Mr. Speaker, I urge my colleagues to vote in favor of the Jackson-Lee amendment.

THE MEDICARE SUBSTITUTE ADULT DAY CARE SERVICE ACT

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. STARK. Mr. Speaker, I am pleased to rise with my colleagues Representatives CARDIN, KLECZKA, and LEWIS with whom I serve on the Ways and Means Health Subcommittee, to introduce The Medicare Substitute Adult Day Care Services Act.

This bill would update the Medicare home health benefit to incorporate modern setting for rehabilitation. While the home had been the only setting in which a homebound person could reasonably be expected to receive therapy, that is no longer always the case. This legislation would allow patients and their families to choose the best setting for their individual needs. This new choice would be provided at no additional cost to the Medicare program.

Adult day care centers (ADCs) are proving to be effective—often preferable—alternatives to complete confinement in the home. Homebound people can utilize these centers because they provide door-to-door services for their patients. ADCs send special vehicles and trained personnel to a patient's home and will go so far as to get the patient out of bed and transport them to the ADC site in specially-equipped vehicles. Without this transportation component, homebound patients would be not able to utilize such a service.

For certain patients, the ADC setting is far preferable to traditional home health care. The ADC can provide skilled therapy like the home health provider, but also provide therapeutic activities and meals for the patients. These centers provide a social setting within a therapeutic environment to serve patients with a variety of needs. Thus, patients have the opportunity to interact with a broad array of people and to participate in organized group activities that promote better physical and mental health. Rehabilitation can be enhanced in such a setting.

It is also important to note that ADC care provides an added benefit to the caregivers for frail seniors. When a Medicare beneficiary receives home health services in the home, these providers are not in the home all day. They provide the service they are paid for and then leave. Many frail seniors cannot be left alone for long periods of time and this restriction prevents their caregivers from being able to maintain employment outside of the home. If the senior were receiving ADC services, they would receive supervised care for the whole day and the primary care giver would be able to maintain a job and/or be able to leave the home for longer periods of time.

From a cost perspective, an ADC setting can provide savings as well. In the home care arena, a skilled nurse, a physical therapist, or any home health provider must travel from home to home providing services to one patient per site. There are significant transportation costs and time costs associated with that method of care. In an ADC, the patients are brought to the providers so that a provider can see a larger number of patients in a shorter period of time. That means that payments per patient for skilled therapies can be reduced in the ADC setting compared to the home health setting.

The Medicare Substitute Adult Day Care Services Act would incorporate the adult day care setting into the current Medicare home health benefit. It would do so by allowing beneficiaries to substitute some, or all, of their Medicare home health services in the home for care in an adult day care center (ADC).

To achieve cost-savings, the ADC would be paid a flat rate of 95% of the rate that would have been paid for the service had it been delivered in the patient's home. The ADC would be required, with that one payment, to provide a full day of care to the patient. That care would include the home health benefit and transportation, meals and therapeutic activities.

It is especially important to note that this bill is not an expansion of the home health benefit. It would not make any new people eligible for the Medicare home health benefit. Nor would it expand the definition of what qualifies for reimbursement by Medicare for home health services.

In order to qualify for the ADC option, a patient would still need to qualify for Medicare home health benefits just like they do today. They would need to be homebound and they would need to have a certification from a doctor for skilled therapy in the home.

All the bill would do is recognize that ADCs can provide the same services, at lower costs, and include the benefits of social interaction, activities, meals, and a therapeutic environment in which trained professionals can treat, monitor and support Medicare beneficiaries who would otherwise be at home without professional help. All of these things aid the rehabilitation process of patients.

In order to participate in the Medicare home care program, adult day care centers would need to meet the same standards that are required of home health agencies. The only exception to this rule is that the ADCs would not be required to be ''primarily'' involved in the provision skilled nursing services and therapy services. They would be required to provide those services, but because ADCs provide services to an array of patients, skilled nursing services and therapy services may not always be their primary activity. Otherwise, all the home health requirements would apply to ADCs.

Here is an example of how the system would work if this bill were law. A patient is prescribed home care by his or her doctor. At that time the patient and his or her family decide how to arrange for the services. They could choose to receive all services through the home, or could choose to substitute some adult day care services. So, if the patient had 3 physical therapy visits and 2 home health aide visits, they could decide to take the home health aide visits at home, but substitute three days of ADC services for the physical therapy visits. On those days, the patient would be picked up from home, taken to the ADC, receive the physical therapy, and receive the additional benefits of the ADC setting (group therapy, meals, socialization, and transportation). All of these services would be incorporated into the payment rate of 95% of the home setting rate for the physical therapy service. It is a savings for Medicare and an improved benefit to the patient—a winning solution for everyone.

While we believe this bill would create savings for Medicare without any additional protections, to make sure that that is the case, we have included a budget neutrality provision in the bill. This provision would allow the Secretary of Health and Human Services to change the percentage of the payment rate for ADC services if growth in those services were to be greater than current projections under the traditional home health program.

This is a small step forward for rehabilitation therapy for seniors. Eligibility for the home health benefit is not changed so it is not an expansion of the benefit. We believe that patients would greatly benefit from the option of an adult day care setting for the provision of home health services and look forward to working with our colleagues to enact this incremental, important Medicare improvement.

CREDIT CARD ON-TIME PAYMENT PROTECTION ACT

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, August 5, 1998

Mr. LaFALCE. Mr. Speaker, I am today introducing the ''Credit Card On-Time Payment Protection Act'' to address the growing financial penalties imposed on credit card holders who pay their credit card bills in full each month.

While most of the information we see on credit cards and credit card debt is alarming, one positive fact has received little attention. This is the fact that over 40 percent of credit card holders routinely pay off their credit card balances in full each month without incurring finance charges or carrying credit balances. This use of credit cards only for transactions rather than credit has been relatively stable over time. According to the Federal Reserve Bank of New York, 43 percent of households with credit cards routinely paid off their card balances in 1983, with 41 percent continuing to regularly pay off card balances in 1995.

At a time of escalating consumer debt, paying off of credit card debt should be encouraged. But the credit card companies have taken the opposite approach. Rather than encouraging a reduction of debt they are imposing penalties on card holders who pay off their card balances on time. Rather than encouraging responsible use of credit cards and reducing credit card delinquencies, they are creating new disincentives to reduce credit card debt.

Press articles began appearing two years ago describing how one credit card issuer, then another, had begun imposing minimum finance charges or maintenance fees on the accounts of card holders who regularly paid off the card balances each month. Other card issuers began to reimpose annual fees on the ''no fee'' accounts of card holders who paid in full. The theory behind this was, if consumers were going to have to pay a fee, they might as well carry credit balances and pay interest charges. Our colleague JOE KENNEDY responded to this problem with a bill to prohibit the imposition of a minimum finance change or fee on a credit card account solely because a card holder paid off any credit extended in full.

Late last year the press reported that several large national retail company chains were