,'' she said. ''There is no doubt in my mind that I would win. None.''

But like an increasing number of American workers, she will probably never have her day in court. When Ms. Peacock, 31, joined Great Western she was required to sign a contract that mandated that any dispute with the company would be settled through binding arbitration. The human resources manual contained the rules for arbitration: the company would pick the arbitrator, whose fees would largely be paid by Great Western; Ms. Peacock could not win punitive damages or recover lawyers' fees; her lawyers could not question opponents and she would get no documents before the hearing. Ms. Peacock is now suing for the right to take her case to court. Tim McGarry, a spokesman for Great Western, said the company did not comment on pending litigation.

Ms. Peacock is not alone. Employers increasingly use employment contracts not only for traditional purposes—protecting trade secrets and limiting competition from former employees—but to be able to dismiss employees without being sued and to insulate themselves from discrimination suits. A poll commissioned in 1995 by Robert Half International, a headhunting firm, found that 30 percent of United States companies with 20 or more employees planned to increase their use of employment contracts, compared with 17 percent that said they would decrease the use of the contracts.

These contracts for lower-level workers are a far cry from what ''employment contract'' often brings to mind when applied to top executives—million-dollar bonuses and golden parachute severance agreements. ''People are signing away their right to take their claims to Federal court, and they are signing away their right not to be discriminated against,'' said Ellen J. Vargyas, a lawyer for the Equal Employment Opportunity Commission.

Employers counter that employees have abused rights granted under a 1991 amendment to the Civil Rights Act of 1964. The law, called Title VII, provides for jury trials and allows punitive damages in discrimination cases. But dismissed workers, employers say, often claim sex, age, race and religious discrimination unfairly.

''An employee who loses a job just has to find one of those cubbyholes to fit their claim in,'' said John Robinson, the chairman of the American Bar Association's Employment and Labor Relations Litigation Committee in Tampa, Fla. ''Everyone is a protected something. Even a white male can claim reverse discrimination.''

Employers says that without mandating arbitration, employees would choose jury trials, which are expensive for both parties. ''Arbitration brings the recurring costs of discovery and appeals under control,'' said Mr. McGarry of Great Western. He also said arbitration ''levels the playing field.''

''A company with vast resources can't wear down an opponent with fewer resources,'' he said.

Lawyers say courts have been blurring distinctions between ''at will'' employees, who can be dismissed without being told a reason, and ''just cause'' employees, who can be let go only for poor work or misconduct. ''What's changed is courts in several states find bland statements in handbooks, comments on growing up together and making lots of money in the future, two good reviews and a comment at the company Christmas party'' and accept these as a contract, said William F. Highberger, a lawyer at Gibson, Dunn & Crutcher, which often represents employers.

Such contracts were born in the securities industry, which has long required all employees to sign an arbitration agreement. This practice has withstood several attacks in court, forcing employees into arbitration, where they frequently fare less well than before a jury.

Paul De Nisco of Staten Island is a former trader for Merrill Lynch who signed a mandatory arbitration agreement in 1990. He wanted to sue his employer for age discrimination in 1991 when, at 48, despite years of good employee reviews, he was dismissed during what Merrill Lynch said was a reorganization of Mr. De Nisco's department. In 1995, Mr. De Nisco went into arbitration with what he thought was a strong piece of evidence: a page of notes written in 1992 by a 30-year-old manager.

Nancy Smith of West Orange, N.J., one of Mr. De Nisco's lawyers, said the page was notes taken from a conversation the manager had with Mr. De Nisco's equally young boss. She said the note showed that the manager had been directed to hire someone ''our age—male'' for another department and showed a predisposition of the company to hire young workers.

Timothy Gilles, a spokesman for Merrill Lynch, said on Thursday, ''These notes do not indicate any discriminatory intent or conduct at Merrill Lynch, and the claimant did not attempt to present any evidence to the contrary.''

Arbitrators denied Mr. De Nisco's claim.

''I wrote a letter asking the arbitrators for their rationale,'' Mr. De Nisco said. ''They