

Temple Kol Ami, for their devotion to the Jewish faith and contributions to the surrounding community are truly evident during this glorious time of reflection upon their 25 years of success.

#### RENEWAL WEEK

### HON. RON PACKARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. PACKARD. Mr. Speaker, this week is "Renewal Week" and I would like to express my strong support for the efforts of the Renewal Alliance. The Renewal Alliance is a bicameral group of Republican Senators and Representatives dedicated to civic and legislative efforts to reduce poverty in America.

This week, my colleagues on the Renewal Alliance and I will highlight the important role of institutions such as the family, neighborhoods, schools, houses of worship, and charitable organizations. The concept behind this is to strengthen communities and serve the poorest among us. In other words, it's a matter of neighbors helping neighbors.

I am personally concerned about the continued moral decline in our nation. We need to get back to the basics. This can be done by emphasizing values and personal responsibility over hands-outs, which will instill diligence, self-help, and accountability to our society. These are the qualities that make good workers and prosperous Americans.

Mr. Speaker, we can accomplish so much more when we work together and build partnerships between citizens and community-based organizations. I applaud my fellow members of the Renewal Alliance for their selfless dedication to their communities and I encourage those who are not members of the Renewal Alliance to get involved and make a difference.

#### INTRODUCTION OF FRAUD AND REIMBURSEMENT REFORM PROVISIONS TO FUND FULLY THE MEDICARE EARLY ACCESS ACT OF 1999

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. STARK. Mr. Speaker, today, a number of House members are introducing the Medicare Early Access Act of 1999 to help people between 55 and 65 years of age obtain affordable health insurance.

The proposal is almost fully funded over time through a requirement that beneficiaries pay for their own coverage. But there is an initial start-up cost to the program, and a temporary subsidy is necessary to mitigate "adverse selection" costs attributable to the fact that sicker-than-average individuals who are desperate for health insurance may sign up in disproportionate numbers for the program.

To ensure that Medicare's trust funds are not hurt by this new program, I am introducing a package of anti-fraud and administrative improvement provisions that will raise more than enough money to fund the start-up of the Medicare Early Access Act. These provisions are changes that we ought to be making any way to strengthen the program, and I am

pleased that they fund this important new expansion of health insurance.

Over the long run, enactment of these provisions will help reduce Medicare's long-term financial problems.

Below is a brief description of the provisions. The bill will:

Pay for covered Medicare drugs on the basis of actual acquisition cost instead of the artificially high level of average wholesale price minus 5%, which was established by the Balanced Budget Act of 1997;

Lower Medicare payments for Epogen from \$10 to \$9 per 1,000 units. Epogen is now Medicare's most expensive drug, and taxpayers pay more than 80% of the cost;

Reform Medicare's partial hospitalization benefit. In a recent audit, the HHS Inspector General found Medicare payments for partial hospitalization services had a 90% error rate;

Improve the accuracy of Medicare's secondary payer provisions to require health plans and employers to provide insurance data on covered enrollees;

Allow Medicare to get a volume discount by contracting with HHS-designated "Centers of Excellence" for complex operations at hospitals that have better-than-average outcomes.

#### TRIBUTE TO ALHAMBRA, ILLINOIS

### HON. JOHN SHIMKUS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. SHIMKUS. Mr. Speaker, I would like to take this opportunity to join the community of Alhambra, Illinois in celebrating its 150th birthday. A celebration of the sesquicentennial is being held June 18 through 20.

The history of the community will come to life with the festivities. Co-chairpersons Deb Reckman and Joe Dauderman invite the public to join in on the weekend of activities to celebrate the long, colorful history of the town.

I commend the citizens of Alhambra for celebrating their rich history and ancestor heritage during this celebration. It is important to remember pioneer families such as those of James Farris, Robert Aldrich, William Hoxsey and William Pitman whom first rode across Illinois to settle along Silver Creek. These festivities will help the citizens of today gain a greater understanding and respect for their city's past.

The Alhambra banners say "Moving Forward Into the Next Century." I as well as community of Alhambra are looking forward to that to seeing Alhambra continue on its path into the next century and wish them the best of luck in achieving great things.

#### STATEMENT OF INTRODUCTION OF THE PUBLIC RESOURCES DEBT REDUCTION ACT

### HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. GEORGE MILLER of California. Mr. Speaker, Today I am introducing the Public Resources Debt Reduction Act to eliminate many wasteful and environmentally destructive subsidies. My bill would save taxpayers hundreds of billions of dollars per year and end environmentally harmful practices that have continued for too long under antiquated laws.

The array of subsidies for mining, timber, irrigation and other industries that use natural resources belonging to the American people is truly astounding. Multinational mining companies take gold and silver from public land without paying the public a dime of the value. Each year the taxpayers ante up millions to build roads into previously pristine areas of the National Forests so that timber companies can cut down the trees. Irrigators will pay back less than half of the cost of dams and water projects constructed for their benefit—and that repayment takes 50 years with no interest charges.

These direct subsidies are only the beginning of the support we give to natural resource developers. On top of the discount rates for use of the public's resources, each of these industries also receives other benefits, from tax breaks to farm payments.

While these corporations profit handsomely from the public's resources, they often create environmental damage that the public finds itself paying to repair. Abandoned mines litter the West. Unstable clear-cuts in the forests have produced dangerous mudslides this year, as well as damaging wildlife habitat and harming fishing streams. Dams and diversions for irrigation destroy river reaches and wetlands while interfering with annual salmon migration.

Why should the industries that despoil our environment continue to receive heavy subsidies from the American people? Why should these "corporate welfare" benefits remain sacrosanct when we have eliminated welfare support for many poor people?

The answer, of course, is that these subsidies should not remain in place. We cannot pass up this opportunity to eliminate wasteful spending, decrease the deficit and simultaneously reduce environmental damage.

That is why, along with 19 original cosponsors, I have introduced the Public Resources Debt Reduction Act. This measure, which was supported by nearly 60 co-sponsors in the last Congress, would reduce the flagrant waste of billions of dollars in taxpayer money on free minerals, cheap timber, subsidized water and other benefits for those who use our natural resources.

The provisions of this bill (some of which have previously been adopted by the House of Representatives or House Committees) include:

Requiring a fair return for oil and gas leases, grazing leases, and utility rights of way.

Establishing that fees for using federal resources recover all the costs of making those resources available, with a separate provision eliminating timber sales at prices that do not cover administrative costs and overhead.

Halting the give-away of hardrock minerals and sales of mineral lands for next to nothing.

Charging full costs for federal water used to irrigate surplus crops.

Moving receipts from federal timber sales back "on budget."

Mandating annual budget reporting of the cost of natural resource subsidies

The special deals and subsidies given to natural resource development on public lands are relics of another time, a time when the West was young and natural resources were seen as the best incentive to settle the land. Now the West has long been settled, and we

can no longer afford the environmental destruction or the loss to the Treasury resulting from nineteenth century development policies. In the twenty-first century, industry must be required to pay a fair price for using public resources.

#### TRIBUTE TO JODY HALL-ESSER

### HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. DIXON. Mr. Speaker, I am pleased to pay tribute today to Mrs. Jody Hall-Esser, Chief Administrative Officer for the city of Culver City, California. On July 9, 1999, Mrs. Hall-Esser, will retire from city government capping a distinguished career spanning a quarter of a century in public service to her community. To honor Jody for her many years of exemplary service to the citizens of Culver City, a celebration in her honor will be held at the Culver City City Hall on Wednesday, July 7. As one who has worked closely with this extraordinary and selfless public servant for many years, and who possesses first-hand knowledge of her outstanding service to our community, I am pleased to have this opportunity to publicly recognize and commend her before my colleagues here today.

Jody has served in many capacities since joining the Culver City government in 1971. She was initially hired as the first Director of the Culver City Senior Citizens Center, a position she held for a few years before leaving to work in the private sector. In 1976 she returned to the city as the first Housing Manager in the Community Development Department, where she spent the next three years designing and executing Culver City's rent subsidy and residential rehabilitation loan and grant programs. She also is credited with implementing the construction of the city's first rental housing development for the low-income elderly citizens of Culver City.

In 1979 Jody was named Community Development Director and Assistant Executive Director of the Culver City Redevelopment Agency. For more than a decade, she headed the city agency tasked with Planning, Engineering, Redevelopment, Housing and Grants operations. Among her many accomplishments were establishment of the Landlord-Tenant Mediation Board; the Art in Public Places Program; and the Historic Preservation Program.

Jody was appointed Chief Administrative Officer and Executive Director of the Redevelopment Agency in 1991. For the past nine years, her many responsibilities have included implementing public policy mandates promulgated by the Culver City City Council, as well as managing the city's human, financial, and material resources. She has compiled an impressive and enviable record of accomplishments, despite seeing the city through a period of civil unrest, a major earthquake, damage caused by torrential rains, and a severe economic recession. While just one of these occurrences would test the tolerance of most individuals—not Jody Hall-Esser. She merely redoubled her efforts to ensure that the residents of Culver City received the necessary local, state, and federal resources they needed to remain afloat.

#### PERSONAL EXPLANATION

### HON. GREG WALDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. WALDEN. Mr. Speaker, I regret that I was not present for yesterday's recorded vote on the passage of H.R. 1400, the Bond Price Competition Improvement Act of 1999, due to unavoidable weather delays in air travel and traffic congestion returning from the airport. Had I been present for this rollcall vote, I would have voted "yea." I request that the RECORD reflect this position.

#### HEALTH INSURANCE ASSISTANCE FOR THOSE 55 AND OLDER

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, June 15, 1999*

Mr. STARK. Mr. Speaker, in the 104th and 105th Congresses, I introduced legislation to provide assistance in obtaining health insurance to those 55 and older. Today I rise again to introduce legislation that will help many individuals who find themselves without health insurance as they enter the later stage of their lives.

The COBRA Extension Act for 55-to-65 Year Olds extends the COBRA health continuation program to cover more individuals between age 55 and when they become eligible for Medicare at age 65. Under current law, individuals can keep COBRA coverage for 18 to 36 months, depending on the circumstances. That means that a person can be laid off from his or her job, receive 18 months of COBRA, and then find him or herself running out of COBRA coverage at age 55 with only limited, and expensive, places to turn for other health coverage.

One option available to these people is to find an individual health plan in the private market, but the cost of doing so is extremely prohibitive. Rates and availability of coverage in the individual market vary widely, with a person's health, age, and other factors being taken into account. For those in their 50's and 60's, there are large disadvantages and huge expenses in trying to obtain individual coverage since most insurance premiums rise sharply with age or pre-existing conditions.

For example, in the San Francisco market, Blue Cross of California offers a basic, barebones in-hospital plan with a high deductible in the range of \$2,000. For a couple under age 29, the cost is \$99 per month. But the cost soars to \$389 for a couple between 60 and 64. This is an outrageous fourfold increase in insurance rates for the older couple—and it is by no means a comprehensive policy.

Group health insurance is much less expensive than individual policy insurance, and that is why the current COBRA benefit is so vital and useful. The difference in annual cost for obtaining group versus individual health insurance can easily be several thousand dollars.

Under current COBRA rules, people age 55 and over who are reaching the end of their COBRA coverage and who cannot afford to enter the private market face the prospect of

being without health coverage for up to 10 years—until the time they are eligible for Medicare. At that late point in their careers, the task of finding a new job with employer based health coverage can be close to impossible. Some people, such as widows receiving coverage through their late spouse's employer, may need to re-enter the workforce for the first time in years.

Unfortunately, many near-elderly individuals have faced this situation in the recent past. Increasingly during the 1990s, losing one's job due to downsizing and lay-offs has created a gap in health insurance coverage for individuals over age 55. More near-elderly individuals may face the frightening reality of this situation as the number of people between the ages of 55 to 65 nearly doubles, from 23 million today to 42 million by the year 2020.

There exist numerous examples that help demonstrate the significance of the situation to older workers:

At AT&T, 34,000 jobs had to be cut in 1997. This is down from the original prediction of a cut of 40,000 jobs, but still a significant number. Workers were to receive a lump sum payment based on years of service, up to one year of paid health benefits and cash to cover tuition costs or to start a new business—but what happens to health coverage after one year?

Two giant New York City banks, Chase Manhattan and Chemical recently combined and 12,000 jobs from the combined banks were subsequently cut.

Last year, Massachusetts-based Polaroid reduced its workforce by seven percent, cutting over 2,400 jobs.

In December 1998, Citicorp announced it was slashing 10,400 jobs, six percent of its total workforce.

All in all, over 625,000 jobs were eliminated in 1998.

When the near-elderly lose their jobs in this manner, too often the unfortunate consequence is that they and their spouses also lose their health insurance coverage.

In order to assist these individuals over age 55 in maintaining health coverage, and provide an option for them that is better than entering the individual market, my bill modifies the current COBRA law by extending COBRA coverage until the age of Medicare eligibility for individuals who are age 55 or older at the time that their COBRA coverage would expire under current law.

Under this formulation, the maximum coverage available would be 13 years—a spouse who begins her 36 months of coverage at age 52 would then begin coverage under this bill at age 55 and be guaranteed health coverage until the point she becomes eligible for Medicare.

In order to compensate employers for the cost of this new COBRA continuation coverage, my bill calls for age-55+ enrollees receiving an extension of their COBRA benefits to pay 125 percent of the group rate policy (compared to 102 percent for most current COBRA eligible individuals and 150 percent for disabled COBRA enrollees). This provision recognizes the fact that this age group is more expensive to insure and compensates business accordingly.

I realize that the cost of paying one's share of a group insurance policy will still be too much of a burden for a number of Americans. Many of them will be forced into the uncertain