

Since that time, I have continued to be concerned about this issue and am an original co-sponsor of Mr. GUNDERSON's H.R. 3753, the Rural Health Improvement Act. This legislation incorporates a number of rural health care reforms including improvements to the AAPCC payment formula.

Title I of this legislation narrows the AAPCC payment gap between rural and urban areas by ending the practice of basing the formula on utilization rates, and it does so in a budget neutral fashion. At a minimum a county would receive 80 percent of the national input-price-adjusted capitation rate. This change helps reflect the true cost of doing business—uncontrollable factors, such as wage rates or supply costs. The language also implements a 3-year average for the baseline rather than 1 year, which was in the Balanced Budget Act of 1995. This change gives greater representation of historical health care costs for an area. This provision of H.R. 3753 is based on the

Physician Payment Review Commission's "1996 Annual Report to Congress."

Realizing reforms to the AAPCC formula are not doable in the remaining days of this Congress, it is helpful to know where the debate will begin in the 105th Congress.

About a week before this hearing, the Health Care Financing Administration [HCFA] released the 1997 payment rates for Medicare managed care plans. What HCFA told us was nationally Medicare risk payments will increase an average of 5.9 percent as of January 1, 1997—lower than the 1996 national average increase of 10.1 percent.

In terms of the solvency of the Medicare trust fund this is good news—slowing the growth of Medicare. The bad news is that this average increase reflects wide variation in percentage increases from county to county. Four counties: Valencia, NM; and three New York State counties, Bronx, Monroe, and New York, actually will receive negative percentage de-

creases. Because the actual dollar variations are also extreme, many low-payment areas get a double whammy—lower percentage increases off of a lower base.

This situation continues a trend which is inherent in the flawed payment formula. The table below illustrates the vast variation between counties across the country. I believe it is important to point out that even through the 1996 AAPCC payment increased an average of 10.1 percent, not all counties shared in the bounty of that increase. The same is also true for the 1997 AAPCC payments.

Counties that typically lost ground were those in efficient markets and rural counties with historically lower reimbursement rates. Because of these lower payment rates and lower annual increases these regions will continue to lack the ability to attract managed care options to their area or offer enhanced health care benefits often found in higher payment communities.

MONTHLY PAYMENTS RATES TO MEDICARE MANAGED CARE PLANS

Area/County	1995 payment	1995 increase (percent)	1996 payment	1996 increase (percent)	1997 payment	1997 increase (percent)
National Average	\$400.52	5.9	\$440.90	10.1	\$466.95	5.9
Richmond, NY	668.48	6.2	758.53	13.4	767.35	1.1
Kern, CA	439.15	5.8	478.33	8.9	512.08	7.0
Hennepin, MN	359.33	2.0	386.77	7.6	405.63	4.8
Tulare, CA	333.96	2.9	360.38	7.9	390.78	8.4
Vernon, WI	209.28	6.6	237.09	13.2	250.30	5.5

The payment rates also illustrate the overall instability and unpredictability of AAPCCs—factors that discourage health plans from entering new markets and remaining in other markets.

If there is a silver lining to HCFA's release of the 1997 risk-based managed care payment rates it was in Dr. Vladeck's remarks:

The formula used to set HMO payment rates is flawed. It shortchanges rural areas and markets where care is delivered more efficiently, and may limit beneficiary choice.

Dr. Vladeck's comments indicate HCFA's understanding of the inequity in the current AAPCC formula and the need for change if we are to offer all Medicare beneficiaries true choices in the type and form of health care they want to receive. I see this as a signal that in the future we can work in a bipartisan, pragmatic way to improve the AAPCC payment formula.

Mr. Speaker, correcting the AAPCC payment formula is vital. In this Congress, we have come a long way to improve our understanding the many dimensions of the AAPCC payment issue and the need to make the formula more equitable. I look forward to working with you and my colleagues on the Committee on Ways and Means in the future to make the needed changes to the AAPCC payment formula. The longer we continue to use our payment current formula, the longer efficient health care markets will be penalized and rural areas will lag behind leaving many Medicare beneficiaries with fewer choices.

JUSTICE ON TIME ACT OF 1996

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. GOODLING. Mr. Speaker, today, I am pleased to introduce the Justice on Time Act

of 1996, legislation which would address the profound concern expressed by several of my constituents who have experienced long delays in the processing of their cases by the National Labor Relations Board [NLRB]. The Justice on Time Act of 1996 would require the NLRB to issue a final decision within 1 year on all unfair labor practice complaints where it is alleged that an employer has discharged an employee in an attempt to encourage or discourage union membership.

The Justice on Time Act recognizes that the lives of employees and their families, wondering whether and when they will get their jobs back, are hanging in the balance during the long delays associated with the National Labor Relations Board's processing of unfair labor practice charges. The act also recognizes that the discharge of an employee who engages in union activity has a particularly chilling effect on the willingness of fellow employees to support a labor organization or to participate in the types of concerted action protected by the National Labor Relations Act [NLRA].

Thus, the legislation requires the Board to resolve discharge cases in a timely manner to send a strong message to both employers and employees that the NLRA can provide effective and swift justice. The Justice on Time Act ensures that employees who are entitled to reinstatement will quickly get their jobs back and employers will not be saddled with liability for large backpay awards.

The median time for National Labor Relations Board processing of all unfair labor practice cases in fiscal year 1995 was 546 days and has generally been well over 500 days since 1982. This length of time is a disservice to the hardworking men and women who seek relief from the Board for unfair treatment in their workplaces. The Justice on Time Act tells the National Labor Relations Board that, at least when it comes to employees who may have wrongly lost their jobs, it must do better and must give employees a final answer on

whether they are entitled to their jobs back within 1 year.

NINTH ANNIVERSARY OF KHALISTAN'S DECLARATION OF INDEPENDENCE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, September 27, 1996

Mr. SOLOMON. Mr. Speaker, on October 7, 1987, the Sikh Nation declared its independence from India, calling their new country Khalistan. Since we will be in recess on October 7, I would like to take this opportunity to salute the Sikhs of Khalistan on this important anniversary.

The Sikhs have every reason to want freedom from oppression. Since 1984, over 150,000 Sikhs have been murdered by the Indian regime. Another 70,000 or more languish in Indian prisons under the very repressive Terrorist and Disruptive Activities Act, which expired in March 1995. According to respected Justice Ajit Singh Bains, who has testified before the Congressional Human Rights Caucus before the regime prohibited him from leaving the country, more than 50,000 Sikhs disappeared or were killed from 1992 to 1995. If this happened in any other country, we would call it repression. In India, however, it is called democracy.

The Sikhs of Khalistan showed their clear demand for freedom in February 1992 when, according to India Abroad, only 4 percent of the Sikhs voted in the Punjab state elections held under the Indian Constitution, which no Sikh ever signed. The Sikhs have a history of freedom and independence. The Sikhs ruled Punjab from 1710 to 1716 and from 1765 to 1849. When India achieved independence, the Sikhs were one of three nations that were to