

cost of employer-based plans were not frequently used by school-age children. By including these benefits, the program has enabled families to gain a greater peace of mind with little effect on the program costs. Other state programs have attempted to control claims costs by reducing coverage for pre-existing conditions, inpatient, mental health, and transplant services or by raising copayments or deductibles. The Florida program has found that these additional health benefits can be included with little impact on the premium when a thoughtful package with reasonable, affordable copayments is crafted. In fact, with 5 years of use pattern supporting data, the Florida program has been able to negotiate three premium reductions.

Florida has found that children with insurance are more likely to have a health care home and therefore receive care before an illness becomes serious, reducing overall health care costs by one fourth. Preventive care is crucial to the overall well-being and development of a child. Recent studies have shown that for every \$1 spent on immunizations such as measles, mumps, and rubella, \$21 is saved in health care and related costs.

A child's health has a direct impact on their performance in school. Children who attend school while sick are not mentally or physically prepared to meet the challenges of learning. This becomes much worse for a child who cannot afford to see a doctor and suffers through a disease until it gets better on its own, or until an illness becomes too serious for home-based treatments. This results in less productivity in the classroom and more days absent from school for the child. In fact, the average school-age child misses 4 days of school a year due to illness. And uninsured children are 25 percent more likely to miss school than those who have insurance.

Independent studies of the Florida program have shown that the program is not only beneficial to the children, but to the community as well. Florida hospitals report a 30-percent drop in pediatric charity care. Emergency room visits have been shown to decline by 70 percent. Program savings like this have saved Florida \$13,125,000 in health care costs in just one year.

The first pilot project for Florida Healthy Kids was launched with the assistance of a demonstration grant authorized by Congress in 1989 and administered by the Health Care Financing Administration [HCFA]. This crucial experiment may never have moved from the drawing board without Federal interest and assistance. This bill would recognize the full potential that was originally hoped for by Congress for this tremendously successful program.

It's just that simple.

I welcome cosponsors for the bill, and comments and suggestions from the public on ways to improve the bill.

The following is a summary of the bill:

SCHOOL-BASED CHILDREN'S HEALTH
INSURANCE ACT OF 1997

SUMMARY

I. School-based Health Insurance Program

A qualified school-based program is operated by a local or state public school system or any public or private non profit organization operating a private school. Qualified school-based health insurance coverage is coverage that: Is offered by a qualified school-based program; is available to all

children under 19 years of age; provides a comprehensive benefit package; has at least a \$1,000,000 lifetime benefit; has no cost-sharing for covered preventive care; does not impose any pre-existing condition exclusions; charges premiums that are consistent with the premium section of this bill; and does not discriminate against any individual.

A program will not be eligible as a qualified program if there is established a pattern of abuse or misrepresentation of this insurance

Medicaid-eligible children do not qualify for this insurance since they are already covered

II. Benefit Package

The benefit package is comprehensive and includes well-baby and well-child care, immunizations, physicians services, laboratory tests, inpatient and outpatient hospital costs, emergency services and transportation, prescription drugs, eye exams and eyeglasses, hearing exams and hearing aids, basic dental care, physical therapy, mental health services and pre-natal care and delivery.

If the parent objects to any of these services based on religious or moral conviction, they will not be provided. A religious organization operating a school-based program will not be required to provide any of these services if it is opposed by their religious beliefs.

III. Tax Credit

Each taxpayer who purchases a school-based health insurance policy for their dependent receives a tax credit for an amount up to 90% of the premium to buy health insurance for a qualifying dependent.

The credit is available to taxpayers based on a computation of adjusted gross income plus an additional \$5,000 amount for each child covered.

There is a full tax credit provided at the adjusted gross income of up to \$15,000 plus \$5,000 per child covered by the health insurance policy. The "\$15,000" figure represents approximately 200 percent of poverty for an individual under the age of 65.

For example, a family with adjusted gross income of \$25,000 and two qualifying children would receive a refundable tax credit of up to 90% of the family's cost for coverage of the two children.

As a family's income rises and the need for a subsidy is less critical, the credit phases out.

The credit is available only to subsidize qualified school-based coverage for children.

Establishment of premiums: the program will provide a minimum contribution of 20% to the premium before a fully subsidized child's premium is calculated. The subsidy amount phases out to 10% on a sliding scale for partially subsidized children.

IV. Other Provisions

There is coordination with other tax provisions subsidizing health costs to disallow the credit in instances where the taxpayer also claims a medical expense for the same premium cost or claims a deduction for health insurance costs of self-employed individuals.

Grants to states for school-based health insurance outreach and information programs would be established.

An employer may not discriminate against employees eligible for this health insurance subsidy. The employer may not condition or vary employee benefit contributions because an employee is eligible for this program subsidy. An employer is still free to cease or reduce employer contributions for health insurance coverage as long as it applies to all its employees.

RECOGNIZING THOMAS ERWIN ELEMENTARY SCHOOL, WINNER OF CALIFORNIA'S DISTINGUISHED SCHOOL AWARD

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 21, 1997

Mr. TORRES. Mr. Speaker, I rise today to give special recognition to Thomas Erwin Elementary School, in La Puente, CA, which was recently recognized as one of California's Distinguished Schools.

Erwin Elementary is a school of 820 kindergarten through 8th grade students, 90 percent of whom are Latino, and is the first school in the Bassett Unified School District to receive this distinction. To achieve a Distinguished School Award it takes the dedication of an entire community of students, parents, faculty, staff, and administration. The coalescing of the Erwin community has been led by its dynamic leader, Principal Jose Reynoso, faculty and staff, along with the strong support of the members of the Board of Education and Superintendent Linda Gonzalez.

On a recent visit to Erwin, I was impressed by the school's state-of-the-art computer lab, its outstanding Gifted and Talented Education Program [GATE], which challenges students to reach their highest potential, and especially for Erwin's unique outdoor science pond, which was developed in a partnership with the Jet Propulsion Laboratories. This outdoor science pond is the envy of many schools in the community. The focal point of this ecosystem project is the pupil-made pond surrounded with flora and fauna indigenous to the area.

Another notable project is Erwin's bilingual education program, which gives over 500 limited-English-speaking students a strong academic foundation in their native language, and transitions them into an English instructional program. There is a tutorial program which utilizes "at risk" upper grade students as tutors for lower grade students, allowing both to develop an appreciation of each other, and helps foster self esteem and academic growth.

These programs, along with a strong academic emphasis, provide Erwin students with an excellent foundation for future success. A strong parent involvement program that encourages parents to visit the school and become partners in the educational process of students is in place and also ensures the student successes.

Mr. Speaker, I ask my colleagues to join me in honoring Thomas Erwin Elementary School, one of California's Distinguished Schools, for its commitment to providing its students with the highest quality educational experience possible. Erwin Elementary serves as truly a model school.

FEDERAL LANDS TRANSPORTATION IMPROVEMENT ACT

HON. JOHN R. THUNE

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, May 21, 1997

Mr. THUNE. Mr. Speaker, I rise today to introduce a bill that recognizes a unique transportation need for many States. That need is