

The AARP article shows that a number of groups have been trying to scare seniors into contributing to a phony cause.

[From the AARP Bulletin, Feb. 1998]

AARP ANSWERS 'SCARE CAMPAIGN' ON
MEDICARE PRIVATE CONTRACTING

(By Elliot Carlson and Don McLeod)

Medicare beneficiaries are being flooded with misinformation about their right to enter into private contracts with their doctors.

As examples, observers cite reports in some newspapers and magazines stating that, because of the 1997 Balanced Budget Act (BBA), doctors will be barred from treating older patients on a private basis.

"What we have here," says AARP legislative director John Rother, "is a concerted scare campaign aimed at misleading Medicare beneficiaries into believing that they have lost the freedom to choose their own doctors and seek the care they need."

That's false, Rother says. Rather than weakening an enrollee's right to contract privately with doctors, he adds, the recently enacted BBA actually expands that right. Prior to passage of that law last fall, Medicare beneficiaries and doctors were not permitted to contract privately for services Medicare covered, such as office visits.

Any doctor treating a Medicare patient had to file a claim with Medicare and was limited in how much he or she could charge a beneficiary.

The BBA liberalizes these provisions. For the first time, effective Jan. 1, 1998, the law allows doctors to contract privately with Medicare enrollees for services that are already covered by Medicare.

But no sooner was the BBA enacted, Rother points out, than some groups started misinterpreting it—telling people incorrectly that the new law, rather than expanding enrollee rights, had taken them away.

One group, he notes, has been writing beneficiaries, quite erroneously, that if they pay a doctor out of their own pocket for a treatment not covered by Medicare, then their doctor will be barred from treating Medicare patients for two years.

Not so. Patients always could—and still can—privately buy services not covered by Medicare, such as prescription drugs, eyeglasses and hearing aids. "Beneficiaries have always been able to pay out of their own pocket for services not covered by Medicare without penalty to themselves or their physicians," says Nancy-Ann DeParle, administrator of the Health Care Financing Administration, which runs Medicare. "The new Balanced Budget Act doesn't change that."

And you always could—and still can—pay for extra medical tests you want without you or your doctor being penalized, even if your doctor disagrees about the need.

A case in point is mammograms. Under the law Medicare pays for one mammogram per year. If you have a history of breast cancer in your family and your doctor deems it advisable, Medicare will pay for a second test.

Even if you aren't a high-risk case for breast cancer but you simply want a second test, you can go ahead and pay for it on your own without penalty to you or your doctor.

But the 1997 BBA does change some things. As noted above, it allows doctors for the first time to contract privately with Medicare enrollees for services that are already covered by Medicare.

This change stems from a bill advanced last June by Sen. Jon Kyl, R-Ariz., who said the change was needed to allow "those 9 percent of the physicians who do not treat Medicare patients to continue to treat their patients [after patients turn 65] as they always have." In the waning hours of the de-

bate on this proposal, House-Senate conferees modified the Kyl provision and incorporated a number of enrollee protections.

A key protection requires doctors to disclose contract terms. Thus, the doctor and Medicare patient must both sign a contract in which the patient agrees not to file a claim with Medicare. The patient also agrees to pay 100 percent of whatever amount the doctor charges. The contract must disclose that Medicare will pay no portion of the cost of the service. Nor will the enrollee's medigap policy.

Also, the new provision is limited to doctors who agree, in an affidavit, to forgo all payment from Medicare for two years—a clause that has turned out to be controversial. Critics argue that the "two-year ban" makes it very hard for doctors to take advantage of the Kyl provision. And, they add, it could discourage doctors from taking new Medicare patients.

Such concerns don't stand up to close examination, says Tricia Smith, coordinator of AARP's legislative health team. "There is good reason for the two-year exclusion." For starters, "the provision is a real protection for Medicare patients," she says. "It's intended to prevent doctors from picking and choosing patients based on income and severity of illness."

"Also," Smith adds, "it seeks to protect Medicare against fraud."

In the wake of the controversy over private contracting, Senator Kyl is advocating a new bill that would go well beyond the intent of his original proposal. Not only is he seeking to eliminate the two-year ban, but he also wants to allow doctors to contract privately with low-income patients and those in managed care. And he wants to let doctors pick and choose what services they will contract for.

The legislation is supported by the American Medical Association (AMA), which has opposed Medicare's limits on balance billing—the extra amount doctors can charge beneficiaries over and above Medicare's payment.

But AARP, along with the New York-based Medicare Rights Center and some other consumer groups, strongly opposes the Kyl legislation. The American College of Physicians has raised serious questions about it.

"These proposed changes could open up Medicare to even more fraud and abuse than we see now," says AARP's Smith. "Medicare would have a very hard time identifying which services were paid for privately. Thus, doctors could double-bill and collect from both beneficiaries and Medicare."

Critics, AARP among them, also worry about the danger that private contracting could create a "two-tiered system"—one for better-off enrollees who could afford high-priced doctors and another for all other enrollees.

Finally, AARP and other critics worry about the ability of doctors to charge any price for services rendered and the Medicare enrollee being held responsible to pay 100 percent of the bill.

"When a beneficiary agrees to a private contract, he or she is liable for 100 percent of what the doctor chooses to charge for the service," Smith observes. "When beneficiaries discover that and recognize that their medigap policy won't cover the costs, they may find that the out-of-pocket costs will be unmanageable."

INTRODUCTION OF THE SAFE
SCHOOLS INTERNET ACT

HON. BOB FRANKS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. FRANKS of New Jersey. Mr. Speaker, today I rise to introduce the Safe Schools Internet Act. Later this year, our schools and libraries will be receiving funds from the Congressionally created Universal Service Fund to defray costs of Internet access. While it is undeniably important for our children to have access to this important tool in their classrooms, the "hooking up" of America's schools also comes with problems.

As most people know, in addition to the priceless information available on the Internet, the Internet also contains a limitless supply of material not appropriate for children. When we hook our schools to the Internet, we are also hooking them up to this material. While we would never let our school libraries carry material such as Penthouse or depictions of violent torture, we may soon be doing so through the Internet.

However, technology currently available on the market makes it possible to block out many offensive Internet web sites. The Safe Schools Internet Act would require that any school system accepting federal money from the Universal Service Fund to facilitate Internet access install Internet blocking software. Under the bill, libraries would be held to the same requirement for at least one computer in the library. The method of blocking would be left to local school and library officials, ensuring continued local control of these important institutions. This Safe Schools Internet Act will ensure that children in our schools and libraries are not confronted with age-inappropriate material, and that the federal government does not find itself financing offensive material in our schools.

I hope my colleagues will join me and co-sponsor this important legislation.

COMMENDING JAMES CASALE

HON. ROBERT A. WEYGAND

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. WEYGAND. Mr. Speaker, I rise today to commend James Casale, age 7, who has already proven himself to be an outstanding member of our society, James attends second grade at Gladstone Street School in Cranston, Rhode Island. When told that his school was having a canned food drive for the poor, James raided his family's pantry for items to contribute. After a few days, his parents told him the best way to contribute was to use his own money to buy food.

James used \$100 saved from allowances and tooth fairy money to buy 17 cases of food. On November 20th his father dropped James and his four hundred cans off at the schoolyard. Those four hundred cans inspired other students in his school to donate even more than they already had. In previous years, the Thanksgiving food drive had accumulated only a few hundred cans. Last year's food drive set a record at 1,600 cans. However, because of

the example set by James Casale, this year's canned food drive more than doubled that amount, raising 3,445 cans.

James had seen people in the newspaper and on television who needed help, so he simply did what he could to help them. When asked why he made such a generous donation, James said that he did for poor people. Wouldn't it be wonderful if everyone who saw a need did what they could and stepped in to fill the void? Too many of us say "I don't have the time," or "I can't afford it", yet James gave freely of both his time and money.

I had the opportunity to meet with James on November 21 and present him with a Public Service Certificate in recognition of his outstanding and invaluable service to the community. I was impressed by both the compassion and drive of this young man.

Mr. Speaker, I encourage my colleagues to join me in commending seven year old James Casale for setting an example for his classmates and his community.

CHICAGO DEALER HONORED BY
TIME MAGAZINE—STANLEY
BALZEKAS, JR.

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. LIPINSKI. Mr. Speaker, I would like to honor a fine businessman of the automobile industry, Mr. Stanley Balzekas, Jr. Mr. Balzekas Jr., a businessman in the Chicagoland area, delivers great service to families and individuals in the Chicagoland community.

Stanley Balzekas Jr., president of Balzekas Motor Sales, was honored by TIME Magazine with the 29th annual TIME Magazine Quality Dealer Award (TMQDA). Mr. Balzekas received this award on January 31, 1998 for his outstanding business achievements in the automobile industry. As part of the award, TIME Magazine makes an annual grant of scholarship funds to the University of Michigan Business School in the names of TIME, Good-year, the National Automobile Dealers Association, and the TMQDA recipients.

Stanley Balzekas Jr., a native of Chicago, Illinois, began his career in the automobile industry working part time for his father during high school and college. Upon graduation from DePaul University in Chicago, Illinois, and his completion of a masters degree of business and marketing, Mr. Balzekas climbed his way through the ranks to become president of Balzekas Motor Sales. Currently, Stanley Balzekas resides in Chicago with his wife, three children and three wonderful grandchildren.

I would like to extend my congratulations to Mr. Stanley Balzekas Jr. on his great accomplishments as a businessman and friend to the community bringing families and individuals "the American dream" of purchasing a new automobile.

TRIBUTE TO LEONARD W.
ZIOLKOWSKI, SOUTHSIDE AD-
VANCEMENT ASSOCIATIONS'
MAN OF THE YEAR

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. KLECZKA. Mr. Speaker, I rise today to recognize a remarkable member of my district, as well as a friend of many years, Mr. Leonard W. Ziolkowski, for being named Man of the Year by the Council of South Side Advancement Association of Milwaukee, Wisconsin.

The Council of South Side Advancement is a civic network that draws from organizations throughout the area to unite the community and encourages involvement from its citizens. One way in which the Council encourages this is through recognition of outstanding members of the community at the Lincoln Day Banquet. As an honoree at this year's banquet, Mr. Ziolkowski personifies the leadership and involvement for which the organization strives.

Len's professional career exhibits remarkable examples of dedication and leadership. Appointed a patrolman in 1950, he was consistently promoted throughout his longstanding career with the Milwaukee Police Department until his retirement in 1986 as inspector of police. He then shared his experience and knowledge as supervisor of the police science program at the Milwaukee Area Technical College. He also has served as a member of the Fire and Police Commission for the City of Milwaukee and director of the Milwaukee Police Academy, which gained national recognition while under his direction.

Currently president of the South Side Business Club and vice-president of St. Joseph's Foundation, Len's leadership transcends his professional career and carries into his community involvement. As a fellow American of Polish descent, Len promotes his heritage by his participation in the Milwaukee Society and the Polish National Alliance. He is also active in the American Society of Law Enforcement Trainers, Law Enforcement Training Officers Assoc., International Narcotics Enforcement Officers Association, and the American Legion post 415.

I ask that you join me in congratulating Len Ziolkowski as he is honored at the Lincoln Day Banquet on February 22nd, 1998.

TRIBUTE TO MRS. CORRIE BELL
MISSOURI

HON. JAMES E. CLYBURN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. CLYBURN. Mr. Speaker, I rise today to pay tribute to a pillar in our community, Mrs. Corrie Bell Missouri of Columbia, South Carolina, on the occasion of her 100th birthday.

Mrs. Missouri has offered tireless assistance to her community for many years. She visits Pontiac Elementary School annually, where she entertains the students with facts from her "Wonder Years." One of the skills Mrs. Missouri likes to share is her ability to recite the alphabet backwards. She is very active with the Francis Burns Senior Citizens, as well as

with the Zion Canaan Senior Citizens Bible Study.

Mrs. Missouri was born in Richland County, South Carolina, on March 24, 1898, to Wilson and Estelle Bell. Mrs. Missouri is one of six children. Her siblings include William Harry Bell of New York (89 years old), Marion Bell Foster (deceased), Desport Bell (deceased), Essie Dixon (deceased), and James S. Bell (deceased). Family and good values are Mrs. Missouri's most cherished possessions. At an early age she married Bogan C. Missouri (deceased). They had one son, the Reverend Rufus Levi Mosby. She proudly carries the title of great-grandmother and has two granddaughters, Carrie Boyce and Beverly J. Mosby; and one great-grandson, D. "Ray" Boyce.

In her youth, Mrs. Missouri attended school at Zion Canaan Church. In those days, children only went to school for three months so they could help in the fields the remainder of the year. Mrs. Missouri is a member of Zion Canaan Baptist Church, and she enjoys reading the Holy Bible and listening to all types of Christian music. Her favorite Bible scripture is Psalms 100, which calls for Christians to worship and give thanks to the Lord. She encourages the young to "obey your parents. Parents, love and respect your children, and teach your children about the Lord."

On Tuesday, March 24, 1998, family and friends will gather in celebration of Mrs. Missouri's 100th birthday. Please join me in wishing Mrs. Corrie Bell Missouri a prosperous and happy birthday. Mrs. Missouri is truly a living example of the American spirit that our country's flag represents.

PRESERVING THE DISTRICT OF
COLUMBIA'S CHARITABLE ASSETS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, February 11, 1998

Mr. STARK. Mr. Speaker, all across the United States, Blue Cross and Blue Shield health insurance plans are changing their stripes through mergers, conversions, other changes in corporate status, or buy-outs. As many of my colleagues know, these changes have triggered debate in many states over the fate of charitable assets of these plans. As one observer put it, "The Blues see green. Consumers see red."

In California, for example, two new foundations have over \$3 billion for health care, courtesy of the Blue Cross conversion. In New Jersey, an appeals court ruled last year that the Blues there are, in fact, "charitable and benevolent." In Texas, the attorney general is in court to block the merger between the Texas and Illinois Blues. In North Carolina, the state legislature set up a study commission to examine the fate of the Blues plan there. In Kansas, the attorney general has filed a claim against the officers and directors of the Blues for breach of their fiduciary duty in connection with their campaign to deny the charitable status of the assets.

Each of these cases demonstrates that the tug-of-war over charitable assets is a state matter. Rarely, if ever, does Congress become involved, though perhaps the time is drawing near for a national examination of these trends.