

police officers, both past and present, who by their faithful and loyal devotion to their responsibilities have rendered a dedicated service to their communities and, in doing so, have established for themselves an enviable and enduring reputation for preserving the rights and security of all citizens. I further call upon all citizens to observe Staturday, May 15, as Peace Officers' Memorial Day in honor of those peace officers who, through their courageous deeds, have lost their lives or have become disabled in the performance of duty.

THE MEDICARE CHRONIC DISEASE
PRESCRIPTION DRUG BENEFIT
ACT OF 1999

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 13, 1999

Mr. CARDIN. Mr. Speaker, I rise today to introduce legislation that addresses one of the most pressing problems facing America's older and disabled citizens today—access to comprehensive medical care. Medicare, the federal health insurance program for the elderly and disabled, covers a large number of medical services, inpatient care, physician services, skilled nursing facilities, and home health and hospice care are all covered by the Medicare program. Despite the success of this program in eliminating illness as a potential cause of financial ruin, the burden of high prescription drug costs remains a source of hardship for many beneficiaries.

When Congress created Medicare in 1965, prescription drugs were not a standard feature of most private insurance policies. But health care in the United States has evolved considerably in the last 34 years. Now most private health plans cover drugs because they are an essential component of modern health care. They are viewed as integral in the treatment and prevention of diseases. But Medicare, for all its achievements, has not kept pace with America's health care system. It's time for Medicare to modernize.

Because Medicare does not pay for prescription drugs, Medicare beneficiaries, 80% of whom use a prescription drug every day, must either rely on Medicaid if they qualify, purchase private supplemental coverage, join a Medicare HMO that offers drug benefits, or pay for them out-of-pocket.

Medicaid does provide prescription drug coverage. But nearly 60% of Medicare beneficiaries with incomes below the federal poverty level were not enrolled in Medicaid as recently as 1997. And even Medicaid enrollees with drug benefits must forgo some medications. For example, eleven state Medicaid programs have imposed caps on the number of prescriptions covered each month.

The drug coverage available through Medigap leaves much to be desired. Only 3 of the 10 standardized Medigap plans offer drug coverage, and the plans that do have limits on the benefits and high cost sharing. Two plans have caps of \$1250, and the third has a cap of \$3000. In addition, all three policies require that beneficiaries pay a 50% coinsurance for prescription drugs. The high cost of Medigap policies puts them out of reach for most low-to-moderate income Medicare enrollees. In my home state of Maryland, a 70 year-old bene-

ficiary buying a Medigap policy with drug benefits would have to pay between \$1100 and \$3550 per year.

Some beneficiaries get drug benefits through employer-sponsored retiree plans. Although between 60 and 70% of large employers offered retiree health benefits in the 1980s, fewer than 40% do so today. Of these, nearly one-third do not provide drug benefits to their retirees.

So that leaves Medicare HMOs. Nearly one-quarter of Medicare+Choice enrollees—1.5 million beneficiaries—do not have drug benefits today. Nine of ten plans that do offer drugs impose annual caps, some of which are as low as \$600. In fact, some seniors in Medicare HMOs are relying on pharmaceutical samples from their physicians to get sufficient supplies of medications. Twenty-five percent of enrollees with drug coverage pay a monthly premium to join the HMO, and these premiums are certain to rise next year. Last October, four of the eight HMOs offering Medicare coverage in Maryland exited the program, abandoning 34,600 seniors. In all but the metropolitan areas, only one HMO was left and it went from a zero premium to \$75 a month.

Finally, the benefits offered by Medicare+Choice plans are not permanent. Because they are not part of the basic Medicare benefit package, which by law must be included in Medicare+Choice plans, drug benefits are considered "extra" and as such can change from year to year. On July 1, just 50 days from now, HMOs will submit their proposals to the Health Care Financing Administration for 2000. HCFA estimates that 16 million seniors, or 40% of all beneficiaries, will lack drug coverage as of next year.

All of these statistics make us painfully aware of the gaping hole in Medicare's safety net. This Congress can move now to patch it before more elderly and disabled citizens fall through. Today, Mr. Speaker, I am introducing legislation to accomplish this. My bill, the Medicare Chronic Disease Prescription Drug Benefit Act, recognizes the importance of preventive care and provides coverage for drugs that have been determined to show progress in treating chronic diseases. Why chronic diseases? Because the average drug expenditures for elderly persons with just one chronic disease are more than twice as high than for those without any chronic conditions. And because we know from years of advanced medical research that treating these conditions will reduce costly inpatient hospitalizations and expensive follow-up care. Furthermore, this bill addresses those beneficiaries who need assistance with their medications: a review of the Medicare+Choice program reveals that seniors who join HMOs—whom HMOs market to—are younger and healthier than those in fee-for-service Medicare. This tells us that the older, sicker seniors are not getting drug benefits.

My bill addresses their needs. It begins with five chronic diseases that have high prevalence among seniors and whose treatment will show improvement in beneficiaries' quality of life and reduce Medicare's overall expenditures. This bill provides coverage after an annual \$250 deductible is met, with no copayment for generics and a 20% copayment for brand-name drugs. The Agency for Health Care Policy and Research will review available data on the effectiveness of drugs in treating these conditions, and based on AHCPR's review, the Department of health and Human

Services will determine the drugs to be covered. Pharmacy Benefit Managers (PBM) under contract on a regional basis with the Health Care Financing Administration will negotiate with pharmaceutical companies to purchase these drugs and will administer the benefit.

This bill covers five major chronic conditions, but we know that there are others that should be covered as well. The legislation provides a process for the Institute of Medicine to determine the effectiveness of this benefit and the Medicare savings it produces, and to recommend additional diagnoses and medications that should be considered for coverage.

Mr. Speaker, modern medicine has the capability of doing extraordinary things. But no medical breakthrough, no matter how remarkable, can benefit patients if they can't get access to it. This bill is a matter of common sense: if Medicare beneficiaries can secure the medications they need, they will be able to manage their conditions, and will be much less likely to require extended and costly inpatient care. This legislation is a first step, a major step, toward making this happen. I urge my colleagues to join me in providing a solid package of prescription drug benefits that will modernize Medicare for the 21st century for the millions of Americans who depend on it.

HAPPY 100TH ANNIVERSARY LUTHERAN CHILD AND FAMILY SERVICE OF MICHIGAN

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 13, 1999

Mr. BARCIA. Mr. Speaker, nothing is more precious than our children, and nothing is more important than our families. An organization that celebrates and assists both of these assets is one truly worthy of recognition. I am very happy to tell you that this Sunday, May 16th, Lutheran Child and Family Service of Michigan will hold its 100th Anniversary Worship Service in Frankenmuth, celebrating the organization's founding on May 9, 1899, and its century of accomplishment.

A resolution adopted by the Saginaw Valley Pastors' Conference of the Lutheran Church, Missouri Synod, led to the establishment of Lutheran Child and Family Service of Michigan. It was a response to the need for assistance to children who were left homeless by a terrible fires in the Thumb area of Michigan. This was the initial chapter in a proud history of serving tens of thousands of Michigan's children and families through twenty-two service sites in the Lower Peninsula.

During this past century of championship, Lutheran Child and Family Service of Michigan was developed specialized foster care services to assist children with intensive treatment needs, and has become one of the largest providers of foster care services throughout Michigan. It is the largest provider of intensive in-home family preservation through its "Families First" program. It maintains three residential facilities throughout the state for adolescent women, emotionally and mentally impaired boys and girls, and its Lutheran Home in Bay City that provides treatment for adolescent boys. It is the largest private provider in Michigan in the placement of state wards into

permanent adoptive homes, having placed 200 children last year alone. It helps children with AIDS with out-of-home placement. The Lutheran Adoption Service was also chosen as a pilot agency for developing an automated client information system, the Integrated Information System.

There is no doubt that many people will face difficulties during their lives. At those times, responsible assistance coupled with sensitive caring go a long way towards helping to ease problems. Robert Miles, the Executive Vice President and Chief Operating Officer of Lutheran Child and Family Service, and all of the wonderful people associated with this fine organization can take pride in all that they have done, and all that they continue to do each and every day.

Mr. Speaker, I urge you and all of our colleagues to join me in wishing Lutheran Child and Family Service of Michigan a most joyous 100th anniversary, and many more happy ones to come.

SAVE OUR CHILDREN FROM GUN
VIOLENCE

HON. CAROLYN MCCARTHY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 13, 1999

Mrs. MCCARTHY of New York. Mr. Speaker, why won't this Congress listen to the American people and allow us to pass common sense laws to keep guns out of the hands of children?

I was optimistic when I first learned the other body would take-up amendments drafted to keep guns away from our children. I thought they may set an example for the House to follow by putting politics aside to save our children from gun violence.

But what happened? The other body defeated a simple, common sense measure that would have tightened regulations on the sale of guns at gun shows.

I ask you, why is this a political issue? How many more children will have to die before Congress wakes up and passes laws to save young lives?

I want you to know that we will not give up. We will only fight harder for what the American people want—common sense measures to keep guns away from our kids and off our school campuses. My office alone has heard from thousands of people throughout this country who support my legislation, the Children's Gun Violence Prevention Act. Today, a young student on Long Island let me know that her school sent a petition to the Speaker of this House, asking him to address the issue of children and guns.

Now more than ever, we need to hear from every school and from every parent in this nation. Call, write, e-mail—flood the halls of Congress with your demands—let this Congress know that you want meaningful legislation passed to save our children from gun violence. Every day that goes by with more silence, we lose 13 more kids.

THE FEC REFORM AND
AUTHORIZATION ACT OF 1999

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Friday, May 14, 1999

Mr. HOYER. Mr. Speaker, we tend to take our elections for granted, only briefly focusing attention when there is a disputed outcome or, more recently, to bemoan the lack of voter participation. This unfortunate detachment by the voting public is the result of many different factors, one of which is the lack of confidence in our election process. It is long past the time for Congress to recognize the vital importance of our election process and the need to shore up and strengthen our democratic election system. We can start by reforming the Federal Election Commission (FEC). I am confident that we can give the Federal Election Commission the necessary mandate and direction to better carry out its responsibilities.

As the ranking Democrat on the two House committees that directly oversee the Federal Election Commission, the House Administration Committee and the Treasury, Postal Service and General Government Appropriations Subcommittee, I feel a special responsibility to do everything I can to make sure this agency functions with maximum fairness and efficiency. As Congress prepares to wrestle with campaign finance reform, it is important to note that even the most promising reform is meaningless unless the FEC is able to carry it out. Hopeful that the 106th Congress will pass Shays-Meehan, I am determined to see that the FEC is equipped at the earliest practicable time to enforce both the letter and spirit of this much needed measure.

To that end I am today introducing the FEC Reform and Authorization Act of 1999.

This bill, which I think my colleagues on both sides of the aisle can support, does not propose radical changes at the FEC because, quite frankly, radical change is not needed. As my colleagues know, in January the respected firm of PricewaterhouseCoopers delivered to Congress the results of a \$750,000 independent audit of the FEC that was ordered last year in the FY99 Treasury-Postal Appropriations Act. To many people's surprise, the audit concluded that the FEC is "a competently managed organization with a skilled and motivated staff" that executes its responsibilities "without partisan basis." The audit also found that "high ethical standards are espoused throughout the organization."

However, PricewaterhouseCoopers did recommend several common-sense actions that would improve the FEC's performance. "The FEC's continued success will require that the agency aggressively pursue both incremental and significant changes in organization, work process, technology, and management practice," the report said.

Several of these recommendations have since been formally endorsed by a majority of the FEC commissioners, making them truly bipartisan in nature. In addition, the FEC commissioners have themselves delivered to Congress a list of bipartisan recommendations, not explicitly included in the audit, that would help the agency do its job better.

Mr. Speaker, this bill incorporates 29 recommendations that were either included in the audit and endorsed by the FEC, or were sup-

ported by a bipartisan majority of the FEC commission members. Together they will improve the efficiency and productivity of the FEC.

Most of the recommendations included in this bill address such diverse areas as filing deadlines for campaign reports, eligibility rules for presidential campaign public financing, and FEC administrative procedures. Other can be regarded as more thorough campaign reform, like Section 201, which prohibits foreign nationals, who are now prohibited from making hard money contributions, from making soft money contributions as well.

Each of these technical changes would fine-tune current FEC practices and clarify inconsistencies in current law that have confused FEC officials, contributors, and candidates alike who have had every intention of fairly obeying the law, but have not always been sure just what that law is. I firmly believe that when the underlying statutes are clear to all affected parties, administering and enforcing the law becomes a much more efficient, inexpensive, and straight-forward process.

Mr. Speaker, I do, however, want to spotlight one of the centerpieces of my bill, electronic filing, which was the main audit recommendation and one of the first recommendations that all six FEC commissioners endorsed soon after the audit was released.

Section 101 of this bill instructs the FEC to develop a comprehensive, mandatory electronic data filing system for the major filers. Mandatory electronic filing has been discussed for several years now. Unfortunately, no compelling case has been made for it. After studying the audit and hearing from the FEC, I am convinced that mandatory electronic filing is one of the most important changes we can make. Not only would electronic filing speed up the time it takes for campaign financial reports to be posted on the Web and made available to the public, it would also set off a chain reaction that would allow FEC auditors to analyze campaign reports much more quickly than they presently can. This in turn would allow them to forward much more quickly to the FEC General Counsel's office alleged violations of the law, giving the General Counsel more time to investigate cases before they go stale. In recent years, my Republican colleagues have sharply criticized the General Counsel's office for its slow pace and tendency to dismiss too many cases. Electronic filing will provide the FEC with the tools necessary to expedite its business.

While it is important to look for cost-effective ways to make the FEC more efficient, it is also crucial that the agency be given the funds needed to thoroughly conduct their business. This bill would authorize the FEC budget at \$38,516,000 which is identical to the President's budget request. This is \$2 million more than the FEC's FY99 budget, a 5 percent increase.

Let me conclude by saying that Congress has not passed an FEC authorization bill in 19 years. There are many reasons for this, chiefly an absence of a coherent blueprint that both parties could accept. I regard the independent audit, and this legislation which I am introducing today, as that blueprint for bipartisan action and urge my colleagues on both sides of the aisle to support it.