

Health (NIH). I believe it is essential that Congress move forward in its commitment to double the research budget at the NIH. Currently, scientists at the NIH are developing cutting-edge treatments for hundreds of diseases, including cancer, Alzheimer's, and diabetes. Increased funding for medical research and development will allow millions of Americans to lead healthier lives. I, therefore, rise in support of efforts to provide a 15% increase for NIH in FY2001. This increase will mark the third installment of the plan to double the NIH budget over a period of five years.

Each and every day, researchers at the NIH succeed in making important discoveries about the human body and the diseases that may effect it. These scientists work tirelessly to develop cutting-edge technologies that push the envelope of human capacity.

For FY2001, the NIH have developed four critical initiatives. These include: (1) Genetic Medicine—this involve the mapping of the human genome and the subsequent gene therapy. Advances in the treatment of cancer, chronic illness, and infectious disease may be possible through this work; (2) Clinical Research—this initiatives reinforces the goal of turning the results of laboratory research into treatment for patients; (3) Fostering Interdisciplinary Research; and (4) Eliminating Health Disparities. These four areas of scientific research present incredible opportunities that have the promise to generate tremendous benefits in the future. Providing increased funding for biomedical research today will allow millions of Americans to lead healthier lives tomorrow.

With this in mind, I urge each of my colleagues to support funding the full 15% budget increase for the National Institutes of Health.

Mr. BILIRAKIS. Mr. Speaker, I rise in support of increasing the Federal Government's commitment to biomedical research through the National Institutes of Health. As chairman of the Health and Environment Subcommittee of the House Commerce Committee, and as a member of the Congressional Biomedical Research Caucus, I am a strong advocate of this agency's vital mission. I have joined many of my colleagues in supporting efforts to double federal funding for the NIH.

The NIH is the primary Federal agency charged with the conduct and support of biomedical and behavioral research. Each of its institutes has a specialized focus on particular diseases, areas of human health and development, or aspects of research support. When we consider its role as one of the world's foremost research centers, it is amazing to remember that the NIH actually began its existence as a one-room Laboratory of Hygiene in 1887.

Medical research represents the single most effective weapon against the diseases that affect many Americans. The advances made over the course of the last century could not have been predicted by even the most farsighted observers. It is equally difficult to anticipate the significant gains we may achieve in years to come through increased funding for further medical research.

Last year, Congress gave a substantial increase in funding to the NIH. The fiscal year 2000 omnibus appropriations law provided \$17.8 billion for the NIH—an increase of \$2.2 billion or 14 percent over the previous fiscal year. This increase represents a sizable down payment toward the goal of doubling its fund-

ing over 5 years. This year, I am hopeful that we can make similar progress in that regard.

As we work to increase Federal funding, I am also sponsoring legislation to encourage private support for NIH research efforts. My bill, H.R. 785, the Biomedical Research Assistance Voluntary Option or "BRAVO" Act, would allow taxpayers to designate a portion of their federal income tax refunds to support NIH research efforts. I introduced the bill on a bipartisan basis with the ranking member of the Health and Environment Subcommittee, Mr. BROWN of Ohio.

Mr. Speaker, every dollar invested in research today will yield untold benefits for all Americans in years to come. Indeed, our own lives might some day depend on the efforts of scientists and doctors currently at work in our Nation's laboratories. I urge all Members to join me in supporting a strong Federal commitment to biomedical research.

Mr. LEVIN. Mr. Speaker, I am pleased to join my colleagues on both sides of the aisle to talk about the importance of doubling the funding for the National Institutes of Health over the next 5 years. As we all know, we have already made two down payments on this goal, first in 1999 and again in 2000. Unfortunately, last month the House approved a Labor-HHS-Education bill which significantly backtracks from our commitment. We must insist on a bipartisan basis that this serious underfunding is corrected in conference.

I support full funding for the NIH on behalf of all of my constituents who struggle with illnesses that we do not fully understand. I know, as they do, that the work of NIH-funded scientists offers their best hope for a cure. At the same time, each year NIH researchers uncover new information which helps doctors better treat patients with heart disease, cancer, diabetes, mental illness, and many other terrible diseases.

The National Institutes of Health fund well over a third of all biomedical research in the United States. But NIH's role goes well beyond that, because NIH is the primary funder of all basic research. Basic research, which is generally focused on discovering new scientific principles, often cannot be patented and is therefore not appealing to for-profit companies. But basic research provides the building blocks on which new treatments and cures are built. Of the 21 most important medications introduced between 1965 and 1992, 15 were developed using tools from federally funded research. Seven were directly developed by government-funded researchers.

One of these exciting new drugs, Cisplatin, was developed by researchers in my home State at Michigan State University. Working with NIH's National Cancer Institute, biophysicist Barnett Rosenberg developed Cisplatin, an anti-cancer drug which cures sixty to sixty-five percent of testicular cancer cases and reduces risk of death by fifty percent when used to treat cervical cancer. Without NIH's expertise and resources, Dr. Rosenberg might not have been able to complete the pharmacology, toxicology, and clinical trials needed to get this drug to the cancer patients who need it.

Each year that we increase funding for NIH, we make possible more discoveries like this and we make sure that the public benefits from those discoveries. Currently, the economic cost of illness in the United States is estimated at about \$3 trillion. An annual ap-

propriation of \$16 billion—less than 1 percent of the Federal budget—is a small price to pay to maintain NIH's strength in controlling and curing disease. I hope that all of my colleagues will join with me and the other members of the Congressional Biomedical Caucus in supporting full funding for the NIH and medical research.

Mrs. MALONEY of New York. Mr. Speaker, I join my colleagues in support of doubling the NIH budget for fiscal year 2001.

I thank my colleague GEORGE GEKAS for organizing this special order. This is one budget that affects every single American. Whether it is diabetes, Alzheimer's, cancer, or safe childbirth, the NIH is there as a shining star to protect our Nation and help us understand and treat dreaded diseases.

One of the diseases that NIH researchers feel could be cured in a matter of years is Parkinson's disease. I am proud to be the founder and co-chair of the Congressional Group on Parkinson's Disease with my friend and colleague FRED UPTON. We are so close to a cure for this disease.

Leading scientists describe Parkinson's as the most curable neurological disorder. Breakthrough therapy or—perhaps a cure—is expected within a decade. When have researchers ever said that they think they can cure a disease in 10 years?

I would like to focus my remarks tonight on the importance of giving NIH the largest increase possible. Specifically, I have been advocating for \$71.4 million to implement NIH's Parkinson's Disease Research Agenda. During last year's appropriations debate, we were successful in including language to support the development of this research agenda for Parkinson's disease.

It truly is a roadmap for what needs to be done in the next 5 years to beg to a cure. I have spearheaded a letter to the conferees asking for the \$71.4 million needed in the first year to enact this research agenda. I am very hopeful that we will get this money in the budget this year. But if we don't, I will introduce legislation requiring this plan be funded in its entirety.

Finally, I just want to mention that I am anxiously awaiting the release of the final guidelines on stem cell research. We worked hard in Congress this year to not let stem cell research get politicized. We stood firm that Parkinson's disease—along with diabetes, ALS, and a host of other diseases—must not be held hostage to extremists in Congress. I will continue to work for prompt implementation of this critical research when the guidelines are finalized. I thank my colleagues again for organizing this special order.

Mr. GEKAS. Mr. Speaker, reluctantly, because I am having a good time here, reluctantly, I am looking around, I see no other recourse except to yield back the balance of my time.

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#### GENERAL LEAVE

Mr. GEKAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the Special Order just given.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

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# IMPORTANT HEALTH CARE ISSUES FACING AMERICA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized for 60 minutes.

## HMO ABUSES

Mr. GANSKE. Mr. Speaker, tonight I am going to talk about two important health care issues that are facing Congress. One concerns HMO abuses, and the other concerns the number one public health problem in the country, and that is the use of tobacco.

Mr. Speaker, about 8 months ago on the floor of this House we had a momentous debate for about 2½ days on patient protection legislation; and at the end of that debate, 275 bipartisan Republican and Democratic Members of this Congress voted to pass the Norwood-Dingell-Ganske bipartisan consensus Managed Care Reform Act of 1999. Nearly every nurse, nearly every dentist, nearly every doctor who is a Member of this body voted for that.

Well, what has happened since then? Very little. A conference committee was belatedly named to try to get agreement between the bill that passed the House, the strong patient reform bill, and the bill that passed the Senate, which was more an HMO reform bill.

Unfortunately, nothing much is going on in that conference now. I do not think they have met for probably about 2 months. There has been a paucity of public meetings. But a few weeks ago the issue was brought back to the floor of the Senate and a GOP HMO bill was added as an amendment to a bill, and it passed, just barely. It was the Nickles HMO amendment.

I would have to advise my colleagues that that GOP Senate bill that passed a few weeks ago by a margin of about one or two votes is worse than no bill at all. In fact, it is an HMO protection bill, not a patient protection bill. Would Members like to have some proof of that? Well, let me tell my fellow colleagues about some of the things that HMOs have been doing that have been documented in a recent article in *Smart Money* magazine in their July issue.

Consider the case of a man named Jim Ridler. It was shortly after noon on a Friday back in August 1995 when Jim Ridler, then 35 years old, had been out doing some errands. He was returning to his home in a small town in Minnesota on his motorcycle when a minivan coming from the opposite direction swerved right into his lane. It hit Jim head on. It threw him more than 200 feet into a ditch. He broke his neck, his collarbone, his hip, several ribs, all of the bones in both legs. It ripped the muscles right through his arm.

Over the next 4 months, after a dozen surgeries, he still did not know wheth-

er he would ever walk again. When he got a phone call from his lawyer who had started legal proceedings against the driver of that minivan who had swerved into his path, that call that he got from his lawyer really shook him up.

"I am afraid I have got some bad news for you," said his lawyer. He told Jim that even if Jim won his lawsuit, his health plan, his HMO, wanted to take a big chunk out of what they had spent on his care.

"You are joking, right?" said Jim.

"Nope," said the lawyer.

Jim's health plan had a clause in its contract that allowed the HMO to stake a claim in his settlement, a claim known in insurance as subrogation.

"So I pay the premium, and then something happens that I need the insurance for, and they want their money back?" Ridler asked incredulously. "The way I figure it, my health insurance is just a loan."

Well, Ridler eventually settled his lawsuit for \$450,000, which was all the liability insurance available. His health plan then took \$406,000, leaving him after expenses with a grand total of \$29,000.

Jim said, "I feel like I was raped by the system," and I guess I can understand his point of view.

I doubt that my colleagues know, and I doubt that most people know, that they have what are called subrogation clauses in their contracts that mean that if they have been in an accident and they try to recover from a negligent individual, like the person who almost killed Ridler, that their HMO can go after that settlement.

Now, Mr. Speaker, originally subrogation was used for cases in which care was provided to patients who had no health insurance at all, but who might receive a settlement due to somebody else's negligence. However, HMOs are now even seeking to be reimbursed for care that they have not even paid for.

Susan De Garmos found that out 10 years ago when her HMO asked for reimbursement on her son's medical bills. In 1990 her son, Stephen De Garmos, who was age 10 at that time, was hit by a pickup truck while riding his bike to football practice near his home in West Virginia. That accident left him paralyzed from the waist down. His parents sued the negligent driver; and they collected \$750,000 in settlement, plus \$200,000 from the underinsured motorist policy. Now, remember, this little boy is paralyzed for the rest of his life.

Well, the Health Plan of Upper Ohio Valley wanted \$128,000 in subrogation for Stephen's bills. It so happens that Stephen's mother thought that amount was high, so she phoned the hospital in Columbus, Ohio, where Stephen had been treated; and she got an itemized list of the charges.

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What she found out infuriated her. The HMO had paid much less than the

\$128,000 it was now seeking from her son, her paralyzed son's settlement.

Mrs. DeGarmo had found another dirty little secret of managed care, and that was that HMOs often use subrogation to go after a hospital's billed charges, the fee for full paying patients, even though the HMO gets a discount off the bill charges.

According to DeGarmo's lawyer, the health plan of Upper Ohio Valley actually paid about \$70,000 to treat Steve. That meant they were trying to take \$50,000 that they had not even paid for from Steve's settlement. They were going to make money off this little boy who had been paralyzed.

When the DeGarmos refused to pay, get this, the HMO had the gall to sue them.

Well, others found out about this HMO's action and in 1999 the HMO, that HMO, settled suits for \$9 million among roughly 3,000 other patients that they had treated like the DeGarmos.

Now, when HMOs get compensation in excess of their costs, I believe they are depriving victims of funds that those victims need to recover. This subrogation process has even spawned an industry of companies that handle collections for a fee. It could be 25 to 33 percent of the settlement. The biggest of these subrogation companies is Louisville, Kentucky-based Health Care Recoveries, Inc. Last year, Health Care Recoveries, Inc., of Louisville, whose biggest customer, not surprisingly is United Health Care, recovered \$226 million from its clients and its usual cut was 27 percent.

According to one former claims examiner for HRI, Steve Pope, the company is so intent on maximizing collections that it crosses the line into questionable perhaps.

Take the case of 16-year-old Courtney Ashmore, who had been riding a four-wheeler on a country road near her home by Tupelo, Mississippi. The owner of the bordering land had strung a cable across the road. You guessed it. Courtney ran into it and almost cut off her head.

Her family collected \$100,000 from the property owner. Their health plan paid \$26,000 for Courtney's medical care. Steve Pope, the claims examiner for HRI, that Louisville, Kentucky, company, contacted the family's lawyer and wanted the \$26,000 back.

Well, the lawyer was no dummy. He asked for a copy of the contract showing the subrogation clause. Well, HRI could not find a copy of the contract so Mr. Pope was told by his supervisor at HRI to send out a page from a generic contract that did have a subrogation clause in it, and later Mr. Pope found out that Courtney's health plan did not, in fact, mention subrogation.

Still he has testified he was told to pursue the money anyway. Let me repeat that. This employee of this company in Louisville, Kentucky, the right-hand man company for United Health Care, was told to go after part