

the complexity of the imaging examinations performed.

D. Joint Ventures Among Health Care Providers in Florida: State of Florida Cost Containment Board (September 1991)

This study analyzed the effect of joint venture arrangements (defined as any ownership, investment interest or compensation arrangement between persons providing health care) on access, costs, charges, utilization, and quality. The results indicated that problems in one or more of these areas existed in the following types of services: (1) clinical laboratory services; (2) diagnostic imaging services; and (3) physical therapy services—rehabilitation centers. The study concluded that there could be problems or that the results did not allow clear—conclusions with respect to the following health care services: (1) ambulatory surgical centers; (2) durable medical equipment suppliers; (3) home health agencies; and (4) radiation therapy centers. The study revealed no effect on access, costs, charges, utilization, or quality of health care services for: (1) acute care hospitals; and (2) nursing homes.

E. New Evidence of the Prevalence and Scope of Physician Joint Ventures; Mitchell JM, Scott E: Journal of the American Medical Association, 1992;268:80-84

This report examines the prevalence and scope of physician joint ventures in Florida based on data collected under a legislative mandate. The results indicate that physician ownership of health career businesses providing diagnostic testing or other ancillary services is common in Florida. While the study is based on a survey of health care businesses in Florida, it is at least indicative that such arrangements are likely to occur elsewhere.

The study found that at least 40 percent of Florida physicians involved in direct patient care have an investment interest in a health care business to which they may refer their patients for services; over 91 percent of the physician owners are concentrated in specialties that may refer patients for services. About 40 percent of the physician investors have a financial interest in diagnostic imaging centers. These estimates indicate that the proportion of referring physicians involved in direct patient care who participate in joint ventures is much higher than previous estimates suggest.

F. Physicians' Utilization and Charges for Outpatient Diagnostic Imaging in a Medicare Population; Hillman BJ, Olson GT, Griffith PE, Sunshine JH, Joseph CA, Kennedy SD, Nelson WR, Bernhardt LB: Journal of the American Medical Association, 1992;268:2050-2054

This study extends and confirms the previous research discussed in section C, above, by focusing on a broader range of clinical presentations (ten common clinical presentations were included in this study); a mostly elderly, retired population (a patient population that is of particular interest with respect to Medicare reimbursement); and the inclusion of higher-technology imaging examinations. The study concluded that physicians who own imaging technology employ diagnostic imaging in the evaluation of their patients significantly more often and as a result, generate 1.6 to 6.2 times higher average imaging charges per episode of medical care than do physicians who refer imaging examination to radiologists.

G. Physician Ownership of Physical Therapy Services; Effects on Charges, Utilization, Profits, and Service Characteristics; Mitchell JM, Scott E: Journal of the American Medical Association, 1992;268:2055-2059

Using information obtained under a legislative mandate in Florida, the authors evaluated the effects of physician ownership of freestanding physical therapy and rehabilitation facilities (joint venture facilities) on

utilization, charges, profits, and service characteristics. The Study found that visits per patient were 39 to 45 percent higher in facilities owned by referring physicians and that both gross and net revenue per patient were 30 to 40 percent higher in such facilities. Percent operating income and percent markup were significantly higher in joint venture physical therapy and rehabilitation facilities. The study concluded that licensed physical therapists and licensed therapist assistants employed in a non-joint venture facilities spend about 60 percent more time per visit treating patients than those licensed workers in joint venture facilities. Finally, the study found that joint ventures also generate more of their revenues from patients with well-paying insurance.

H. Consequences of Physicians' Ownership of Health Care Facilities—Joint Ventures in Radiation Therapy; Mitchell JM, Sunshine, JH; New England Journal of Medicine 1992; 327; 1497-1501

This study examined the effects of the ownership of freestanding radiation therapy centers by referring physicians who do not directly provide services ("joint ventures") by comparing data from Florida (where 44 percent of such centers were joint ventures during the period of the study) to data from elsewhere (where only 7 percent of such centers were joint ventures). The analysis shows that the joint ventures in Florida provide less access to poorly served populations (rural counties and inner-cities) than non-joint venture facilities. The frequency and costs of radiation therapy treatments at free-standing centers in Florida were 40 to 60 percent higher than in non-joint venture facilities; there was no below-average use of radiation therapy at hospitals or higher cancer rates to explain the higher use or higher costs. Some indicators (amount of time spent by radiation physicians with patients and mortality among patients with cancer) show that joint ventures cause either no improvement in quality or a decline.

I. Increased Costs and Rates of Use in the California Workers' Compensation System as a Result of Self-Referral by Physicians; Swedlow A, Johnson G, Smithline N, Milstein A; New England Journal of Medicine, 1992;327;1502-1506

The authors analyzed the effects of physician self-referral on three high-cost medical services covered under California's workers compensation physical therapy, psychiatric evaluation and magnetic resonance imaging (MRI). They compared the patterns of physicians who referred patients to facilities of which they were owners (self-referral group) to patterns of physicians who referred patients to independent facilities (independent-referral group). The study found that physical therapy was initiated 2.3 times more often by the self-referral group than those in the independent-referral group (which more than offset the slight decrease in cost per case). The mean cost of psychiatric evaluation services was significantly higher in the self-referral group (psychometric testing, 34 percent higher, psychiatric evaluation reports, 22 percent higher) and the total cost per case of psychiatric evaluation services was 26 percent higher in the self-referral group than in the independent-referral group. Finally, the study concluded that of all the MRI scans requested by the self-referring physicians, 38 percent were found to be medically inappropriate, as compared to 28 percent of those requested by physicians in the independent-referral group. There were no significant difference in the cost per case between the two groups.

J. Medicare: Referrals to Physician-Owned Imaging Facilities Warrant HCFA's Scrutiny (GAO Report No. B-253835; October 1994)

The U.S. General Accounting Office (GAO) issued a report regarding: (1) referrals by

physicians with a financial interest in joint-venture imaging centers; and (2) referrals for imaging provided within the referring physicians' practice settings. The analyses are based on information collected by researchers in Florida for the Florida Health Care Cost Containment Board and include information on 1990 Medicare claims for imaging services ordered by Florida physicians. GAO analyzed approximately 1.3 million imaging services performed at facilities outside the ordering physicians' practice settings and approximately 1.2 million imaging services provided within the ordering physicians' practice settings. These results are significant because they are based on a large-scale analysis of physician referral practices.

GAO found that physician owners of Florida diagnostic imaging facilities had higher referral rates than nonowners for almost all types of imaging services. The differences in referral rates were greatest for costly, high technology imaging services; physician owners ordered 54 percent more MRI scans, 27 percent more computed tomography (CT) scans, 37 percent more nuclear medicine scans, 27 percent more echocardiograms, 22 percent more ultrasound services, and 22 percent more complex X rays. Referral rates for simple X rays were comparable for owners and nonowners. In addition, while referral practices among specialties differed, physician owners in most specialties had higher referral rates than nonowners in the same specialty.

GAO also compared the imaging rates of physicians who have in-practice imaging patterns (i.e., more than 50 percent of the imaging services they ordered were provided within their practice affiliations) with physicians with referral imaging patterns (i.e., more than 50 percent of the imaging services they ordered were provided at facilities outside their practice affiliations). GAO found that physician with in-practice imaging patterns had significantly higher imaging rates than those with referral imaging patterns—the imaging rates were about 3 times higher for MRI scans; about 2 times higher for CT scans; 4.5 to 5.1 times higher for ultrasound, echocardiography, and diagnostic nuclear medicine imaging, and about 2 times higher for complex and simple X rays.

## TRIBUTE TO ROSALIE AND GEORGE EIKENBERG

### HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. CARDIN. Mr. Speaker, I rise today to pay tribute to Rosalie and George Eikenberg, who were just named first runner-up of the Knights of Columbus' International Family of the Year Program. The Eikenbergs live in Elkridge, MD and their dedication and commitment to their community and their family are truly inspiring.

George Eikenberg worked for American Can Co. for 30 years and the Oles Envelope Co. for 10 years. Rosalie is the cafeteria manager at Thunder Hill Elementary School. They had two natural children and adopted four others. From 1962 to 1985, they opened up their family to care for 42 foster care children, some of whom stayed for long periods of time.

In addition to their commitment to their children and foster children, the Eikenbergs have both volunteered their time to make their community a better place to live. In addition to

their many commitments, George is treasurer of the Grand Knights of Columbus and is a member of the board of directors at Mt. St. Joseph High School. He has served as an adult advisor for the CYO, and coached basketball and little league.

Rosalie has been equally busy. She is the former president of the mother's club at St. Augustine's School, served on their parish council, and so did George, was president of the PTA at Waterloo Middle School and was chairman of the Title I Program at Elkridge Elementary School and St. Augustine's School.

Rosalie and George Eikenberg are an inspiring example to all of us that we can always find the time if we want to make our community a better place. I hope my colleagues will join me in extending congratulations and best wishes to a family that truly is a "Family of the Year."

**SOLDIER'S MEDAL FOR SGT.  
JERRY SEABAUGH**

**HON. IKE SKELTON**

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. SKELTON. Mr. Speaker, my congratulations to Sfc. Jerry Seabaugh of Jefferson City, MO, who was recently awarded the prestigious Soldier's Medal, the Army's highest peace time medal for valor. Sergeant Seabaugh, a member of the Missouri National Guard, saved the life of State Representative Sue Shear from flooding waters in Jefferson City. Sergeant Seabaugh rescued Mrs. Shear from her car which was nearly submerged by the high water.

This award, approved by the Secretary of the Army, is rarely given, and I know that the Members of this body join me in saying a job well done to Sergeant First Class Seabaugh. His heroism not only makes the Missouri National Guard proud, but all Missourians as well.

**TRIBUTE TO TERESA AUDREY  
MOORE**

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. TOWNS. Mr. Speaker, I am pleased to introduce to my colleagues Teresa Audrey Moore, a tireless community servant. Ms. Moore was born in Pittsburgh, PA. She moved to New York in 1941 and worked for Brooklyn Union Gas until her retirement in 1985.

Ms. Moore has been very active since she retired. She has been involved in Area policy board No. 5, is a member of community board No. 5, works on the board of elections, and is treasurer of Central Brooklyn A.A.R.P. chapter No. 4171. Additionally, she is a member of the senior advisory committee for the department of aging and the State of New York. Teresa also volunteers her time at Pink Senior Center and at East Brooklyn High School where she positively impacts the lives of young people.

When she is not performing labors of love, Ms. Moore is attending to the needs of her 3

children, 12 grandchildren, and 8 great-grandchildren. Teresa Moore exemplifies the ideal of public service and community involvement. I am proud to recognize her for devoted and unconditional service.

**THE RECYCLING INFORMATION  
CLEARINGHOUSE ACT OF 1995**

**HON. CURT WELDON**

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. WELDON of Pennsylvania. Mr. Speaker, the Recycling Information Clearinghouse Act calls for the creation of a recycling clearinghouse within the Environmental Protection Agency's [EPA] Office of Solid Waste Management. With the monumental environmental problems this Nation faces in the future, it is imperative we examine all possible solutions to these problems.

America's garbage problem is heavy indeed. Each year we generate over 180 million tons of garbage. We discard enough paper in a year to build a 12-foot high wall stretching from coast to coast. Every hour we dispose of 2.5 million potentially recyclable plastic bottles. The EPA estimates that this amount of waste will continue to increase rapidly through the year 2000.

Our traditional method of disposing of garbage in landfills is becoming obsolete. Ten years ago in Pennsylvania, we had over 1,000 active landfills; today we have under 100. In addition to dwindling capacity, the cost to dump in landfills is skyrocketing. The latest trend in disposal technology is incineration. Unfortunately, this method has proven to be both hazardous and inefficient.

The first step in tackling our waste problem is to convert from a throwaway society to a recycling one, by shifting our focus from waste disposal to waste reduction. Although we possess the technology to recycle 80 to 90 percent of glass and aluminum, we recycle only 13 percent of our garbage annually. Recycling is cleaner and more energy efficient than both landfills and incineration.

Having set up the first comprehensive recycling program in Pennsylvania, I know recycling works at the local level. Our recycling programs have provided substantial savings in county disposal costs. The key to success is information. The success of Delaware County should be made available to other officials who are interested in setting up their own programs.

My legislation would create a clearinghouse of information on the national level in the EPA. The bill would authorize \$500,000 to be matched by the private sector. The clearinghouse would provide easy access to information regarding recycling to any interested State or local officials through a toll-free hotline. Technical assistance would be disseminated through seminars and other resources.

Although the clearinghouse will not eliminate the waste problem, it is definitely a step in the right direction. Recycling can be a clean, cost-effective means of dealing with our garbage glut. I urge my colleagues to join me in support of the Recycling Clearinghouse Information Act.

**NATIONAL SPORTSMANSHIP DAY**

**HON. JACK REED**

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. REED. Mr. Speaker, I rise in honor of National Sportsmanship Day, which is being observed today in America and throughout the world. A national sportsmanship day presents the opportunity to stress the importance of ethics and fair play, both on the playing field and in the classroom.

National Sportsmanship Day was conceived by the Institute for International Sport, which is located in my district at the University of Rhode Island, to create an awareness of the issues of ethics, fair play, and sportsmanship within athletics and society. Since its inception in 1991, over 7,000 schools in all 50 States, have benefited from this program. This year 5,000 schools from all 50 States and 48 countries will join in the National Sportsmanship Day festivities.

The goal of good sportsmanship is an important one. It is worthwhile for us to demonstrate to our children the good values and ethics learned through sports. These same lessons will guide them in all aspects of everyday life.

With the help of Sports Ethics Fellows like Olympic skater Bonnie Blair, the institute is providing an example of the pride young athletes can find in competition. As a result, young athletes learn that while winning is a goal worth working for, it is honesty, integrity, and hard work that is most important.

Mr. Speaker, I ask my colleagues to join the President's Council on Physical Fitness and Sports and the Rhode Island congressional delegation in recognizing this day.

**TRIBUTE TO MARIETTA SMALL**

**HON. EDOLPHUS TOWNS**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 7, 1995*

Mr. TOWNS. Mr. Speaker, in my district I am fortunate to have people who provide assistance to members of the community who wish to pursue their education. Marietta Small is illustrative of that type of educator. Marietta is chairperson of the Husain Institute of Technology [HIT] which provides excellent computer technical training to adults and mathematics and english training to elementary students of the local community.

Marietta was appointed to community board No. 17 in recognition of her assiduous performance and exemplary track record in community affairs. She was elected to the office of State committeewoman of the 42d assembly district in September, 1986, where she served until 1992.

Due to reapportionment she was redistricted into the newly created 58th assembly district, where she successfully ran for State committeewoman and is presently serving her second term. I am honored to recognize Marietta Small for her relentless dedication to helping the community.