If HCFA imposes this interpretation through regulations reportedly now being drafted, HCFA would have the authority to completely prohibit Medicare enrolled who do not submit reimbursement claims to HCFA, and who do not have claims submitted on their behalf, and who are willing to pay their own bills in full—from paying non-Medicare physicians out of pocket for needed Medicare-covered services.

Even without the regulations, the view of HCFA is clear.

HCFA Administrator Bruce Vladek states that the ''law requires that physicians submit claims on behalf of beneficiaries. Violations of these requirements are subject to sanctions such as civil monetary penalties and exclusion from Medicare.''

Tom Ault, HCFA Director of Policy Development, has said that ''for doctors to implement private contracts is illegal.''

HCFA's Director of the Bureau of Policy, Kathleen Buto, states that: A physician can choose not to treat Medicare beneficiaries. However, once a physician renders services to a Medicare beneficiary, he or she is subject to Medicare's requirements and regulations, regardless of the physician's participation as a Medicare provider. A physician's failure to comply with the claim filing requirement violates Medicare law and subjects him or her to possible monetary penalties.

Clearly, this change does not reflect the intent of the Congress.

If HCFA's interpretation is imposed by regulation, the result will be that seniors not have the right to choose treatments for which they can afford to pay in full to a non-Medicare participating physician.

This will occur due to the fact that many physicians and other providers are unwilling to participate in Medicare since Medicare reimbursement frequently covers only 70 to 75 percent of the actual cost of care.

Under HCFA's proposed regulations, physicians and other providers, who do not participate in Medicare, would be prohibited from accepting private payments for their services.

Congress clearly never intended this result.

Nor does this change reflect the will of the American people.

In a November 5, 1996, Wirthlin Worldwide Poll, 60 percent believe that Americans should be able to add their own money to Government payments in order to get unrationed health services.

Surely, a law that made it illegal to supplement with private funds the amount received from Social Security would be met with disbelief and derision.

But this is exactly what HCFA has threatened to do, thereby restricting health care choice for seniors.

HCFA's policy would also end the practice of cost shifting, whereby doctors have an incentive to treat more Medicare patients who can't afford to supplement Medicare's low-reimbursement rate with funds from those who choose to pay out of pocket.

To address this problem, senior citizens' medicare freedom to contract amendment simply states: ''[n]othing * * * shall prohibit a physician or other provider who does not provide items or services under the Medicare Program from entering into a private contract with a Medicare beneficiary for health services for which no claim for payment is submitted * * * section 1805(a)].''

Because the strategy for enactment has changed, the bill was not introduced in the 105th Congress.

However, in the 104th Congress, this legislation was cosponsored by Senators LOTT, CRAIG, GREGG, COCHRAN, NUNN, HELMS, FAIRCLOTH, BENNETT, KEMPTHORNE, MACK, MURKOWSKI, and INHOFE.

This legislation is strongly supported by the American Medical Association, the Seniors Coalition, the National Right to Life Committee, and several other national health care organizations.

Although this legislation has not yet been scored by the CBO, allowing seniors to pay for services rather than submitting claims to HCFA would plausibly be viewed by the CBO as a budgetary savings for purposes of the Byrd rule.

Furthermore, this legislation calls for HCFA to report to Congress in 2002 regarding the impact of this legislation on Medicare.

Mr. President, I urge my colleagues to support this technical clarification to the Medicare statute.●

THE NEW HAVEN LIGHT

● Mr. LIEBERMAN. Mr. President, I rise today to commemorate the 150th anniversary of New Haven Light, also known as the Five Mile Point Lighthouse in New Haven, CT. One of New England's most recognizable landmarks, New Haven Light has weathered countless storms yet still stands its silent watch over the waters of Long Island Sound and one of the region's busiest ports.

This year's annual SNET New Haven Harborfest is made all the more special by the anniversary of this beloved landmark and local treasure. I commend those who have worked so hard to preserve New Haven Light and maintain the vitality of New Haven's harbor and Long Wharf district.

This Nation's proud history is forever linked with the important waterways of New England. From the battles in the War for Independence to the economic prosperity of the late 20th century, ports like New Haven Harbor have always played a critical role in the development of the United States. I am proud to stand today and recognize the importance of New Haven Harbor as well as celebrate the milestone anniversary of New Haven Light.●

SOCIAL SECURITY PROPOSAL FROM FORMER SENATORS

● Mr. DURBIN. Mr. President, our friend and former colleague in this body, Paul Simon, has always been outspoken in his leadership on national issues. He continues to contribute to the national debate as the director of the Public Policy Institute at Southern Illinois University in Carbondale.

Paul recently gathered together a number of former Senators to consider the issue of Social Security. The group developed a Social Security proposal which they believe will provide a solvent Social Security system for the next 75 years.

I ask that the letter I received from this group be printed in the RECORD.

The letter follows:

PUBLIC POLICY INSTITUTE, SOUTHERN ILLINOIS UNIVERSITY AT CARBONDALE,

Carbondale, IL, May 28, 1997.

Hon. RICHARD J. DURBIN,
U.S. Senate,
Washington, DC.

DEAR FRIEND: Four of us—your former colleagues, two Republicans and two Democrats—who will not be seeking office again recently met to discuss an issue of great importance to the nation: the future of Social Security's retirement trust fund.

If this problem is not addressed immediately, the difficulties will mount and the long-run picture for both the fund and the confidence in our system of government is grim. The sooner you address this problem, the easier it will be to resolve. Postponing responsible action may be temporarily politically attractive, but history will be harsh on those who ducked when action was needed.

We believe that salvaging Social Security requires these two fundamental changes:

1. Congress should act to correct the Consumer Price Index to reflect reality.

2. Congress should remove the cap on the taxable amount of income covered by Social Security.

The fundamental decisions on the future of Social Security should not be in the hands of technicians, but in the hands of those who are elected by the people to reflect the values of this nation and to make fundamental decisions.

If you accept the recommendations we make, you will provide the nation with a solvent Social Security retirement system, along with a much healthier fiscal base.

If the sacrifices that we call upon people to make are accepted, the trust fund should be secure for the lifetime of our children and grandchildren. That is no small gift to the future of our nation. You are in a position to make that contribution.

This is a time that calls for your leadership. We respectfully ask you to meet this challenge.

JOHN DANFORTH.
PAUL SIMON.
DAVID PRYOR.
ALAN SIMPSON.●

TOM HARTMANN

● Mr. TORRICELLI. Mr. President, I rise today in recognition of Tom Hartmann as he celebrates seventy-five wonderful years. Tom has been a cornerstone of academic life at Rutgers University, and he has made equally significant contributions to political