

schemes used by these States and others nearly single handedly created double-digit increases in Federal Medicaid spending in the early 1990's. Congress shut down these schemes in 1991 and 1993 by creating State-specific and hospital-specific limits on DSH payments. However, through Republican maneuvering under this omnibus bill, two States that relied on these schemes will once again disproportionately benefit from the Federal Treasury.

First, New Hampshire will receive Federal matching payments for the disproportionate share hospital payments it made last year to a State-owned psychiatric hospital, even though these payments violate the hospital-specific limits enacted in 1993. The Department of Health and Human Services has deferred making Federal matching payments because these DSH payments normally would not be allowable under Medicaid matching rules. The omnibus appropriations bill would allow New Hampshire to receive matching payments up to \$54 million, whether these payments are allowable or not.

In addition, although the majority intended to provide a fix only for New Hampshire, other States may also qualify under this provision.

Second, Louisiana will receive a guaranteed Federal payment of \$2.6 billion—even though it will not be putting up the State dollars necessary to claim these matching payments. This provision, in essence, provides Louisiana with a higher Federal matching rate than allowed under current law, simply because Louisiana is unwilling or unable to commit sufficient State funds to support its existing Medicaid Program. Louisiana also used DSH scams to draw enormous Federal Medicaid payments and is now facing a budget shortfall under current, tighter rules. CBO initially estimated that this fix will cost the Federal Government an additional \$900 million through 1999. Late-breaking negotiations have shortened the time-frame and lessened the Federal cost in the out-years. However, increased spending still will not be offset because the increase occurs later than fiscal year 1996.

In 1991 and 1993 Congress chose to close down some States' creative book-keeping schemes and construct reasonable limits to the disproportionate share hospital program. These appropriations provisions will undermine those important protections for the Federal Treasury. If congressional Republicans were serious about limiting Federal spending, they would have refused to include these give-aways in this appropriations agreement. Instead, Congress will provide additional funding with no additional gain to American taxpayers.

The Republican Governors say that they can control Medicaid spending themselves—and they have clamored for Federal block grants to do so. Yet the Republican Governors in these two States sought these exceptions to Medicaid law. These legislative fixes signal

that the Republican Governors in these States cannot even live within existing limits that control only one aspect of the Medicaid Program. If Medicaid block grants were to be enacted, we should expect a deluge of formula fixes in the future. ●

#### RELIEF OF NATHAN C. VANCE

Mr. GRASSLEY. Further, for our leader, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 383, S. 966.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 966) for the relief of Nathan C. Vance.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be deemed read a third time and passed and the motion to reconsider be laid upon the table, and that any statements relating to the bill be placed at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 966) was deemed to have been read the third time, and passed, as follows:

S. 966

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### SECTION 1. PAYMENT TO NATHAN C. VANCE.

(a) PAYMENT.—Subject to subsections (b) and (c), the Secretary of Agriculture shall pay \$4,850.00 to Nathan C. Vance of Wyoming for fire loss arising out of the Mink Area Fire in and around Yellowstone National Park in 1988.

(b) SOURCE OF FUNDS.—The Secretary of the Treasury shall pay the amount specified in subsection (a) from amounts made available under section 1304 of title 31, United States Code.

(c) CONDITION OF PAYMENT.—The payment made pursuant to subsection (a) shall be in full satisfaction of the claim of Nathan C. Vance against the United States, for fire loss arising out of the Mink Area Fire, that was received by the Forest Service in August 1990.

#### AMERICAN FOREIGN SERVICE DAY

Mr. GRASSLEY. Also, for our leader, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 381, Senate Resolution 217.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 217) to designate the first Friday in May, 1996 as "American Foreign Service Day."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GRASSLEY. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table, and that any statements relating to the resolution appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 217) was agreed to.

The preamble was agreed to.

The resolution with its preamble is as follows:

S. RES. 217

Whereas the American Foreign Service was established in 1924 and some 11,600 men and women now serve with the foreign affairs agencies of the United States at home and abroad;

Whereas the diplomatic, consular, communications, trade, development, and numerous other functions these men and women perform constitute the first and most cost-effective line of defense of our Nation by protecting and promoting United States interests abroad;

Whereas the men and women of the American Foreign Service are increasingly exposed to risks and danger to themselves and their families, even in times of peace, and many have died in the service of their country;

Whereas in this uncertain post-Cold War era, an ever-vigilant American Foreign Service remains essential to the strategic, political, and economic well-being of this Nation by strengthening the United States' relations with other countries and promoting a safer, more peaceful world.

Whereas the United States Government's foreign affairs agencies and the American Foreign Service Association have observed Foreign Service Day on the first Friday in May for many years; and

Whereas it is both appropriate and just for the country as a whole to recognize the dedication of the men and women of the American Foreign Service and to honor those who have given their lives in the loyal pursuit of their duties and responsibilities representing the interests of the United States of America and of its citizens: Now, therefore, be it

*Resolved*, That the Senate—

(1) commend the men and women who have served or are presently serving in the American Foreign Service for their dedicated and important service to country;

(2) honor those in the American Foreign Service who have given their lives in the line of duty; and

(3) designate the first Friday in May 1996 as "American Foreign Service Day".

The President is authorized and requested to issue a proclamation calling upon the people of the United States and the Federal, State, and local administrators to observe the day with the appropriate programs, ceremonies, and activities.

ORDERS FOR WEDNESDAY, MAY 1, 1996

Mr. GRASSLEY. Also, Mr. President, for our leader, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until the hour of 9 a.m. on Wednesday, May 1; further, that immediately following the prayer, the Journal of proceedings be deemed approved to date, no resolutions come over under the rule, the call of the calendar be dispensed of, the morning hour be deemed