

this administration and congressional Democrats are afraid to anger powerful labor unions who support the status quo. Mr. Speaker, this is no longer about conservative versus liberal values—the parents of this city's children don't want to make this political—they simply want their children to get a quality education. Right now, President Clinton refuses to let that happen.

Mr. Speaker, we can not afford to fail our children. There is nothing more important than the quality of our schools and the value of the education they provide. Without opportunity, we are shortchanging our children and depriving them of any hope for a prosperous future.

The truth is, we are losing children every day to the lure of drugs and crime because inner-city schools are failing to give them the tools they need to succeed. Mr. Speaker, many of these children may still get the chance to receive the education they deserve if their parents are given the choice to send them to quality schools.

Mr. Speaker, I urge my colleagues to send the President a bill that contains opportunity scholarships. We should let those who would rather trap children in poor schools where crackpipes and drug syringes are as plentiful as pencils explain why they think choice and opportunity in education is such a bad idea.

RECOGNIZING THE NATIONAL  
WOMEN'S BUSINESS COUNCIL

**HON. JOHN J. LaFALCE**

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 29, 1997*

Mr. LaFALCE. Mr. Speaker, as the ranking member of the Small Business Committee, I am proud that the reauthorization bill we reported contains strong support for women business owners. I am particularly delighted that our committee has reauthorized and expanded the National Women's Business Council.

As the Small Business Subcommittee Chair in the 1970's, I held a number of hearings on the unique challenges and obstacles faced by women business owners. Remembering these hearings, the late Gillian Rudd, then president of NAWBO, approached me shortly after I became chairman of the House Small Business. She said, "Congressman LaFALCE, now that you are Chairman of the full Committee, I hope you will do something what's never been done before. I hope you will take up the cause of women business owners and give them a seat at the table." That is exactly what I intended to do.

I asked Gillian to help me in preparing a series of hearings on women entrepreneurs. We searched for the best minds in the United States to learn about the business environment that was out there for women business owners. The hearings were a tremendous success, and we took our marching orders from the women who testified. We have learned that there were a number of things that Congress needed to do immediately to support the growth of women owned enterprises.

First and foremost, we needed to create a National Women's Business Council to be a voice for women entrepreneurs within the Federal Government. We also knew that there would need to be an interagency task force,

comprised of representatives from all the Federal agencies to work with the council in a public/private sector partnership. Finally, it was essential that we also come up with a business training program developed for women addressing their unique needs.

On the heels of receiving this information, delivered to the Small Business Committee in landmark testimony, I introduced and Congress passed H.R. 5050. That bill, the Women's Business Ownership Act of 1988, included several very important initiatives, including the creation of the National Women's Business Council. This was the first step in achieving our goals.

Now, 10 years later, we have accomplished all three of these goals. I am deeply gratified to have played a role in the establishment of all three and to see the fruits these efforts have borne. While it is so often repeated, I still think it merits mentioning just one more time. There are more than 8 million women business owners in the United States today, represented by 1,000 women's business organizations. Looking back on where we were two decades ago when this all began. I am still amazed at how the numbers of women entrepreneurs have skyrocketed. With greater growth in women's business ownership on the horizon, it is even more incumbent upon us to find ways to help these businesses succeed.

On July 21, the National Women's Business Council, in partnership with the Federal Reserve System and the Small Business Administration, held an Access to Capital and Credit Expert Policy Workshop in my district, in my hometown of Buffalo, NY. The purpose of the workshop was to make recommendations on how to expand the access to capital and credit. During this particular workshop, one of ten held around the country, we focused on the growth in western New York. The National Women's Business Council has compiled the recommendations made by the great women entrepreneurs of Buffalo and other women around the country into a report to be released tomorrow. I look forward to working with the Council on their implementation.

I have been working with the National Women's Business Council since I helped to create it in 1988. They have been an incredible resource to me and my staff. They do a wonderful job of representing women business owners around the country before Congress and the President, a task to which they have dedicated themselves wholeheartedly. The council is comprised of prominent women business owners and national women's business organizations which represent millions of women entrepreneurs nationwide. It is currently chaired by Lillian Vernon, a true American success story. These accomplished women are a resource at our disposal.

In 1988, I held a series of hearings on the problems that women entrepreneurs face—the first series of its kind—that was compiled into a report entitled "New Economic Realities: The Role of Women Entrepreneurs." In it, I said that there is a great untapped gold mine that exists within the American economy. There is a pool of talent that is so rich, that if we could tap into it and exploit it, we could unleash a windfall for the American economy. We have finally begun to do that.

HMO ABUSE

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, September 29, 1997*

Mr. STARK. Mr. Speaker, there is a lot of talk about fraud, waste, and abuse in health care. One type of fraud that does not get mentioned much—but which cheats the taxpayers and the beneficiaries out of billions of dollars a year—is the overpayment of HMO's under Medicare.

I would like to include in the RECORD a summary of a recent Prospective Payment Assessment Commission meeting, as prepared by Gray & Associates, a health consulting and reporting service. At the ProPAC meeting, the staff of this congressional advisory panel noted that the adjusted community rate data—the data that determines how much extra an HMO must provide its enrollees in benefits and services—is suspect.

I also include a letter I have sent to the Acting Medicare Administrator regarding overpayments to HMO's. The recent Denver HMO bidding demonstration—blocked by Congress and the courts—would, if implemented nationwide, save Medicare approximately \$2 billion a year while expanding the level of benefits to enrollees.

Mr. Speaker, the current system must be reformed, ASAP.

ADJUSTED COMMUNITY RATES

The adjusted community rate (ACR) is used to establish a risk contract's premium for Medicare, as well as the plan's supplemental benefits. The form filled out by plans demonstrates an actuarial equivalence between the plan's benefits and fee for service benefits, and establishes the difference that is to be returned to the Medicare program either through waived premiums, extra benefits, or actual payments back to Medicare (no one does the third option).

Staff believes that the forms could be used to glean useful cost information concerning the plans. This information could be used to determine the fairness of Medicare payment rates. However, the current reliability of the data is highly suspect, mainly because the information contained therein is not audited. In fact, staff states that some plans pick their final benefit plans, and make the numbers on the form fit the final plan. Other plans submit forms showing net losses per Medicare patient, which intuitively one knows cannot be accurate otherwise the plans would not be financially able to participate year after year in Medicare.

The BBA now requires that the ACRs be audited to ensure the quality of the data contained in them. Staff wants to take the now fairly reliable data and try to reconcile benefits packages with particular ACRs. Staff also hopes its analysis will reveal whether the new auditing requirements effect any major changes in the ACRs, which might, in turn, effect payment changes in the Medicare risk contract program.

COMMITTEE ON WAYS AND MEANS,  
U.S. HOUSE OF REPRESENTATIVES,  
*Washington, DC, September 23, 1997.*

NANCY-ANN MIN DEPARLE,  
*Acting Administrator, Health Care Financing  
Administration, Washington, DC.*

DEAR NANCY-ANN: Enclosed is a page from a health care newsletter which I received today. It reports former Administrator Vladeck as saying that before the Denver