

tests and treatment cost \$3,000. We can say that the cost ratio of the first doctor is 20-to-1, whereas the cost ratio of the second doctor is 30-to-1.

In certain managed care plans, such as health maintenance organizations, HMOs, with prepaid premiums, the doctor with the 20-to-1 cost ratio has preferable "economic credentials" in comparison with the doctor whose ratio is 30-to-1. If the managed care plan is going to make a profit, it will do better with the first doctor than with the second. So the plan gives the boot to the second doctor and welcomes the first one.

Essential to this program is knowing how much doctors actually cost the program in terms of expenses meted out for patients' medical care. These expenses used to be called medical care. Now they are characterized as losses, or expenses that rob corporate owners or shareholders of profit.

Keeping track of this data and using it to grant doctors membership in HMOs, independent practice associations, or hospitals is the backbone of economic credentialing. Unfortunately, this backbone is spineless and without soul. It doesn't care a whit about patients as people, but only about patients as progenitors of cost and expenses. Companies want to minimize these costs to enhance profits.

The danger is that physicians' "economic credentials" will become more vital to managed care companies than their medical credentials. Court decisions have not shot down economic credentialing.

In Florida, a doctor was denied membership on a hospital staff because he was already a heart surgery director at another hospital. In other words, his services were declined not because he could not measure up medically, but because he was viewed as an economic competitor.

In Los Angeles, a doctor was terminated from a health care plan based solely on a business and financial management analysis. The company told the doctor that, "This decision in no way is a reflection on your performance." An inquiry has been launched to discover if medical red-lining occurred.

In San Jose, a group of doctors in a managed care organization were issued an edict telling them that coronary stents, a type of heart surgery, no longer would be authorized. To ensure that the doctors took the edict to heart, so to speak, they were hammered with the following declaration, "If any charges are incurred for such (coronary stents), the cost resulting from such will be deducted from your income."

Patients need to know that before they join any managed care plan they must make sure the plan manages to take care of them before it takes care of its owners.

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This advice will not be easy to follow. In some plans, doctors operate under "gag" or

"no-cause" clauses, legally imposed conditions, whereby participating doctors agree not to discuss with patients the plan's financial incentives for doctors.

Additionally, a doctor's criticism of a plan's refusal to provide diagnostic testing or recommended treatment may be treated as corporate disloyalty and grounds for dismissal.

In the meantime, it behooves patients and doctors alike to learn how the health insurance industry works. Otherwise, we risk being red-lined out of whatever health care coverage we believe we may still have.

This ends the editorial by Dr. Robert Weinmann in the San Francisco Examiner of Friday, January 12, 1996.

#### 2000 CENSUS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mrs. MALONEY) is recognized for 5 minutes.

Mrs. MALONEY of New York. Mr. Speaker, I rise this evening to clarify the status of planning for the 2000 Census.

Some of my colleagues tried to give the impression that the Census Bureau is pursuing an illegal course of action by planning for a scientific census that will count all Americans. Nothing could be further from the truth.

There are three issues here: Number one, what have the courts said? Secondly, what were the terms of the agreement between the administration and Congress passed by the Commerce, Justice, State Appropriations bill last November? And thirdly, what is the appropriate course of action for the future?

Last month, the District Court for the District of Columbia issued a ruling in the case of the U.S. House of Representatives v. the Department of Commerce. That court ruled that the use of sampling in the census violates the provisions of Title 13 of the United States Code.

If this were the first ruling on this issue, this might be news, but it is not. The fact of the matter is, three district courts have ruled on this issue since 1980 and all three have come to the opposite conclusion.

Let me read to my colleagues a few of the other courts' decisions so that we can make up our own mind about the guidance from the courts.

In 1980, the United States District Court for the Eastern District of Michigan said, "The words 'actual enumeration' in Article 1, section 2, clause 3 do not prohibit an accurate statistical adjustment of the decennial census to obtain a more accurate count."

That court went on to address Title 13 and said, "There is nothing contained in Title 13, United States Code, section 195, as amended, which would suggest that the Congress was interested in terminating the Census Bureau's practice, manifested in the 1970 census, of adjusting the census returns to account for people who were not enumerated. All that section 195 does is prohibit the use of figures derived solely by statistical techniques."

In that same year, the United States District Court for the Eastern District of Pennsylvania said, "The court holds that the Census Act permits the Bureau to make statistical adjustments to the headcount in determining the population for apportionment."

In 1993, these concepts were restated by the District Court for the Eastern District of New York, which said, "It is no longer novel or in any sense new law to declare that statistical adjustment of the decennial census is both legal and constitutional."

Three separate district courts have ruled that the use of modern statistical methods to correct the census is both legal and constitutional. One district court has said that it is illegal and did not address the constitutional issue.

When agreement was reached last November to pursue the legality and constitutionality of the census plans in the courts, all agreed that the ultimate answer must come from the Supreme Court. This division among the district courts, even though it is 3 to 1, simply reinforces the wisdom of that decision.

If we were to draw a conclusion from the district courts, the smart money would be on the side of the Census Bureau. But that is not what we agreed to, and it is irresponsible to now chastise the Census Bureau for continuing down the path laid out last November.

Where do we go from here? The answer is obvious. We stay the course. That is not what the Republican majority is doing. Instead, they want to hold the funding for the second half of the 1999 census hostage because they fear that the Supreme Court will rule in favor of the Census Bureau.

The Republican majority's fight against the census has always been an issue of political survival, not one of getting the most accurate count. We need a scientific census, one that will count all Americans. We need to support the professional Census Bureau plan.

#### MANAGED CARE REFORM

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, it is not my intention to use all the time this evening, but I did want to spend some time this evening to talk about managed care reform.

Today, after having spent the last month in their districts, Members of the House returned from Congress' annual August recess. And the month of August always provides Members with an extended opportunity to hear what is on their constituents' minds. And I just wanted to assure my colleagues that the number one issue on people's minds, at least in my district, continues to be managed care reform.

I think over the last 4 weeks I held about 20 town meetings or forums in