

I had never run against TRENT LOTT for anything before. In the conference he spoke in a very precise, clear way.

We were asked in the news conference about the election. I mentioned that I started off in this campaign with a small base of support, and during the campaign it got smaller. That was because of the proven leadership ability of TRENT LOTT and his obviously excellent qualifications for this job.

I am confident that he will be a great success as majority leader. And I am honored to work with him.

Mr. WELLSTONE addressed the Chair.

Mr. THURMOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I would be pleased to defer to the Senator from South Carolina. I ask unanimous consent that I follow the Senator from South Carolina.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from South Carolina.

Mr. THURMOND. Mr. President, I rise to congratulate Senator TRENT LOTT upon becoming the majority leader of the U.S. Senate. He is a man of integrity, ability, and dedication, and, in my opinion, will make one of the finest majority leaders that this country has ever had. I believe as time goes by that people will see the wisdom of this man being elected. We are proud of him. We are proud of the State he comes from, the leadership it has produced. We predict great things to happen during the term of Senator LOTT as majority leader.

#### COMMENDING SENATOR THAD COCHRAN

Mr. THURMOND. Mr. President, while I am talking, I also commend the other Senator from Mississippi, the able Senator THAD COCHRAN of Mississippi, for the great service he has rendered to his State and Nation. He has been steadfast and sound in his positions, and he has ably represented his constituents. We are proud of him and congratulate him on his accomplishments throughout his entire career.

Thank you, Mr. President.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

#### THE SENATORS FROM MISSISSIPPI

Mr. WELLSTONE. Mr. President, I actually came to the floor to speak about another issue, but I do want to, first of all, congratulate Senator LOTT and Senator COCHRAN. I cannot pledge to my friend from Mississippi my wholehearted political support, but I certainly can pledge my personal support.

I wish you well, Senator LOTT. And Senator COCHRAN, I do not think there is anybody that at least I have had a chance to meet on the floor of the Sen-

ate, that is more honorable and more personable. When Senator COCHRAN talks about civility and when he talks about good politics, of bringing people together, he epitomizes that. I mean that very sincerely.

#### MENTAL HEALTH AMENDMENT

Mr. WELLSTONE. Mr. President, I rise to talk about what I hope will be a bipartisan approach, but I speak with a considerable amount of concern. I have worked very closely with my colleague from New Mexico, Senator DOMENICI, a Republican, and very closely with my colleague from Wyoming, Senator SIMPSON, on a mental health amendment to the insurance reform bill.

That amendment passed, Mr. President, by a 68-to-30 vote. What that amendment said was that as we look at insurance reform, we do not mandate benefits, but once plans are put into motion, and once there is an agreement about a particular plan for employees or for citizens, this ought not to be discrimination against people who are struggling with mental illness, illness that is diagnosable and treatable. That amendment passed by a 68-to-30 vote.

What we were simply saying is, for gosh sakes, do not put people in a position where they cannot work because they will not get the coverage, and they have to be on medical assistance. Do not put people in a position where they could do well in school, but they cannot do well in school. Do not put people in a position where they are homeless, and they should not be homeless. Do not put people in a position where they wind up incarcerated, where that is not where they should be.

Mr. President, we had strong bipartisan support. It then went to what will, hopefully, be a conference committee. It is with profound disappointment and some indignation that I say on the floor of the Senate that what has now happened on the part of my Republican colleagues on the House side is they have essentially knocked out the whole amendment.

Mr. President, working with Senator DOMENICI, Senator SIMPSON, people like Senator CONRAD, we came up with a pared-down formulation that said at least for lifetime limits, at least for annual limits, have the same caps as for physical illness, so that people who are struggling with mental illness are not put under economically, so that people can receive the care that they need. We should end this discrimination.

This particular compromise would cost, according to CBO, 0.2 of a 1-percent increase. That is it. Mr. President, there is no good policy reason, I say to my colleagues on the floor of the Senate today, there is no good policy reason why this compromise that we presented to members of the conference committee on the House Republican side should not have been accepted. It is fair. It is equitable. It economically

makes sense. It is just. It is the right thing to do. There is not one single article that can be made against it. Not one single argument that can be made against it.

Now what we hear on the House side from Republicans is that what we will get is a commission to study the problem. Senator DOMENICI does not consider that acceptable. I do not consider that acceptable. Senator SIMPSON does not consider that acceptable. That is not even the point. It is not acceptable for families all across this country who thought we were going to finally end this discrimination.

Mr. President, there will be a press conference this afternoon at 2 o'clock. A lot of the families, men and women and children who are struggling with mental illness, will be there. Several of us will be there. I think what they will say is they are going to visit with every member of that conference committee on the House side, Republican and Democrat alike. They are going to visit, I say to my good colleague from Mississippi, Senator LOTT, they are going to visit with leadership, and they are going to say to leaders and they are going to say to Democrats and Republicans alike: "Tell us why it is still not time to end the discrimination. Tell us why you are unwilling to end this discrimination against our children, against our wives, against our husbands. Tell us when it is not time to end discrimination."

Mr. President, I say to my colleague from Mississippi, if I could get his attention, I want to mention this afternoon at 2 o'clock we will have a press conference with some wonderful families who have been struggling with mental illness. You know Senator DOMENICI cares so much about this. They are going to meet with leadership and say, "Look, the formulation that we now came up with," not the commission, "at least should not have arbitrary caps on lifetime and annual limits, costs 0.2 of 1 percent." It helps end the discrimination. Please do not shut our families out.

I hope you will give them your utmost consideration.

The PRESIDING OFFICER. The Senator from Maine.

#### CONGRATULATIONS TO SENATOR LOTT

Mr. COHEN. Mr. President, let me first add my congratulations to the new majority leader. I think that TRENT LOTT will do an outstanding job and one that will certainly make our party proud, but the country proud as well. I was pleased to have his colleague, THAD COCHRAN, with whom we both entered Congress, stand up in a true southern fashion, extend his warmest wishes and willingness to work with you. It will be a great team from Mississippi and for the rest of the country. I add my accolades to you, Mr. Leader.

## HEALTH CARE FRAUD AND ABUSE

Mr. COHEN. I want to take a few moments to talk about something that is of great importance to me. As is so often the case in Washington, misinformation is flying about the effects of legislation being considered in Congress. It is customary in this country and in this Congress, to have, just as we are negotiating the last-minute details to legislation, some interest group come forward, place a provocative ad in the newspaper, and try to destroy that legislation.

I am referring to the fraud and abuse provisions in the Kennedy-Kassebaum health care legislation that is now in the final stages of a conference. Recently, the American Medical Association placed a full-page ad in the Wall Street Journal. The ads are slick and very clever—it shows a doctor, with a stethoscope hanging down, in the “docks.” It says, “We (the AMA) are opposed to fraud and abuse. We know it is a serious problem, but if doctors willfully and knowingly violate our Nation’s laws, they should be punished.”

Mr. President, this is precisely what the legislation does. Then the ad goes on to say, “But honest mistakes should not make physicians or any other citizens candidates for incarceration.” We agree.

This legislation has been worked on for the past 3 years. As a matter of fact, this particular ad is not only misleading, it is false. It is absolutely false advertising that the AMA has engaged in, along with other physician groups who have written articles.

To distort the intent and scope of the provisions in this fashion minimizes the very real threat that fraud poses to our health care system and, indeed, to the solvency of Medicare. Medicare trustees have said the trust fund is going broke—not in 6 years—but in 5 years. One of the reasons it is going broke is because so much fraud and abuse is being perpetrated on the American people. As we are asking Medicare beneficiaries and honest providers to share the burden of changes to arrest the growth of Medicare, it is our duty to do all we can to get the waste, fraud, and abuse out of the program.

According to the General Accounting Office, we are now losing as much as \$100 billion from fraud and abuse every year. The losses to Federal health care programs, such as Medicare, Medicaid, and CHAMPUS, is about \$40 billion or 40 percent of the total.

Mr. President, it is a grand scale of theft that is taking place. We have heard testimony that organized crime has moved into health care fraud. We have heard testimony that drug dealers have moved into health care fraud because there is more money and it is easier for them to perpetrate this crime rather than trying to sell drugs with the FBI breathing down their neck. As Willie Sutton said, “that’s where the money is.”

Let me give you a couple of examples that have come to my attention. I have

had hearing after hearing on this subject matter. Seven months ago, a physician testified before the Senate about his involvement in a clinic scam in Los Angeles. The physician participated in a scheme that involved phony prescriptions, paid patients, and resulted in losses over \$800,000 to the Medicaid Program.

In another case, the owner of a home health care company built a beautiful \$2.5 million mansion with money he made from phony Medicare billings.

A New York physician defrauded the Medicaid Program of more than \$1.5 million by fraudulently charging for 25,000 drug treatments never given to recipients.

We have even heard of a case where a psychiatrist billed for 50,000 phantom therapy sessions never given to patients.

That is just a small sample of what we are trying to deal with today. And that is why we passed this important legislation by overwhelming numbers in this body.

The health care fraud provisions now being considered by the Senate and House conference committee do address this problem in a reasonable, measured manner that does not infringe on personal liberties nor penalize innocent mistakes. The bill closes loopholes in current law and provides criminal penalties for a defined set of serious and egregious violations such as embezzlement. The fraud and abuse provisions substantially mirror existing fraud statutes and are designed to give enforcement more precise tools to protect consumers against fraud and abuse. Contrary to claims that the bill will unleash an army of intrusive investigators trying to entrap innocent doctors, the proposal simply provides adequate resources for prosecutors and investigators, long strapped by budget cuts and under staffing to go after serious patterns and cases of abuse.

The AMA’s claim that “honest mistakes” of doctors or any other citizens makes them “candidates for incarceration” is simply false. Far from going after honest mistakes, the criminal sanctions will be used to prosecute egregious, intentional acts of fraud against health plans.

Mr. President, the final thrust of the attack ads that are being leveled against this legislation is that this is Clinton’s health care plan revisited. That, too, is absolutely false. This legislation was developed in response to the recommendations put forth by a task force put together by President Bush, which was headed by a Justice Department that was dominated at the top level by President Bush appointees. It has been endorsed by Bob Dole, our former majority leader, and virtually everybody in our leadership for many years. These provisions have passed twice before during this Republican-controlled Congress and have been the subject of numerous hearings in both the Senate and House. The notion that somehow this is Clinton II slipping

through the cracks at the last moment is completely false.

We have to deal with health care fraud in a direct and responsible fashion. The legislation we passed by an overwhelming majority in this body, unanimously, as I recall, deserves not to be undercut by false and misleading advertising. I hope my colleagues reject these kinds of last-minute scare tactics which the AMA and others are engaged in. The only ones to gain from failing to pass this antifraud package are those who are intentionally ripping off the system. All the rest of us are the big losers—the vast majority of honest health care providers, taxpayers, and families who are footing the bill for the fraudulent providers in the form of higher taxes and health care costs.

Mrs. FEINSTEIN addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

(The remarks of Mrs. FEINSTEIN pertaining to the introduction of S. 1865 are located in today’s RECORD under “Statements on Introduced Bills and Joint Resolutions.”)

Mrs. FEINSTEIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. FEINSTEIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRATULATING THE NEW  
MAJORITY LEADER

Mrs. FEINSTEIN. Mr. President, I see that the new majority leader has entered the Senate. I personally want to extend to him my very sincere congratulations on his election. As he knows, we have had occasion to work together on one bill, and it was ill-fated. It was a postponement of the base closure process. As I recall, we got 16 votes. However, with your election, I look forward to occasions where we will have a majority of votes. I congratulate the Senator. I know he will do just fine.

Mr. LOTT. Mr. President, I want to thank the distinguished Senator from California for her comments. I look forward to working with her. I remember that occasion very well. I think one of the reasons we did not get more than 16 votes is the Members could not figure out what the two of us were doing working together. I think they have since realized that is going to happen more than just once or twice. I look forward to working with the Senator for the good of our respective States and our country.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.