

and economically underprivileged. As hospitals of last resort, they have become a health care safety net because of their policy of admitting anyone, insured and uninsured alike. They also have a tradition of striving to be culturally sensitive. Finally, public hospitals provide essential medical services—which few clinics can offer and private hospitals often find unprofitable—such as emergency care, trauma care, burn care, and neonatal care, and they provide these vital services for the entire community.

The importance of this situation is brought into sharper focus by the increase in the number of uninsured. The most recent data suggests that there are more than forty million people in the United States who lack health insurance, including more than seven million African Americans. The number of uninsured is growing steadily as the cost of insurance continues to rise and as full-time, full-benefit employment remains scarce for urban minorities. Many full-time positions are being replaced as well by temporary or part-time jobs without health coverage. If the number of uninsured continues to grow, public hospitals will be the most affected because a large percentage of their patient base is the uninsured.

Many large, urban public hospitals also conduct medical education and research, which benefits the entire health care system. Many serve as teaching hospitals, where they train students. In addition, some urban public hospitals are major employers in the cities they serve. Closing these hospitals therefore increases the potential unemployment of both skilled and unskilled workers given the changes not only in the health care industry but in other related industries as well.

Many states have modified their Medicaid programs by shifting their method of delivering health care to managed care. Federal waivers now allow states to require that their Medicaid recipients enroll in managed care organizations, and many states have already modified their Medicaid programs with this new requirement. As of June 1996, this changeover had been carried out by 29 states and the District of Columbia.

This change in Medicaid policy is causing public hospitals to lose a large percentage of their patient base to managed care organizations. Approximately 43 percent of public hospitals' patients are covered by Medicare, Medicaid or other public insurance, and an equal proportion are uninsured. Even more important, 50 percent or more of these hospitals' revenue has been based on Medicaid payments. Unless they can effectively compete for low-risk Medicaid patients, they may soon lose so much revenue that they will simply have to close.

In addition to the managed care changeover, Congress plans to cut the Medicaid funding that has long been given specifically to public hospitals that serve large numbers of Medicaid, low-income Medicare, and uninsured patients. This special assistance, known as Disproportionate Share Hospital (DSH) payments, is set to be reduced by \$10.3 billion over the next five years according to the proposed Balanced Budget Act of 1997.

According to the National Association of Public Hospitals, federal DSH payments account for 13 percent of public hospitals' total revenues and pay for 40 percent of the cost of treating uninsured patients. The spending budget cuts are therefore going to shrink public hospitals' revenues far below what is necessary to meet the many health care needs of those who rely on this system for care.

The Joint Center for Political and Economic Studies, a research and policy think tank which attempts to increase black involvement in public issues, recently held a

series of forums on these issues, including a Capitol Hill briefing chaired by Congressman Louis Stokes. The forums were supported by a grant from The Commonwealth Fund of New York. What emerged from these forums was a set of six policy options and positions that, if adopted, could go a long way toward ensuring that the health care resource that public hospitals represent to inner city residents is preserved.

First: Maintain support from the community and local government by ensuring that these groups and officials are well informed and can participate in the decisions affecting the survival of public hospitals.

Second: Public hospitals should aggressively compete with managed care organizations for low-risk Medicaid and Medicare patients.

Third: State and local governments should upgrade urban public hospitals so they can have a realistic chance of competing for patients.

Fourth: Urban hospitals should reduce or reorganize their staffs to reduce their costs and improve quality service. A reduction in cost along with an improvement in public perception will help public hospitals compete.

Fifth: Federal and state governments should give Medicare and Medicaid subsidies to hospitals based on their service to the poor and uninsured.

Sixth: Federal and state governments should establish a way to monitor the care given by urban public hospitals.

Public hospitals today are suffering from a condition that, if left untreated, may prove fatal. The importance of their survival needs to be recognized and addressed. If we lose these safety-net institutions, many people will no longer have access to any medical care. The health of the people who live in urban communities—the majority of whom are African American, Hispanic, and other minorities—depends on public hospitals' remaining viable American institutions.

PERSONAL EXPLANATION

HON. JIM McDERMOTT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Friday, March 27, 1998

Mr. McDERMOTT. Mr. Speaker, I was traveling with the President in Africa yesterday, March 25, 1998, and was unable to vote. I would have voted in favor of the McCollum-Conyers amendment to H.R. 2589 (Rollcall No. 68). I would have voted against the Sensenbrenner amendment to H.R. 2589 (Rollcall No. 69). I would have voted in favor of the Pombo amendment to H.R. 2578 (Rollcall No. 70). I would have voted in favor of H.R. 2578 (Rollcall No. 71).

CELEBRATING THE RETIREMENT OF JAMES ALEXANDER AND ARISTEO TORRES

HON. PETER J. VISCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, March 27, 1998

Mr. VISCLOSKEY. Mr. Speaker, The United Steelworkers of America (USWA) Local 1010, a union that has represented the Inland Steel labor force since early this century, has worked tirelessly over the years to better the

living conditions and increase the living standards of Inland steelworkers and the communities in which they live. It is my distinct pleasure to announce that Local 1010 will be celebrating the retirement of two of its devoted members, Mr. James Alexander and Mr. Aristeo "Art" Torres, who retired from Inland Steel in January of this year. The celebration in honor of James and Art will feature an evening of dinner and music, and will be held today, March 27, 1998, at the American Legion Post #369, in East Chicago, Indiana.

James Alexander, a life-long resident of Gary, Indiana, began his dedicated career with Inland Steel in 1957. Over the years, he has held several positions within the company, including those within the coke plant, open hearth, cold strip, and 80-inch rolling operator. Perhaps James' most noteworthy achievement, however, was his devoted service to Local 1010, where he served as a respected union voice for his fellow steelworkers for 35 years. As a union representative, James held a variety of offices, ranging from safety steward to financial secretary, and he was elected union representative under six different administrators. Through his work with the union, James had the opportunity to meet several United States presidents, including Dwight Eisenhower, John Kennedy, and Richard Nixon. In addition to his service to the union, James devoted much of his time to community initiatives. He spent 21 years on the Gary Public Transportation Board, held the office of 1st Vice-President of the Gary Housing Commission, and is currently a precinct committeeman. James has also been an active member of his parish, St. Monica and Luke Roman Catholic Church, for 50 years.

A native of East Chicago, Indiana, Art Torres worked at Inland Steel as a craneman for 46 years. Throughout his career, he remained active within Local 1010, serving as assistant grievor, trustee, chairman of education, and board member. Realizing the importance of a unified membership, the focal point of Art's efforts with Local 1010 was educating steelworkers about the union and their rights as laborers. In addition, he participated in numerous pickets, including the Bridgestone/Firestone strike in the 1950s. Art has also been politically active over the years, serving as state delegate, working on various political campaigns, and carrying out the vital function of mobilizing voters within his community. In addition, he has been a long-time member of the Union Benifica Mexicana (UBM), an organization for Mexican-Americans, where he has served as an officer and chairman of various activities. In working for the betterment of Local 1010 and his community, Art takes great pride in his strides to be a good role model for young people, stressing the importance of earning a good education.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating James Alexander and Art Torres on their retirement from Inland Steel. James' family, consisting of his wife, Terry, and their eight children, Melanie, James Jr., Robert, Michael, Marcus, Barbara, Terese and Terrell, should be proud of his efforts. Art's wife, Cecelia, their children, Elizabeth and Angelina, and their grandchildren, Kathy and Jason, should also be very proud of his many achievements. Indeed, James' and Art's work for the labor movement and their communities has served as a beacon of hope and pride for all great