

HONORING CENTRAL CONNECTICUT
STATE UNIVERSITY MEN'S BAS-
KETBALL TEAM

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise enthusiastically, to pay tribute to the Central Connecticut State University men's basketball team for their accomplishment this week.

This past Monday, the CCSU Blue Devils defeated Robert Morris 63-46 to win the Northeast Conference tournament final for the first time since joining Division I in 1986. This is an amazing achievement for coach Howie Dickenman and the entire Blue Devil team. The team will now make their first appearance playing the NCAA tournament.

The leadership and hard work demonstrated by coach Howie Dickenman and the Blue Devils is an example to us all. While finishing with a record of 4-22, only two seasons ago, they have proven this year, that through persistence and strength of character, any sought after goal is possible.

I hope my colleagues will join me in congratulating this extraordinary group of young men and their coaches, parents, classmates and others who supported and cheered them on through this long journey.

Their determination throughout the entire season has been an inspiration to all of us. Congratulations to the Blue Devils and best of luck in the NCAA tournament!

IN RECOGNITION OF KATIE
MCGWIN

HON. ROBERT A WEYGAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mr. WEYGAND. Mr. Speaker, I rise today in recognition of Katie McGwin, a resident of North Kingstown, Rhode Island and a fifth-grader at Quidnesset Elementary School. Katie was among the winners of this year's National Sportsmanship Day essay contest for her positive essay on responsibility and encouragement.

March 7th was the Tenth Annual National Sportsmanship Day and I am pleased to say that in all of the fifty states, and in one hundred and one other countries students, athletes, coaches, and educators spent the day focusing on the merits of good sportsmanship. In more than 12,000 institutions worldwide, students participated in programs such as "The No Swear Zone", essay and poster contests, student roundtables, and coaches forums in an effort to promote good sportsmanship among our youth.

Just ten years ago this program existed only in Rhode Island elementary schools, founded by my good friend Mr. Daniel E. Doyle, Jr., Executive Director of the Institute for International Sport at the University of Rhode Island, and now it is an international event. This is a wonderful program whose value is evident by the speed of its growth and broad reach of its appeal.

Katie's essay espoused the virtues of true sportsmanship and brought to light the bene-

fits that sportsmanship can offer to our families, our communities, and our nation. Sportsmanship, as Katie notes, is about many things, both on and off the field of play; it is about hard work and effort, responsibility, kindness to others, honesty, fair play, ethical behavior and it is about encouragement. These values are beneficial for our homes, for our workplaces and for our schools. In an age when violence too often penetrates our educational institutions and our communities, these are the ethics and values—which Katie so eloquently discussed—that must be promoted and encouraged by parents, educators and coaches.

I would like to commend Katie for her wisdom and her character and want to encourage her to maintain them throughout her life as they will bring her success in her professional and personal life.

PERSONAL EXPLANATION

HON. GARY G. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mr. GARY MILLER of California. Mr. Speaker, on Wednesday, March 8, 2000 votes were held while I was in route to the Capitol, as were other members, therefore, I missed roll call votes 29, 30, and 31.

Had I been present, I would have voted "yes" on the passage of H.R. 1827, the "Government Waste Corrections Act."

Had I been present, I would have voted "yes" to suspend the rules and pass the H.R. 2952 redesignate the facility of the U.S. Postal Service in Greenville, South Carolina as the Keith D. Oglesby Station.

Had I been present, I would have voted "yes" to suspend the rules and pass, as amended H.R. 3018 to designate the U.S. Postal Office in Charleston, South Carolina as the Marybelle H. Howe Post Office.

A TRIBUTE IN HONOR OF CONNIE
M. DEFORD

HON. JAMES A. BARCIA

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mr. BARCIA. Mr. Speaker, I rise today to honor a wonderful lady, Ms. Connie Deford, of Bay City, Michigan, on the occasion of her retirement from her post as City Clerk of Bay City. Connie has been our trusted clerk since 1986, and I can assure you, Mr. Speaker, that both in character and spirit, Connie is an inspiration to those around her and will be sorely missed by her co-workers.

Connie was born in my home town of Bay City and has a long history of contributing to our community, both as an elected official and as a civic leader. In fact, Connie's service to Bay City is touted as a model for all aspiring elected officials. Everyone who has worked with Connie knows that her retirement will leave very big shoes to fill. However, her accomplishments as City Clerk will endure as a blueprint for all to follow.

Connie is very active in our city's civic affairs and has been awarded numerous awards

for her extraordinary service. Mr. Speaker, time restraints dictate that I mention just a few of the many honors she has received. Perhaps one of her most prestigious awards is the Quill Award, given by the International Institute of Municipal Clerks, the largest international clerk organization, to recognize the most qualified and dedicated clerk in the world. Other awards she has received include being elected Michigan Municipal Clerk of the Year, nominated for the Bay Area Chamber of Commerce Athena Award for Professional Women, awarded the Paul Harris Fellowship Rotarian of the Year, and awarded the Great Lakes College Honorary Doctor of Letters, as well as the Municipal League Special Award of merit.

Her contributions to our community are equally impressive. Connie has been an active member of her church, Holy Trinity, where she is on the Administration Commission and serves as a member of the Adult Choir. She is involved with such admirable institutions as the March of Dimes, the Salvation Army, the Great Lakes College Foundation, and the Michigan Municipal League Foundation.

With Connie's unflagging energy and civic-minded commitment, I am sure that retirement will not mean slowing down. Rather, it will mean a new direction and a new focus that will produce results which impact positively on many, many people in our community. I am also sure that Connie will enjoy the company of her daughter Brigitte and son Keane, as well as her two grandchildren Austin and Angela.

Mr. Speaker, I invite you and our colleagues to join with me in congratulating Bay City City Clerk Connie Deford on the occasion of her retirement, and thanking her for her selfless service to our community. We in Bay City, Michigan, have been truly fortunate to be the recipient of her commitment and vision. Connie has not only been a motivator and creator of civic pride, she precisely embodies our civic pride. I wish her continued success in all her future endeavors.

DRUG COMPANY PROFITEERING:
HOW MUCH IS ENOUGH FOR
AMGEN?

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mr. STARK. Mr. Speaker, submitted are portions of a letter which I have sent to the Federal Trade Commission and others.

When one looks at Amgen's SEC filings, it is clear that this price increase was not necessary. It is pure profiteering, largely at taxpayer expense. It is another example of how Flo and her allies cannot be believed in the debate of a Medicare pharmaceutical benefit.

The ancient Greeks knew the wisdom of moderation, and called it the Golden Mean. All these guys know is Golden Greed.

COMMITTEE ON WAYS AND MEANS,
SUBCOMMITTEE ON HEALTH,
Washington, DC, March 8, 2000.

Hon. ROBERT PITOFKY,
Chairman, Federal Trade Commission,
Washington, DC.

DEAR MR. CHAIRMAN: I urge the Commission to conduct an immediate investigation of the recent price increase in recombinant

human erythropoietin (rHuEPO) announced by the Amgen Corporation. Such an investigation would be very important in the developing debate on the rapid rise in pharmaceutical expenses (15.4% last year) and Medicare payment policy.

Briefly put, Amgen makes about \$1 billion dollars a year *in profit* on the sale of its sole source, monopoly product EPOGEN to Medicare providers. Medicare pays \$10 for a unit that, the last we know, cost about 50 cents to make. The company recovered its entire R&D costs for this product—about \$170 million—in roughly the first year of its sales to Medicare (1990).

While the price/unit has been stable since 1991, the cost to Medicare has soared while the improvement in patients' hematocrits has been disappointingly flat. Part of the reason for the increase in dosage is that we have set a higher quality standard for the desired hematocrits. But I believe another, big part of the reason that the dosage has increased so dramatically is that while Medicare reimburses providers \$10 per 1000 units, the company provides a volume discount, which encourages providers to use more EPO, because the more they use, the more the dialysis centers make. It is reported that some providers are getting paid \$10 by Medicare for a unit that may cost them around \$8.50.¹ I believe this "volume discount" has caused many American dialysis centers to administer the product in an inefficient and even wasteful manner.

The national Dialysis Outcomes Quality Initiative (DOQI), and most foreign nations recommend the administration of EPO subcutaneously—in an injection rather than through the dialysis process. When administered this way, there is data that, at least for a period of time, about 60-70% of patients would need about 30% less EPO. The company's volume discount, therefore, has probably caused Medicare and the taxpayer to spend \$100 to \$200 million more per year than would be needed if we administered the drug the way the quality experts recommend and most foreign countries practice.

In addition to the waste and extra expenditure, too much EPO can be dangerous. It has side effects.²

The Amgen price increase takes advantage of the first increase in Medicare payment for dialysis in a decade. In the Balanced Budget Refinement Act of 1999, Congress increased dialysis payments by 1.2% in 2000 and another 1.2% in 2001—about \$300 million in new spending over the next five years. As one prominent Midwest nephrologist wrote me, "If my calculations are correct, this [3.9% increase in the cost of EPO to a dialysis center] almost exactly matches the fair and needed increase in the composite reimburse-

ment that [Congress] gave to the dialysis providers this year. I guess none of us anticipated that the increase would be consumed to enhance Amgen's profits. I thought it would go to computers, staff, and Continuous Quality Improvement programs in dialysis units. How naive of me." How naive of Congress.

With all this as a background, Amgen's price hike is important to understand and can help shape the Congressional debate on drug reimbursement policy and Medicare payment policy to dialysis centers.

First, I find Amgen's explanation to providers (copy attached) interesting: "This change in price, the first since EPOGEN was launched eleven years ago, is being implemented as a result of continually increasing costs associated with Amgen's business."

As I indicated there is data from a decade ago that the cost of production was about 5 percent and that all R&D costs were recovered in a year. In many industries, productivity is able to actually lower the cost of various high tech products. Can the FTC tell us what the cost of production is today, and how that compares to other increased costs of Amgen in marketing, litigation against potential competitors, overhead, and political contributions, etc.? Can the FTC give us an estimate of the current yearly profit to Amgen from sales of EPO and how much this price increase will add to those profits? The latest 10-Q for Amgen for the three months ended September 30, 1999 shows net income of \$300 million, compared to \$221 million in the same period, 1998. That same SEC filing shows product sales of \$769.2 million and cost of sales, \$98.9 million. The cost of sales as a percent of total sales actually declined between 1998 and 1999. All of this calls into question Amgen's justification for the price increase. As one security analyst is quoted as saying (attached) "They promised Wall Street a certain level of earnings this year. . . . Maybe this is the only way they can achieve that."

So did costs of production really go up that much, or did Amgen's other expenses go up, and this is just a way to tap the Medicare cash cow? The answer to this type of question is important for how we structure a Medicare prescription drug benefit.

The coincidence of Amgen's price increase absorbing most of the Congressional dialysis payment increase should inspire us to consider ways to prevent that from happening again. If we don't, it would be easy to see Amgen doing another 3.9% increase next spring to absorb the second 1.2% dialysis payment increase scheduled for 2001.

Thank you for your early review of this entire situation.

Sincerely,

PETE STARK,
Member of Congress.

INDIA'S RELIGIOUS TYRANNY GOES ON

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 9, 2000

Mr. TOWNS. Mr. Speaker, I was distressed to read an article in the Washington Times of February 25 datelined Calcutta reporting that

the government of India's state of Orissa is now requiring anyone converting to Christianity to get a government permit. This policy has been met with protests in front of government offices in Calcutta, because it is just the latest chapter in the ongoing religious tyranny in India.

As you know, thousands of Sikhs languish in Indian jails without charge and without trial. These Sikhs are political prisoners in "the world's largest democracy." Many of them have been in prison illegally since the Indian government attacked the Sikhs' holiest shrine, the Golden Temple in Amritsar, in June 1984. That is coming up on 16 years now!

The BJP, which runs the central government, destroyed the most revered mosque in India, the mosque at Ayodhya, intending to put a Hindu temple on the site. Hindus affiliated with the BJP's parent organization, the RSS, burned a Christian missionary and his two sons, ages 8 and 10, to death in their jeep while they slept. The mob surrounded the family's jeep and chanted "Victory to Hannuman," a Hindu god. RSS-affiliated Hindu extremists have burned down Christian churches, schools, and prayer halls. They have murdered priests and raped nuns. In 1997, the police broke up a Christian religious festival with gunfire.

The Indian government has sent over 700,000 troops to Kashmir and half a million to Punjab, Khalistan, to suppress the freedom of the Muslim and Sikh populations there. It has killed tens of thousands of Christians, Sikhs, Muslims, Assamese, Manipuris, Dalits, and others.

President Clinton will soon be going to India. While he is there, one important thing that he should do is to press the Indian government on the subject of human rights. If we do not support the human rights of all the people of South Asia, who will?

I call on the President to raise these issues in the strongest terms. Also, we should cut off aid to India until it observes the basic standards of human rights for all and we should support freedom for the people of South Asia by going on record in support for self-determination for the people of Punjab, Khalistan, Kashmir, Nagaland, and the other nations of South Asia that now live under occupation.

Mr. Speaker, I would like to submit the Times article into the RECORD.

[From the Washington Times, Feb. 25, 2000]

CHRISTIANS IN INDIA PROTEST 'BIAS' ORDER

CALCUTTA—Hundreds of Christians converged on a government office yesterday to protest what they said was a discriminatory order by the Orissa state government on religious conversions.

The protesters said the order, which requires people who are converting to Christianity to apply to a local official and get police clearance, violates the Indian Constitution.

The protesters belong to the Bangiya Christiya Parishad, or United Forum of Catholics and Protestants. They delivered a statement to the Orissa government through its local office in Calcutta.

¹One physician has indicated to me that Amgen discounts EPO linked to the potential growth in use per year. "Rumor has it that the target growth is greater than the incident growth in the ESRD program. In other words, if the ESRD program grows by 7%, the Amgen target for discount is some larger number, like 10%." Another expert tells me that the volume incentive is based on 5% growth per quarter. (If the FTC could determine the exact nature of the discount, it would be very helpful to understanding prescribing patterns.)

²One analyst notes that between 1989 and 1995, fifteen month survival has decreased by 20% for hemodialysis patients. This analyst asks if it is possible that inappropriate dispensing of EPO may play a contributing role? See attached. This is a question I believe needs to be investigated by public health authorities.