

IN RECOGNITION OF CAPTAIN  
PACKARD'S NAVAL INTEL-  
LIGENCE TREATISE

**HON. JAMES P. MORAN**

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 7, 1997*

Mr. MORAN of Virginia. Mr. Speaker, Capt. Wyman H. Packard, U.S. Navy (Retired), a constituent of mine from Arlington, has spent the past three decades diligently compiling the first public history of U.S. Naval Intelligence. Today, the result of his effort is a joint publication of the Office of Naval Intelligence and the Naval Historical Center titled "A Century of Naval Intelligence."

Captain Packard's undertaking was done without remuneration from the U.S. Government. Rather, he chose to demonstrate that history repeats itself and we have a tendency of going in a circle under the guise of progress. This book will serve as a textbook for the Naval Intelligence School and will provide a starting point for future historical studies. This administrative history studies how the discipline and bureaucracy of naval intelligence evolved.

Most of Captain Packard's research comes from firsthand experiences. He participated in five major sea engagements during World War II, including Midway, the Coral Sea, and the Solomons. He also served abroad the USS *Hornet* from the time it was launched and through its brief but heroic history until it was sunk in the Pacific.

This book clearly demonstrates the importance of naval intelligence to the U.S. national security during peace and war and is a valuable reference for defense professionals.

100-MILE DIABETES WALK

**HON. WILLIAM J. COYNE**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 7, 1997*

Mr. COYNE. Mr. Speaker, I rise today to pay tribute to a truly remarkable group of individuals from western Pennsylvania.

This year marks the 20th annual Walk to Beat Diabetes. Each year, Mr. Robert Mander, a postal worker from Carapopolis, PA, leads a small band of dedicated volunteers on a 100-mile walk from Erie, PA, to Pittsburgh to raise money for diabetes research. The walk will begin this year on October 10 and end on October 12.

Mr. Mander started this project 20 years ago after his daughter was diagnosed with juvenile diabetes. His personal experience with this terrible disease motivated him to begin raising money to support diabetes research.

Each year, Mr. Mander and his fellow walkers cover the 100 miles between Erie and Pittsburgh over the course of 3 grueling days. A number of generous sponsors provide food, lodging, supplies, and clothing for the volunteers. Many family members, contributors, and well-wishers join the walkers for the last few miles. The walk ends at the McKnight Siebert Shopping Center in Township, where a raffle is held for sports memorabilia to raise more money for diabetes research. This year, the walkers hope to raise \$20,000 for diabetes research.

Mr. Mander is a Vietnam veteran who is active in the V.F.W. He serves on the board of directors of the Pittsburgh Chapter of the American Diabetes Association, and he has raised money for arthritis research and the March of Dimes as well as for the ADA.

Mr. Speaker, I salute these brave volunteers, and I want to especially commend Mr. Robert Mander for 20 years of unstinting dedication to this worthy cause.

SMALL BUSINESS PROGRAMS RE-  
AUTHORIZATION AND AMEND-  
MENTS ACT OF 1997

SPEECH OF

**HON. FRANK A. LOBIONDO**

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 29, 1997*

Mr. LOBIONDO. Mr. Speaker, I rise today in strong support of H.R. 2261, the Small Business Programs Reauthorization and Amendments Act. The Small Business Administration provides the principal form of disaster relief for communities struck by tragedy. On August 21 and 22, 13½ inches of rain fell in Atlantic County in my district in a matter of hours. This downpour ended up causing \$54 million in estimated damage, impacting more than 5,000 homes and businesses. Because a bulk of the area is not located in a flood plain, many of the impacted families and business owners did not have flood insurance.

Last week, the President declared Atlantic County a disaster area making the area eligible for Federal assistance. A bulk of this assistance, which is made up of low-interest loans for home repairs and property and inventory damage, will come from the Small Business Administration. The people benefiting from this aid are small business owners and hard-working families, many of which were told they did not have to have flood insurance because they were located in a low-risk area. Where do these people turn when suddenly they have to come up with thousands upon thousands of dollars to replace such essential items as water heaters, washer/dryers, and furnaces? Many of them turn to the Small Business Administration. As we speak, representatives from the Small Business Administration are holding workshops in my district for individuals interested in applying for low-interest disaster loans. They have issued more than 2,000 loan applications and have already made several approvals since they started taking applications last week.

The Small Business Administration fulfills a vital need for disaster victims. For individuals and businesses that cannot recoup their losses through insurance, the SBA provides a safety net that enables people to put their lives back together after a devastating natural disaster. I am proud to support H.R. 2261 and I hope we can secure swift passage of this vital legislation.

REAUTHORIZATION OF THE  
EXPORT-IMPORT BANK

SPEECH OF

**HON. BILL ARCHER**

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, October 6, 1997*

The House in Committee of the Whole House on the State of the Union had under consideration the bill (H.R. 1370) to reauthorize the Export-Import Bank of the United States:

Mr. ARCHER. Mr. Chairman, I rise today in support of reauthorization of the Export-Import Bank of the United States. This institution is absolutely vital to our Nation in order to keep American companies and workers competitive in the world marketplace.

My philosophy on trade has always been that we should take every step possible to make it free and fair for all countries, and that purchases should be made based on quality, price, and service. I firmly believe that, under such circumstances, American companies will excel. Unfortunately, as my colleagues know, this is not always the case today. In a perfect world, France, Germany, Japan, England and our other competitors would not provide unfair advantages to their exporters. If that were the case, we would be having a different debate today. We would not need the Exim Bank to level the playing field.

However, the fact remains that the Exim Bank finances American exports where commercial financing is simply not available or competitive and where, without government action, the sale would be lost. The Exim Bank does this at a low cost to the taxpayers and with a tremendous positive impact on the American economy. Last year alone, Exim Bank supported over 200,000 high quality American jobs.

It is also important to note that the Exim Bank is not a giveaway program. The Bank must be repaid every dollar it lends, and has had a default rate of only 1.0 percent over the last 15 years. This is significantly better than our own commercial banks have performed over the same period of time.

Last week I met with Mr. James Harmon, the new president of Exim Bank. Frankly, I was impressed with his determination to institute management and policy changes at the Bank that will make it an even better value for the taxpayers. He has some great innovative ideas that will help make American companies even more competitive in the 21st century. I look forward to working with him and I urge my colleagues to vote against unilateral economic disarmament and vote in favor of reauthorizing the Export-Import Bank.

IN HONOR OF DR. H. BEECHER  
HICKS, JR.

**HON. ELEANOR HOLMES NORTON**

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 7, 1997*

Ms. NORTON. Mr. Speaker, I rise in praise of Rev. Dr. H. Beecher Hicks, who is the senior minister at Metropolitan Baptist Church in Washington, DC and one of the Nation's great preachers. He is a brilliant spiritual leader, a

renowned author, a distinguished civic leader, and an outspoken champion of the rights of District residents.

I rise to recognize Pastor Hicks on the occasion of the Metropolitan Baptist Church's 20th Pastoral Jubilee for their pastor, when the more than 7,000 members of the church are celebrating his many accomplishments and contributions. Pastor Hicks has been a leader in bringing women into the ministry and has advocated the ordination of women. He has established programs at the church that are much-praised models for churches around the Nation for people living with AIDS and their families, for prison inmates, for seniors, and for youth. He has rebuilt his historic church and made it a center for revitalization of its inner city neighborhood.

Dr. Hicks has become a leading voice in pursuing the democratic right of self government for District residents. When the Congress forced a death penalty referendum on the District in 1992, Dr. Hicks was chair of the campaign against the death penalty. He led the campaign not only as a civic leader of the community, but also as a minister of the Gospel who, like many of the ministers in the District, opposes the death penalty on religious grounds.

Dr. Hicks' dissertation for his doctoral degree from Colgate Rochester Divinity School in 1972, "Images of the Black Preacher: The Man Nobody Knows," was published in 1977. Since then he has been widely published in religious publications. His two most recent volumes are "Preaching Through a Storm" and "Correspondence with a Cripple From Tar-sus."

In recognition of his extraordinary talent in his calling, *Ebony* named Dr. Hicks one of the "Fifteen Greatest African-American Preachers" in 1993. Mr. Speaker, I ask that Members of this body, the U.S. House of Representatives, join me in saluting the dynamic leadership of Rev. Dr. H. Beecher Hicks, Jr.

#### MEDICARE AND MEDICAID BENEFICIARY PROTECTION ACT OF 1997

### HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, October 7, 1997

Mr. STARK. Mr. Speaker, today I am introducing the Medicare and Medicaid Beneficiary Protection Act of 1997, a bill designed to continue our fight against health care fraud, waste, and abuse in the Medicare and Medicaid Programs.

#### THE PROBLEM

The General Accounting Office [GAO] has estimated that fraud and abuse could be as much as 10 percent of total health care spending. This best estimate—that 10 percent of the Nation's \$1 trillion health bill is lost in waste, fraud, and abuse—includes both the private and public sector. Consider this . . . Federal baseline outlays for Medicare are approximately \$208 billion in fiscal year 1998—and 10 percent of waste, fraud, and abuse roughly equals the \$23 billion we cut each year in this year's budget reconciliation bill. If we were tougher on health care fraud, we wouldn't have to cut payments from the honest, hardworking providers who justly should receive payment for their services.

A recent audit by the Health and Human Services Office of Inspector General [HHS OIG] estimated that approximately \$23 billion—about 14 percent of the total Medicare fee-for-service benefit payments—had been improperly paid through the Medicare system. These errors included everything from simple mistakes to outright fraud. Most improper payments were due to the lack of any or adequate documentation to support the claimed service—lack of medical necessity; incorrect coding; and noncovered or unallowable services. All the money improperly paid, however, was wasteful.

#### RECENT LEGISLATIVE EFFORTS ARE PROMISING BUT NOT ENOUGH

We should be proud of recent legislative efforts. The Health Insurance Portability and Accountability Act and the Balanced Budget Act of 1997 made significant strides in combating fraud, waste, and abuse in the Medicare and Medicaid Programs. With bipartisan cooperation, we enacted unprecedented tools for fighting what has become one of the favorite crimes of the 1990's—cheating the Government of billions of dollars through health care fraud. This new legislation designs a fraud fighting program that coordinates the efforts of a broad array of law enforcement and health care agencies. Equally as important, it authorizes funding to support the work of law enforcement and the development of new detection and enforcement techniques.

Total fines, restitutions and recoveries achieved this year from OIG criminal and civil investigations totaled \$1.2 billion. This is five times higher than recoveries for fiscal year 1996. Approximately 2,500 health care providers and entities were excluded from doing business with the Medicare, Medicaid, and other Federal and State health care programs because of violations of the law—an 80-percent increase from the 1,400 exclusions in fiscal year 1996.

Although we're heading in the right direction, massive fraud schemes to defraud the Government continue. Here are just a few examples.

A psychologist billed for more than 24 hours of therapy in a single day.

A home health agency charged for visits to patients' homes when the patients were actually hospitalized.

A nursing home submitted claims for surgical dressings on behalf of patients who had not undergone surgery.

A fictitious diagnostic firm collected payment for nonexistent lab work on dead people.

One beneficiary was charged \$5,290 for tape over a 6-month period of which \$5,000 was excessive. Medicare paid for but the beneficiary probably did not receive, 66,000 feet or 12.5 miles of 1-inch tape.

Although recent legislation is a good first step, we need to do more. In a August 19, 1997, statement, Gregory Anderson, director of corporate and financial investigations for Blue Cross and Blue Shield of Michigan said it best—despite increased enforcement and the publicity of million dollar settlements with large, multi-State health corporations, "the rewards outweigh the risks today."

The bill I am introducing today aggressively continues the fight. My message should be clear to those who do business with Medicare and Medicaid—the fight against health care fraud is just beginning.

#### FINANCIAL AND COMPLIANCE AUDITS SHOULD BE A COST OF DOING BUSINESS WITH MEDICARE AND MEDICAID

I want to highlight one particular provision in this bill—the use of compliance and financial audits. Unfortunately, it's relatively easy for fraudulent operators to escape detection because the Health Care Financing Administration [HCFA], which oversees the Medicare and Medicaid Programs, is woefully lacking in resources to provide adequate oversight and to track down abusers. Over the past 7 years, the number of Medicare claims processed rose 70 percent, while HCFA's budget for reviewing claims grew less than 11 percent. Adjusting for claims growth and inflation, funding for review dropped from 74 cents to 48 cents per claim. As a result, the proportion of claims reviewed dropped from 17 percent to 9 percent. In the especially problematic home health area, reviews plummeted from 62 percent in 1987 to a target of 3 percent in 1996.

In many industries, it is standard operating procedure for businesses to fund independent audits of their compliance with Federal laws and regulations. For example, banks have paid for independent government financial and compliance audits since the 1800's. In fact, the Office of the Comptroller of the Currency is a special branch of the Treasury Department that is fully funded through fees it assesses for conducting bank audits. It's time we do the same for providers and suppliers who do business with the Medicare and Medicaid programs.

Health care spending consumes an ever-increasing portion of the Federal budget—now at least 20 percent. And the Federal Government pays a third of our Nation's health care bills—more than any other single source. We are the largest purchaser—isn't it time we become a wiser purchaser? And isn't it imperative that we have tighter reins on an area that consumes so many of our tax dollars?

Banks have for many decades borne the financial responsibility for demonstrating their legitimacy. It is an accepted cost of the privilege of keeping other people's money. Medicare and Medicaid providers are being given the privilege of taking taxpayers' money, without the corresponding responsibility for proving their legitimacy. The appalling level of fraud, waste and abuse in the programs is the unfortunate result.

HHS doesn't have the funding to audit all categories of providers that have abusive track records. Even if it did, taxpayers shouldn't have to foot the bill. Twenty three billion dollars says it's time to make Federal audits a cost of doing business with the Nation's largest health care payer, the Federal Government.

#### WE SHOULD BE DILIGENT IN OUR FIGHT AGAINST HEALTH CARE FRAUD

It's simple for me—individuals found to intentionally, systematically and repeatedly defraud Medicare and Medicaid should go to jail. We should have a zero tolerance for repeat offenders. We should not hide behind free market language as an excuse for criminal behavior. The fight against health care fraud should be aggressive and on-going. Medicare beneficiaries deserve the best we can offer—quality care at an affordable price with strong protections against unscrupulous providers.

The following is a summary of the bill:

I. Title I—Revisions to Sanctions for Fraud and Abuse

A. Subtitle A—Exclusion Authority