

legislation. In too many instances, people with diabetes do not have access to the management programs and equipment necessary to properly care for their illness. Without these management tools, diabetic patients face higher risks of the long-term complications that rob them of their sight and mobility.

"Diabetes is a chronic illness, but one that can be controlled—even reversed—when patients have access to and follow appropriate management programs under the care of an endocrinologist. Medical science has shown that complications of diabetes do not have to happen. Costs associated with chronic illnesses have been identified as a significant health care crisis that we will face in the future, according to a study released in November 1996 by the Robert Wood Johnson Foundation. An earlier taxpayer-funded study has already proven that management programs reduce complications from diabetes.

"Fewer complications means a greater quality of life for the 16 million Americans with diabetes and a lower health care bill for all Americans. Our Medicare program needs the common-sense, cost-saving reform proposed in this bill. As soon as it is passed, we will begin to invest in economical diabetes prevention programs that improve patients' lives and save the country's health care dollars."

LILLY SUPPORTS MEDICARE COVERAGE IMPROVEMENT FOR DIABETES PATIENTS

Representatives Elizabeth Furse (D-1st-OR) and George Nethercutt (R-5th-WA) will introduce a bill requiring Medicare coverage of self-management training services and blood testing strips, important preventive measures for people with diabetes who want to stay healthy and avoid complications. Eli Lilly and Company vigorously supports the Furse-Nethercutt diabetes bill.

More than 16 million Americans have diabetes, a serious disease that affects the body's ability to produce or respond properly to insulin, a hormone that allows blood sugar to enter the cells of the body and be used for energy. Approximately half of all diabetes cases occur in people older than 55.

Studies show that providing coverage for diabetes supplies, and self-management training directly helps people with diabetes avoid devastating and costly complications like kidney failure, heart attack, stroke, blindness and amputations.

According to the American Diabetes Association, diabetes costs the U.S. \$138 billion a year in health costs. About one-fourth of the Medicare budget (nearly \$30 billion a year) is devoted to treating diabetes and its complications. People on Medicare are one-and-a-half times more likely to have diabetes and its complications than other persons. Yet Medicare does not cover the tools to properly manage their disease.

Two-thirds of diabetes expenditures are related to the complications of the disease. The American Diabetes Association estimates that up to 85 percent of the complications associated with diabetes can be prevented. Yet today, only 30 percent of all patients receive any type of diabetes self-management training.

Lilly is a leader in diabetes care, celebrating 75 years of lifesaving Lilly insulin in 1996. In addition to providing disease treatments, Lilly specializes in diabetes education, teaching patients about the roles of diet, exercise, medication and monitoring their blood glucose levels to best manage their disease. Through our PCS subsidiary's Information Warehouse of 1.2 billion pharmacy records, Lilly helps physicians and health care providers identify particularly

vulnerable points in the progression of diabetes.

Lilly believes the Furse-Nethercutt bill will prove to be extremely valuable as a prevention measure for people with diabetes, while helping reduce future Medicare costs.

COMMUNITY RETAIL PHARMACY COALITION,

Alexandria, VA, January 7, 1997.

Hon. ELIZABETH FURSE,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE FURSE: The Community Retail Pharmacy Coalition is writing to indicate its support for your bill to improve Medicare coverage of outpatient self management training and blood testing strips for diabetics. The Coalition consists of the National Community Pharmacists Association (NCPA), representing independent retail pharmacy, and the National Association of Chain Drug Stores (NACDS). Collectively, the 60,000 retail pharmacies represented by the Coalition provide 90 percent of the 2.3 billion outpatient prescriptions dispensed annually in the United States.

This program will help reduce the relatively high percentage of Medicare expenditures which result from caring for Medicare's significant diabetic population. We understand that this program will save Medicare \$1.6 billion over the next six years. Allowing Medicare beneficiaries to use their local retail pharmacy provider to obtain this education and training makes sense. The nation's community retail pharmacies already provide a convenient location for Medicare beneficiaries to obtain the supplies that they need to help manage their diabetes, such as insulin and test strips.

The Coalition supports this bill, but asks that you assure that pharmacists meeting the educational requirements to participate in the program are, in fact, eligible for payment for these services under Medicare. The bill defines a "provider" as an individual or entity that provides other items or services to Medicare beneficiaries for which payment may be made. Pharmacies already provide such items and would appear to qualify as a "provider" under this bill. However, pharmacies are not currently classified as "suppliers" under the Medicare program, and we urge that your bill do so to assure that pharmacies qualify under this important program.

We believe that similar programs to increase quality and reduce costs could be developed for other disease states that are common in the Medicare population, such as asthma and high blood pressure. We would be very willing to work with you on developing such programs. We acknowledge and applaud your leadership in increasing the quality of care for diabetics who are covered by Medicare.

Sincerely,

RONALD L. ZIEGLER,
President and Chief Executive Officer,
NACDS.

CALVIN N. ANTHONY,
Executive Vice President, NCPA.

INTRODUCING THE HEALTH CARE COMMITMENT ACT

HON. JAMES P. MORAN

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. MORAN of Virginia. Mr. Speaker, today, I rise to the "Health Care Commitment Act." This legislation allows Medicare eligible mili-

tary retirees and their dependents to voluntarily participate in the Federal Employee Health Benefits Program.

We recruit young men and women to serve in our nation's military with a promise that the government will provide them health care for life. While this is not a contract, many men and women enlist with the good faith belief that we will provide their medical needs for when they retire. After these men and women have served their country and turned 65, the Department of Defense reneges on its promises, turns them away from its insurance programs and effectively denies them access to its medical treatment facilities.

The Department of Defense is the only large employer in this nation that kicks its retirees out of its health insurance programs. But it does not need to be. Civilian employees in the same Department of Defense, and throughout the government, are given the opportunity to participate in one of the finest health insurance programs in the country. The Federal Employees Health Program is an established health insurance program that enables employees to choose from a range of health insurance packages. Federal retirees, unlike their counterparts who served in the military, are not dropped from their insurance plans when they turn 65 and are not placed at the bottom or priority lists. Instead they are treated with the respect and dignity that they deserve.

My legislation ensures that all federal retirees, whether they served their nation as a member of the armed forces or as a civilian employee, are treated with the same dignity and have an equal opportunity to participate in the Federal Employees Health Benefits Program.

THE ENTERPRISE RESOURCE BANK ACT OF 1996

HON. RICHARD H. BAKER

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, January 7, 1997

Mr. BAKER. Mr. Speaker, today I am introducing legislation, with my distinguished colleague, the Minority Leader of the Capital Markets Subcommittee, Rep. PAUL KANJORSKI (D-PA), to reform the Federal Home Loan Bank System (FHLB). Throughout the 104th Congress, Mr. KANJORSKI and I have worked diligently to craft a bi-partisan reform bill. This legislation reflects the product of our subcommittee from April of last year.

While this bill reflects general consensus among members of the subcommittee, we are committed to working with other members of the full committee as well as the Administration to craft a bill that reflects most concerns. Greater attention will be given to the regulation and governance of the Bank System, the proper capital structure, the membership profile, and the mission of the system.

The Federal Home Loan Bank System was established in 1932 primarily to provide a source of intermediate- and long-term credit for savings institutions to finance long-term residential mortgages and to provide a source for liquidity loans for such institutions, neither of which was readily available for savings institutions at that time the Federal Home Loan Bank system was created.

In recent years, the System's membership has expanded to include other depository institutions that are significant housing lenders.