EXTENSIONS OF REMARKS

RECOGNIZING THE 30TH ANNIVERSARY OF VICTIMS SERVICES CENTER OF MONTGOMERY COUNTY

HON. JIM GERLACH

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 2005

Mr. GERLACH. Mr. Speaker, I rise today to recognize Victim Services Center (VSC) of Montgomery County, Inc. on its 30th anniversary.

In 1974, a group of five women from Montgomery County, Pennsylvania organized VSC, then called Women Against Rape, due to concerns over the lack of a sensitive and uniform response to victims of sexual assault. As awareness of sexual assault grew, the need to recognize that both men and women are victims, and that both sexes can contribute to the solution, transformed the agency into what was known as the Rape Crisis Center. In 1985, additional services were added to support victims of other serious crimes, including a victim witness program. To reflect this expansion of services, the name of the organization was subsequently changed to Victim Services Center of Montgomery County, Inc. and it is thus known today.

Victim Services Center has become a comprehensive crime victims organization that provides free, confidential 24-hour crisis intervention, advocacy, and counseling service to victims of crime and safety education programs to schools from preschool to college. It likewise provides outstanding training services to professionals and law enforcement personnel.

Approaching nearly 30 years of service, Victim Services Center has achieved a exemplary reputation in Montgomery County for confidential, supportive services that have aided thousands of people seeking help. Without the presence of Victim Services Center in the community, crime victims would be left to fend for themselves through a maze of government agencies and court proceedings, while also having to cope with the trauma of criminal victimization.

Mr. Speaker, I ask my colleagues to join me today in recognizing Victim Services Center of Montgomery County, Inc. on its 30th anniversary. The VSC's tremendous efforts in aiding victims of sexual assault and other crimes have truly made a difference in our community.

TRIBUTE TO DAVE CARLSON ON THE OCCASION OF HIS RETIREMENT FROM THE CITY OF RIVERSIDE FIRE DEPARTMENT

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 2005

Mr. CALVERT. Mr. Speaker, I rise today to recognize and honor Fire Chief Dave Carlson for his dedicated service to our country and our community. Mr. Carlson recently retired as the Fire Chief of the city of Riverside, California. He has protected our citizens as a warrior and fireman over a 39-year career in public service.

Dave grew up in Sacramento and graduated from Luther Burbank High School in 1966. Two weeks later he enlisted in the Navy to pursue his childhood dream of becoming a "frogman." Dave graduated from Underwater Demolition/SEAL training and went on to serve two tours of duty in Vietnam. In 1972 he became a firefighter in Santa Barbara County, California. Dave worked his way through the ranks and became a Battalion Chief in 1981. Constantly striving for self improvement, Dave attended college on his days off. He earned a Bachelor's Degree in Public Service Management and a Master's Degree in Public Administration from the University of La Verne. In 1991, Dave became the Fire Chief in the City of Norco, California. In 1994, he became the Deputy Fire Chief of the City of Riverside and in 1996 he was appointed Fire Chief.

Dave Carlson is always looking for innovative ways to provide better public safety service to the community. In 1999 he implemented a paramedic program through a joint partnership with American Medical Response and the Riverside County Medical Services Agency. This partnership resulted in a higher level of emergency care and faster emergency response at no cost to the City of Riverside's general fund.

Throughout his career, Dave has served in professional and public organizations. He has always been active in the California Fire Chiefs' Organization, serving a two-year term as President from 2000 to 2002. He is also the Chair of the Department of Corrections Citizens' Advisory Committee for the California Rehabilitation Center. In 2004, Dave's accomplishments were justly recognized when he received the Distinguished Public Service Career Award from the City of Riverside and was named the "Fire Chief of the Year" by the California Fire Chiefs' Association.

Fire Chiefs such as Dave Carlson provide a remarkable level of protection to our communities. They work just as hard at preventing fires and accidents as they do in responding to them. Dave has had an exceptional career keeping our community safe. He has earned my many thanks and I wish him great success in all his future endeavors.

RECOGNIZIING ALOK WADHWAN

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 2005

Ms. ZOE LOFGREN of California. Mr. Speaker, I rise today to recognize Alok Wadhwani for his award of Best Student Scenic Design in the 11th annual High School Music Theatre HONORS awards in San Jose.

This year, over 25 Bay Area High Schools competed in 10 unique categories, Judges from the American Musical Theatre were sent to each school to watch and evaluate performances. Judges were instructed to evaluate the quality of each production and performance, while keeping in mind each school's budget and available resources. This annual competition awarded four students who reside within California's 16th district.

Alok is a student from Valley Christian High School. He won the Best Student Scenic Design award for his work in "Godspell".

The High School Music Theatre HONORS awards promote artistic creativity in a way that is vital to a youth's development. The performances that these youth stage are extremely labor intensive, and promote discipline, team work, and dedication. High School Performing Arts programs are generally underfunded and have been greatly reduced in recent years. I recognize the hard work, time, and energy that these students and teachers put into these productions.

I am proud to stand here today and recognize Alok for his accomplishments. I urge him and all students to continue to take interest in the performing arts.

INSURANCE OPTION HAS WORKERS PAY MORE

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 2005

Mr. KUCINICH. Mr. Speaker, I wish to bring the following article on associated health plans to the attention of my colleagues. We must continue to work to bring health care coverage to the more than 45 million Americans who are uninsured. This article clearly shows that associated health plans are not the solution. I will continue to push for the adoption of a truly comprehensive and universal, single-payer health care program.

[From the Los Angeles Times, May 23, 2005]

INSURANCE OPTION HAS WORKERS PAY MORE

(By Ricardo Alonso-Zaldivar)

For years, they were the kinds of health insurance plans one found at small businesses or among the self-employed, plans that had huge deductibles and required workers to pay a lot of medical bills themselves—such as allergy shots, chest X-rays and the cost of a new baby.

They weren't the policies most people preferred, but they were the best some people could afford, better than no insurance at all.

Now, as medical costs keep climbing, those high-deductible plans are spreading to the giant corporations that have long been the backbone of traditional job-related, low deductible health insurance. And if the trend continues, it could reshape the medical insurance landscape and sharply redistribute costs, risks and responsibilities for many of the 160 million Americans with private coverage.

A number of large employers, including defense contractor Northrop Grumman Corp., the Wendy's hamburger chain, high-tech conglomerate Fujitsu and office supply retailer Staples Inc., are adding what they call consumer-directed health plans to their menus of insurance options.

In a recent survey, 26 percent of large employers said they would offer such plans in 2006, up from 14 percent this year. Another survey found that about half of large companies were considering adding them.

A few companies are pursuing a ''full replacement'' strategy that leaves workers with no other choice. But even where such plans are optional, they are proving popular with workers who might once have scorned a plan that could leave them with several thousand dollars in medical bills each year. At Fujitsu, about half of 5,000 eligible U.S. employees have signed up for the option.

What suddenly makes such plans attractive to workers is that many are caught in a painful bind: In recent years, pay increases have been small at best. At the same time, employers have been requiring workers to pay a larger and larger share of their health insurance premiums. It's not uncommon for higher payroll deductions for health care to more than offset any pay raises.

With the high-deductible plan, workers pay lower monthly premiums and their employers commonly help them build up a special savings account to cushion the impact of a larger annual deductible. The accounts are controlled by the employees, which has led insurers and employers to label the plans ''consumer-directed.''

Even if high-deductible plans offer immediate relief for many workers, and big cost savings to employers, the allure may not last. And the plans may do little or nothing to solve the basic problem of soaring health costs.

''You're beginning to see a lot of growth in these plans, not because they're going to solve America's health care challenge, but because it's a way for employers to cut their out-of-control benefit costs,'' said Robert Laszewski, a consultant to health insurance companies. ''Any time an employer can raise deductibles from $200 to $1,000, it is going to reduce their costs. But will it reduce U.S. health costs generally? The jury is still really out on that. ''

The reason, he said, is that 10 percent of the people—the sickest Americans—account for 70 percent of total health care costs. ''Once the sick people have gone through their deductible, they're back to regular health plan—the incentives for them don't really change,'' Laszewski said.

''This is a cost shift device, and not a means to fundamentally control health care costs.''

Moreover, the willingness of workers to sign up for less generous plans may change over time, as workers and their families get older and more likely to encounter serious medical costs.

''To make these plans truly work, they have to work for the sickest population—it can't be a plan that only works for the healthy,'' said Joe Walshe, a principal with the consulting firm PricewaterhouseCoopers. ''It's very difficult, but that's where the challenge is.''

In the meantime, the short-term appeal of high-deductible plans is easy to see. Employees get a bit more take-home pay. Employers get some relief from higher health care costs.

For big companies, the new plans represent an upfront savings of about 10 percent and the expectation of more gradual cost increases over time. Last year, large employers spent an average of $5,584 per worker for coverage through a high-deductible plan, compared with $6,181 for a worker in the typical preferred provider network, according to a Mercer Human Resource Consulting survey.

Employers say the new plans are not designed primarily to shift costs to workers. The ultimate goal, they say, is to cut health care costs by changing consumers' behavior—teaching them to be more cost-conscious about things such as generic drugs.

''In three to five years, every company is going to offer them,'' predicted Alexander Domaszewicz, a Mercer senior consultant based in Newport Beach. ''People are going to be coming over from companies that have them, and they are going to want them.''

When the city of Las Vegas began offering a consumer-directed plan to 2,200 eligible employees last year, 60 percent signed up.

''When I was growing up in the 1950s, no one had insurance for day-to-day going to the doctor,'' said Victoria Robinson, the city's insurance manager. ''You covered those expenses yourself and had major medical if you had to have your appendix out or something like that.

''It's almost like going back to the future,'' she said.

Yes and no, analysts say.

When employers began offering health insurance, it was a way to attract workers by offering them something of value without directly raising their pay. Today, in purely economic terms, shifting insurance costs to workers amounts to reducing compensation.

Although workers may think they will only face the high deductible if serious illness strikes, those receiving routine medical care can also face fairly hefty medical bills.

Many of the new plans ''confront people with a lot more cost sharing than they are currently experiencing,'' said Sherry Glied, a health policy professor at Columbia University. ''If you are the kind of person who can't keep $2,000 in an account, it could be a really bad idea for you.''

The experience of Mark Pung, a general contractor in Grand Rapids, Mich., shows why such plans can be enticing.

The father of four children, Pung says he would never dream of going without health insurance. Yet he and his wife, Dana, paid for the births of their two youngest children out their own pockets—$3,600 for each healthy baby girl. That's because their medical insurance carries a $5,000 deductible for the family.

Since their premiums are $180 a month, or $2,160 a year, they could find themselves with as much as $7,160 in out-of-pocket health care costs in a single year.

On the other hand, the Pungs face much lower monthly premiums than they would have to pay for a traditional plan: between $800 and $1,400 a month for family coverage—at least $9,600 a year in premiums alone.

Initially, Pung said, ''I felt more exposure. But it wasn't enough to stop me from doing it, because I could run the numbers and see how much sense it made.''

The numbers would not be so dramatic for workers in company plans. Employers help pay premiums and the deductibles are lower. In 2004, the median deductible for a family in a company-provided plan was $3,000. The employer contributed $1,200 toward that through a special account, according to Mercer, leaving the employee responsible for $1,800.

Proponents of consumer-directed health care say another advantage of the plans is that higher deductibles encourage consumers to shop smarter.

The two major firms that administer the plans for large employers—Lumenos Inc. in Alexandria, Va., and Definity Health Corp. in Minneapolis—also supply employees with ideas for saving money, online health care information and related services.

''The key thing is the whole concept of getting the consumer engaged,'' said Doug Kronenberg, chief strategy officer for Lumenos. ''We've got to see behavior change for us as a country to be able to address the escalating health care costs we've got.''

When patients have no ''skin in the game,'' he said, they don't think about how to save.

In Washington, Republican policy-makers have encouraged the trend toward high deductible insurance plans.

Congress expanded tax-sheltered medical accounts and renamed them health savings accounts, or HSAs, in the 2003 Medicare prescription drug bill. A year earlier, the Treasury Department had quietly issued a ruling that enabled employers to offer a plan known as a health reimbursement arrangement.

The savings accounts are available to people who buy health coverage with deductibles of at least $1,000 for individuals and $2,000 for families. Employees and employers can make pretax contributions to cover the deductible. The accounts belong to employees, who can take them along when they switch jobs. With reimbursement accounts, employees don't own the health care accounts. They can roll over unused balances at the end of the year, but they cannot take their accounts with them if they switch jobs.

In a typical reimbursement account, an employer would create an account for an employee and family, and commit to cover the first $2,000 of their health care costs. The employee would then be responsible for the next $1,000.

After that, traditional health coverage would kick in, with the policy paying 90 percent of the costs and the employee 10 percent. Both the reimbursement and savings accounts have caps on how much an individual can be required to pay in a year.

Still, financial incentives can change—especially as individuals realize they need greater levels of health care.

''The real concern is that people will want to switch out of these plans when they get sick,'' said Glied, the Columbia professor. ''Then it will be very expensive for employers.''

HONORING TRUETT OTT

HON. JIM DAVIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, June 8, 2005

Mr. DAVIS of Florida. Mr. Speaker, I rise in honor of Truett Ott, former Florida State Senator and District Court of Appeals Judge, whose passing last month was a great loss to our community.

Always a dedicated public servant, Truett appropriately began his career by serving his country as a pilot in World War II and later as an officer at Tampa Bay's MacDill Air Force Base during the Korean War. But Truett would become better known for his work in the field of law—a career which he launched by graduating with honors from the University of Florida Law School. He joined Tampa's Carlton Fields law firm before founding a firm of his own in 1956.

Just ten years later, Truett set his mind to running for the State Senate and beat an incumbent to win his seat. Among his many notable accomplishments in office, Truett was a force behind legislation to improve our state's vocational schools and he convinced his colleagues to support a law providing judges discretion in sentencing for certain first-time drug offenders while increasing penalties for repeat