

a 30 year period is specified in the Water Resources Development Act [WRDA] of 1986. This legislation applies that statute to the San Timoteo Creek Project.

The San Timoteo Creek feature of the Santa Ana Mainstem project will cost roughly \$60 million. The local cost share is \$15 million. However, a portion of the local cost share has already been provided through the construction of Reach 1 and Reach 2 of the project. Construction on Reach 2 of the project is currently underway. The Corps of Engineers and the local sponsor are currently discussing the idea of modifying Reach 3 in order to keep the project's construction moving forward while the corps, the local sponsor and environmental groups develop an environmentally sensitive and cost effective design modification further upstream.

The threat of flooding along the San Timoteo Creek is very real. The San Timoteo Creek portion is one of the smaller features of the Santa Ana Mainstem project which also includes the Seven Oaks Dam in Mentone. This project is extremely vital in order to provide flood protection for Redlands, Loma Linda, and San Bernardino. Furthermore, protection from a 100 year flood event will also lower the flood insurance rates of homeowners and small businesses which are currently in the flood plain. The overall Santa Ana River Mainstem project will protect millions of people and property in San Bernardino, Riverside and Orange Counties valued in the billions of dollars when it is completed.

Congressman BROWN and I recently discussed the concept of this legislation with San Bernardino County Supervisor Dennis Hansberger, Loma Linda Mayor Floyd Petersen, and other elected officials, and representatives from local environmental groups, including the local chapter of the Sierra Club.

I am pleased that these discussions have helped to develop this legislation which, if enacted, will go a long way toward addressing the concerns of those individuals, families and businesses which live within the proposed assessment district, locally elected officials, environmental groups, and the American taxpayer.

#### DISAPPROVAL OF DETERMINATION OF PRESIDENT REGARDING MEXICO

SPEECH OF

**HON. EARL POMEROY**

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, March 13, 1997*

Mr. POMEROY. Mr. Speaker, I rise today in support of the resolution to overturn the President's decision to certify Mexico as a country that is fully cooperating in the fight against drug smuggling.

This resolution was reported out of the International Relations Committee on an overwhelmingly bipartisan vote. The committee resolution would decertify Mexico as a fully cooperative partner in the war on drugs. The resolution would send a clear signal to Mexico that their drug fighting efforts are inadequate, and that they must improve their interdiction, prosecution and anti-corruption activities to be considered a fully cooperating ally in the drug war.

Unfortunately, rather than allowing the House to vote on the bipartisan committee

resolution, the majority leadership has crafted a substitute proposal that, if adopted, will preclude consideration of the committee resolution. Regrettably, the leadership amendment, offered by the gentleman from Illinois, Mr. HASTERT, undermines the bipartisan committee product by injecting purely partisan language into the text of the resolution. Rather than focusing on the question of certification, the Hastert amendment seeks to gain partisan advantage by taking rhetorical pot-shots at what it views as the administration's shortcomings in its conduct of the war on drugs.

As a result, the leadership has managed to take an issue where there is widespread bipartisan agreement—that Mexico is not a fully cooperating partner in the war on drugs—and make it partisan. I support the committee resolution, but I will oppose the leadership amendment. I remain hopeful that the Senate will craft a bipartisan measure that I will be able to support when this issue is resolved in conference.

I urge my colleague to oppose the Hastert amendment and support House Resolution 58.

#### IN SUPPORT OF H.R. 582: THE MEDICARE HOSPITAL OUTPATIENT REFORM ACT OF 1997

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, March 18, 1997*

Mr. STARK. Mr. Speaker, on February 4, Representative COYNE and myself introduced a bill to provide for an immediate correction of a serious Medicare beneficiary problem: the overcharging of seniors and the disabled by Hospital Outpatient Departments [HOPD].

The President's budget also calls for a correction of this problem, but phases in the correction over a 10-year period.

In Medicare, the program generally pays 80 percent of Part B bills and the patient pays 20 percent. But because of the way the HOPD benefit was drafted, currently beneficiaries are paying about 45 percent and Medicare 55 percent. Simply put, the problem arises because Medicare pays the hospital on the basis of reasonable cost, while the beneficiary is stuck with 20 percent of charges—and charges can be anything the hospital wants to say they are.

Last the American Association of Retired Persons asked its members for examples of problems they had had with HOPD billings. They received an overwhelming response, and over the coming weeks, I would like to enter some of these letters in the RECORD.

These examples are the proof of why we need to fix this problem ASAP.

The first is from Mr. Warren Risser of Santa Barbara, who had an HOPD cataract operation and was charged \$4,102.15. His 20 percent share of that change was \$820.43. But he found out that Medicare determined the reasonable cost was less than half of that and Medicare paid \$1,025.54. Mr. Risser paid 44% of the total payment—a far cry from Medicare's promise of an 80–20 split.

Next is a letter from Mr. Keith Roberts of Garden Valley, CA. As his letter so well explains, he paid 54 percent of a test due to charges that defy all rhyme or reason.

Both letters are a testament to the need to pass H.R. 582.

AARP Outpatient Stories,  
*Washington, DC.*

DEAR SIR: Your article "Medicare Outpatient Debacle" by Don McLeod was excellent.

On March 7, 1995, I had cataract surgery on my right eye. I was in the hospital approximately 6 hours incurring a hospital bill of \$4,102.15. I was billed 20 percent (\$820.43). The Medicare Statement from Blue Cross shows Medicare paid the balance of \$3,281.72 which was incorrect. They paid only \$1,025.54 after writing off an adjustment of \$2,256.18.

I wrote Blue Cross stating I paid my 20 percent and they paid 25 percent and requested an explanation. Enclosed is their response. They had lowered their portion by 55 percent of the bill.

Gosh, I wish I could run a business this way.

Keep up your good work.

Sincerely,

WARREN H. RISSER  
*Santa Barbara, CA.*

KEITH L. ROBERTS,

*Garden Valley, CA, November 27, 1996.*

AARP Outpatient Stories Dept.,  
*Washington, DC.*

DEAR SIR: Some time back I sent you a large packet of documents and correspondence about Part B Outpatient overcharges. I just received another example of Part B outpatient abuse which I am forwarding to you.

In this case, the total hospital charge is \$1199.00. I have requested an itemized account of the charges so that I can know whether they are legitimate or not. The Medicare statement lists two items. They are: PHARMACY . . . 211.90, OTHER . . . 988.00. The hospital statement lists: BALANCE FORWARD . . . 1199.00, A CODE (99100) . . . (203.80-), ANOTHER CODE (97010) . . . 753.37-. The balance due to patient is 239.80 (or 20% of the total 1199.00).

I have obtained a detail listing of the hospital charges I referred to above. I have edited the list of charges by assigning an item number and true patient charge for each item. Both lists are included herewith.

In items 10 and 11 are two drugs, DEMEROL and MIDAZOLAM. If the hospital charges are extended out to a kilogram, the drug dealers preferred lot size, you find that a kilo of MIDAZOLAM goes for 9.2 million dollars (\$9,000,000.00) while the DEMEROL goes for a mere \$550,000.00.

I made a special effort to find out about the most expensive item on the list, item 15, entitled SPECIAL PROCEDURE 3. It sounded like a "miscellaneous" item to me. I have been told in the past never accept a miscellaneous charge. I was told that it was probably "the room charge". I inquired "why not call it a room charge". On my oath I swear that I was told "maybe Medicare pays more for special procedures." The record should show that the only "room" she was in was the outpatient preparation and recovery ward of about 10 or 12 beds.

So the bottom line is that Medicare considers the rooms, nurses, equipment and supplies to be worth something a little more than \$203.80. Based on that amount, I find it hard to believe that 1199.00 is realistic. As you and I both know that there is no limit to the amount that the hospital can charge. They could have legally charged \$599.00 or \$1999.00 or more. It appears that in this case they charged an amount that they thought would pass the stink test.

Of the money that the hospital stands to receive, I will pay 54% and Medicare will only pay 45%. We need to convert to a payment system more nearly like non-hospital Medicare part B payments.