and second time by unanimous consent, and referred as indicated:

By Mr. THOMPSON:

S. 1358. A bill to authorize the Secretary of Transportation to issue a certificate of documentation with appropriate endorsement for employment in the coastwise trade for the vessel *Carolyn*, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMPSON:

S. 1359. A bill to amend title 38, United States Code, to revise certain authorities relating to management and contracting in the provision of health care services; to the Committee on Veterans Affairs.

By Mr. BENNETT (for himself, Mr. DOLE, Mr. LEAHY, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. FRIST, Mr. SIMON, Mr. HATCH, Mr. GREGG, Mr. STEVENS, Mr. JEFFORDS, Mr. KOHL, Mr. DASCHLE, and Mr. FEINGOLD):

S. 1360. A bill to ensure personal privacy with respect to medical records and health care-related information, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. MOYNIHAN (for himself, Mr. COCHRAN, and Mr. SIMPSON):

S.J. Res. 39. A joint resolution to provide for the appointment of Howard H. Baker, Jr. as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 40. A joint resolution to provide for the appointment of Anne D'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 41. A joint resolution to provide for the appointment of Louis Gerstner as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SIMPSON:

S. 1359. A bill to amend title 38, United States Code, to revise certain authorities relating to management and contracting in the provision of health care services; to the Committee on Veterans' Affairs.

THE VETERANS HEALTH CARE MANAGEMENT AND CONTRACTING FLEXIBILITY ACT OF 1995

● Mr. SIMPSON. Mr. President, it is a great pleasure for me, as chairman of the Senate Veterans' Affairs Committee, to introduce today the Veterans Health Care Management and Contracting Flexibility Act of 1995. This legislation, Mr. President, would free the Department of Veterans Affairs [VA] from a number of statutory restrictions which unnecessarily limit its authority to contract for health care-related services. It would also ease and clarify current reporting requirements which excessively impede VA's ability to manage its own affairs.

What this bill would accomplish is best understood by considering, first, the health care environment within which all health care providers—including VA—must operate today, and then the state of the law under which VA attempts to so operate. If there is any certainty today with respect to health care, it is this: those who pay for health care—whether those payers be State or Federal Government agencies, insurance carriers or health maintenance organizations, or better informed consumers drawing, perhaps some day, from health savings accounts or simply from their own bank accounts—will no longer tolerate the unrestrained cost inflation that they have been forced to put up with in the past. All health care providers, therefore, are now—and will continue to be—under unprecedented pressure to rein in costs and find operating efficiencies so that they can compete in an increasingly cost sensitive environment.

In light of these realities, all now agree that health care providers must restrain the growth of—or affirmatively cut—costs. One sure way of doing that is to share certain resources—including, but not necessarily limited to, high tech medical resources—lest there be wasteful duplications in expenditures and effort within local markets. For example, it has become increasingly common for one hospital or practice group to sell, for example, Magnetic Resonance Imaging [MRI] services to another, while buying other diagnostic services from the same purchaser.

Like any health care provider, VA medical centers ought to be able to share, buy and swap all sorts of services with other community providers. But they cannot fully capitalize on such opportunities under current law.

Presently, VA can only share or purchase ''medical'' services. It cannot share or purchase other critical services, for example, risk assessment services, that all health care providers must either buy or provide ''in house.'' Even within the narrow authority allowing only ''medical'' services to be shared or purchased, there is an unnecessary restriction. VA cannot purchase or share any medical resource; it can only purchase or share ''specialized'' medical resources.

And that is not all, Mr. President; there is further restriction imposed upon VA. VA medical centers are not free to purchase from, or share with, any and all health care providers they might find in the local community. They can only ''partner up'' with—and, here, I quote from statute—''health-care facilities (including organ banks, blood banks, or similar institutions), research centers, or medical schools.'' 38 U.S.C. §8153. This restrictive legal rubric does not extend to VA authority to enter into sensible sharing arrangements with other potential partners such as HMOs, insurance carriers or other ''health plans,'' or with individual physicians or other individual service providers.

One provision of my bill, Mr. President, would cut through this legal thicket by expanding significantly VA's current sharing authority. In summary, VA would be authorized to share, purchase or swap any resources with any local provider. VA could enter into contracts for any and all ''health care resources,'' a term which is considerably broader than the ''specialized medical resource'' limitation under which VA now operates. That term would include such resources, but would also include nonspecialized ''hospital care,'' ''any other health-care service,'' and any other ''health-care support or administration resource.''

Further, VA would be authorized to buy from, or share with, any ''non-Departmental health care provider''—a term which would include the ''health-care facilities'' and ''research centers and medical schools'' with which VA may not contract, but which would also include other ''organizations, institutions, or other entities or individuals that furnish health-care resources,'' and also ''health care plans and insurers.''

Thus, Mr. President, my bill seeks to open up to VA an entire new world of potential sharing partners and sharing opportunities. While VA would not have totally unfettered authority to buy and sell services—for example, VA would be required to ensure that any such arrangements not diminish services made available to its veteran patients—it is my intention that VA be freed from restrictions which were applied when VA tried to do everything itself ''in-house.'' There was a time, perhaps, when VA could afford to try to be everything to everyone, but it cannot do so now. No modern provider can afford that mentality today.

I note for the RECORD, Mr. President, that VA has requested the expanded legal authority that I propose today. But it has done so in the context of a much larger bill, S. 1345, that I introduced at VA's request on October 19, 1995. The main thrust of S. 1345 is so-called ''eligibility reform,'' that is, a broad scale revision of current statutes defining who shall be eligible for what VA medical services. That issue, Mr. President, is an extremely thorny one inasmuch as, lying at its very center, are very difficult judgements about who shall have priority over whom in securing VA health care in a period of limited resources. The Committee on Veterans' Affairs intends to take this critical issue up, but it will take time to sort out conflicting claims to priority to such limited resources. I think we ought to proceed now to streamline the statutes that restrict VA's sharing authority—an action which, in my view, can be taken now, and will made sense whether or not we are able to accomplish ''eligibility reform.''

My bill would do more, Mr. President. As I have pointed out, VA now has authority—though authority that is, in my view, too narrow—to contract for ''specialized medical resources.'' Even so, however, VA medical centers are statutorily barred from ''contracting out'' the very same services. 38 U.S.C. §8110(c). In addition, they may not contract out activities that are ''incident to direct patient care.'' Id. Finally, VA medical centers may contract out other ''activities'' at VA

medical centers, for example, grounds' maintenance services—but only if VA leaps through a series of substantive and procedural hoops that plainly impede the contracting process.

Under my reading of the law, it is apparently acceptable, under 38 U.S.C. §8153, for a VA medical center to contract for supplemental ''specialized'' medical services—let us say anesthesiology services—so long as the medical center does not contract out all such services. This distinction, Mr. President, makes no sense to me—and, as I will discuss in a moment, apparently makes no sense to the Congress any longer. Further, it makes no sense to me that VA cannot contract out services that are ''incident to direct care''—assuming one can identify the legal boundaries of activities that are merely ''incidental.'' To my way of thinking, if ''direct care'' activities ought to be shared and purchased without significant restriction—as VA espouses in recommending modifications to 38 U.S.C. §8153—they ought to be subject to purchase wholly by the medical center through the ''contracting out'' process. And if ''direct care'' activities ought to be subject to contracting, then, clearly, services that are ''incidental'' to such activities should be too.

Of course, Mr. President, what is true for direct care services—services which go to the core of what VA does—is also true for other activities at VA medical centers: all such activities ought to be subject to contracting if contracting makes economic sense. We can afford no other standard. Unnecessary impediments to contracting—such as those set up by 38 U.S.C. §8110(c)—ought to be swept away.

As I noted a moment ago, the Congress has apparently come to that conclusion already. In the 104th Congress, we suspended application of restrictive aspects of section 8110(c) through fiscal year 1999. See 38 U.S.C. §8110(c)(7). Mr. President, it is clear to us all that VA will not be under less budgetary pressure in the year 2000 than it is now. We ought not to indulge the fiction that VA will be able to afford to hold all activities ''in house'' then, if it cannot afford to do so now. In short, we should have repealed section 8110(c) last year—and we ought to do so now.

Finally, Mr. President, I note another restrictive provision of law that ought to be swept away—or at least narrowed—now. Under current law, VA is precluded from putting into effect certain field facility ''administrative reorganizations''—essentially, those which will result in a force reduction of 15 percent or more at any particular site—unless it has first given the Congress 90-days notice computed to count only those days when both Chambers of Congress are in session. 38 U.S.C. §510.

Two difficulties arising from this provision of law came into focus earlier this year when VA's Under Secretary for Health, Doctor Ken Kizer, submitted a proposal to reorganize VA's 172 medical centers into 22 ''Veterans Integrated Service Networks'' [VISNs]. While Doctor Kizer had briefed Congress extensively on his sensible reorganization model during its development, he still had to wait more than 3 months after the announcement of the reorganization before he could, by law, take any ''action to carry out such administrative reorganization.'' 38 U.S.C. §510(b). Worse, since the statute specifies that the 90-day ''notice and wait'' period runs only when both bodies of Congress are in session, Id., he—and we—were unable to determine when the 90-day notice would expire since no one was able to know when either body of the Congress might recess.

Such obstructionism by the Congress is, in my view, most unfortunate and unseemly. I really think that we ought to grant more trust to the senior officials we confirm than is reflected in this statute. Yet, I remain sensitive to the Members' needs to know if a field office reorganization will adversely affect a significant number of their constituents. Therefore, I do not propose today that this provision of law be totally repealed. I do propose, however, that we reduce the ''notice and wait'' period to 45 calendar days. That period, I believe, is sufficient to allow Senators and House Members an opportunity to assess the impact of a given reorganization on their constituents.

To recap, Mr. President, my bill would expand VA's authority to share, purchase and swap resources, as is necessary to meet the challenges of 21st century medicine. And it would remove an excessive restriction on VA's right to organize and station its employees efficiently. These measures are dictated by common sense and are, in the main, supported by VA. I request the support of this body.

I request unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1359

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Veterans Health Care Management and Contracting Flexibility Act of 1995''.

SEC. 2. WAITING PERIOD FOR ADMINISTRATIVE REORGANIZATIONS.

Section 510(b) of title 38, United States Code, is amended—

(1) in the second sentence, by striking out ''90-day period of continuous session of Congress following'' and inserting in lieu thereof ''45-day period beginning on''; and

(2) by striking out the third sentence.

SEC. 3. REPEAL OF LIMITATIONS ON CONTRACTS FOR CONVERSION OF PERFORMANCE OF ACTIVITIES OF DEPARTMENT OF HEALTH-CARE FACILITIES.

Section 8110 of title 38, United States Code, is amended by striking out subsection (c).

SEC. 4. REVISION OF AUTHORITY TO SHARE MEDICAL FACILITIES, EQUIPMENT, AND INFORMATION.

(a) STATEMENT OF PURPOSE.—The text of section 8151 of title 38, United States Code, is amended by read as follows:

''It is the purpose of this subchapter to improve the quality of health care provided veterans under this title by authorizing the Secretary to enter into agreements with health-care providers in order to share health-care resources with, and receive health-care resources from, such providers while ensuring no diminution of services to veterans. Among other things, it is intended by these means to strengthen the medical programs at Department facilities located in small cities or rural areas which facilities are remote from major medical centers.''.

(b) DEFINITIONS.—Section 8152 of such title is amended—

(1) by striking out paragraphs (1), (2) and (3) and inserting in lieu thereof the following new paragraphs (1) and (2):

''(1) The term 'health-care resource' includes hospital care (as that term is defined in section 1701(5) of this title), any other health-care service, and any health-care support or administrative resource.

''(2) The term 'health-care providers' includes health-care plans and insurers and any organizations, institutions, or other entities or individuals that furnish health-care resources.''; and

(2) by redesignating paragraph (4) as paragraph (3).

(c) AUTHORITY TO SECURE HEALTH-CARE RESOURCES.—(1) Section 8153 of such title is amended—

(A) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph (1):

''(1) The Secretary may, when the Secretary determines it to be necessary in order to secure health-care resources which otherwise might not be feasibly available or to utilize effectively health-care resources, make arrangements, by contract or other form of agreement, for the mutual use, or exchange of use, of health-care resources between Department health-care facilities and non-Department health-care providers. The Secretary may make such arrangements without regard to any law or regulation relating to competitive procedures.''; and

(B) by striking out subsection (e).

(2)(A) The section heading of such section is amended to read as follows:

''§8153. Sharing of health-care resources''.

(B) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to section 8153 and inserting in lieu thereof the following new item:

''8153. Sharing of health-care resources.''.●

By Mr. BENNETT (for himself, Mr. DOLE, Mr. LEAHY, Mrs. KASSEBAUM, Mr. KENNEDY, Mr. FRIST, Mr. SIMON, Mr. HATCH, Mr. GREGG, Mr. STEVENS, Mr. JEFFORDS, Mr. KOHL, Mr. DASCHLE, and Mr. FEINGOLD):

S. 1360. A bill to ensure personal privacy with respect to medical records and health care-related information, and for other purposes; to the Committee on Labor and Human Resources.

THE MEDICAL RECORDS CONFIDENTIALITY ACT OF 1995

● Mr. BENNETT. Mr. President, today I am introducing the Medical Records Confidentiality Act of 1995. This legislation is one of the many small steps that are needed to reform our health care system. I am pleased that a number of my Republican and Democratic colleagues have joined me in cosponsoring this legislation.

I can think of few other areas in our lives that are more personal and private than is our medical history. Each of us has a relationship with our doctors, nurses, pharmacists, and other health care professionals that is unique and privileged. They may know things about us that we choose not to tell our spouses, children, siblings, parents, or our closest friends. While our medical records may contain nothing out of the ordinary, to us these records should be strictly personal.

S. 1360 aims, first, to provide Americans with greater control over their medical records in terms of confidentiality, access, and security, and second, to provide the health care system with a Federal standard for handling identifiable health information.

Most Americans believe their medical records are protected in terms of confidentiality under Federal law. Most Americans are mistaken. Protecting the confidentiality of our medical records is an expectation that is yet to be guaranteed as a right. This legislation is an opportunity for Congress to act in a bipartisan manner to resolve an important problem within our health care system. Today over 80 percent of our medical records are paper based; however, in the not too distant future all of our medical records will be electronic based.

In my opinion and in the opinion of a number of outside groups such as the Center for Democracy and Technology, American Health Information Management Association, International Business Machines Corporation, Blue Cross and Blue Shield Association, and the American Hospital Association, it is time to put into place the safeguards and security measures needed to protect the integrity and confidentiality of our medical records.

Patients should be assured that the treatment they receive is a matter between themselves and their doctor, regardless if it's a yearly physical, psychiatric evaluation, plastic surgery, or cancer treatment. The majority of patients agree that treatment and billing are the two appropriate uses of medical records. This legislation provides patients the right to limit disclosure of medical records for purposes other than treatment and billing and requires separate authorization forms for treatment, billing and other kinds of disclosures. It also requires providers to keep a record of those to whom they disclose information.

In the hospital, most patients are unaware that their records are accessible to almost any health care provider walking into their room or almost any hospital employee with a computer who can gain access to the hospital's computer system. There are a number of doctors and nurses who refuse to be treated in the hospital where they practice medicine because they know that with a stroke of a keyboard their colleagues will know why they are in the hospital and know they are being treated.

One of the most important issues this legislation addresses is that of access to personal medical records. It is difficult for most of us to understand that in many instances individuals may have great difficulty gaining access to their own medical records. There are no Federal laws regarding access to medical records and only a few States allow patients the right to review and copy their medical records. In many instances, if the medical record is incorrect the patient never has the opportunity to address those errors. This legislation would allow individuals not only access to their records but also the opportunity to address any errors.

This legislation will enable organizations and entities involved in providing health care, or who act as contractors or agents to providers, to abide by one standard for confidentiality. Our health care system grows more complex and sophisticated with each year. Having one standard will simplify the business of health care, reduce the cost of complying with 50 state standards and allow the continuation of research that will improve the efficiency of our health care system.

Currently, the only protection of medical records is under state laws. At this time there are 34 States with 34 different laws to protect these records. Only 28 States provide patients with access to their medical records. My own State of Utah does not have a comprehensive law to protect medical records or provide access. Given the transient nature of our society and that fact that more than 50 percent of the population live on a State boarder, it is vital that we provide a national standard for the protection of medical records.

It is unfair to both the patients and the providers of medical services not to clearly and concisely outline the rights of the patient and define the standards of disclosure. The effort to provide Federal protection of medical records has continued for the last 20 years. Many of the outside groups that have provided assistance to me and my staff have been involved for many of these years. Those groups that have provided assistance include patient right advocates, health care providers, electronic data services, insurance companies, health researchers, States, health record managers—to name just a few. I am grateful to them for their assistance and expertise; without their efforts we would not be here today.

I want to express my appreciation to the two leaders, Senators DOLE and DASCHLE for their support as cosponsors. I am very pleased to have Chairwoman KASSEBAUM and the ranking minority member, Senator KENNEDY of Labor and Human Resources Committee as cosponsors. I want to express my appreciation to Senator LEAHY for his efforts on this legislation. He has been a supporter of this legislation for a number of years and I appreciate his cosponsorship I am also pleased to add Senators HATCH, FRIST, JEFFORDS, STEVENS, GREGG, SIMON, KOHL, and FEINGOLD as original cosponsors. I hope the Senate will act swiftly to hold hearings and to move this legislation through the committee process to the Senate floor for final consideration. I would urge my colleagues to support this legislation and would welcome their cosponsorship.●

● Mrs. KASSEBAUM. Mr. President, I rise today to join Senator BENNETT, the distinguished majority leader, Senators HATCH, KENNEDY, FRIST, LEAHY, SIMON, and others in introducing the Medical Records Confidentiality Act of 1995.

We have spent a great deal of time and energy these last several months—and will spend even more time during the coming weeks—debating changes to the Medicare and Medicaid programs. As we debate these changes, the private health care system continues to literally transform itself overnight.

While health providers still wrestle with multiple paper forms and bulky files, increasingly health information and data is digitally transmitted to multiple databases by high-speed computers over fiber-optic networks. Many Americans believe their private medical records are safely stored in doctors' offices and hospitals. Yet, the evolving health care delivery system and the technological infrastructure necessary to support it has left gaping holes in the patchwork of current State privacy laws and threatened the confidentiality of private medical information.

Let me give just one example that highlights both the promise and the peril of medical information. Recent advances have allowed researchers to identify a growing number of genetic characteristics that place individuals at higher-than-average risk for developing disease. While genetic research provides tremendous opportunities to help us better treat and manage illness, disclosure of genetic information also may place individuals at a greater risk of discrimination in obtaining health coverage for themselves and their families.

The Medical Records Confidentiality Act takes a balanced approach to encouraging the continued development of a world-class health information infrastructure while, at the same time, assuring Americans that their sensitive medical records are protected. The legislation is designed to provide all patients with Federal safeguards for their medical records, whether in paper or electronic form, and to provide doctors, hospitals, insurance companies, managed care companies, and other entities that have access to medical records with clear Federal rules governing when and to whom they may disclose health information.

Mr. President, I applaud Senator BENNETT for taking on such a complex and important issue. I look forward to working with him, and with my colleagues on the Senate Committee on Labor and Human Resources, to see

that this very important piece of legislation is enacted during the 104th Congress.●

Mr. LEAHY. Mr. President, today I join in introducing the Medical Records Confidentiality Act of 1995, with Senator BENNETT, our distinguished colleague from Utah.

For the past several years, I have been engaged in efforts to make sure that Americans' expectations of privacy for their medical records are fulfilled. That is the purpose of this bill.

I do not want advancing technology to lead to a loss of personal privacy and do not want the fear that confidentiality is being compromised to stifle technological or scientific development.

The distinguished Republican majority leader put his finger on this problem last year when he remarked that a compromise of privacy that sends information about health and treatment to a national data bank without a person's approval would be something that none of us would accept. We should proceed without further delay to enact meaningful protection for our medical records and personal and confidential health care information.

I have long felt that health care reform will only be supported by the American people if they are assured that the personal privacy of their health care information is protected. Indeed, without confidence that one's personal privacy will be protected, many will be discouraged from seeking help from our health care system or taking advantage of the accessibility that we are working so hard to protect.

The American public cares deeply about protecting their privacy. This has been demonstrated recently in the American Civil Liberties Union Foundation's benchmark survey on privacy entitled ''Live and Let Live'' wherein three out of four people expressed particular concern about computerized medical records held in databases used without the individual's consent. A public opinion poll sponsored by Equifax and conducted by Louis Harris indicated that 85 percent of those surveyed agreed that protecting the confidentiality of medical records is extremely important in national health care reform. I can assure you that if that poll had been taken in Vermont, it would have come in at 100 percent or close to it.

Two years ago, I began a series of hearings before the Technology and the Law Subcommittee of the Judiciary Committee. I explored the emerging smart card technology and opportunities being presented to deliver better and more efficient health care services, especially in rural areas. Technology can expedite care in medical emergencies and eliminate paperwork burdens. But it will only be accepted if it is used in a secure system protecting confidentiality of sensitive medical conditions and personal privacy. Fortunately, improved technology offers the promise of security and confidentiality and can allow levels of access limited to information necessary to the function of the person in the health care treatment and payment system.

In January 1994, we continued our hearings before that Judiciary Subcommittee and heard testimony from the Clinton administration, health care providers and privacy advocates about the need to improve upon privacy protections for medical records and personal health care information.

In testimony I found among the most moving I have experienced in more than 20 years in the Senate, the subcommittee heard first hand from Representative Nydia Velázquez, our House colleague who had sensitive medical information leaked about her. She and her parents woke up to find disclosure of her attempted suicide smeared across the front pages of the New York tabloids. If any of us have reason to doubt how hurtful a loss of medical privacy can be, we need only talk to our House colleague.

Unfortunately, this is not the only horrific story of a loss of personal privacy. I have talked with the widow of Arthur Ashe about her family's trauma when her husband was forced to confirm publicly that he carried the AIDS virus and how the family had to live its ordeal in the glare of the media spotlight.

We have also heard testimony from Jeffrey Rothfeder who described in his book ''Privacy for Sale'' how a freelance artist was denied health coverage by a number of insurance companies because someone had erroneously written in his health records that he was HIV-positive.

The unauthorized disclosure and misuse of personal medical information have affected insurance coverage, employment opportunities, credit, reputation, and a host of services for thousands of Americans. Let us not miss this opportunity to set the matter right through comprehensive Federal privacy protection legislation.

As I began focusing on privacy and security needs, I was shocked to learn how catch-as-catch-can is the patchwork of State laws protecting privacy of personally identifiable medical records. A few years ago we passed legislation protecting records of our videotape rentals, but we have yet to provide even that level of privacy protection for our personal and sensitive health care data.

Just yesterday the Commerce Department released a report on Privacy and the NII. In addition to financial and other information discussed in that report, there is nothing more personal than our health care information. We must act to apply the principles of notice and consent to this sensitive, personal information.

Now is the time to accept the challenge and legislate so that the American people can have some assurance that their medical histories will not be the subject of public curiosity, commercial advantage or harmful disclosure. There can be no doubt that the increased computerization of medical information has raised the stakes in privacy protection, but my concern is not limited to electronic files.

As policymakers, we must remember that the right to privacy is one of our most cherished freedoms—it is the right to be left alone and to choose what we will reveal of ourselves and what we will keep from others. Privacy is not a partisan issue and should not be made a political issue. It is too important.

I am encouraged by the fact that the Clinton administration clearly understands that health security must include assurances that personal health information will be kept private, confidential and secure from unauthorized disclosure. Early on the administration's health care reform proposals provided that privacy and security guidelines would be required for computerized medical records. The administration's Privacy Working Group of its NII task force has been concerned with the formulation of principles to protect our privacy. In these regards, the President is to be commended.

The difficulties I had with the initial provisions of the Health Security Act, were the delay in Congress' consideration of comprehensive privacy legislation for several more years and the lack of a criminal penalty for unauthorized disclosure of someone's medical records.

Accordingly, back in May 1994, I introduced a bill to provide a comprehensive framework for protecting the privacy of our medical records from the outset rather than on a delayed basis. That bill was the Health Care Privacy Protection Act of 1994, S. 2129. I was delighted to receive support from a number of diverse quarters. We were able to incorporate provisions drawn from last year's Health Care Privacy Protection bill into those reported by the Labor and Human Resources Committee and the Finance Committee. These provisions were, likewise, incorporated in Senator DOLE's bill and Senator Mitchell's bills, indicating that the leadership in both parties acknowledges the fundamental importance of privacy.

Although Congress failed in its attempt to enact meaningful health care reform last Congress, we can and should proceed with privacy protection—whether or not a comprehensive health care reform package is resurrected this year. I am proud to say that the Medical Records Confidentiality Act that Senator BENNETT and I are introducing today, derives from the work we have been doing over the last several years. I am delighted to have contributed to this measure and look forward to our bipartisan coalition working for enactment of these important privacy protections.

Our bill establishes in law the principle that a person's health information is to be protected and to be kept confidential. It creates both criminal

and civil remedies for invasions of privacy for a person's health care information and medical records and administrative remedies, such as debarment for health care providers who abuse others' privacy.

This legislation would provide patients with a comprehensive set of rights of inspection and an opportunity to correct their own records, as well as information accounting for disclosures of those records.

The bill creates a set of rules and norms to govern the disclosure of personal health information and narrows the sharing of personal details within the health care system to the minimum necessary to provide care, allow for payment and to facilitate effective oversight. Special attention is paid to emergency medical situations, public health requirements, and research.

We have sought to accommodate legitimate oversight concerns so that we do not create unnecessary impediments to health care fraud investigations. Effective health care oversight is essential if our health care system is to function and fulfill its intended goals. Otherwise, we risk establishing a publicly sanctioned playground for the unscrupulous. Health care is too important a public investment to be the subject of undetected fraud or abuse.

I look forward to working with my colleagues both here in the Senate and in the House as we continue to refine this legislation. I want to thank all of those who have been working with us on the issue of health information privacy and, in particular, wish to commend the Vermont Health Information Consortium, the Center for Democracy and Technology, the American Health Information Management Association, the American Association of Retired Persons, the AIDS Action Council, the Bazelon Center for Mental Health Law, the Legal Action Center, IBM Corp. and the Blue Cross and Blue Shield Association for their tireless efforts in working to achieve a significant consensus on this important matter.

With Senator BENNETT's leadership and the longstanding commitment to personal privacy shared by Chairman KASSEBAUM and Senator KENNEDY, I have every confidence that the Senate will proceed to pass strong privacy protection for medical records. With continuing help from the administration, health care providers and privacy advocates we can enact provisions to protect the privacy of the medical records of the American people and make this part of health care security a reality for all Americans.

By Mr. MOYNIHAN (for himself, Mr. COCHRAN and Mr. SIMPSON):

S.J. Res. 39. A joint resolution to provide for the appointment of Howard H. Baker, Jr. as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 40. A joint resolution to provide for the appointment of Anne D'Harnoncourt as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

S.J. Res. 41. A joint resolution to provide for the appointment of Louis Gerstner as a citizen regent of the Board of Regents of the Smithsonian Institution; to the Committee on Rules and Administration.

APPOINTMENTS AS CITIZEN REGENTS OF THE SMITHSONIAN INSTITUTION

Mr. MOYNIHAN. Mr. President, I introduce three joint resolutions to appoint Howard H. Baker, Jr., Anne D'Harnoncourt and Louis V. Gerstner, Jr., to serve as citizen regents of the Smithsonian Institution. I introduce these Joint-resolutions on behalf of my distinguished colleagues, Senators COCHRAN and SIMPSON, with whom I have the privilege to serve on the Smithsonian's Board of Regents.

Howard Baker, whose reputation is well known among the Members of this body, is a superb public servant. After spending 18 illustrious years in the Senate, during which time he served 4 years as Majority Leader, Senator BAKER went on to become President Reagan's most trusted advisor. He has since returned to private practice, as the senior partner in the law firm of Baker, Donelson, Bearman & Caldwell, but has remained an active leader in the political and business communities. His commitment to both communities is marked by his membership on the Council on Foreign Relations and the Washington Institute of Foreign Affairs and his positions on the boards of Federal Express, United Technologies, and Penzoil. He has most deservedly received the Nation's highest civilian award, the Presidential Medal of Freedom, as well as the Jefferson Award for Greatest Public Service Performed by an Elected or Appointed Official.

As the distinguished statesman and gifted strategist that he is, Howard Baker would bring to the Smithsonian a voice that can talk to Congress at a time when that is what is most urgently needed. The Institution would benefit immensely from his political and fiscal wisdom, and I urge my colleagues to support his appointment.

Just as Senator Baker would add his expertise on matters political and economic, Ms. Anne D'Harnoncourt would bring to the Smithsonian vast experience in the management and oversight of a large museum. Having served with her for some 15 years on the Board of the Hirshorn Museum, I can think of no person better suited to serve on the Board of Regents.

Ms. D'Harnoncourt has served as an Assistant Curator for the Art Institute of Chicago, a Curator for the Philadelphia Museum of Art, and is currently the George D. Widener Director of the Philadelphia Museum of Art. She has a broad base of expertise in the Arts, and is among the most actively involved in that community. As the Smithsonian continues to broaden its mission within the Sciences, Ms. D'Harnoncourt surely would help the Institution remain focused on its long-standing commitment to the Arts. Her knowledge and experience would be of inestimable value to the Board of Regents, and I eagerly urge her appointment.

Finally, Louis V. Gerstner, Jr., a gifted leader in the business and educational communities. Mr. Gerstner was named chairman and chief executive officer of International Business Machines Corporation on April 1, 1993, prior to which he served for 4 years as chairman and chief executive officer of RJR Nabisco Inc. He received his B.A. from Dartmouth College in 1963, his M.B.A. from Harvard Business School in 1965, and was awarded an honorary doctorate of Business Administration from Boston College in 1994.

Mr. Gerstner has long been an advocate of improving the quality of public education in America. He is the co-author of ''Re-Inventing Education: Entrepreneurship in America's Public Schools'' (Dutton, 1994), which documents public school reforms designed to enable our children to handle the demands of today's complex global economy. At IBM he has re-directed a majority of the company's substantial philanthropic resources to support public school reform. His dedication to reinventing both education and management makes him an ideal candidate to serve on the Smithsonian's Board of Regents.

Mr. President, I hope my colleagues will agree that this profoundly talented triumvirate is most deserving of these appointments, and I urge Senators to support all three resolutions.

● Mr. COCHRAN. Mr. President, I am pleased to join Senators MOYNIHAN and SIMPSON in introducing joint resolutions providing for the appointment of Howard H. Baker, Jr., Anne d'Harnoncourt, and Louis V. Gerstner, Jr., as Citizen Regents of the Smithsonian Institution.

Howard Baker is a distinguished public servant well known in this body. He was a Senator from Tennessee from 1967 to 1985, serving as Minority Leader from 1977 to 1981 and as Majority Leader from 1981 to 1985. He was Chief of Staff to President Reagan in 1987 and 1988 before returning to the private practice of law. He has received the Nation's highest civilian award, the Presidential Medal of Freedom, as well as the Jefferson Award for Greatest Public Service Performed by an Elected or Appointed Official.

Anne d'Harnoncourt is currently the George D. Widener Director of the Philadelphia Museum of Art, having previously served that museum as Curator of Twentieth Century Art and as Assistant Curator of Twentieth Century Art at the Art Institute of Chicago. A Fellow of the American Academy of Arts and Sciences, she is a member of numerous advisory committees and boards, including the Board of Directors of The Henry Luce Foundation and the Board of Overseers of the

Graduate School of Fine Arts of the University of Pennsylvania.

Louis V. Gerstner, Jr., is Chairman and Chief Executive Officer of International Business Machines Corp. He previously served as chairman and chief executive officer of RJR Nabisco and as president of American Express Company. He is a director of The New York Times Company, Bristol-Myers Squibb Company, the Japan Society, and Lincoln Center for the Performing Arts. A lifetime advocate of the importance of quality education, he has redirected a majority of IBM's substantial philanthropic resources in the United States to the support of public school reform.

I urge Senators to support the resolutions of appointment of these outstanding Americans.●

ADDITIONAL COSPONSORS

S. 434

At the request of Mr. KOHL, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to increase the deductibility of business meal expenses for individuals who are subject to Federal limitations on hours of service.

S. 490

At the request of Mr. GRASSLEY, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 490, a bill to amend the Clean Air Act to exempt agriculture-related facilities from certain permitting requirements, and for other purposes.

S. 704

At the request of Mr. SIMON, the name of the Senator from Arizona [Mr. KYL] was added as a cosponsor of S. 704, a bill to establish the Gambling Impact Study Commission.

S. 837

At the request of Mr. WARNER, the name of the Senator from Louisiana [Mr. JOHNSTON]] was added as a cosponsor of S. 837, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 250th anniversary of the birth of James Madison.

S. 1032

At the request of Mr. ROTH, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1032, a bill to amend the Internal Revenue Code of 1986 to provide nonrecognition treatment for certain transfers by common trust funds to regulated investment companies.

S. 1166

At the request of Mr. LUGAR, the names of the Senator from Nebraska [Mr. EXON], the Senator from North Carolina [Mr. HELMS], the Senator from Oklahoma [Mr. NICKLES], the Senator from California [Mrs. FEINSTEIN], the Senator from South Dakota [Mr. PRESSLER], the Senator from Idaho [Mr. CRAIG], the Senator from Kentucky [Mr. FORD], the Senator from Mississippi [Mr. LOTT], and the Senator from North Carolina [Mr. FAIRCLOTH] were added as cosponsors of S. 1166, a bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act, to improve the registration of pesticides, to provide minor use crop protection, to improve pesticide tolerances to safeguard infants and children, and for other purposes.

S. 1200

At the request of Ms. SNOWE, the names of the Senator from Illinois [Mr. SIMON], the Senator from Wisconsin [Mr. FEINGOLD], and the Senator from California [Mrs. FEINSTEIN] were added as cosponsors of S. 1200, a bill to establish and implement efforts to eliminate restrictions on the enclaved people of Cyprus.

S. 1228

At the request of Mr. D'AMATO, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1228, a bill to impose sanctions on foreign persons exporting petroleum products, natural gas, or related technology to Iran.

S. 1271

At the request of Mr. CRAIG, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 1271, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 1277

At the request of Mr. BROWN, the name of the Senator from Colorado [Mr. CAMPBELL] was added as a cosponsor of S. 1277, a bill to provide equitable relief for the generic drug industry, and for other purposes.

S. 1285

At the request of Mr. SMITH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 1285, a bill to reauthorize and amend the Comprehensive Environmental Recovery, Compensation, and Liability Act of 1980, and for other purposes.

S. 1289

At the request of Mr. KYL, the name of the Senator from New Hampshire [Mr. GREGG] was added as a cosponsor of S. 2389, a bill to amend title XVIII of the Social Security Act to clarify the use of private contracts, and for other purposes.

S. 1322

At the request of Mr. DASCHLE, his name was added as a cosponsor of S. 1322, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

At the request of Mr. KYL, the names of the Senator from Wisconsin [Mr. KOHL], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of S. 1322, supra.

At the request of Mr. WELLSTONE, his name was added as a cosponsor of S. 1322, supra.

At the request of Mr. GRAHAM, his name was added as a cosponsor of S. 1322, supra.

At the request of Mr. BREAUX, his name was added as a cosponsor of S. 1322, supra.

SENATE CONCURRENT RESOLUTION 11

At the request of Ms. SNOWE, the name of the Senator from Wisconsin [Mr. FEINGOLD] was added as a cosponsor of Senate Concurrent Resolution 11, a concurrent resolution supporting a resolution to the long-standing dispute regarding Cyprus.

AMENDMENT NO. 2941

At the request of Mr. DASCHLE, his name was added as a cosponsor of amendment No. 2941 proposed to S. 1322, a bill to provide for the relocation of the United States Embassy in Israel to Jerusalem, and for other purposes.

At the request of Mr. WELLSTONE, his name was added as a cosponsor of amendment No. 2941 proposed to S. 1322, supra.

AMENDMENTS SUBMITTED

THE BALANCED BUDGET RECONCILIATION ACT OF 1995

BYRD (AND DORGAN) AMENDMENT NO. 2942

(Ordered to lie on the table.)

Mr. BYRD (for himself and Mr. DORGAN) submitted an amendment intended to be proposed by them to the bill (S. 1357) to provide for reconciliation pursuant to section 105 of the concurrent resolution on the budget for fiscal year 1996; as follows:

At the appropriate place in the bill, insert the following:

SEC. . DEBATE ON A RECONCILIATION BILL AND CONFERENCE REPORT.

(a) CONSIDERATION OF A BILL.—Section 310(e)(2) of the Congressional Budget Act of 1974 is amended by striking 20 ''hours'' and inserting ''50 hours''.

(b) CONSIDERATION OF A CONFERENCE REPORT.—Section 310(e)(2) of the Congressional Budget Act of 1974 is amended by adding at the end the following: ''Debate in the Senate on a conference report on any reconciliation bill reported under subsection (b), and all amendments thereto and debatable motions and appeal in connection therewith, shall be limited to not more than 20 hours.''.

THE TEMPORARY FEDERAL JUDGESHIPS ACT

SANTORUM AMENDMENT NO. 2943

Mr. SANTORUM proposed an amendment to the bill (S. 1328) to amend the commencement dates of certain temporary Federal judgeships; as follows:

Strike all after ''section'' and insert in lieu thereof the following:

. SENSE OF THE SENATE REGARDING THE PRESIDENT'S REVISED FEDERAL BUDGET.

(a) FINDINGS.—Congress finds that—

(1) On May 19, 1995, the United States Senate voted 99–0 to reject the Fiscal Year 1996 budget submitted by President Clinton on February 6, 1995.

(2) The President on June 13, 1995, after the House of Representatives and the Senate passed resolutions that the Congressional Budget Office said would result in a balanced