some of our mutual concerns in this area. Senator HARKIN and I have long been champions of anti-fraud measures and pro-competitive measures, sometimes to the consternation of health care suppliers and providers.

Senator HARKIN was right yesterday when he spoke strongly about Medicare's need to begin negotiating for the best deal on supplies and equipment, like other Federal agencies have done. It makes no sense that Medicare—the largest single purchaser of health care services in the country—has to follow a price list set out in seven pages of statute rather than relying on competition.

Our efforts in this area have been bipartisan. Just last week in the Senate Finance Committee, I, along with Senator NICKLES, sponsored an amendment to give the Health Care Financing Administration the authority to institute competitive bidding for part B services. My colleagues on the Committee stood with me as we unanimously adopted this proposal. It is my sincere hope that my House colleagues will follow suit.

Implementation of competitive bidding is one way in which Congress can show that we have finally gotten serious about preserving the integrity of Medicare.

Another way is to begin a serious crackdown on fraud in not only Medicare, but Medicaid. Congress simply cannot be taken seriously when it asks for sacrifice if we are not willing to push as hard as we can to prevent people from ripping off the system.

Let me give you some brief examples of the rampant problems we face in this area:

In 1993, in my home town of Miami Lakes, FL, the Office of the Inspector General reviewed 100 claims for Medicare reimbursement by a home health agency. About out-fourth of these claims did not meet Medicare guidelines in that they either were unnecessary, not reasonable, or not provided at all. The home health agency made $8.5 million in claims, $1.2 million did not meet the reimbursement guidelines.

Two years ago, I spend a day working in the U.S. Attorney's Office in South Florida. There I learned that it is easier to get a provider number under Medicare than it is to get a Visa card. It is easier to get a blank check signed by Uncle Sam than it is to get a household credit card.

Mr. President, we cannot repair the Medicare Program without first cracking down on fraud and abuse. Those who play by the rules should not have to suffer at the hands of cheats and swindlers, and this Congress should put an end to the conditions in which cheats and swindlers thrive.

I would like to thank Chairman ROTH for including many of the Medicare anti-fraud proposals contained in bipartisan legislation I introduced with Senator MACK and Senator BAUCUS last month, including mandating that providers post a $50,000 surety bond to participate in the Medicare program.

While a $50,000 bond is relatively inexpensive to post for scrupulous contractors, at a cost of about $500, the requirement has achieved tremendous results in my State. Since implementation of the requirement, the ''fly-by-night'' providers have scattered like so many roaches when the lights are turned on.

Durable Medical Equipment Suppliers have dropped by 62 percent, from 4,146 to 1,565; home health agencies have decreased by 41 percent, from 738 to 441; providers of transportation services have disenrolled from the State's Medicaid program in droves—from 1,759 to 742, a drop of 58 percent. Fewer providers bilking the State's Medicaid Program is projected to save over $192 million over the next 2 years in Florida.

Mr. President, we have expanded the surety bond requirement not only to Medicare in this bill—but the Finance Committee also adopted my amendment to expand this requirement to Medicaid.

This is just one of the many anti-fraud provisions included in this budget. I want to reiterate my thanks to Chairman ROTH for his willingness to take a tough stance to ensure that Medicare and the State Medicaid Programs are run efficiently, without the graft we have seen overrun the programs in recent years.

Finally, Mr. President, we must do as much as we possibly can to ensure that our seniors receive preventive care—''health care'' not ''sick care.''

In the long run, we stand to save billions of dollars by providing early, regular, and preventive medical care, as opposed to acute, reactive, emergency care. It is both fiscally and physically prudent to prevent sickness before the fact and not after.

We can start by covering colon cancer screenings under Medicare. We can save millions of dollars—and millions of lives—by detecting and treating this cancer in its early stages. Colon cancer is the second most frequent cancer killer in America, causing 55,000 deaths each year. But while it is estimated that screening and early detection and intervention could eliminate up to 90 percent of these deaths, Medicare does not currently pay for these preventive measures.

Colon cancer screenings cost only $125–$300 apiece, and patients diagnosed through early detection have a 90 percent chance of survival. But if a patient isn't diagnosed until symptoms develop, the chance of survival drops to a mere 8 percent. Care for treatment in such cases can cost up to $100,000. The cost of not covering colon cancer screenings—in lives and in dollars—is unacceptable.

It is also imperative that we eliminate co-payments for mammography. According to a 1995 study in the New England Journal of Medicine, women in the Medicare Program who have to pay some of the cost of mammography are far less likely to actually undergo the procedure. Only 14 percent of those women who had to make some kind of cash payment actually had a mammogram. In contrast, among women who had some kind of insurance to supplement their Medicare benefits, 43 percent had mammograms. Lack of supplemental coverage should not be a barrier to necessary and ultimately cost-saving medical treatment. Mammography should not be a luxury. It is a necessity.

Mr. President, another necessary preventive measure is Bone Mass Measurement, the procedure which detects Osteoporosis.

Osteoporosis is a debilitating bone disease which afflicts 28 million Americans and causes 50,000 deaths each year. Eighty percent of its victims are women.

Osteoporosis fracture patients cost Medicare $13.8 billion a year. This cost is projected to reach $60 billion by the year 2020 and $240 billion by the year 2040 if medical research has not discovered an effective treatment. We can curb these skyrocketing costs by providing Medicare coverage of bone mass measurement.

Because we now have access to drugs which can slow the rate of bone loss, early detection is our best weapon in the fight against Osteoporosis. It is only through early detection that we can thwart the progress of the disease and initiate preventive efforts to stop further loss of bone mass.

In order to ensure that we detect bone loss early, we need to ensure that older women have coverage for bone mass tests. Unfortunately, coverage of bone mass measurement is inconsistent from state to state. Qualifications for testing, and the frequency of testing, differ from carrier to carrier and region to region. The current system is confusing and inequitable. Medicare Bone Mass Measurement Coverage should be covered uniformly in all states.

Diabetes, with its tremendous financial and human toll, also deserves greater protection under Medicare. By providing for Medicare coverage of blood glucose monitoring strips and outpatient self-management training services, we can expect to see significant reductions in complications and expensive treatments.

Coverage of test strips and self-management training services will allow people with diabetes to care for their own individual needs. In so doing, they can better prevent complications such as blindness, kidney failure and heart disease.

Mr. President, this budget agreement is smart. It cracks down on fraud and abuse. It makes medical goods and services cheaper. And it promotes preventive health, saving millions of lives and billions of dollars.

These are necessary and long overdue measures, and I thank my colleagues who have supported them.

MEDICARE SUBVENTION

Mr. KEMPTHORNE. Mr. President, today I join my colleagues in support

of Medicare subvention. I want to thank Chairman ROTH and the Finance Committee for including this important demonstration project in the bill now before the Senate. After 4 years, I believe that it is high time the Congress enact Medicare subvention. This project is part of the solution toward providing military retirees the quality health care they deserve. For these reasons, I strongly urge my colleagues to support Medicare subvention.

Mr. President, the Medicare portion of the reconciliation bill now before us on the floor includes two demonstration projects for Medicare subvention. The first will reimburse the Department of Veterans Affairs with funding from the Medicare Program for health care services provided to targeted Medicare-eligible veterans. The second demonstration project, Mr. President, will offer military retirees over the age of 65 the option to use familiar medical treatment facilities, with Medicare reimbursing the Department of Defense.

Mr. President, in my opinion, these two solutions will address the frustrations many of our veterans endure after serving their country so honorably. Subvention gives America's veterans an option to choose the best possible medical care available. I urge my colleagues to support the Medicare subvention demonstration project with the hopes that this year we will pass this cost-saving, commonsense solution to some of the health care needs of our Nation's veterans.

Ms. MOSELEY-BRAUN. Mr. President, the legislation pending before the Senate is designed to provide sufficient savings to implement the balanced budget blueprint we passed last month. While the balanced budget plan set the broad framework for balancing the budget by 2002, it was up to the various committees to implement this plan. This bill combines recommendations from eight Senate panels, including changes in Medicare, Medicaid, and spectrum auctions. I commend the committees for their work thus far because many of the provisions in the Balanced Budget Act of 1997 are long overdue steps in the right direction. It is clear that unless we get our deficit under control, we will be leaving our children—and our children's children—a legacy of debt that will make it impossible for them to achieve the American Dream.

The best news about this plan is that it will help balance the Federal budget. More work however, needs to be done to meet our obligations to future generations of Americans, to invest in people, and to protect their retirement security. Every generation of Americans has addressed and resolved challenges unique to their time. That is what makes our country great. Now is the time to take steps toward ensuring that our generation will honestly address its needs so that future generations will have at least the same opportunity. Our generation should leave no less than we inherited.

This is not a perfect bill before us today. My colleagues and I on the Finance Committee held several marathon sessions last week in order to craft a large part of this legislation. I think we reached agreement on a package of provisions about which everyone has some objections but also, all the members of the Finance Committee were able to support in the end. This unanimous support for the bill is a complete change from the Balanced Budget Act of 1995 and a testament to the leadership of Senators ROTH and MOYNIHAN. I want to congratulate my colleagues for working together in a bipartisan fashion aimed at not only improving the Medicare and Medicaid programs but also the Nation as a whole.

I am however, particularly concerned about several provisions included in the bill. The first is the impact of increasing the Medicare eligibility age to 67. This provision will have a negative effect on millions of Americans. Many businesses and employees plan their retirement and health coverage around eligibility for Medicare. Increasing the age to qualify will exacerbate the existing problem of being uninsured among people age 55 to 65. Given our goal during this Congress of increasing health coverage for vulnerable populations—through the kids health care and allowing the disabled to buy into Medicaid—this provision moves in the wrong direction.

Similarly, the proposed fourfold increase in the Medicare deductible for some beneficiaries is particularly problematic. I voted against this provision in the Finance Committee because I do not think the issue was sufficiently considered nor were we given the kind of impact analysis that is essential before making a decision of such magnitude. Such a significant increase in the deductible is essentially a tax on the sickest seniors. Those people who have to use the doctor more are the only ones who will incur the increased costs. Any deterred utilization of services will likely be the result of a senior deciding between needed health services or other expenses that must come from their fixed income.

Furthermore, we have to be careful before preceding down this road. Means testing stands to erode support for the Medicare Program. We all have witnessed the backlash against so called welfare programs over the past 2 years. We must not allow Medicare to become regarded as transfer program solely for the poor. Americans pay into Medicare and expect to have the insurance when they retire. We already make wealthier Americans pay more in Medicare payroll taxes. It does not seem appropriate to be so hasty in increasing their cost-sharing obligations for the program as well.

I also think that the Finance Committee went too far in its zeal to increase managed care enrollment in rural areas. This by no means suggest that I do not support enhanced managed care in rural areas—the majority of my State is rural. However, essentially freezing payment rates in high cost area, which coincidentally also have the overwhelming majority of existing managed care enrollment, in order to increase payment rates in rural areas may have the reverse effect. The committee bill contains so many incentives for rural areas that we may erode existing managed care enrollment and extra benefits that many health plans offer like prescription drugs and eye glasses. I hope that a more appropriate balance between encouraging managed care in underserved areas and maintaining existing enrollment can be achieve in the conference with the House.

On the other hand, there are a number of good aspects of this legislation. Increased choice for Medicare beneficiaries through the development of Provider Sponsored Organizations and the removal of teen parents from the limit on vocational education under the welfare program are just two example of very meaningful policy changes included in this bill. Removing teen parents from the vocational education limit will facilitate states' promotion of education for 240,000 additional individuals as a means of moving permanently from welfare to work.

The legislation would also cover diabetes self management training, colorectal cancer screenings, and mammography screens without copayment obligations. This investment in mammograms without a copayment obligations will benefit over 2 million women. Mr. President, S. 947 protects the vitally important Early Periodic Screening Diagnostic and Treatment [EPSDT] benefits for children under Medicaid. Despite requests from Governors to diminish the benefit package for children, this bill does not allow it to occur. Similarly, the legislation protects disproportionate share funding for those hospitals that treat large volumes of indigent patients and are overly burdened by uncompensated care.

I am certain that members on both sides of the aisle believe that this bill can be improved and there are a number of proposed amendments to do so; a number of which I plan to support. I hope that this body can get through this process in the same bipartisan fashion displayed in the Finance Committee. Chairman ROTH said it best both in the Committee and on the Senate floor, that no one got everything but everyone got something that they wanted in this bill. That I believe, is the true mark of legislation through consensus.

As I said at the outset, this bill takes several steps in the right direction—the direction of a balanced budget. However, Congress must not only look at the 5 and 10 year effect of the policies we enact or rest on the laurels this package. We need to look to the future and continue to reform programs in a fashion that maintain a balanced budget. The worse thing that we could do is

not act again for another 60 years. Long-range economic forecasts are notoriously unreliable, but our long-range demographic changes are a reality that cannot be ignored. The retiring baby-boom generation will place considerable strain on our public systems. This budget bill only extends Medicare solvency through 2007—not even to the point at which the baby-boomers begin to retire. The longer we wait to enact more substantive program changes, the greater the threat to the viability of the Medicare Program.

Our actions now will impact future generations—our grandchildren and great grandchildren. We have to remind ourselves to look beyond the next 5 to 10 years. I am not suggesting that we not celebrate being on the brink of a victory—balancing the budget for the first time in 60 years. I am simply stressing that Congress cannot retreat from its commitment to ensuring that future generations will have at least the same opportunity as we and our parents. Our generation should not leave no less than we inherited.

Mr. DOMENICI. Mr. President, I think what both sides are waiting for now is to prepare all of the amendments that we are going to offer en bloc in an appropriate unanimous consent request—both Senator LAUTENBERG and myself. So the time is going to be much to our advantage because we will not be here very long after we get started on that.

Mr. President, when we first started negotiating with the President of the United States, the Republican and Democratic leadership, the Budget Committee chairman and some others asked how are we going to get through these contentious issues? Some Republicans on our side said how will we be sure what we get done will be signed by the President? That had to do with the reconciliation bill that we are going to finish tomorrow about noon, it had to do with the tax bill, it had to do with the 13 appropriations bills.

My stock answer was it seems to me what we have learned over the past 4 years is that the best way to get that done is to have the proposals done in a bipartisan manner. That is, send to the President proposals that are both Republican and Democratic in terms of the party affiliation of those who support it.

From what I gather, at least in the U.S. Senate, the epitomy of that is Senator ROTH and his chairmanship, with his ranking member, Senator MOYNIHAN. For even today, on almost all of the amendments that the Finance Committee either offered or were challenged on, almost every member of the Democratic Party voted for—not all, but almost all—and you saw the results. Some of the issues that we were never able to do before in a reconciliation bill following a budget resolution were done today and they were done with overwhelming votes.

The general understanding in this place that contentious, difficult matters would never clear the point of order under the waiver because it requires 60 votes was dispelled today because of the bipartisan nature of the results desired. I believe that will hold true. I am hopeful when we go to conference that the same thing will happen, that the distinguished chairman of the Finance Committee, who has most of these matters even if he splits it up into subcommittees, that it will come out of there bipartisan and we will continue to work with the President.

We want to tell the White House that we know the bill which will be cleared tomorrow is deficient in at least two places and we will have to fix those in conference because we cannot fix them here today. We will tomorrow in an amendment to be offered by Senator MCCAIN, Senator LOTT, and myself, attempt to bring the revenues to be received from spectrum closer to the mandate in the reconciliation bill. We are hopeful everyone will support us on that. It will be short by a bit.

Unless other things mesh out when we go to conference, we will be short the balanced budget by a couple of billion dollars in the last year. We will work very hard on that in conference to try to fix it.

I look forward to the same thing happening. In fact, some said, how are we going to be sure we do not get Government closure on the appropriations bills when the President vetoes the bills and we close down Government, and my response to most, there is no magic to it. We will not be able to do it by some kind of statute. We tried that. Obviously, it didn't work. I said the best way to do it is to have bipartisan appropriations bills that have been worked on in an effort to meet the agreement which the President joined us on and where there was no joinder because it was not required, that the contents be at least bipartisanly supported.

Now, our chairman is trying to do that in appropriations. If that continues, I think two things result: We get it done; and second, the American people praise us for it because I believe that is exactly what they want us to do.

Frankly, that does not mean we have to give away our philosophy or our ideas. In many instances it will take a long time to get where we want to go. I assume the Democrats are saying the same thing on their side, wondering when they will take over again and be able to move it in their direction. None of it will occur in 1 year. It will take longer. We will get only part of what we want.

The tax cuts are not sufficient when you take into consideration the huge burden imposed on our people, but we also, some of us, recognize we are also spending a lot of money and as we diminish that spending and decrease it, maybe we can have even more tax cuts in years to come. I hope so.

So that is the way I understand what is going on. I feel good about it and, in particular, the support that was so bipartisan on many critical issues here today. If that can continue, I am almost positive we will end up in early October giving the American people one of the best legislative sessions with one of the most significant accomplishments in modern legislative history.

Staff is copying the lists so we can do the amendments en bloc, but one amendment that did not get into that is one by Senator ABRAHAM.

AMENDMENT NO. 456

(Purpose: To extend the moratorium regarding HealthSource Saginaw)

Mr. DOMENICI. Mr. President, I send the Abraham amendment to the desk and ask that it be read so it will qualify for tomorrow's stacking.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Mr. ABRAHAM for himself and Mr. LEVIN, proposes an amendment numbered 456.

Mr. DOMENICI. I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

SEC. . EXTENSION OF MORATORIUM.

Section 6408(a)(3) of the Omnibus Budget Reconciliation Act of 1989, as amended by section 13642 of the Omnibus Budget Reconciliation Act of 1993 is amended by striking ''December 31, 1995'' and inserting ''December 31, 2002.''.

UNINSURED CHILDREN

Mr. COATS. Mr. President, because we are waiting, already after a long day, but because we are waiting for some material to come back, if I could ask the chairman of the Budget Committee a question that I raised at lunch. I know that the Budget Committee deliberated at great length on the issue of providing insurance for uninsured children and that after that deliberation, on a bipartisan basis, it was determined that a $16 billion chunk of money for the 5-year budget plan be set aside to address that problem. Many of us applauded the work of the chairman and others in not only that but in putting the entire budget together.

Having said that, I am aware that we will be addressing the second phase of reconciliation and a decision on the part of the Finance Committee to add an additional $8 billion for that program in a block grant to the States. I am also aware of the fact there may be an amendment offered that may add to that an additional $8 billion, raising the total to double or more of what the Budget Committee decided.

I am wondering if either the chairman of the Budget Committee or the chairman of the Finance Committee can explain to me what changed? What was necessary? Why was it necessary? What new facts came to light that required the additional $8 billion, at least?

I know we will be debating this issue, and I do not mean to take up time this

evening to debate it. We will debate it under the tax bill. But in the interim, I wonder if we can discuss that a little bit so this Senator can better understand what it is we are attempting to do.

Mr. DOMENICI. Mr. President, let me try for a couple of minutes, and if Senator LAUTENBERG would like to chime in, and obviously the distinguished chairman of the Finance Committee is here.

I think it is fair to say, for starters, that the issue of uninsured children—that is, children without any health insurance—has been a longstanding issue. But in all honesty, it has only become an issue that has been looked at diligently in an effort to see how you might change the way we were doing things this year.

As a matter of fact, it is very interesting, if uninsured children as a class were a big insurable group, it is interesting to note that you could not buy health insurance for children. In other words, if some State had decided, ''Let's go ask Aetna or somebody else, do you have an insurance policy we can buy just to insure kids?'' it is within the last 6 months, I understand, that for an exclusive child health care insurance policy—it is a very short-lived instrument that exists. For starters, nobody knew exactly what it would cost.

There were two other things that came into the discussion, and that was there are at least two ways, maybe three, of getting insurance. One was to expand the Medicaid system, which will cover some of these uninsureds in any event, but to expand it further so that it would encompass more. That amount was estimated by those who do that kind of work. But there were not really any real estimates on if you did it the second way, which was to let the States either provide it or buy insurance for them—those numbers were not readily available.

So some will say that the $16 billion was too much. In fact, one of our Senators who has studied it diligently believes you could cover all the uninsureds for less than $16 billion. Others say when you are finished with the $16 billion, there will still be some that are not covered. I do not believe a magic formula was arrived at in the Finance Committee. I believe there are those who said not enough prevailed. They found a source of money in a compromise cigarette tax—$8 billion out of the total of $20 billion in revenues from that was used for that one function.

Now, frankly, I'm hopeful for myself, I'm very pleased we did not go the Medicaid route. Neither the House bill nor the Senate bill made it singularly a mandate that you cover the children under expanded Medicaid. In both bills—in the Senate bill they are allowed the option of taking a block grant to be administered by the States, and that is one of the amendments that was around here tonight—what kind of coverage would that be?

I am hopeful when we are finished and get this implemented that we will see to it that we are able to measure what we are doing with that money and how well we have covered people. It may very well be—although for Government money, I doubt it, because whenever you put it out there I assume it will get spent—but I am hopeful if it is more than necessary, we will not spend it, although I assume that might not happen. That is the best I have.

Mr. COATS. I thank the chairman. Of course, he put his finger on my concern, and that is that before we have identified the scope of the problem and the resources necessary to address the scope of the problem, we have set aside a chunk of money, a very significant chunk of money, $24 billion. I just wonder where that figure came from and what it is based upon, because as the Senator from New Mexico has just said and we all know, once the money is made available, those who are beneficiaries of the money, whether it is the States or whether we put it in Medicaid or wherever we put it, they will find a way to spend it.

I do not think anybody is arguing that we do not want to address the issue of uninsured children, but I think what we were arguing is we want to do it in a responsible way, a way that is responsible to the taxpayers so that we do not just arbitrarily come up with a number without knowing the scope of the problem and what dollar amount needs to be applied to that.

So my question really goes to the rationale that was used in arriving at the $16 billion initially by the Budget Committee. I assume they had significant debate and research into that in arriving at that figure, but what has changed from that point forward on the Finance Committee? What new information did they learn that was not available to the Budget Committee that caused the Finance Committee to raise that figure by $8 billion? Was it simply the availability of additional tax money through an identified tax and a decision to divide it up and throw $8 billion here and $4 billion there and whatever, or was there a specific rationale or new piece of information that came forward that said, ''No, we were short when we made our Budget Committee estimate. We now need to put in an additional $8 billion to cover the problem that we have identified''?

That goes to the nature of my question. That clearly is something that we need to debate in the tax bill. I do not want to hold up the proceedings here this evening.

Mr. ROCKEFELLER. Will the Senator yield?

Mr. COATS. I am happy to yield to the Senator from West Virginia.

Mr. ROCKEFELLER. Mr. President, I don't pretend to speak for the chairman of the Finance Committee, but I think it would be helpful to the Senator's concern by expressing this.

There are 10 million uninsured children in this country, and that was deemed to be unacceptable. The first approach was to try and insure 5 million children. That is what the $16 billion was for, to try to get the first 5 million uninsured children covered. This came from the Senator's side of the aisle in the Finance Committee. We thought that maybe we could go beyond that and approach beyond 5 million. But to be quite honest, I think as we have gone our way through this process, we have come to understand that we can't judge exactly what the States are going to do and we can't be entirely sure. So the CBO is now beginning to give us figures that suggest we won't be able to reach the 5 million children mark, perhaps even with both the $16 billion and the $8 billion program. But then again, we are not sure. But we know we have to try because having uninsured children is not acceptable in America. It is not a question of throwing money at a problem or suddenly a discovery of a new source of money. There was simply the desire that we ought to get health insurance to the 10 million children who do not have it. We worked within the Finance Committee to try to accomplish that.

Mr. COATS. I thank the Senator. As the Senator from West Virginia knows, we had debate on that during the proposal offered by Senator KENNEDY earlier, which was defeated. But there was significant disagreement on the floor. I don't know the answer, as to the number of uninsured children, cost policies to insure those children, or the best mechanism to use. Even the charts that the Senator from Utah had designating the number of uninsured children and the charts that the sponsor of the bill, Senator KENNEDY from Massachusetts, had at the same time they offered the bill; the two charts were off by several million, in terms of the number of uninsured children. So even the sponsors of the bill hadn't coordinated the numbers or checked with each other relative to how many uninsured children existed. We learned that three-point-some million of the children were covered under the existing Medicaid Program and several million of these children were temporarily uninsured, not full-time uninsured, because their parents were in and out of employment. And, normally, in employment you get a family policy that covers dependents.

So I was confused as to what the total number was, how many were insured, and what mechanisms we ought to put in place and, more important, how we ought to derive a number. Obviously, we all want to be responsible with the taxpayers' dollars and, at the same time, provide the important coverage. I wasn't able to get an answer where there is some unanimity regarding the number of children, who is covered, who needs to be covered, how long they need to be covered, what the cost of the policy is to cover them. And it seemed to me that we were pursuing a problem by addressing a solution designed in terms of the amount of

money available, not necessarily in terms of the specifics of the problem.

Mr. ROCKEFELLER. If the Senator will further yield, I simply say that I really don't think this was a money chase where, in trying to find a solution, they had to go find the problem. The problem was there. One of the most outstanding problems, which is vexatious, is there are 3 million children out there right now who are eligible for Medicaid, but their families do not know; they do not know that they are in fact eligible for Medicaid. So part of the problem was, how do you find, through various public and State agencies, those 3 million children across the country who are already eligible?

Mr. COATS. I ask the Senator, if we could not find them before under existing State-run programs, how are we going to find them now under State block grant programs?

Mr. ROCKEFELLER. I say to the Senator up front, the Senator is asking for kind of an exactitude in an area where exactitude is really very difficult, which is the whole area of the uninsured—how much it would cost? Where are they? How long will they be on Medicaid or insurance? When will they go off? Does the State know about it? Will the State, under a block grant money program, take children already on Medicaid and substitute that money, thus freeing the other money? I can't worry about that.

I have faith in the chairman of the Finance Committee. I think this was a bipartisan decision to do something about a problem that has been with us throughout our history, which is no longer deemed acceptable. The Senator is entirely correct when he says there are no simple answers. I want to assure the Senator—because I sat through, obviously, all the Finance Committee meetings, both public and private—there was never an attempt to sort of grab at money for the purpose of saying let's put that toward health insurance for children. It was a sense that we have a real problem here and we want to try to address it as responsibly and carefully as possible. That was followed by a bipartisan discussion and agreement.

Mr. COATS. I thank the Senator. I don't want to hold up the proceedings here this evening. I am happy to yield to the chairman.

Mr. ROTH. I will make one comment regarding the figures as to what it costs to cover children. What we did in committee is agree that there should be outreach, that we do want to ensure that all children that are not currently insured have the opportunity of having such insurance. But there is a lack of precision in the information, and that essentially creates the problem. I think all you have to do is listen to the discussion that we are having here this evening and it shows you that you don't have hard figures on this. But it was agreed upon, in a bipartisan way, that we wanted to develop a program that would assure all children health care with the enactment of this legislation.

Mr. COATS. I wonder if I can ask the chairman one last question?

Mr. ROTH. Yes.

Mr. COATS. If it is an undefined figure, or at least a loosely defined figure—going back to a question the chairman of the Budget Committee raised—is there a provision, or will there be a provision in the law that would give us the ability to monitor or audit the State response and return of excess funds if States meet their uninsured children's needs, but have money left over from the block grant; is there a basis upon which we can return that money and use it for, obviously, other important needs?

Mr. ROTH. Well, I think there is an accountability in the program. There was considerable discussion about wanting to make certain that these funds were spent by the States for the purpose of children's health insurance. So, yes, we did ensure that that had to be used for that purpose.

Mr. COATS. I thank the Senator. I will be happy to get those materials from the staff and continue to work with him on this question.

I yield the floor.

Mr. DOMENICI. Mr. President, I thank Senator COATS very much for the colloquy this evening. I think it was very helpful. I am sorry, from my standpoint, that I can't be more technical on the amendment. I believe there is a lot of objectivity that is lacking, and I am sure that is going to evolve with time. Your question seems to be very relevant and germane to a serious problem.

Mr. President, I believe on our side, and soon to be followed on the Democratic side, we are prepared to ask unanimous consent that a series of amendments be in order for tomorrow's stacked event that we have spoken of.

I have an amendment that has been agreed to on both sides. This amendment is made on behalf of Senator HARKIN and Senator MCCAIN.

AMENDMENT NO. 457

(Purpose: To reduce health care fraud, waste, and abuse)

Mr. DOMENICI. Mr. President, I send an amendment to the desk on behalf of Senators HARKIN and MCCAIN and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. HARKIN, for himself and Mr. MCCAIN, proposes an amendment numbered 457.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of the bill, add the following:

SEC. . IMPROVING INFORMATION TO MEDICARE BENEFICIARIES.

(a) CLARIFICATION OF REQUIREMENT TO PROVIDE EXPLANATION OF MEDICARE BENEFITS.—Section 1804 of the Social Security Act (42 U.S.C. 1395b–2) is amended by adding at the end the following new subsection:

''(c)(1) The Secretary shall provide a statement which explains the benefits provided under this title with respect to each item or service for which payment may be made under this title which is furnished to an individual, without regard to whether or not a deductible or coinsurance may be imposed against the individual with respect to such item or service.

''(2) Each explanation of benefits provided under paragraph (1) shall include——

''(A) a statement which indicates that because errors do occur and because medicare fraud, waste and abuse is a significant problem, beneficiaries should carefully check the statement for accuracy and report any errors or questionable charges by calling the toll-free phone number described in (C).

(B) a statement of the beneficiary's rights to request an itemized bill (as provided in section 1128A(n)); and

''(C) a toll-free telephone number for reporting errors, questionable charges or other acts that would constitute medicare fraud, waste, or abuse, which may be the same number as described in subsection (b).''.

(b) REQUEST FOR ITEMIZED BILL FOR MEDICARE ITEMS AND SERVICES.——

(1) IN GENERAL.—Section 1128A of the Social Security Act (42 U.S.C. 1320a–7(a) is amended by adding at the end the following new subsection:

''(m) WRITTEN REQUEST FOR ITEMIZED BILL.——

''(1) IN GENERAL.—A beneficiary may submit a written request for an itemized bill for medical or other items or services provided to such beneficiary by any person (including an organization, agency, or other entity) that receives payment under title XVIII for providing such items or services to such beneficiary.

''(2) 30-DAY PERIOD TO RECEIVE BILL.——

''(A) IN GENERAL.—Not later than 30 days after the date on which a request under paragraph (1) has been received, a person described in such paragraph shall furnish an itemized bill describing each medical or other item or service provided to the beneficiary requesting the itemized bill.

''(B) PENALTY.—Whoever knowingly fails to furnish an itemized bill in accordance with subparagraph (A) shall be subject to a civil fine of not more than $100 for each such failure.

''(3) REVIEW OF ITEMIZED BILL.——

''(A) IN GENERAL.—Not later than 90 days after the receipt of an itemized bill furnished under paragraph (1), a beneficiary may submit a written request for a review of the itemized bill to the appropriate fiscal intermediary or carrier with a contract under section 1816 or 1842.

''(B) SPECIFIC ALLEGATIONS.—A request for a review of the itemized bill shall identify—

''(i) specific medical or other items or services that the beneficiary believes were not provided as claimed, or

''(ii) any other billing irregularity (including duplicate billing).

''(4) FINDINGS OF FISCAL INTERMEDIARY OR CARRIER.—Each fiscal intermediary or carrier with a contract under section 1816 or 1842 shall, with respect of each written request submitted to the fiscal intermediary or carrier under paragraph (3), determine whether the itemized bill identifies specific medical or other items or services that were not provided as claimed or any other billing irregularity (including duplicate billing) that has resulted in unnecessary payments under title XVIII.

''(5) RECOVERY OF AMOUNTS.—The Secretary shall require fiscal intermediaries and carriers to take all appropriate measures to recover amounts unnecessarily paid under title

XVIII with respect to a bill described in paragraph (4).''.

''(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to medical or other items or services provided on or after January 1, 1998.

SEC. PROHIBITING UNNECESSARY AND WASTEFUL MEDICARE PAYMENTS FOR CERTAIN ITEMS.

Section 1861(v) of the Social Security Act is amended by adding at the end the following new paragraph:

''(8) ITEMS UNRELATED TO PATIENT CARE—.Reasonable costs do not include costs for the following:

(i) entertainment;

(ii) gifts or donations;

(iii) costs for fines and penalties resulting from violations Federal, State or local laws; and,

(iv) education expenses for spouses or other dependents of providers of services, their employees or contractors.

SEC. ——. REDUCING EXCESSIVE BILLINGS AND UTILIZATION FOR CERTAIN ITEMS.

Section 1834(a)(15) of the Social Security Act (42 U.S.C. 1395m(a)(15)) is amended by striking ''Secretary may'' both places it appears and inserting ''Secretary shall''.

The PRESIDING OFFICER. Without objection, amendment No. 457 is agreed to.

The amendment (No. 457) was agreed to.

AMENDMENTS NOS. 458 THROUGH 474

Mr. DOMENICI. I ask unanimous consent that it be in order for me to offer a package of amendments on behalf of various Senators so that they would qualify under the consent agreement.

The amendments offered are as follows:

Two amendments on behalf of Senator HELMS; two amendments on behalf of Senator MCCAIN; two amendments on behalf of Senator JEFFORDS; one amendment by Senator BROWNBACK; one amendment by Senator ALLARD; one by Senator CHAFEE; one amendment by Senator GRASSLEY; one by Senator KYL; three by Senator SPECTER; one by Senator BURNS; one by Senator HUTCHISON; one by Senators MCCAIN and DOMENICI.

I send the amendments to the desk and ask unanimous consent that the amendments be considered read and be numbered accordingly.

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

The amendments are as follows:

AMENDMENT NO. 458

(Purpose: To provide that, for purposes of section 1886(d) of the Social Security Act, the large urban area of Charlotte-Gastonia-Rock Hill-North Carolina-South Carolina be deemed to include Stanly County, North Carolina)

At the appropriate place in division 1 of title V, insert the following:

SEC. —. INCLUSION OF STANLY COUNTY, N.C. IN A LARGE URBAN AREA UNDER MEDICARE PROGRAM.

(a) IN GENERAL.—For purposes of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), the large urban area of Charlotte-Gastonia-Rock Hill-North Carolina-South Carolina may be deemed to include Stanly County, North Carolina.

(b) EFFECTIVE DATE.—This section shall apply with respect to discharges occurring on or after Oct. 1, 1997.

AMENDMENT NO. 459

(Purpose: To provide that, for purposes of section 1886(d) of the Social Security Act, the large urban area of Charlotte-Gastonia-Rock Hill-North Carolina-South Carolina be deemed to include Stanly County, North Carolina)

At the appropriate place in division 1 of title V, insert the following:

SEC. —. INCLUSION OF STANLY COUNTY, N.C. IN A LARGE URBAN AREA UNDER MEDICARE PROGRAM.

(a) IN GENERAL.—For purposes of section 1886(d) of the Social Security Act (42 U.S.C. 1395ww(d)), the large urban area of Charlotte-Gastonia-Rock Hill-North Carolina-South Carolina may be deemed to include Stanly County, North Carolina.

(b) EFFECTIVE DATE.—This section shall apply with respect to discharges occurring on or after Oct. 1, 1997.

——

AMENDMENT NO. 460

(Purpose: To provide for the continuation of certain Statewide medicaid waivers)

On page 844, between lines 7 and 8, insert the following:

SEC. 5768. CONTINUATION OF STATE-WIDE SECTION 1115 MEDICAID WAIVERS.

(a) IN GENERAL.—Section 1115 of the Social Security Act (42 U.S.C. 1315) is amended by adding at the end the following:

''(d)(1) The provisions of this subsection shall apply to the extension of statewide comprehensive research and demonstration projects (in this subsection referred to as 'waiver project') for which waivers of compliance with the requirements of title XIX are granted under subsection (a). With respect to a waiver project that, but for the enactment of this subsection, would expire, the State at its option may—

''(A) not later than 1 year before the waiver under subsection (a) would expire (acting through the chief executive officer of the State who is operating the project), submit to the Secretary a written request for an extension of such waiver project for up to 3 years; or

''(B) permanently continue the waiver project if the project meets the requirements of paragraph (2).

''(2) The requirements of this paragraph are that the waiver project—

''(A) has been successfully operated for 5 or more years; and

''(B) has been shown, through independent evaluations sponsored by the Health Care Financing Administration, to successfully contain costs and provide access to health care.

''(3)(A) In the case of waiver projects described in paragraph (1)(A), if the Secretary fails to respond to the request within 6 months after the date on which the request was submitted, the request is deemed to have been granted.

''(B) If the request is granted or deemed to have been granted, the deadline for submittal of a final report shall be 1 year after the date on which the waiver project would have expired but for the enactment of this subsection.

''(C) The Secretary shall release an evaluation of each such project not later than 1 year after the date of receipt of the final report.

''(D) Phase-down provisions which were applicable to waiver projects before an extension was provided under this subsection shall not apply.

''(4) The extension of a waiver project under this subsection shall be on the same terms and conditions (including applicable terms and conditions related to quality and access of services, budget neutrality as adjusted for inflation, data and reporting requirements and special population protections), except for any phase down provisions, and subject to the same set of waivers that applied to the project or were granted before the extension of the project under this subsection. The permanent continuation of a waiver project shall be on the same terms and conditions, including financing, and subject to the same set of waivers. No test of budget neutrality shall be applied in the case of projects described in paragraph (2) after that date on which the permanent extension was granted.

''(5) In the case of a waiver project described in paragraph (2), the Secretary, acting through the Health Care Financing Administration shall, deem any State's request to expand Medicaid coverage in whole or in part to individuals who have an income at or below the Federal poverty level as budget neutral if independent evaluations sponsored by the Health Care Financing Administration have shown that the State's Medicaid managed care program under such original waiver is more cost effective and efficient than the traditional fee-for-service Medicaid program that, in the absence of any managed care waivers under this section, would have been provided in the State.''.

''(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on the date of enactment of this Act.

Mr. MCCAIN. Mr. President, I rise to offer an amendment which would allow States to continue offering innovative cost effective health care through an 1115 Medicaid waiver on a permanent basis or on a continuous basis for 3 years. In addition, this measure would ensure that State's are given credit for the cost savings which they have incurred by operating an efficient managed care Medicaid program.

Several States have led the way in innovation for expanding coverage through cost containment. These States have not used accounting gamesmanship to ask the Federal Government to do the job; they have used their own resources to revise their programs to expand coverage while reducing both State and Federal costs.

Among these States is Arizona, Oregon, Rhode Island, Florida, and Tennessee. Any other State operating under an 1115 waiver may find herself in the same position.

In Arizona, 72 percent of her voters decided last fall that they should cover everyone under the poverty line, whether man, woman, or child. This initiative is the only hope for health care coverage for 50,000 men who live under the poverty line. Arizona can afford to do this because of the success of the Arizona statewide managed care program. AHCCCS [access] in containing cost and providing access to care. This has been proven. The satisfaction of Arizona's health care providers, members, and taxpayers further underscore the success of the program.

In spite of substantial savings documented by HCFA hired evaluators, documented savings since the program began in 1982, more than enough to offset the cost of expanding coverage, the Federal Government won't allow Arizona to reinvest the savings it achieved over a traditional fee-for-service program in expanded coverage. Nor will HCFA allow the State credit for their

program's savings over the next 5 years.

Other States have been allowed to use the savings managed care achieves over a traditional fee-for-service program in expanded coverage including the States of Tennessee, Hawaii, Rhode Island, Oregon among others.

The rationale for treating Arizona different from these other States boils down to timing. When Arizona's program began in 1982, HCFA did not use a test of budget neutrality for approving section 1115 research and demonstration waivers. The budget neutrality requirement that is now applied was put in place several years later. If Arizona had a test of budget neutrality in 1982 where the baseline was a traditional fee-for-service program, then the State would be allowed to use its managed care savings. Because the requirement did not exist, the State is penalized.

HCFA now indicates that the test of budget neutrality is the current, cost-saving, successful AHCCCS program, not the traditional fee-for-service program.

Arizona should not be penalized for a change in Federal guidelines which occurred after the program began. No one is questioning whether AHCCCS saved the Federal Government millions. Arizona, as Tennessee, Hawaii, Rhode Island, and any other State with such a proven track record, should be allowed to use the managed care savings it achieved over a traditional fee-for-service program to expand coverage as Arizona voters overwhelmingly requested.

AMENDMENT NO. 461

(Purpose: To provide for the treatment of certain Amerasian immigrants as refugees)

On page 874, between lines 7 and 8, insert the following:

SEC. 5817A. TREATMENT OF CERTAIN AMERASIAN IMMIGRANTS AS REFUGEES.

(a) AMENDMENTS TO EXCEPTIONS FOR REFUGEES/ASYLEES.—

(1) FOR PURPOSES OF SSI AND FOOD STAMPS.—Section 402(a)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(A)) is amended—

(A) by striking ''; or'' at the end of clause (ii);

(B) by striking the period at the end of clause (iii) and inserting ''; or''; and

(C) by adding at the end the following:

''(iv) an alien who is admitted to the United States as an Amerasian immigrant pursuant to section 584 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (as contained in section 101(e) of Public Law 100–202 and amended by the 9th proviso under MIGRATION AND REFUGEE ASSISTANCE in title II of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1989, Public Law 100–461, as amended).''.

(2) FOR PURPOSES OF TANF, SSBG, AND MEDICAID.—Section 402(b)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(A)) is amended—

(A) by striking ''; or'' at the end of clause (ii);

(B) by striking the period at the end of clause (iii) and inserting ''; or''; and

(C) by adding at the end the following:

''(iv) an alien described in subsection (a)(2)(A)(iv) until 5 years after the date of such alien's entry into the United States.''.

(3) FOR PURPOSES OF EXCEPTION FROM 5-YEAR LIMITED ELIGIBILITY OF QUALIFIED ALIENS.—Section 403(b)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1613(b)(1)) is amended by adding at the end the following:

''(D) An alien described in section 402(a)(2)(A)(iv).''.

(4) FOR PURPOSES OF CERTAIN STATE PROGRAMS.—Section 412(b)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1622(b)(1)) is amended by adding at the end the following new subparagraph:

''(D) An alien described in section 402(a)(2)(A)(iv).''.

(b) FUNDING.—

(1) LEVY OF FEE.—The Attorney General through the Immigration and Naturalization Service shall levy a $100 processing fee upon each alien that the Service determines—

(A) is unlawfully residing in the United States;

(B) has been arrested by a Federal law enforcement officer for the commission of a felony; and

(C) merits deportation after having been determined by a court of law to have committed a felony while residing illegally in the United States.

(2) COLLECTION AND USE.—In addition to any other penalty provided by law, a court shall impose the fee described in paragraph (1) upon an alien described in such paragraph upon the entry of a judgment of deportation by such court. Funds collected pursuant to this subsection shall be credited by the Secretary of the Treasury as offsetting increased Federal outlays resulting from the amendments made by section 5817A of the Balanced Budget Act of 1997.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective with respect to the period beginning on or after October 1, 1997.

Mr. MCCAIN. Mr. President, I rise today to offer an amendment to S. 947, the Budget Reconciliation Act, that will redress what I assume to be an inadvertent omission in a section of this bill that discriminates against Amerasian children of U.S. military personnel who served in Vietnam.

My amendment will add a new provision to section 5817 to include Amerasian children to the category of legal aliens eligible for Medicaid. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 excluded from eligibility these children of American soldiers because they are admitted as refugees under section 584 of the Foreign Operations, Export Financing, and Related Programs Act of 1988, rather than section 207 of the Immigration and Nationality Act, under which refugees are excepted from the Welfare Region legislation's ban on Medicaid, SSI, and other forms of assistance. This amendment corrects that oversight.

Because there is a cost associated with this amendment, I propose to offset it by mandating that the Attorney General of the United States, acting through the Immigration and Naturalization Service, impose a $150 processing fee on each illegal alien deported from the United States who committed a felony while in this country. According to CBO, this will generate the revenue necessary to offset the cost of my amendment over the 5-year period for which the welfare bill excludes aliens from Medicaid eligibility.

I hope that I can count on my colleagues' support for this worthwhile amendment.

AMENDMENT NO. 462

(Purpose: To require the Secretary of Health and Human Services to provide medicare beneficiaries with notice of the medicare cost-sharing assistance available under the medicaid program for specified low-income medicare beneficiaries)

On page 685, after line 25, add the following:

SEC. . REQUIREMENT TO PROVIDE INFORMATION REGARDING CERTAIN COST-SHARING ASSISTANCE.

(a) IN GENERAL.—Section 1804(a) (42 U.S.C. 1395b–2(a)) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period and inserting '', and''; and

(3) by adding at the end, the following:

''(4) an explanation of the medicare cost sharing assistance described in section 1905(p)(3)(A)(ii) that is available for individuals described in section 1902(a)(10)(E)(iii) and information regarding how to request that the Secretary arrange to have an application for such assistance made available to an individual.''.

(b) EFFECTIVE DATE.—The information required to be provided under the amendment made by subsection (a) applies to notices distributed on and after October 1, 1997.

AMENDMENT NO. 463

(Purpose: To provide for the evaluation and quality assurance of the children's health insurance initiative)

On page 852, between lines 12 and 13, insert the following:

''(d) EVALUATION AND QUALITY ASSURANCE.—

''(1) IN GENERAL.—Not later than 1 year after the date on which the Secretary approves the program outline of a State, and annually thereafter, the State shall prepare and submit to the Secretary such information as the Secretary may require to enable the Secretary to evaluate the progress of the State with respect to the program outline. Such information shall address the manner in which the State in implementing the program outline has—

''(A) expanded health care coverage to low-income uninsured children;

''(B) provided quality health care to low-income children;

''(C) improved the health status of low-income children;

''(D) served the health care needs of special populations of low-income children; and

''(E) utilized available resources in a cost effective manner.

''(2) AVAILABILITY OF EVALUATIONS.—The Secretary shall make the results of the evaluations conducted under paragraph (1) available to Congress and the States.

''(3) REPORTS.—The Secretary shall annually prepare and submit to the appropriate committees of Congress, and make available to the States, a report containing the findings of the Secretary as a result of the evaluations conducted under paragraph (1) and the recommendations of the Secretary for achieving or exceeding the objectives of this title.

AMENDMENT NO. 464

(Purpose: To establish procedures to ensure a balanced Federal budget by fiscal year 2002)

At the end of the ___, add the following:

TITLE ___—BUDGET CONTROL

SEC. ___01. SHORT TITLE; PURPOSE.

(a) SHORT TITLE.—This title may be cited as the ''Bipartisan Budget Enforcement Act of 1997''.

(b) PURPOSE.—The purpose of this title is—

(1) to ensure a balanced Federal budget by fiscal year 2002;

(2) to ensure that the Bipartisan Budget Agreement is implemented; and

(3) to create a mechanism to monitor total costs of direct spending programs, and, in the event that actual or projected costs exceed targeted levels, to require the President and Congress to address adjustments in direct spending.

SEC. ___02. ESTABLISHMENT OF DIRECT SPENDING TARGETS.

(a) IN GENERAL.—The initial direct spending targets for each of fiscal years 1998 through 2002 shall equal total outlays for all direct spending except net interest as determined by the Director of the Office of Management and Budget (hereinafter referred to in this title as the ''Director'') under subsection (b).

(b) INITIAL REPORT BY DIRECTOR.—

(1) IN GENERAL.—Not later than 30 days after the date of enactment of this title, the Director shall submit a report to Congress setting forth projected direct spending targets for each of fiscal years 1998 through 2002.

(2) PROJECTIONS AND ASSUMPTIONS.—The Director's projections shall be based on legislation enacted as of 5 days before the report is submitted under paragraph (1). The Director shall use the same economic and technical assumptions used in preparing the concurrent resolution on the budget for fiscal year 1998 (H.Con.Res. 84).

SEC. ___03. ANNUAL REVIEW OF DIRECT SPENDING AND RECEIPTS BY PRESIDENT.

As part of each budget submitted under section 1105(a) of title 31, United States Code, the President shall provide an annual review of direct spending and receipts, which shall include—

(1) information on total outlays for programs covered by the direct spending targets, including actual outlays for the prior fiscal year and projected outlays for the current fiscal year and the 5 succeeding fiscal years; and

(2) information on the major categories of Federal receipts, including a comparison between the levels of those receipts and the levels projected as of the date of enactment of this title.

SEC. ___04. SPECIAL DIRECT SPENDING MESSAGE BY PRESIDENT.

(a) TRIGGER.—If the information submitted by the President under section ___03 indicates—

(1) that actual outlays for direct spending in the prior fiscal year exceeded the applicable direct spending target; or

(2) that outlays for direct spending for the current or budget year are projected to exceed the applicable direct spending targets,

the President shall include in his budget a special direct spending message meeting the requirements of subsection (b).

(b) CONTENTS.—

(1) INCLUSIONS.—The special direct spending message shall include—

(A) an analysis of the variance in direct spending over the direct spending targets; and

(B) the President's recommendations for addressing the direct spending overages, if any, in the prior, current, or budget year.

(2) ADDITIONAL MATTERS.—The President's recommendations may consist of any of the following:

(A) Proposed legislative changes to recoup or eliminate the overage for the prior, current, and budget years in the current year, the budget year, and the 4 outyears.

(B) Proposed legislative changes to recoup or eliminate part of the overage for the prior, current, and budget year in the current year, the budget year, and the 4 outyears, accompanied by a finding by the President that, because of economic conditions or for other specified reasons, only some of the overage should be recouped or eliminated by outlay reductions or revenue increases, or both.

(C) A proposal to make no legislative changes to recoup or eliminate any overage, accompanied by a finding by the President that, because of economic conditions or for other specified reasons, no legislative changes are warranted.

(c) PROPOSED SPECIAL DIRECT SPENDING RESOLUTION.—If the President recommends reductions consistent with subsection (b)(2)(A) or (B), the special direct spending message shall include the text of a special direct spending resolution implementing the President's recommendations through reconciliation directives instructing the appropriate committees of the House of Representatives and Senate to determine and recommend changes in laws within their jurisdictions. If the President recommends no reductions pursuant to (b)(2)(C), the special direct spending message shall include the text of a special resolution concurring in the President's recommendation of no legislative action.

SEC. ___05. REQUIRED RESPONSE BY CONGRESS.

(a) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget unless that concurrent resolution fully addresses the entirety of any overage contained in the applicable report of the President under section ___04 through reconciliation directives.

(b) WAIVER AND SUSPENSION.—This section may be waived or suspended in the Senate only by the affirmative vote of three-fifths of the Members, duly chosen and sworn. This section shall be subject to the provisions of section 258 of the Balanced Budget and Emergency Deficit Control Act of 1985.

(c) APPEALS.—Appeals in the Senate from the decisions of the Chair relating to any provision of this section shall be limited to 1 hour, to be equally divided between, and controlled by, the appellant and the manager of the bill or joint resolution, as the case may be. An affirmative vote of three-fifths of the Members of the Senate, duly chosen and sworn, shall be required in the Senate to sustain an appeal of the ruling of the Chair on a point of order raised under this section.

SEC. ___06. RELATIONSHIP TO BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT.

Reductions in outlays or increases in receipts resulting from legislation reported pursuant to section ___05 shall not be taken into account for purposes of any budget enforcement procedures under the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. ___07. ESTIMATING MARGIN.

For any fiscal year for which the overage is less than one-half of 1 percent of the direct spending target for that year, the procedures set forth in sections ___04 and ___05 shall not apply.

SEC. ___08. EFFECTIVE DATE.

This title shall apply to direct spending targets for fiscal years 1998 through 2002 and shall expire at the end of fiscal year 2002.

AMENDMENT NO. 465

(Purpose: To expand medical savings accounts to families with uninsured children)

On page 865, between lines 2 and 3, insert the following:

SEC. . EXPANSION OF MEDICAL SAVINGS ACCOUNTS TO FAMILIES WITH UNINSURED CHILDREN

(a) IN GENERAL.—Section 220 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(k) FAMILIES WITH UNINSURED CHILDREN.—

''(1) IN GENERAL.—In the case of an individual who has a qualified dependent as of the first day of any month—

''(A) WAIVER OF EMPLOYER REQUIREMENT.—Clause (iii) of subsection (c)(1)(A) shall not apply.

''(B) WAIVER OF COMPENSATION LIMITATION.—Paragraph (4) of subsection (b) shall not apply.

''(C) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS..—In lieu of the limitation of subsection (b)(5), the amount allowable for a taxable year as a deduction under subsection (a) to such individual shall be reduced (but not below zero) by the amount not includible in such individual's gross income for such taxable year solely by reason of section 106(b).

''(D) NUMERICAL LIMITATIONS.—Subsection (i) shall not apply to such individual if such individual is the account holder of a medical savings account by reason of this subsection, and subsection (j) shall be applied without regard to any such medical savings account.

''(2) QUALIFIED DEPENDENT.—For purposes of this subsection, the term 'qualified dependent' means a dependent (within the meaning of section 152) who—

''(A) has not attained the age of 19 as of the close of the calendar year in which the taxable year of the taxpayer begins, and with respect to whom the taxpayer is entitled to a deduction for the taxable year under section 151(c),

''(B) is covered by a high deductible health plan, and

''(C) prior to such coverage, was a previously uninsured individual (as defined by subsection (j)(3)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act.

Mr. ALLARD. Mr. President, I would like to take this time to discuss an amendment that would give families with uninsured children the opportunity to obtain proper health coverage. Congress is constantly searching for ways to provide children with adequate health care, and I have proposed an amendment that would allow children the means to be covered. My amendment would give the working poor health expense accounts to use for their families.

It is reported that there are 10 million children who are uninsured in the United States. Many of these children are uninsured because their parents have incomes that are high enough to be ineligible for Medicaid or do not have private or employer-sponsored health insurance.

My amendment would allow families to deposit money in a medical savings account to use for health care services. I believe it is critical to provide lower income families with the option to establish medical savings accounts. MSA's allow consumers to pay for medical expenses through affordable tax-deductible plans that are most suited to their needs.

Americans want choice in health care. It is time for the Federal Government to listen to the American people

and make medical savings accounts an available option. Medical savings accounts are a viable free-market approach to ensuring greater access to affordable health care coverage for the uninsured. Through MSA's, individuals would be given the choice and opportunity to obtain affordable health services.

I believe our efforts need to be focused on providing uninsured children with accessible health care services. My amendment would give these families the opportunity of setting aside MSA funds, especially benefiting those who are self-employed, between jobs, or employed where health coverage is not available.

I am hopeful that in the 105th Congress, we will be able to expand the availability of medical savings accounts. Medical savings plans allow individuals the freedom to shop for competitive health care services, which in turn, can help keep the costs of health care down.

My amendment is one step to achieving the goal of decreasing the number of uninsured children by providing families with the option to receive much needed health care coverage. By making more MSA's available, we can make it easier for parents to finance their children's health care; after all, the health of our Nation's children is at stake.

AMENDMENT NO. 466

(Purpose: To extend the authority of the Nuclear Regulatory Commission to collect fees through 2002)

At the end of the bill, add the following:

TITLE IX—COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

SEC. 9001. NUCLEAR REGULATORY COMMISSION ANNUAL CHARGES.

Section 6101 of the Omnibus Budget Reconciliation Act of 1990 (42 U.S.C. 2214) is amended)—

(1) in subsection (a)(3), by striking ''September 30, 1998'' and inserting ''September 30, 2002''; and

(2) in subjection (c)—

(A) by striking paragraph (2) and inserting the following:

''(2) AGGREGATE AMOUNT OF CHARGES.—The aggregate amount of the annual charge collected from all licensees shall equal an amount that approximates 100 percent of the budget authority of the Commission for the fiscal year for which the charge is collected, less, with respect to the fiscal year, the sum of—

''(A) any amount appropriated to the Commission from the Nuclear Waste Fund;

''(B) the amount of fees collected under subsection (b); and

''(C) for fiscal year 1999 and each fiscal year thereafter, to the extent provided in paragraph (5), the costs of activities of the Commission with respect to which a determination is made under paragraph (5).''; and

(B) by adding at the end the following:

''(5) EXCLUDED BUDGET COSTS.—

''(A) IN GENERAL.—The rulemaking under paragraph (3) shall include a determination of the costs of activities of the Commission for which it would not be fair and equitable to assess annual charges on a Nuclear Regulatory Commission licensee or class of licensee.

''(B) CONSIDERATIONS.—In making the determination under subparagraph (A), the Commission shall consider—

''(i) the extent to which activities of the Commission provide benefits to persons that are not licensees of the Commission;

''(ii) the extent to which the Commission is unable to assess fees or charges on a licensee or class of licensee that benefits from the activities; and

''(iii) the extent to which the costs to the Nuclear Regulatory Commission of activities are commensurate with the benefits provided to the licensees from the activities.

''(C) MAXIMUM EXCLUDED COSTS.—The total amount of costs excluded by the Commission pursuant to the determination under subparagraph (A) shall not exceed $30,000,000 for any fiscal year.''.

AMENDMENT NO. 467

(Purpose: To preserve religious choice in long-term care)

On page 689, between lines 2 and 3, insert the following:

''(iii) RELIGIOUS CHOICE.—The State, in permitting an individual to choose a managed care entity under clause (i) shall permit the individual to have access to appropriate faith-based facilities. With respect to such access, the State shall permit an individual to select a facility that is not a part of the network of the managed care entity if such network does not provide access to appropriate faith-based facilities. A faith-based facility that provides care under this clause shall accept the terms and conditions offered by the managed care entity to other providers in the network.

AMENDMENT NO. 468

(Purpose: To allow medicare beneficiaries to enter into private contracts for services)

On page 685, after line 25, add the following:

SEC. . FACILITATING THE USE OF PRIVATE CONTRACTS UNDER THE MEDICARE PROGRAM.

(a) IN GENERAL.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by inserting after section 1804 of such Act (42 U.S.C. 1395b–2) the following:

''CLARIFICATION OF PRIVATE CONTRACTS FOR HEALTH SERVICES

''SEC. 1805. (a) IN GENERAL.—Nothing in this title shall prohibit a physician or another health care professional who does not provide items or services under the program under this title from entering into a private contract with a medicare beneficiary for health services for which no claim for payment is to be submitted under this title.

''(b) LIMITATION ON ACTUAL CHARGE NOT APPLICABLE.—Section 1848(g) shall not apply with respect to a health service provided to a medicare beneficiary under a contract described in subsection (a).

''(c) DEFINITION OF MEDICARE BENEFICIARY.—In this section, the term 'medicare beneficiary' means an individual who is entitled to benefits under part A or enrolled under part B.

''(d) REPORT.—Not later than October 1, 2001, the Administrator of the Health Care Financing Administration shall submit a report to Congress on the effect on the program under this title of private contracts entered into under this section. Such report shall include—

''(1) analyses regarding—

''(A) the fiscal impact of such contracts on total Federal expenditures under this title and on out-of-pocket expenditures by medicare beneficiaries for health services under this title; and

''(B) the quality of the health services provided under such contracts; and

''(2) recommendations as to whether medicare beneficiaries should continue to be able to enter private contracts under this section and if so, what legislative changes, if any should be made to improve such contracts.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to contracts entered into on and after October 1, 1997.

AMENDMENT NO. 469

(Purpose: To extend premium protection for low-income medicare beneficiaries under the medicaid program)

Strike section 5544 and in its place insert the following:

SEC. 5544. EXTENSION OF SLMB PROTECTION.

(a) IN GENERAL.—Section 1902(a)(10)(E)(iii) (42 U.S.C. 1396a(a)(10)(E)(iii)) is amended by striking ''and 120 percent in 1995 and years thereafter'' and inserting '', 120 percent in 1995 through 1997, 125 percent in 1998, 130 percent in 1999, 135 percent in 2000, 140 percent in 2001, 145 percent in 2002, and 150 percent in 2003 and years thereafter''.

(b) 100 PERCENT FMAP.—Section 1905(b) (42 U.S.C. 1396d(b)) is amended by adding at the end the following: ''Notwithstanding the first sentence of this section, the Federal medical assistance percentage shall be 100 percent with respect to amounts expended as medical assistance for medical assistance described in section 1902(a)(10)(E)(iii) for individuals described in such section whose income exceeds 120 percent of the official poverty line referred to in such section.''.

(c) EFFECTIVE DATE.—The amendments made by this section apply on and after October 1, 1997.

AMENDMENT NO. 470

(Purpose: To strike the limitations on DSH payments to institutions for mental diseases under the medicaid program)

Beginning on page 778, strike line 1 and all that follows through page 779, line 23.

AMENDMENT NO. 411

(Purpose: To strike the limitations on Indirect Graduate Medical Education payments to teaching hospitals)

Begining on page 585, strike line 21 and all that follows through page 586, line 25.

AMENDMENT NO. 472

(Purpose: To provide that information contained in the National Directory of New Hires be deleted after 6 months)

On page 999, between lines 15 and 16, insert the following:

(f) NATIONAL DIRECTORY OF NEW HIRES.—Section 453(i)(2) (42 U.S.C. 653(i)(2)) is amended by adding at the end the following: ''Information entered into such data base shall be deleted 6 months after the date of entry.''.

AMENDMENT NO. 473

(Purpose: To clarify the number of individuals that may be treated as engaged in work for purposes of the mandatory work requirement for TANF block grants)

Beginning on page 929, strike line 20 and all that follows through page 930, line 14 and insert the following:

(k) CLARIFICATION OF NUMBER OF INDIVIDUALS COUNTED AS PARTICIPATING IN WORK ACTIVITIES.—Section 407 (42 U.S.C. 607) is amended—

(1) in subsection (c)—

(A) in paragraph (1)(A), by striking ''(8)''; and

(B) in paragraph (2)(D)—

(i) in the heading, by striking ''PARTICIPATION IN VOCATIONAL EDUCATION ACTIVITIES''; and

(ii) by striking ''determined to be engaged in work in the State for a month by reason

of participation in vocational educational training or''; and

(2) by striking subsection (d)(8).

AMENDMENT NO. 474

(Purpose: To revise subtitle A of title III, relating to spectrum auctions, by deleting certain provisions subject to a point or order, and for other purposes)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENTS NO. 475 THROUGH 498

Mr. LAUTENBERG. Mr. President, we have one amendment that is still being considered.

Otherwise, I ask unanimous consent that it be in order to send 25 amendments to the desk on behalf of my Democratic colleagues, that the amendments be considered as read and laid aside to be voted on in sequence.

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

The amendments are as follows:

AMENDMENT NO. 475

(Purpose: to ensure that certain legal immigrants who become disabled are eligible for disability benefits)

On page 8971, strike line 9–11.

SENATE AMENDMENT 476

(Purpose: To enhance taxpayer value in auctions conducted by the Federal Communications Commission)

SECTION . RESERVE.

In any auction conducted or supervised by the Federal Communications Commission (hereinafter the Commission) for any license, permit or right which has value, a reasonable reserve price shall be set by the Commission for each unit in the auction. the reserve price shall establish a minimum bid for the unit to be auctioned. If no bid is received above the reserve price for a unit, the unit shall be retained. The Commission shall reassess the reserve price for that unit and place the unit in the in the next scheduled or next appropriate auction.

AMENDMENT NO. 477

(Purpose: To provide food stamp benefits to child immigrants)

At the end of title I, add the following:

SEC. 10___. FOOD STAMP BENEFITS FOR CHILD IMMIGRANTS.

(a) IN GENERAL.—Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)) is amended by adding at the end the following:

''(E) CHILD IMMIGRANTS.—In the case of the program specified in paragraph (3)(B), paragraph (1) shall not apply to a qualified alien who is under 18 years of age.''.

(b) ALLOCATION OF ADMINISTRATIVE COSTS.—Section 408(a) of the Social Security Act (42 U.S.C. 608(a)) is amended by adding at the end the following:

''(12) DESIGNATION OF GRANTS UNDER THIS PART AS PRIMARY PROGRAM IN ALLOCATING ADMINISTRATIVE COSTS.—

''(A) IN GENERAL.—Notwithstanding any other provision of law, a State shall designate the program funded under this part as the primary program for the purpose of allocating costs incurred in serving families eligible or applying for benefits under the State program funded under this part and any other Federal means-tested benefits.

''(B) ALLOCATION OF COSTS.—

''(i) IN GENERAL.—The Secretary shall require that costs described in subparagraph (A) be allocated in the same manner as the costs were allocated by State agencies that designated part A of title IV as the primary program for the purpose of allocating administrative costs before August 22, 1996.

''(ii) FLEXIBLE ALLOCATION.—The Secretary may allocate costs under clause (i) differently, if a State can show good cause for or evidence of increased costs, to the extent that the administrative costs allocated to the primary program are not reduced by more than 33 percent.

''(13) FAILURE TO ALLOCATE ADMINISTRATIVE COSTS TO GRANTS PROVIDED UNDER THIS PART.—If the Secretary determines that, with respect to a preceding fiscal year, a State has not allocated administrative costs in accordance with paragraph (12), the Secretary shall reduce the grant payable to the State under section 403(a)(1) for the succeeding fiscal year by an amount equal to—

''(A) the amount the Secretary determines should have been allocated to the program funded under this part in such preceding fiscal year; minus

''(B) the amount that the State allocated to the program funded under this part in such preceding fiscal year.''.

AMENDMENT NO. 478

(Purpose: To require balance billing protections for individuals enrolled in fee-for-service plans under the Medicare Choice program under part C of title XVIII of the Social Security Act)

On page 214, strike lines 21 through 24 and insert the following:

''(3) EXCEPTION FOR MSA PLANS AND UNRESTRICTED FEE-FOR-SERVICE PLANS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), paragraphs (1) and (2) do not apply to an MSA plan or an unrestricted fee-for-service plan.

''(B) APPLICATION OF BALANCE BILLING FOR PHYSICIAN SERVICES.—Section 1848(g) shall apply to the provision of physician services (as defined in section 1848(j)(3)) to an individual enrolled in an unrestricted fee-for-service plan under this title in the same manner as such section applies to such services that are provided to an individual who is not enrolled in a Medicare Choice plan under this title.

AMENDMENT NO. 479

(Purpose: To provide for medicaid eligibility of disabled children who lose SSI benefits)

On page 874, between lines 7 and 8, insert the following:

SEC. 5817A. CONTINUATION OF MEDICAID ELIGIBILITY FOR DISABLED CHILDREN WHO LOSE SSI BENEFITS.

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II) (42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended by inserting ''(or were being paid as of the date of enactment of section 211(a) of the Personal Responsibility and Work Opportunity Act of 1996 (Public Law 104–193; 110 Stat. 2188) and would continue to be paid but for the enactment of that section)'' after ''title XVI''.

(b) OFFSET.—Section 2103(b) of the Social Security Act (as added by section 5801) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the amendment made by section 5817A(a) of the Balanced Budget Act of 1997 (relating to continued eligibility for certain disabled children).''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies to medical assistance furnished on or after July 1, 1997.

AMENDMENT NO. 480

(Purpose: To clarify the family violence option under the temporary assistance to needy families program)

On page 960, between lines 3 and 4, insert the following:

SEC. _____. PROTECTING VICTIMS OF FAMILY VIOLENCE.

(a) FINDINGS.—Congress finds that—

(1) the intent of Congress in amending part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) in section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat 2112) was to allow States to take into account the effects of the epidemic of domestic violence in establishing their welfare programs, by giving States the flexibility to grant individual, temporary waivers for good cause to victims of domestic violence who meet the criteria set forth in section 402(a)(7)(B) of the Social Security Act (42 U.S.C. 602(a)(7)(B));

(2) the allowance of waivers under such sections was not intended to be limited by other, separate, and independent provisions of part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.);

(3) under section 402(a)(7)(A)(iii) of such Act (42 U.S.C. 602(a)(7)(A)(iii)), requirements under the temporary assistance for needy families program under part A of title IV of such Act may, for good cause, be waived for so long as necessary; and

(4) good cause waivers granted pursuant to section 402(a)(7)(A)(iii) of such Act (42 U.S.C. 602(a)(7)(A)(iii)) are intended to be temporary and directed only at particular program requirements when needed on an individual case-by-case basis, and are intended to facilitate the ability of victims of domestic violence to move forward and meet program requirements when safe and feasible without interference by domestic violence.

(b) CLARIFICATION OF WAIVER PROVISIONS.—

(1) IN GENERAL.—Section 402(a)(7) (42 U.S.C. 602(a)(7)) is amended by adding at the end the following:

''(C) NO NUMERICAL LIMITS.—In implementing this paragraph, a State shall not be subject to any numerical limitation in the granting of good cause waivers under subparagraph (A)(iii).

''(D) WAIVERED INDIVIDUALS NOT INCLUDED FOR PURPOSES OF CERTAIN OTHER PROVISIONS OF THIS PART.—Any individual to whom a good cause waiver of compliance with this Act has been granted in accordance with subparagraph (A)(iii) shall not be included for purposes of determining a State's compliance with the participation rate requirements set forth in section 407, for purposes of applying the limitation described in section 408(a)(7)(C)(ii), or for purposes of determining whether to impose a penalty under paragraph (3), (5), or (9) of section 409(a).''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) takes effect as if it had been included in the enactment of section 103(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2112).

(c) FEDERAL PARENT LOCATOR SERVICE.—

(1) IN GENERAL.—Section 453 (42 U.S.C. 653), as amended by section 5938, is further amended—

(A) in subsection (b)(2)—

(i) in the matter preceding subparagraph (A), by inserting ''or that the health, safety, or liberty or a parent or child would by unreasonably put at risk by the disclosure of such information,'' before ''provided that'';

(ii) in subparagraph (A), by inserting '', that the health, safety, or liberty or a parent or child would by unreasonably put at risk by the disclosure of such information,'' before ''and that information''; and

(iii) in subparagraph (B)(i), by striking ''be harmful to the parent or the child'' and inserting ''place the health, safety, or liberty of a parent or child unreasonably at risk''; and

(B) in subsection (c)(2), by inserting '', or to serve as the initiating court in an action to seek and order,'' before ''against a non-custodial''.

(2) STATE PLAN.—Section 454(26) (42 U.S.C. 654), as amended by section 5956, is further amended—

(A) in subparagraph (C), by striking ''result in physical or emotional harm to the party or the child'' and inserting ''place the health, safety, or liberty of a parent or child unreasonably at risk'';

(B) in subparagraph (D), by striking ''of domestic violence or child abuse against a party or the child and that the disclosure of such information could be harmful to the party or the child'' and inserting ''that the health, safety, or liberty of a parent or child would be unreasonably put at risk by the disclosure of such information''; and

(C) in subparagraph (E), by striking ''of domestic violence'' and all that follows through the semicolon and inserting ''that the health, safety, or liberty of a parent or child would be unreasonably put at risk by the disclosure of such information pursuant to section 453(b)(2), the court shall determine whether disclosure to any other person or persons of information received from the Secretary could place the health, safety, or liberty or a parent or child unreasonably at risk (if the court determines that disclosure to any other person could be harmful, the court and its agents shall not make any such disclosure);''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall take effect 1 day after the effective date described in section 5961(a).

AMENDMENT NO. 481

(Purpose: To amend the provision on transfer cases, and for other purposes)

On page 562, between line 20 and 21, insert the following:

''(XIV) for calendar year 1999 for hospitals in all areas, the market basket percentage increase minus 1.3 percentage points,''.

On page 562, line 21, strike ''(XIV) for calendar year 1999'' and insert ''(XV) for calendar year 2000.''.

On page 563, line 1, strike ''(XV)'' and insert ''(XVI)''.

On page 604, line 22, strike ''upon discharge from a subsection (d) hospital'' and insert ''immediately upon discharge from, and pursuant to the discharge planning process (as defined in section 1861(ee)) of, a subsection (d) hospital''.

Beginning on page 605, strike line 7 and all that follows through page 606, line 6, and insert the following:

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to discharges occurring on or after October 1, 1997.

AMENDMENT NO. 482

(Purpose: To allow vocational educational training to be counted as a work activity under the temporary assistance for needy families program for 24 months)

AMENDMENT NO. 482

On page 930, between lines 14 and 15, insert the following:

(l) VOCATIONAL EDUCATIONAL TRAINING.—Section 407(d)(8) (42 U.S.C. 607(d)(8)) is amended by striking ''12'' and inserting ''24''.

AMENDMENT NO. 483

(Purpose: To provide for the continuation of certain State-wide medicaid waivers)

On page 844, between lines 7 and 8, insert the following:

SEC. 5768. CONTINUATION OF STATE-WIDE SECTION 1115 MEDICAID WAIVERS.

(a) IN GENERAL.—Section 1115 of the Social Security Act (42 U.S.C. 1315) is amended by adding at the end the following:

''(d)(1) The provisions of this subsection shall apply to the extension of statewide comprehensive research and demonstration projects (in this subsection referred to as 'waiver project') for which waivers of compliance with the requirements of title XIX are granted under subsection (a). With respect to a waiver project that, but for the enactment of this subsection, would expire, the State at its option may—

''(A) not later than 1 year before the waiver under subsection (a) would expire (acting through the chief executive officer of the State who is operating the project), submit to the Secretary a written request for an extension of such waiver project for up to 3 years; or

''(B) permanently continue the waiver project if the project meets the requirements of paragraph (2).

''(2) The requirements of this paragraph are that the waiver project—

''(A) has been successfully operated for 5 or more years; and

''(B) has been shown, through independent evaluations sponsored by the Health Care Financing Administration, to successfully contain costs and provide access to health care.

''(3)(A) In the case of waiver projects described in paragraph (1)(A), if the Secretary fails to respond to the request within 6 months after the date on which the request was submitted, the request is deemed to have been granted.

''(B) If the request is granted or deemed to have been granted, the deadline for submittal of a final report shall be 1 year after the date on which the waiver project would have expired but for the enactment of this subsection.

''(C) The Secretary shall release an evaluation of each such project not later than 1 year after the date of receipt of the final report.

''(D) Phase-down provisions which were applicable to waiver projects before an extension was provided under this subsection shall not apply.

''(4) The extension of a waiver project under this subsection shall be on the same terms and conditions (including applicable terms and conditions related to quality and access of services, budget neutrality as adjusted for inflation, data and reporting requirements and special population protections), except for any phase down provisions, and subject to the same set of waivers that applied to the project or were granted before the extension of the project under this subsection. The permanent continuation of a waiver project shall be on the same terms and conditions, including financing, and subject to the same set of waivers. No test of budget neutrality shall be applied in the case of projects described in paragraph (2) after that date on which the permanent extension was granted.

''(5) In the case of a waiver project described in paragraph (2), the Secretary, acting through the Health Care Financing Administration, shall deem any State's request to expand medicaid coverage in whole or in part to individuals who have an income at or below the Federal poverty level as budget neutral if independent evaluations sponsored by the Health Care Financing Administration have shown that the State's medicaid managed care program under such original waiver is more cost effective and efficient than the traditional fee-for-service medicaid program that, in the absence of any managed care waivers under this section, would have been provided in the State.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall become effective on the date of enactment of this Act.

AMENDMENT NO. 484

(Purpose: To make community action agencies, community development corporations and other non-profit organizations eligible for welfare-to-work grants)

On page 885, line 15, insert after ''State'' the following: ''or a community action agency, community development corporation or other non-profit organizations with demonstrated effectiveness in moving welfare recipients into the workforce''.

AMENDMENT NO. 485

(Purpose: To provide that the hospital length of stay with respect to an individual shall be determined by the attending physician)

At the end of the proposed section 1852(d) of the Social Security Act (as added by section 5001), add the following:

''(4) DETERMINATION OF HOSPITAL LENGTH OF STAY.—

''(A) IN GENERAL.—A Medicare Choice organization shall cover the length of an inpatient hospital stay under this part as determined by the attending physician, in consultation with the patient, to be medically appropriate.

''(B) CONSTRUCTION.—Nothing in this paragraph shall be construed—

''(i) as requiring the provision of inpatient coverage if the attending physician, in consultation with the patient, determine that a shorter period of hospital stay is medically appropriate, or

''(ii) as affecting the application of deductibles and coinsurance.

At the appropriate place in chapter 2 of subtitle H of division 1 of title V, insert the following new section:

SEC. ___. HOSPITAL LENGTH OF STAY.

(a) IN GENERAL.—Section 1866(a)(1) (42 U.S.C. 1395cc(a)(1)) is amended—

(1) by striking ''and'' at the end of subparagraph (Q);

(2) by striking the period at the end of subparagraph (R) and inserting ''; and'';

(3) by inserting after subparagraph (R) the following:

''(S) in the case of hospitals, not to discharge an inpatient before the date the attending physician and patient determine it to be medically appropriate.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to discharges occurring on or after 6 months after the date of enactment of this Act.

At the appropriate place in chapter 5 of subtitle I of division 2 of title V, insert the following new section:

SEC. ___. DETERMINATION OF HOSPITAL STAY.

(a) IN GENERAL.—Title XIX (42 U.S.C. 1396 et seq.) is amended—

(1) by redesignating section 1933 as section 1934; and

(2) by inserting after section 1932 the following new section:

''DETERMINATION OF HOSPITAL STAY

''SEC. 1933. (a) IN GENERAL.—A State plan for medical assistance under this title shall cover the length of an inpatient hospital stay under this part as determined by the attending physician, in consultation with the patient, to be medically appropriate.

''(b) CONSTRUCTION.—Nothing in this section shall be construed—

''(1) as requiring the provision of inpatient coverage if the attending physician, in consultation with the patient, determine that a shorter period of hospital stay is medically appropriate, or

''(2) as affecting the application of deductibles and coinsurance.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to discharges occurring on or after 6 months after the date of enactment of this Act.

AMENDMENT NO. 486

(Purpose: To provide additional funding for State emergency health services furnished to undocumented aliens)

At the appropriate place in chapter 1 of subtitle K of division 2 of title V, insert the following new section:

SEC. ___. ADDITIONAL FUNDING FOR STATE EMERGENCY HEALTH SERVICES FURNISHED TO UNDOCUMENTED ALIENS.

(a) TOTAL AMOUNT AVAILABLE FOR ALLOTMENT.—There are available for allotments under this section for each of the 5 fiscal years (beginning with fiscal year 1998) $20,000,000 for payments to certain States under this section.

(b) STATE ALLOTMENT AMOUNT.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall compute an allotment for each fiscal year beginning with fiscal year 1998 and ending with fiscal year 2002 for each of the 12 States with the highest number of undocumented aliens. The amount of such allotment for each such State for a fiscal year shall bear the same ratio to the total amount available for allotments under subsection (a) for the fiscal year as the ratio of the number of undocumented aliens in the State in the fiscal year bears to the total of such numbers for all States for such fiscal year. The amount of allotment to a State provided under this paragraph for a fiscal year that is not paid out under subsection (c) shall be available for payment during the subsequent fiscal year.

(2) DETERMINATION.—For purposes of paragraph (1), the number of undocumented aliens in a State under this section shall be determined based on estimates of the resident illegal alien population residing in each State prepared by the Statistics Division of the Immigration and Naturalization Service as of October 1992 (or as of such later date if such date is at least 1 year before the beginning of the fiscal year involved).

(c) USE OF FUNDS.—From the allotments made under subsection (b), the Secretary shall pay to each State amounts the State demonstrates were paid by the State (or by a political subdivision of the State) for emergency health services furnished to undocumented aliens.

(d) STATE DEFINED.—For purposes of this section, the term ''State'' includes the District of Columbia.

(e) STATE ENTITLEMENT.—This section constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment to States of amounts provided under subsection (c).

AMENDMENT NO. 487

(Purpose: To provide for the application of disproportionate share hospital-specific payment adjustments with respect to California)

At the appropriate place in section 5721, insert the following:

(___) APPLICATION OF DSH PAYMENT ADJUSTMENT.—Notwithstanding subsection (d), effective July 1, 1997, section 1923(g)(2)(A) of the Social Security Act (42 U.S.C. 1396r–4(g)(2)(A)) shall be applied to the State of California as though—

(1) ''or that begins on or after July 1, 1997, and before July 1, 1999,'' were inserted in such section after ''January 1, 1995,''; and

(2) ''(or 175 percent in the case of a State fiscal year that begins on or after July 1, 1997, and before July 1, 1999)'' were inserted in such section after ''200 percent''.

AMENDMENT NO. 488

(Purpose: To provide for actuarially sufficient reimbursement rates for providers)

Beginning on page 764, strike line 7 and all that follows through page 765, line 17, and insert the following:

(a) PLAN AMENDMENTS.—Section 1902(a)(13) is amended—

(1) by striking all that precedes subparagraph (D) and inserting the following:

''(13)(A) provide—

''(i) for the State-based determination of rates of payment under the plan for hospital services (and which, in the case of hospitals, take into account the situation of hospitals which serve a disproportionate number of low income patients with special needs), nursing facility services, and services provided in intermediate care facilities for the mentally retarded, under which the State provides assurances to the Secretary that proposed rates will be actuarially sufficient to ensure access to and quality of services;

''(ii) that the State will submit such proposed rates for review by an independent actuary selected by the Secretary; and

''(iii) that any new rates or modifications to existing rates will be developed through a public rulemaking procedure under which such new or modified rates are published in 1 or more daily newspapers of general circulation in the State or in any publication used by the State to publish State statutes or rules, and providers, beneficiaries and their representatives, and other concerned State residents are given a reasonable opportunity for review and comment on such rates or modifications;''; and

(2) by redesignating subparagraphs (D), (E), and (F) as subparagraphs (B), (C), and (D) respectively.

AMENDMENT NO. 489

(Purpose: To strike the repeal of the Boren amendment)

Beginning on page 764, strike line 5 and all that follows through line 23 on page 766.

Ms. MIKULSKI. Mr. President, I rise today to support the Wellstone/Mikulski amendment which maintains the Boren amendment on nursing home reimbursement.

The Boren amendment ensures an adequate daily reimbursement rate for nursing homes under Medicaid. It helps nursing homes have the funds they need to meet Federal quality and safety standards. The Wellstone/Mikulski amendment will keep this guarantee in place.

Right now, the Boren policy is under attack. It is under attack by States. And it is under attack by Congress. If we repeal this law, States will be able to set their own rates of reimbursement to nursing homes.

We all know the tough budget climate we are operating in. Without the Boren policy, we take away the Federal guarantee of adequate reimbursement rates. This threatens the health and safety of senior citizens. States worry about reimbursements. I'm worried about seniors.

Without Boren, the State reimbursement rates may be too low to ensure that nursing homes can continue to provide quality care. Do we really want to return to the bad old days when senior citizens living in nursing homes faced inadequate care? Can we afford to forget the horror stories from the 1980's about living and quality conditions in some nursing homes?

Well, the Boren amendment helped to change that. We must protect the integrity of the law. The amendment Senator WELLSTONE and I are offering will do that.

Our amendment protects senior citizens living in nursing homes. And it ensures that nursing homes get an appropriate level of reimbursement. It does this by requiring States to reimburse nursing homes for the costs of daily care.

It ensures that States will have adequate reimbursement to provide quality services. It maintains Federal Government oversight. It maintains quality standards and it will protect seniors.

We have been through the fight to keep Federal nursing home standards. And Congress voted last year on a bipartisan basis to keep Federal standards and to maintain Federal enforcement.

In my State of Maryland, already the reimbursement rate is very low. Maryland gets $78 per day when it costs an average of $112 to provide nursing home care. Maryland nursing homes use this reimbursement to provide room and board, around the clock medical care, three meals a day, and bathing, and feeding. You can't even get a good hotel room for that rate. We cannot have the rates fall any lower without jeopardizing patients.

Mr. President, we must protect the Boren amendment. That is why I strongly support the Wellstone/Mikulski amendment. I urge my colleagues to vote for this amendment.

AMENDMENT NO. 490

(Purpose: To improve the provisions relating to the Higher Education Act of 1965)

Strike title VII and insert the following:

TITLE VII—COMMITTEE ON LABOR AND HUMAN RESOURCES

SEC. 7001. MANAGEMENT AND RECOVERY OF RESERVES.

(a) AMENDMENT.—Section 422 of the Higher Education Act of 1965 (20 U.S.C. 1072) is amended by adding after subsection (g) the following new subsection:

''(h) RECALL OF RESERVES; LIMITATIONS ON USE OF RESERVE FUNDS AND ASSETS.—

''(1) IN GENERAL.—Notwithstanding any other provision of law, the Secretary shall, except as otherwise provided in this subsection, recall $1,200,000,000 from the reserve funds held by guaranty agencies under this part on September 1, 2002.

''(2) DEPOSIT.—Funds recalled by the Secretary under this subsection shall be deposited in the Treasury.

''(3) EQUITABLE SHARE.—The Secretary shall require each guaranty agency to return reserve funds under paragraph (1) based on such agency's equitable share of excess reserve funds held by guaranty agencies as of September 30, 1996. For purposes of this paragraph, a guaranty agency's equitable share of excess reserve funds shall be determined as follows:

''(A) The Secretary shall compute each agency's reserve ratio by dividing (i) the amount held in such agency's reserve (including funds held by, or under the control of, any other entity) as of September 30, 1996, by (ii) the original principal amount of all

loans for which such agency has an outstanding insurance obligation.

''(B) If the reserve ratio of any agency as computed under subparagraph (A) exceeds 1.12 percent, the agency's equitable share shall include so much of the amounts held in such agency's reserve fund as exceed a reserve ratio of 1.12 percent.

''(C) If any additional amount is required to be recalled under paragraph (1) (after deducting the total of the equitable shares calculated under subparagraph (B)), the agencies' equitable shares shall include additional amounts—

''(i) determined by imposing on each such agency an equal percentage reduction in the amount of each agency's reserve fund remaining after deduction of the amount recalled under subparagraph (B); and

''(ii) the total of which equals the additional amount that is required to be recalled under paragraph (1) (after deducting the total of the equitable shares calculated under subparagraph (B)).

''(4) RESTRICTED ACCOUNTS.—Within 90 days after the beginning of each of fiscal years 1998 through 2002, each guaranty agency shall transfer a portion of each agency's equitable share determined under paragraph (3) to a restricted account established by the guaranty agency that is of a type selected by the guaranty agency with the approval of the Secretary. Funds transferred to such restricted accounts shall be invested in obligations issued or guaranteed by the United States or in other similarly low-risk securities. A guaranty agency shall not use the funds in such a restricted account for any purpose without the express written permission of the Secretary, except that a guaranty agency may use the earnings from such restricted account for activities to reduce student loan defaults under this part. The portion required to be transferred shall be determined as follows:

''(A) In fiscal year 1998—

''(i) all agencies combined shall transfer to a restricted account an amount equal to one-fifth of the total amount recalled under paragraph (1);

''(ii) each agency with a reserve ratio (as computed under paragraph (3)(A)) that exceeds 2 percent shall transfer to a restricted account so much of the amounts held in such agency's reserve fund as exceed a reserve ratio of 2 percent; and

''(iii) each agency shall transfer any additional amount required under clause (i) (after deducting the amount transferred under clause (ii)) by transferring an amount that represents an equal percentage of each agency's equitable share to a restricted account.

''(B) In fiscal years 1999 through 2002, each agency shall transfer an amount equal to one-fourth of the total amount remaining of the agency's equitable share (after deduction of the amount transferred under subparagraph (A)).

''(5) SHORTAGE.—If, on September 1, 2002, the total amount in the restricted accounts described in paragraph (4) is less than the amount the Secretary is required to recall under paragraph (1), the Secretary shall require the return of the amount of the shortage from other reserve funds held by guaranty agencies under procedures established by the Secretary.

''(6) PROHIBITION.—The Secretary shall not have any authority to direct a guaranty agency to return reserve funds under subsection (g)(1)(A) during the period from the date of enactment of this subsection through September 30, 2002, and any reserve funds otherwise returned under subsection (g)(1) during such period shall be treated as amounts recalled under this subsection and shall not be available under subsection (g)(4).

''(7) DEFINITION.—For purposes of this subsection the term 'reserve funds' when used with respect to a guaranty agency—

''(A) includes any reserve funds held by, or under the control of, any other entity; and

''(B) does not include buildings, equipment, or other nonliquid assets.''.

(b) CONFORMING AMENDMENT.—Section 428(c)(9)(A) of the Higher Education Act of 1965 (20 U.S.C. 1078(c)(9)(A)) is amended—

(1) in the first sentence, by striking ''for the fiscal year of the agency that begins in 1993''; and

(2) by striking the third sentence.

SEC. 7002. REPEAL OF DIRECT LOAN ORIGINATION FEES TO INSTITUTIONS OF HIGHER EDUCATION.

Section 452 of the Higher Education Act of 1965 (20 U.S.C. 1087b) is amended—

(1) by striking subsection (b); and

(2) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 7003. LENDER AND HOLDER RISK SHARING.

Section 428(b)(1)(G) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(G)) is amended by striking ''not less than 98 percent'' and inserting ''95 percent''.

SEC. 7004. FEES AND INSURANCE PREMIUMS.

(a) IN GENERAL.—Section 428(b)(1)(H) of the Higher Education Act of 1965 (20 U.S.C. 1078(b)(1)(H)) is amended—

(1) by inserting ''(i)'' before ''provides'';

(2) by striking ''the loan,'' and inserting ''any loan made under section 428 before July 1, 1998,'';

(3) by inserting ''and'' after the semicolon; and

(4) by adding at the end the following:

''(ii) provides that no insurance premiums shall be charged to the borrower of any loan made under section 428 on or after July 1, 1998;''.

(b) SPECIAL ALLOWANCES.—Section 438(c) of the Higher Education Act of 1965 (20 U.S.C. 1087–1(c)) is amended—

(1) in paragraph (2), by striking ''paragraph (6)'' and inserting ''paragraphs (6) and (8)''; and

(2) by adding at the end the following:

''(8) ORIGINATION FEE ON SUBSIDIZED LOANS ON OR AFTER JULY 1, 1998.—In the case of any loan made or insured under section 428 on or after July 1, 1998, paragraph (2) shall be applied by substituting '2.0 percent' for '3.0 percent'.''.

(c) DIRECT LOANS.—Section 455(c) of the Higher Education Act of 1965 (20 U.S.C. 1087e(c)) is amended—

(1) by striking ''The Secretary'' and inserting the following:

''(1) IN GENERAL.—For loans made under this part before July 1, 1998, the Secretary'';

(2) by striking ''of a loan made under this part''; and

(3) by adding at the end the following:

''(2) ORIGINATION FEE.—For loans made under this part on or after July 1, 1998, the Secretary shall charge the borrower an origination fee of 2.0 percent of the principal amount of the loan, in the case of Federal Direct Stafford/Ford Loans.''.

SEC. 7005. SECRETARY'S EQUITABLE SHARE.

Section 428(c)(6)(A)(ii) of the Higher Education Act of 1965 (20 U.S.C. 1078(c)(6)(A)(ii) is amended by striking ''27 percent'' and inserting ''18.5 percent''.

SEC. 7006. FUNDS FOR ADMINISTRATIVE EXPENSES.

The first sentence of section 458(a) of the Higher Education Act of 1965 (20 U.S.C. 1087h(a)) is amended by striking ''$260,000,000'' and all that follows through the end of the sentence and inserting ''$532,000,000 in fiscal year 1998, $610,000,000 in fiscal year 1999, $705,000,000 in fiscal year 2000, $750,000,000 in fiscal year 2001, and $750,000,000 in fiscal year 2002.''.

SEC. 7007. EXTENSION OF STUDENT AID PROGRAMS.

Title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended—

(1) in section 424(a), by striking ''1998.'' and ''2002.'' and inserting ''2002.'' and ''2006.'', respectively;

(2) in section 428(a)(5), by striking ''1998,'' and ''2002.'' and inserting ''2002,'' and ''2006.'', respectively; and

(3) in section 428C(e), by striking ''1998.'' and inserting ''2002.''.

SEC. 7008. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle take effect on October 1, 1997.

AMENDMENT NO. 491

(Purpose: To prohibit cost-sharing for children in families with incomes that are less than 150 percent of the poverty line)

Section 1916(g)(1) of the Social Security Act, as amended by section 5754, is amended by inserting before the period the following: '', except that no cost-sharing may be imposed with respect to medical assistance provided to an individual who has not attained age 18 if such individuals family income does not exceed 150 percent of the poverty line applicable to a family of the size involved, and if, as of the date of enactment of the Balanced Budget Act of 1997, cost-sharing could not be imposed with respect to medical assistance provided to such individual.''.

AMENDMENT NO. 492

(Purpose: To ensure the provision of appropriate benefits for uninsured children with special needs)

At the appropriate place in section 2102(5) of the Social Security Act as added by section 5801, insert the following: ''The benefits shall include additional benefits to meet the needs of children with special needs, including—

''(A) rehabilitation and habilitation services, including occupational therapy, physical therapy, speech and language therapy, and respiratory therapy services;

''(B) mental health services;

''(C) personal care services;

''(D) customized durable medical equipment, orthotics, and prosthetics, as medically necessary; and

''(E) case management services.

''With respect to FEHBP-equivalent children's health insurance coverage, services otherwise covered under the coverage involved that are medically necessary to maintain, improve, or prevent the deterioration of the physical, developmental, or mental health of the child may not be limited with respect to scope and duration, except to the degree that such services are not medically necessary. Nothing in the preceding sentence shall be construed to prevent FEHBP-equivalent children's health insurance coverage from utilizing appropriate utilization review techniques to determine medical necessity or to prevent the delivery of such services through a managed care plan.''.

AMENDMENT NO. 493

(Purpose: To exempt severely disabled aliens from the ban on receipt of supplemental security income)

On page 874, between lines 7 and 8, insert the following:

SEC. 5817A. SSI ELIGIBILITY FOR SEVERELY DISABLED ALIENS.

Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)), as amended by section 5815, is amended by adding at the end the following:

''(I) SSI EXCEPTION FOR SEVERELY DISABLED ALIENS.—With respect to eligibility for benefits for the program defined in paragraph

(3)(A) (relating to the supplemental security income program), paragraph (1), and the September 30, 1997 application deadline under subparagraph (G), shall not apply to any alien who is lawfully present in the United States and who has been denied approval of an application for naturalization by the Attorney General solely on the ground that the alien is so severely disabled that the alien is otherwise unable to satisfy the requirements for naturalization.''.

AMENDMENT NO 494

(Purpose: To provide for Medicaid eligibility of disabled children who lose SSI benefits)

On page 874, between lines 7 and 8, insert the following:

SEC. 5817A CONTINUATION OF MEDICAID ELIGIBILITY FOR DISABLED CHILDREN WHO LOSE SSI BENEFITS.

(a) IN GENERAL.—Section 1902(a)(10)(A)(i)(II)(42 U.S.C. 1396a(a)(10)(A)(i)(II)) is amended by inserting ''(or were being paid as of the date of enactment of section 211(a) of the Personal Responsibility and Work Opportunity Act of 1996 (Public Law 104-193; 110 Stat. 2188) and would continue to be paid but for the enactment of that section)'' after ''title XVI''.

(b) OFFSET.—Section 2103(b) of the Social Security Act (as added by section 5801) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (3), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(4) the amendment made by section 5817A(a) of the Balanced Budget Act of 1997 (relating to continued eligibility for certain disabled children).''.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) applies to medical assistance furnished on or after July 1, 1997.

AMENDMENT NO. 495

(Purpose: To establish a process to permit a nurse aide to petition to have his or her name removed from the nurse aide registry under certain circumstances)

On page 844, between lines 7 and 8, insert the following:

SEC. . REMOVAL OF NAME FROM NURSE AIDE REGISTRY.

(a) MEDICARE.—Section 1819(g)(1)(C) of the Social Security Act (42 U.S.C. 1395i-3(g)(1)(C)) is amended—

(1) in the first sentence by striking ''The State'' and inserting ''(i) The State''; and

(2) by adding at the end the following:

''(ii)(I) In the case of a finding of neglect, the State shall establish a procedure to permit a nurse aide to petition the State to have his or her name removed from the registry upon a determination by the State that—

''(aa) the employment and personal history of the nurse aide does not reflect a pattern of abusive behavior or neglect; and

''(bb) the neglect involved in the original finding was a singular occurrence.

''(II) In no case shall a determination on a petition submitted under clause (I) be made prior to the expiration of the 1-year period beginning on the date on which the name of the petitioner was added to the registry under this subparagraph.''.

(b) MEDICAID.—Section 1919(g)(1)(C) of the Social Security Act (42 U.S.C. 1396r(g)(1)(C)) is amended—

(1) in the first sentence by striking ''The State'' and inserting ''(i) The State''; and

(2) by adding at the end the following:

''(ii)(I) In the case of a finding of neglect, the State shall establish a procedure to permit a nurse aide to petition the State to have his or her name removed from the registry upon a determination by the State that—

''(aa) the employment and personal history of the nurse aide does not reflect a pattern of abusive behavior or neglect; and

''(bb) the neglect involved in the original finding was a singular occurrence.

''(II) In no case shall a determination on a petition submitted under clause (I) be made prior to the expiration of the 1-year period beginning on the date on which the name of the petitioner was added to the registry under this subparagraph.''.

(c) RETROACTIVE REVIEW.—The procedures developed by a State under the amendments made by subsection (a) and (b) shall permit an individual to petition for a review of any finding made by a State under section 1819(g)(1)(C) or 1919(g)(1)(C) of the Social Security Act (42 U.S.C. 1395i–3(g)(1)(C) or 1396r(g)(1)(C)) after January 1, 1995.

(d) STUDY AND REPORT.—

(1) STUDY.—The Secretary of Health and Human Services shall conduct a study of—

(A) the use of nurse aide registries by States, including the number of nurse aides placed on the registries on a yearly basis and the circumstances that warranted their placement on the registries;

(B) the extent to which institutional environmental factors (such as a lack of adequate training or short staffing) contribute to cases of abuse and neglect at nursing facilities; and

(C) whether alternatives (such as a probational period accompanied by additional training or mentoring or sanctions on facilities that create an environment that encourages abuse or neglect) to the sanctions that are currently applied under the Social Security Act for abuse and neglect at nursing facilities might be more effective in minimizing future cases of abuse and neglect.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Secretary of Health and Human Services shall prepare and submit to the appropriate committees of Congress, a report concerning the results of the study conducted under paragraph (1) and the recommendation of the Secretary for legislation based on such study.

AMENDMENT NO. 496

(Purpose: To strike the limitation on the coverage of abortions)

On page 860, strike all matter after line 10 and before line 15, and the following:

''(d) USE LIMITED TO STATE PROGRAM EXPENDITURES.—Funds provided to an eligible State under this title shall only be used to carry out the purpose of this title.

AMENDMENT NO. 497

(Purpose: To clarify that risk solvency standards established for managed care entities under the Medicaid program shall not preempt any State standards that are more stringent)

On page 743, line 6, strike the period and insert ''(but that shall not preempt any State standards that are more stringent than the standards established under this subparagraph.''.

AMENDMENT NO. 498

(Purpose: To allow funds provided under the welfare-to work grant program to be used for the microloan demonstration program under the Small Business Act)

On page 888, between lines 22 and 23, insert the following:

''(VI) Technical assistance and related services that lead to self-employment through the microloan demonstration program under section 7(m) of the Small Business Act (15 U.S.C. 636(m))

Mr. LAUTENBERG. Again, the first amendment on that list, Mr. President, is the Lautenberg amendment.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator recognizes the Senator from North Dakota.

Mr. LAUTENBERG. May we finish this up?

Mr. DOMENICI. I need to finish this work, if you don't mind.

Senator, I understand you did submit an amendment with reference to the illegal aliens.

Mr. LAUTENBERG. Legal.

Mr. DOMENICI. Legal aliens.

AMENDMENT NO. 499

(Purpose: To provide SSI eligibility for disabled legal aliens)

Mr. DOMENICI. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] proposes an amendment numbered 499.

Mr. DOMENICI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike sections 5811 through 5814 and insert the following:

SEC. 5812. EXTENSION OF ELIGIBILITY PERIOD FOR REFUGEES AND CERTAIN OTHER QUALIFIED ALIENS FROM 5 TO 7 YEARS FOR SSI AND MEDICAID.

(a) SSI.—Section 402(a)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(A)) is amended to read as follows:

''(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

''(i) SSI.—With respect to the specified Federal program described in paragraph (3)(A) paragraph 1 shall not apply to an alien until 7 years after the date—

''(I) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;

''(II) an alien is granted asylum under section 208 of such Act; or

''(III) an alien's deportation is withheld under section 243(h) of such Act.

''(ii) FOOD STAMPS.—With respect to the specified Federal program described in paragraph (3)(B), paragraph 1 shall not apply to an alien until 5 years after the date—

''(I) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act:

''(II) an alien is granted asylum under section 208 of such Act; or

''(III) an alien's deportation is withheld under section 243(h) of such Act.''.

(b) MEDICAID.—Section 402(b)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(2)(A)) is amended to read as follows:

''(A) TIME-LIMITED EXCEPTION FOR REFUGEES AND ASYLEES.—

''(i) MEDICAID.—With respect to the designated Federal program described in paragraph (3)(C), paragraph 1 shall not apply to an alien until 7 years after the date—

''(I) an alien is admitted to the United States as a refugee under section 207 of the Immigration and nationality Act:

''(II) an alien is granted asylum under section 208 of such Act; or

''(III) an alien's deportation is withheld under section 243(h) of such Act.

''(ii) OTHER DESIGNATED FEDERAL PROGRAMS.—With respect to the designated Federal programs under paragraph (3) (other than subparagraph (C)), paragraph 1 shall not apply to an alien until 5 years after the date—

''(I) an alien is admitted to the United States as a refugee under section 207 of the Immigration and Nationality Act;

''(II) an alien is granted asylum under section 208 of such Act; or

''(III) an alien's deportation is withheld under section 243(h) of such Act.''.

(c) STATUS OF CUBAN AND HAITIAN ENTRANTS.—For purposes of sections 402(a)(2)(A) and 402(b)(2)(A) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2)(A), (b)(2)(A), an alien who is a Cuban and Haitian entrant, as defined in section 501(e) of the Refugee Education Assistance Act of 1984, shall be considered a refugee.

SEC. 5813. SSI ELIGIBILITY FOR PERMANENT RESIDENT ALIENS WHO ARE MEMBERS OF AN INDIAN TRIBE.

Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1966 (8 U.S.C. 1612(a)(2)) (as amended by section 5311) is amended by adding at the end the following:

''(F) PERMANENT RESIDENT ALIENS WHO ARE MEMBERS OF AN INDIAN TRIBE.—With respect to eligibility for benefits for the program defined in paragraph (3)(A) (relating to the supplemental security income program), paragraph (1) shall not apply to an alien who—

''(i) is lawfully admitted for permanent residence under the Immigration and Nationality Act; and

''(ii) is a member of an Indian tribe (as defined in section 4(e) of the Indian Self-Determination and Education Assistance Act).''.

SEC. 5814. SSI ELIGIBILITY FOR DISABLED LEGAL ALIENS IN THE UNITED STATES ON AUGUST 22, 1996.

(a) Section 402(a)(2) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(a)(2) (as amended by section 5813) is amended by adding at the end the following:

''(G) SSI ELIGIBILITY FOR DISABLED ALIENS.—With respect to eligibility for benefits for the program defined in paragraph (3)(A) (relating to the supplemental security income program), paragraph (1) shall not apply—

''(i) to an alien who—

''(I) is lawfully residing in any State on August 22, 1996; and

''(II) is disabled, as defined in section 1614(a)(3) of the Social Security Act (42 U.S.C. 1382c(a)(3)); or

''(ii) to an alien who—

''(I) is lawfully residing in any State and after such date;

''(II) is disabled (as so defined and

''(III) as of June 1, 1997, is receiving benefits under such program.''.

''(b) Funds shall be made available for not to exceed 2 years for elderly SSI recipients made ineligible for benefits after August 22, 1996.

Mr. DOMENICI. I wonder if the Senator from Delaware would mind taking over for me. We are only going to be another 10 minutes, and he can close it. I would appreciate that.

Senator LAUTENBERG, I will see you in the morning.

Mr. LAUTENBERG. I look forward to that.

Mr. DOMENICI. Have we run out of time under the bill?

The PRESIDING OFFICER. My understanding is that the time runs out at 9:15.

Mr. DOMENICI. You have plenty of time, Senator.

Several Senators addressed the Chair.

Mr. CONRAD. Mr. President, I yielded to the distinguished Republican manager. I would like to reclaim my time at this point.

Mr. DOMENICI. I didn't know you had an amendment.

Mr. CONRAD. I have a point of order that I would like to raise.

Mr. DOMENICI. I wonder if we could finish this part of getting them in.

Mr. CONRAD. Yes. I would be happy to yield for that purpose.

AMENDMENT NO. 500

(Purpose: To require that any benefits package offered under the block grant option for the children's health initiative includes hearing and visions services)

Mr. DOMENICI. I send an amendment to the desk in behalf of Mr. CHAFEE and Mr. ROCKEFELLER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI] for Mr. CHAFEE for himself and Mr. ROCKEFELLER, proposes an amendment numbered 500.

The amendment is as follows:

On page 847, beginning on line 1, strike ''and that otherwise satisfies State insurance standards and requirements.'' and insert ''that includes hearing and vision services for children, and that otherwise satisfies State insurance standards and requirements.''.

AMENDMENT NO. 501

(Purpose: To require that any benefits package offered under the block grant option for the children's health initiative includes hearing and visions services)

Mr. DOMENICI. Mr. President, I send an amendment to the desk in behalf of Senator CHAFEE and Senator ROCKEFELLER.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Mexico [Mr. DOMENICI], for Mr. CHAFEE, for himself and Mr. ROCKEFELLER proposes an amendment numbered 501.

The amendment is as follows:

On page 861, after line 26, add the following:

''(4) HEARING AND VISION SERVICES.—Notwithstanding the definition of FEHBP-equivalent children's health insurance coverage in section 2102(5), any package of health insurance benefits offered by a State that opts to use funds provided under this title under this section shall include hearing and vision services for children.''.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

I would assume that the Senator would be willing to yield for additional amendments that may be filed.

Mr. CONRAD. That is the case.

The PRESIDING OFFICER. The Senator may proceed.

POINT OF ORDER

Mr. CONRAD. I rise to make a point of order that section 5822 of this bill is extraneous and violates section 313(b)(1)(D) of the Budget Act, the so-called Byrd rule.

Mr. President, I urge my colleagues to join me in opposing what amounts to a $2 billion blank check for one State, the State of Texas.

The bill before us would require the Secretary of Health and Human Services to approve the privatization of all Federal and State health and human services benefit programs in the State of Texas without any hearings and without any opportunity to review the proposal or ensure that the goals of these programs are furthered by the proposal.

Mr. President, this is truly unprecedented. If we look at the potential impact from this one State waiver, we see that it affects 2.35 million Medicaid beneficiaries, 2.1 million food stamp recipients, 10 percent of all the food stamp recipients in the United States, nearly 1 million WIC recipients, and 20,000 children who are up for adoption or qualify for foster care assistance.

The Texas waiver amounts to a $2 billion blank check without the benefit of one hearing and without the benefit of any Senator knowing what is in the proposal, because this is a proposal that has not been revealed to the U.S. Senate. There has been no waiver submitted.

We hear a lot of talk that it is a waiver. There has been no waiver submitted. This is a procurement document which, by law, is confidential and cannot be reviewed by the U.S. Senate. There have been no public hearings on this proposal—not one. Not a single Member here has had privy to what this procurement document involves. There are serious unanswered questions about whether taxpayers are protected from liability, mismanagement or fraud.

Mr. President, let me go to the next chart. The contracting of human services has a very checkered record. I have produced reviews of just four situations which have occurred around the country, because I think before we leap off this precipice, we ought to know what is in this agreement. What is in this proposal? None of us have been privy to what is here.

Let me just review with my colleagues what we have seen in other agreements like this around the country. In California, an agreement with Lockheed Martin for a child support enforcement contract, harshly criticized in the California Assembly, slated to cost $99 million, now projected to cost $260 million, cost overrun of 163 percent. The State of California stopped payment in February of 1997; limited contractor liability of only $44 million. Taxpayers have to pick up the rest—a disaster in California.

Do we want this to be repeated in Texas? Some will say, well, it won't happen in Texas. On what basis do they say that? Not a single Senator knows what is in that procurement document—not a single one—because it is confidential.

Virginia: Electronic Data Systems, a Medicaid contract. By the way, this is the same company that seeks to privatize all—let me emphasis—every single Federal and State program in the State of Texas. The same company is involved in this Virginia matter.

This is a Medicaid contract in Virginia. The contract has been canceled; 20 months behind schedule; error rate of more than 50 percent—error rate of more than 50 percent—alleged sweetheart deal; EDS selected over competitor whose bid was 50 percent less; alleged conflict of interest; company won contract after making revolving-door hire of a senior Virginia Medicaid official.

Texas: Anderson Consulting, a child support system contract; 559 percent over the budget; over 4 years behind schedule; design errors result in inability to handle changes in Federal regulations; taxpayers to foot more than 78 percent of the project cost—another disaster.

Mr. President, before we do this, we ought to know what is in this procurement document. We shouldn't be handing a blank check to Texas, or any other State. I wouldn't advocate this for my State—a blank check that could blow up on the taxpayers like these examples have blown up.

Let me just conclude with the Florida Unisys contract, a Medicaid contract. Unisys employees arrested for grand theft; one pleaded guilty to fraud, forgery and money-laundering; two others charged with racketeering; more arrests expected; use of temporary employees, one of whom stole almost a quarter of a million dollars.

And we are getting ready to approve this kind of deal for the State of Texas without any hearing, without any review, without a single Senator knowing what is in the proposed agreement?

Mr. President, we ought to think very carefully before we go down this path.

In Florida, authorities investigating alleged Medicaid theft of $20 million.

Boy, if the warning lights aren't out on this one, I don't know what it will take.

Mr. President, we ought to review this circumstance, have a chance to review it, have hearings, and make a determination if it makes any sense for us to proceed on this basis. I think there are serious and legitimate questions surrounding this proposed procurement document.

The Texas waiver has serious unanswered questions. How do we prevent the massive cost overruns and high error rates that plague similar projects in other States?

How do we protect against revolving-door hiring, kickbacks, or other fraud?

Will the taxpayers be liable if a contractor fails to enroll eligible individuals?

You know, this is a fundamental responsibility of Government to make certain that those who are eligible get the benefits to which they are entitled. Who pays for it if they enroll people who are not eligible?

What happens to vulnerable Americans who need these programs for basic survival if the contractor has financial incentives to minimize enrollment, even of those who have every legal right to be qualified?

Mr. President, I would like to quote an editorial from the Salt Lake Tribune of April 27th. This is what the Salt Lake Tribune said on April 27 of this year:

> Certain elements of a welfare program lend themselves well to contracting, vouchers, or other forms of privatization . . .

I think we all agree with that:

> But when it comes to deciding who will receive public assistance or who should lose custody of a child, the private sector has its limits. If a private group's primary mission is to make profits . . . services may be reduced . . . Government employees, on the other hand, are subject to more public scrutiny and are expected to promote the public good within constitutional protections for individuals.

Mr. President, let's not fix what isn't broken.

Virtually every State is currently operating, developing, or planning the development of an integrated, automated eligibility and enrollment system for TANF, food stamps, and Medicaid. Thirty-eight States with Federally certified systems; three States installing; five States developing; two States planning; three States with State-developed systems.

Let's not throw the baby out with the bathwater.

I urge my colleagues to support this well-taken point of order.

I thank the Chair. I yield the floor.

Mr. ROTH. Mr. President, I move to waive the point of order.

The PRESIDING OFFICER. The Senator from Delaware.

MOTION TO WAIVE THE BUDGET ACT

Mr. ROTH. I move to waive the point of order.

Mr. CONRAD. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. State the inquiry.

Mr. CONRAD. Parliamentary inquiry. The motion to waive the point of order has been raised. Will this be stacked in votes tomorrow? Would that be the intention of the Chair?

Mr. ROTH. That would be the intent of the chairman.

Mr. CONRAD. That would be the intent of the chairman.

Mr. President, would that be the intent?

The PRESIDING OFFICER. That would be the procedure.

Mr. CONRAD. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CONRAD. I thank the Chair.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I can't let this moment pass without commending——

Mr. ROTH. Could the Senator yield so I can send this amendment to the desk for consideration?

Mr. LAUTENBERG. Yes, of course. I would be happy to yield to the chairman of the Finance Committee. But I expect to regain the floor.

AMENDMENT NO. 502

Mr. ROTH. Mr. President, I submit an amendment on behalf of Senator D'AMATO on Medicare, on the duplication provision for consideration tomorrow.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

> The Senator from Delaware [Mr. ROTH] for Mr. D'AMATO, proposes an amendment numbered 502.

The amendment is as follows:

> Section 1. In 42 U.S.C. §1395ss(d)(3)(A)(v), insert ''(a)'' before ''For'', and after the first sentence insert:
>
> ''(b) For purposes of this subparagraph, a health insurance policy (which may be a contract with a health maintenance organization) is not considered to ''duplicate'' health benefits under this title or title XIX or under another health insurance policy if it—
>
> (I) provides comprehensive health care benefits that replace the benefits provided by another health insurance policy,
>
> (II) is being provided to an individual entitled to benefits under Part A or enrolled under Part B on the basis of section 226(b), and
>
> (III) coordinates against items and services available or paid for under this title or title XIX, provided that payments under this title or title XIX shall not be treated as payments under such policy in determining annual or lifetime benefit limits.
>
> Section 2. In 42 U.S.C. §1395ss(d)(3)(A)(v), insert ''(c)'' before ''For purposes of this clause''.

The PRESIDING OFFICER. The Senator from New Jersey.

POINT OF ORDER

Mr. LAUTENBERG. Mr. President, I want to commend our friend and colleague from North Dakota for being aware of what is potentially taking place here.

Mr. President, this is a small example of the kind of document that you might have that has all kinds of bad goodies in here. One of the things that you have to do around here is to make certain that everybody is on the alert to the fact that some things get into these bills without being discussed, without being formally introduced. It has a way of sneaking in there. There is an osmosis process in which they fall down from the sky and get in there. This is one that is really kind of sky-high.

I express very serious concerns about the provision in this bill, that it will allow, as the Senator from North Dakota said, in this case Texas, but any State—to have private companies determine the eligibility for low-income benefits like Medicaid, WIC and food stamps.

Mr. President, this is a budget reconciliation bill, not a Government

management reform bill. In my view, the privatization provision does not belong in fast-track legislation—fast track, that means to get it through here as quickly as you can—that is designed primarily to implement the budget resolution. This provision has no real impact on the deficit except to potentially make it worse in the years ahead, and it would represent a significant policy change with broad-ranging implications.

I also note that this provision is outside of the bipartisan budget agreement. It was never discussed at any one of the negotiating sessions because I personally sat there at every one of them, and it never appeared in any early drafts of the budget agreement.

This provision raises some very important policy questions. For example, will these private companies have an incentive, as the Senator from North Dakota pointed out in his chart, to exclude people that they would rather not carry from low-income programs. Will they receive bonuses for doing so? Will they feel inclined to do so in order to win other State government contracts?

Now, Mr. President, I kind of grew up, if I can say, in the computer business, and we have seen some of the finest companies in the world make mistakes. We have seen it here with the FAA contract, a fairly complicated piece of business, and it was pointed out that it was Unisys and EDS and names that are very well known in the computer field. Mistakes are made and sometimes these things run way over the original cost estimate, as demonstrated in the example we saw, so we cannot afford to put all of our citizens subject to what might go awry here and spend $2 billion to take care of an arrangement, whatever that arrangement is. Ask every citizen here whether they would feel like kicking into this thing, and I am sure that given a proper questionnaire they would say, ''Heck, no.'' This is not for us and no State ought to be so privileged as to get that kind of an advantage.

Mr. President, the Department of Health and Human Services reports that there may be 3 million children eligible for Medicaid who are not enrolled in the program. It is a serious problem and I feel could even get worse under a privatization program. If private companies are put in charge of enrolling more children for Medicaid, would they really conduct aggressive outreach programs to enroll children, to encourage people to bring them in even if it meant that the State's Medicaid costs would go up? I would not bet on it.

I want to be clear. I am not necessarily opposed to privatization of some Government services. However, it must be considered very carefully, especially when the lives of vulnerable Americans are at stake. This proposal really breaks new ground. For the first time, private interests would be handed complete power to make benefit decisions that are of critical importance to people with low incomes.

It is like turning our military over to private hands and letting them design what conflicts we are going to get involved with. The fact is that much of the allure of privatization is to save money, and there is a place for that. For example, Congress has to decide to have private companies operate some of its cafeterias and do some of its cleaning, and perhaps that translates into more savings and better service for congressional employees. But Congress has wisely limited the roll of private companies in many functions of Government. Private companies are not allowed to operate our military installations, nor do we have private companies administer our Social Security system. We draw the line at some point.

I am concerned that privatizing decisions about benefits for low-income individuals may go over this line. At least, at the very least, it needs careful and thorough study. Yet, I understand that the Finance Committee has not reviewed the details of the Texas waiver, has never seen the full proposal, and since the Senator from North Dakota is also a member of the Finance Committee and talks about the secret nature of this agreement, that further confirms what the rest of us who are not on the Finance Committee might not know and that is that it has never had appropriate scrutiny, never had appropriate review.

Mr. CONRAD. Will the Senator yield on that?

Mr. LAUTENBERG. I would be delighted.

Mr. CONRAD. Is the Senator aware that the proposal before us forces the Secretary of Health and Human Services to approve without comment or review any proposal submitted by the State of Texas which includes provisions to contract out for eligibility determinations? Was the Senator so aware?

Mr. LAUTENBERG. Not aware. I cannot even believe it would be suggested, because that is such a dereliction of duty that I think everybody would be embarrassed if something like this took place. What do you mean? That a Secretary has no right to review the conditions under which we are spending the taxpayers' money?

Mr. CONRAD. If we think about this, these are programs with respect to food stamps and WIC that are 100 percent federally funded. The Medicaid Program is over 50 percent federally funded.

Mr. LAUTENBERG. The rest of it is State funded.

Mr. CONRAD. The rest of it is State funded. We would be in a position to endorse any proposal the State of Texas sent up here without any review, without any comment by the Secretary of Health and Human Services. That is the situation we are in with the proposal in the underlying legislation. I just ask the Senator, has he ever heard of such a proposal before the Senate?

Mr. LAUTENBERG. Never, not even in the years that I spent in the private sector, and I ran a pretty good-sized company with 16,000 employees when I left. It did better after I left. It now has 30,000 employees.

Never have I seen it. Never, when one works with Government, have I seen this kind of an arrangement that has a peculiar odor, and it is not Chanel No. 5. The fact is that to give away Government funds in a program as sensitive as this to take care of the poor—listen, all of us have seen the abuses of private sector companies that have taken over health care and things of that nature.

It just blows one's mind when you see that the president of a company that is in the health care business made $22 million in a single year and meanwhile is squeezing down because that is where the profits are going to come from, from cutting conditions. They are cutting programs that are supposed to take care of people's health.

Well, do you want to have someone up there whose bonus, whose stock options, whose salary depends on making sure that they service as few people as possible, reduce expenses as much as possible when, in fact, the WIC Program is designed to take care of people who are really impoverished, people who need the nutrition that comes through the program to sustain them? So do you want to have some executive sitting at some remote place—and I liked that executive life when I was there, but it was never at the Government's expense—at Government expense. We see constant reference to cases being tried, investigations being conducted where programs were turned over to the private sector. I talk about things like jails—we have tried that in New Jersey—which were dismal failures because they could not protect the guards sufficiently in these jails because they did not hire the right kind of people. They did not provide them with the right kind of tools. The facilities were not built enough to make sure the inmates incarcerated were properly cared for.

So we see this time and time again, and here we walk in and say, ''OK, here is a bunch of poor people. You take care of them. Do the best you can at the best price you can.'' What an outrage.

Mr. CONRAD. Will the Senator yield for a final question?

Mr. LAUTENBERG. Sure.

Mr. CONRAD. Is the Senator aware that under the proposal in the underlying legislation, we could have a private company decide the custody of a child? That this is so far-reaching without any limits we could be in a circumstance in which a private concern has the authority to determine the custody of a child? How does that strike the Senator from New Jersey?

Mr. LAUTENBERG. I will tell the Senator how it strikes me. I say thank God that the Senator from North Dakota has brought this to the attention of the Senate and to the public.

My friend has done a real service in doing this. The notion that an individual working for a private living, perhaps their salary dependent upon their ability to curtail services, is hardly the way you want to treat a sick patient in the hospital. That is hardly the way you want to treat a family problem. That is hardly the way you want to protect a mother who has been battered. That is hardly the way we want to do things in a society with the conscience this country has.

I am delighted, again, that the Senator introduced it. I am concerned that privatization like this is not going to do the job. Before we go ahead with approval of a waiver, we ought to at least hold a hearing and review the details. Mr. President, Congress has established these safety net programs for people in our society who are truly in need, impoverished. They are designed to ease suffering, to provide nutritional assistance to help children, help struggling people get into the work force to get themselves off welfare, to do whatever they can to sustain themselves. These programs can literally mean the difference between homelessness and independence, and we ought not to rush to hand them over to a private interest at this time, perhaps never, but we sure ought not to do it in the hasty manner that this is being undertaken. We can always revisit this issue, Mr. President, without constraints of a reconciliation bill.

I fully support the action being proposed by the Senator from North Dakota and commend him for it, I must tell you.

Mr. CONRAD. I thank the Senator from New Jersey. If I could just take a moment to further point out—I want to rivet this point—there have been no hearings, not a hearing in the Finance Committee, not a hearing in the Agriculture Committee. Members have not been granted the opportunity to question witnesses, experts, company, or advocates on the merits of privatizing eligibility determinations, protections against cost overruns or protections for recipients.

I really believe this is a totally unprecedented proposal that is buried in this very large document that sets a precedent that I believe is truly alarming. I hope my colleagues will support the point of order when we vote on it tomorrow. This is, I think, a circumstance in which a very broad proposal is being attempted, being made to ram it through Congress as part of privileged legislation. That is wrong. That is simply wrong. The issue deserves public hearings and full debate.

I thank the Chair, yield the floor, and I thank very much the Senator from New Jersey.

AMENDMENT NO. 503

(Purpose: To extend premium protection for low-income medicare beneficiaries under the medicaid program)

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk for Senator ROCKEFELLER and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Mr. ROCKEFELLER, proposes an amendment numbered 503.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in division 2 of title V, insert the following:

SEC. . EXTENSION OF SLMB PROTECTION.

(a) IN GENERAL.—Section 1902(a)(10)(E)(iii) (42 U.S.C. 1396a(a)(10)(E)(iii)) is amended by striking ''and 120 percent in 1995 and years thereafter'' and inserting '', 120 percent in 1995 through 1997, 125 percent in 1998, 130 percent in 1999, 135 percent in 2000, 140 percent in 2001, 145 percent in 2002, and 150 percent in 2003 and years thereafter''.

(b) 100 PERCENT FMAP.—Section 1905(b) (42 U.S.C. 1396d(b)) is amended by adding at the end the following: ''Notwithstanding the first sentence of this section, the Federal medical assistance percentage shall be 100 percent with respect to amounts expended as medical assistance for medical assistance described in section 1902(a)(10)(E)(iii) for individuals described in such section whose income exceeds 120 percent of the official poverty line referred to in such section.''.

(c) EFFECTIVE DATE.—The amendments made by this section apply on and after October 1, 1997.

Mr. LAUTENBERG. Mr. President, I assume that the amendment goes into the line of amendments as turned in and will be considered at that point in the order.

The PRESIDING OFFICER. It goes in in the stacked order, yes.

Mr. LAUTENBERG. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

AMENDMENT NO. 504

(Purpose: To immediately transfer to part B certain home health benefits)

Mr. LAUTENBERG. Mr. President, there is an amendment here from Senator KENNEDY that failed to get included in the list. I send it to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG] for Mr. KENNEDY, proposes an amendment numbered 504.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike section 5361 and insert the following:

SEC. 5361. ESTABLISHMENT OF POST-HOSPITAL HOME HEALTH BENEFIT UNDER PART A AND TRANSFER OF OTHER HOME HEALTH SERVICES TO PART B.

(a) IN GENERAL.—Section 1812(a)(3) (42 U.S.C. 1395d(a)(3)) is amended—

(1) by inserting ''post-hospital'' before ''home health services'', and

(2) by inserting ''for up to 100 visits'' before the semicolon.

(b) POST-HOSPITAL HOME HEALTH SERVICES.—Section 1861 (42 U.S.C. 1395x), as amended by sections 5102(a) and 5103(a), is amended by adding at the end the following:

(qq) POST-HOSPITAL HOME HEALTH SERVICES.—The term 'post-hospital home health services' means home health services furnished to an individual under a plan of treatment established when the individual was an inpatient of a hospital or rural primary care hospital for not less than 3 consecutive days before discharge, or during a covered post-hospital extended care say, if home health services are initiated for the individual within 30 days after discharge from the hospital, rural primary care hospital or extended care facility.''.

(c) CONFORMING AMENDMENTS.—Section 1812(b) (42 U.S.C. 1395d(b)) is amended—

(1) by striking ''or'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; or'', and

(3) by adding after paragraph (3) the following:

''(4) post-hospital home health services furnished to the individual beginning after such services have been furnished to the individual for a total of 100 visits.''.

(d) PHASE-IN OF ADDITIONAL PART B COSTS IN DETERMINATION OF PART B MONTHLY PREMIUM.—Section 1839(a) (42 U.S.C. 1395r(a)) is amended—

(1) in paragraph (3) in the sentence inserted by section 5541 of this title, by inserting ''(except as provided in paragraph (5)(B))'' before the period, and

(2) by adding after paragraph (4) the following:

''(5)(A) The Secretary shall, at the time of determining the monthly actuarial rate under paragraph (1) for 1998 through 2003, shall determine a transitional monthly actuarial rate for enrollees age 65 and over in the same manner as such rate is determined under paragraph (1), except that there shall be excluded from such determination an estimate of any benefits and administrative costs attributable to home health services for which payment would have been made under part A during the year but for paragraph (4) of section 1812(b).

''(B) The monthly premium for each individual enrolled under this part for each month for a year (beginning with 1998 and ending with 2003) shall be equal to 50 percent of the monthly actuarial rate determined under subparagraph (A) increased by the following proportion of the difference between such premium and the monthly premium otherwise determined under paragraph (3) (without regard to this paragraph):

''(i) For a month in 1998, 1/7.

''(ii) For a month in 1999, 2/7.

''(iii) For a month in 2000, 3/7.

''(iv) For a month in 2001, 4/7.

''(v) For a month in 2000, 5/7.

''(vi) For a month in 2003, 6/7.

(e) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section apply to services furnished on or after October 1, 1997.

(2) SPECIAL RULE.—If an individual is entitled to benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.), but is not enrolled in the insurance program established by part B of that title,

the individual also shall be entitled under part A of that title to home health services that are not post-hospital home health services (as those terms are defined under that title) furnished before the 19th month that begins after the date of enactment of this Act.

The PRESIDING OFFICER. The Senator from Delaware.

AMENDMENT NO. 505 TO AMENDMENT NO. 448

(Purpose: To improve the children's health initiative)

Mr. ROTH. Mr. President, on behalf of Mr. LOTT I send an amendment to the desk in the second degree to amendment No. 448, proposed by Mr. CHAFEE.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. LOTT, proposes an amendment numbered 505 to amendment No. 448.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 503, AS MODIFIED

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that I be permitted to send to the desk a modification to an amendment I earlier sent to the desk on behalf of Senator ROCKEFELLER.

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

Mr. LAUTENBERG. I send the amendment to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place add the following:

Notwithstanding any other provisions of this Act, section 5544 low-income Medicare Beneficiary Block Grant Program shall read as follows:

(a) IN GENERAL.—Section 1902(a)(10)(E)(iii) (42 U.S.C. 1396a(a)(10)(E)(iii) is amended by striking ''and 120 percent in 1995 and years thereafter'' and inserting '', 120 percent in 1995 through 1997, 125 percent in 1998, 130 percent in 1999, 135 percent in 2000, 140 percent in 2001, 145 percent in 2002, and 150 percent in 2003 and years thereafter''.

(b) 100 PERCENT FMAP.—Section 1905(b) (42 U.S.C. 1396d(b)) is amended by adding at the end the following: ''Notwithstanding the first sentence of this section, the Federal medical assistance percentage shall be 100 percent with respect to amounts expended as medical assistance for medical assistance described in section 1902(a)(10)(E)(iii) for individuals described in such section whose income exceeds 120 percent of the official poverty line referred to in such section.''.

(c) EFFECTIVE DATE.—The amendments made by this section apply on and after October 1, 1997.

Mr. LAUTENBERG. I thank the Chair, yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

UNANIMOUS-CONSENT AGREEMENT

Mr. ROTH. Mr. President, I ask unanimous consent that it now be in order for me to offer a managers' amendment this evening, and further, prior to final passage of the bill on Wednesday, it be in order for me, Senator ROTH, to modify my amendment after the concurrence of the chairman and ranking member of the Budget Committee.

The PRESIDING OFFICER. Is there objection?

Mr. CHAFEE. Mr. President, I didn't quite understand what the request was—that Senator LOTT be permitted to what?

Mr. ROTH. It has nothing to do with Senator LOTT. What it provides is that I may offer a managers' amendment this evening, and that tomorrow I may amend it, with the concurrence of the chairman and ranking member of the Budget Committee.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

AMENDMENT NO. 506

(Purpose: To provide for managers' amendments)

Mr. ROTH. Mr. President, I send a managers' amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 506.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NOS. 507, 508 AND 509

Mr. ROTH. Mr. President, I send three second-degree amendments to the desk on behalf of Senator LOTT, and I ask unanimous consent that they be considered as read and be numbered accordingly.

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

The amendments are as follows:

AMENDMENT NO. 507 TO AMENDMENT NO. 501

(Purpose: To provide a substitute for the children's health insurance initiative under subtitle J of title V)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 508 TO AMENDMENT NO. 501

(Purpose: To provide a substitute for the children's health insurance initiative under subtitle J of title V)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 509 TO AMENDMENT NO. 501

(Purpose: To provide a substitute for the children's health insurance initiative under subtitle J of title V)

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 510

(Purpose: To require that any benefits package offered under the block grant option for the children's health initiative includes hearing and vision services)

Mr. LAUTENBERG. Mr. President, I send an amendment to the desk on behalf of Mr. ROCKEFELLER and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Mr. ROCKEFELLER, proposes an amendment numbered 510.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place add the following:

Notwithstanding any other provision of this Act the following shall be the hearing and vision services provided under the children's health insurance section:

''(4) HEARING AND VISION SERVICES.—Notwithstanding the definition of FEHBP-equivalent children's health insurance coverage in section 2102(5), any package of health insurance benefits offered by a State that opts to use funds provided under this title under this section shall include hearing and vision services for children.''.

Mr. LAUTENBERG. Mr. President, I ask that amendment No. 510 be in order for its appearance tomorrow.

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

AMENDMENT NO. 511

(Purpose: To provide a substitute for the children's health insurance initiative under subtitle J of title V)

Mr. ROTH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 511.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 512 TO AMENDMENT NO. 511

(PURPOSE: TO CLARIFY THE STANDARD BENEFITS PACKAGE AND THE COST-SHARING REQUIREMENTS FOR THE CHILDREN'S HEALTH INITIATIVES)

Mr. CHAFEE. Mr. President, I send a second-degree amendment to the desk

and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Rhode Island [Mr. CHAFEE] for himself and Mr. ROCKEFELLER, proposes an amendment numbered 512 to Amendment No. 511.

Mr. CHAFEE. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

On page 4 strike line 17 through line 3 on page 5 and insert the following:

'(5) FEHBP-EQUIVALENT CHILDREN'S HEALTH INSURANCE COVERAGE.—The term 'FEHBP-equivalent children's health insurance coverage' means, with respect to a State, any plan or arrangement that provides, or pays the cost of, health benefits that the Secretary has certified are equivalent to or better than the services covered for a child, including hearing and vision services, under the standard Blue Cross/Blue Shield preferred provider option service benefit plan offered under chapter 89 of title 5, United States Code.

Mr. ROTH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

AMENDMENT NO. 513 TO AMENDMENT NO. 510

(Purpose: To provide a substitute for the children's health insurance initiative under subtitle J of title V)

Mr. ROTH. Mr. President, I send a second-degree amendment to the desk on behalf of Senator LOTT and I ask that it be considered.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH], for Mr. LOTT, proposes an amendment numbered 513 to amendment No. 510.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

AMENDMENT NO. 427

(Purpose: To amend title XVIII of the Social Security Act to continue full-time-equivalent resident reimbursement for an additional one year under medicare for direct graduate medical education for residents enrolled in combined approved primary care medical residency training programs)

Mr. ROTH. Mr. President, I ask unanimous consent that it be in order to send an amendment to the desk by Senator DEWINE of Ohio.

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

The clerk will report.

The assistant legislative clerk read as follows.

The Senator from Delaware, [Mr. ROTH], for Mr. DEWINE, proposes an amendment numbered 427.

Mr. ROTH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the appropriate place in chapter 3 of subtitle F of division 1 of title V, insert the following:

SEC. . MEDICARE SPECIAL REIMBURSEMENT RULE FOR PRIMARY CARE COMBINED RESIDENCY PROGRAMS.

(a) IN GENERAL.—Section 1886(h)(5)(G) of the Social Security Act (42 U.S.C. 1395ww(h)(5)(G)) is amended—

(1) in clause (i), by striking ''and (iii)'' and inserting '', (iii), and (iv)''; and

(2) by adding at the end the following:

''(iv) SPECIAL RULE FOR PRIMARY CARE COMBINED RESIDENCY PROGRAMS.—(I) In the case of a resident enrolled in a combined medical residency training program in which all of the individual programs (that are combined) are for training a primary care resident (as defined in subparagraph (H)), the period of board eligibility shall be the minimum number of years of formal training required to satisfy the requirements for initial board eligibility in the longest of the individual programs plus one additional year.

''(II) A resident enrolled in a combined medical residency training program that includes an obstetrics and gynecology program qualifies for the period of broad eligibility under subclause (I) if the other programs such resident combines with such obstetrics and gynecology program are for training a primary care resident.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply to combined medical residency training programs in effect on or after July 1, 1996.

MORNING BUSINESS

Mr. ROTH. Mr. President, I ask unanimous consent there now be a period for the transaction of morning business with Senators permitted to speak for up to 5 minutes each.

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

RECOGNIZING THE NATIONAL GROCERS ASSOCIATION

Mr. NICKLES. Mr. President, I wish to bring to the attention of the Senate the community contribution of the American independent retail grocers and their wholesalers. In past years, through the celebration of National Grocers Week, the House and Senate have recognized the important role these businesses play in our economy. The week of June 22–28, 1997, commemorates the eleventh year that National Grocers Week has been observed by the industry to encourage and recognize grocers' leadership in private sector initiatives. Across the nation, community grocers, through environmental initiatives, political involvement, and charitable support, demonstrate and build on the cornerstone of this great country—the entrepreneurial spirit.

In this annual celebration, National Grocers Association (N.G.A) and the nation honor outstanding independent retail and wholesale grocers, state associations and food industry manufacturers for their community leadership with N.G.A.'s ''Grocers Care'' initiatives.

''GROCERS CARE'' AWARD HONOREES

Representatives from companies, organizations and associations around the United States will be honored. The honorees include:

Alabama: Peter V. Gregerson, Gregerson's Foods, Inc., Gadsden; John M. Wilson, Super Foods Supermarkets, Luverne; Dennis T. Stewart, Piggly Wiggly Alabama, Bessemer;

California: Judy Lynn, Tawa Supermarkets, Buena Park Colorado: Harold J. Kelloff, Kelloff's Food Market, Alamosa;

Florida: Leland F. Williams, Felton's Meat & Produce, Plant City; Roy Deffler, Associated Grocers of Florida, Miami;

Iowa: George Tracy, Sales Force of Des Moines, Des Moines; Kenneth C. Stroud, Food's, Inc., Des Moines; Scott Havens, Plaza Holiday Foods, Norwalk; William D. Long, Waremart, Inc., Boise; Virgil Wahlman, Buy Right Food Center, Inc., Milford;

Indiana: Larry D Contos, Pay Less Super Markets, Inc., Anderson;

Kansas: Doug Highland, Sixth Street Foods, Hays; Bill Lancaster and Douglas Carolan Associated Wholesale Grocers, Kansas City;

Kentucky: James Hughes, Techau's, Inc., Cynthiana; Frank Hinton, D & T Foods, Murray; William R. Gore, G & J Market, Inc., Paducah; Peggy Lawson, Laurel Grocery Company, Inc., London;

Louisiana: Vincent A. Cannata, Cannata's Super Market, Inc., Morgan City; Joseph H. Campbell, Associated Grocers, Inc. Baton Rouge;

Michigan: Kimberly Brubaker and Mark S. Feldpausch, Felpausch Food Centers, Hastings; Ruthann Shull, J & C Family Foods, Carleton; Robert D. DeYoung, Fulton Heights Foods, Grand Rapids; Richard Glidden, Harding's Market, Kalamazoo; Mary Dechow and James B. Meyer, Spartan Stores, Inc., Grand Rapids;

Minnesota: Christopher Coborn and Daniel G. Coborn, Coborn's, Inc., St. Cloud; Gordon B. Anderson, Gordy's, Inc., Worthington; Tim Mattheison, Do-Mats Foods, Benson; William E. Farmer, Fairway Foods, Inc.; Alfred N. Flaten, Nash Finch Company, Minneapolis; Jeffrey Noddle, SUPERVALU INC., Minneapolis;

Missouri: Douglas Gerard, Country Mart, Inc., Branson;

Nebraska: Patrick Raybould, B & R Stores, Inc., Lincoln; Fran Juro, No Frills Supermarkets, Omaha; John F. Hanson, Sixth Street Food Stores, North Platte; Douglas D. Cunningham, John Cunningham, D & D Foodliner, Inc. #9, Wausa; James R. Clarke, Jim's Foodmart, Aurora;

New Hampshire: Richard Delay, Delay's, Inc., Greenfield;

New Jersey: Mike Reilly, ShopRite of Hunterton County, Flemington; David Zallie, Zallie Enterprises, Clementon; Mark K. Laurenti, Shop Rite of Bensalem, Inc., Bensalem; Paul R. Buckley, Jr., Murphy's Market, Inc., Medford; Dean Janeway, Catherine Frank-White, and Jean Pillet, Wakefern;