

more proud to say I am a Cardinals fan. Thank you and congratulations Mark McGwire.

FIXING THE YEAR 2000 COMPUTER PROBLEM

**HON. LEE H. HAMILTON**

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1998*

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 26, 1998 into the CONGRESSIONAL RECORD.

FIXING THE YEAR 2000 COMPUTER PROBLEM

Much has been written in recent months about the so-called Year 2000 computer problem. The difficulty arises because the computer software coded to mark the years uses only two digits. If the appropriate adjustments are not made when New Years 2000 rolls around, many of these systems will jump back to the year 1900, causing disruptions in government and private sector operations, here and abroad.

Not many people talk to me about their fears of chaos in the world's computer systems in the year 2000. I suspect that most people don't take those fears too seriously and simply believe that the technicians can solve it. But with the year 2000 now only about five hundred days away, it has become clear that the United States needs to move more quickly to address the problem. Federal and state governments as well as businesses are making progress, but more needs to be done if we are to avoid significant disruptions in our economy.

THE PROBLEM

The Year 2000 problem, also known as Y2K or the Millennium bug, has become an important issue in the past few years. The cause of the concern is that many computers store dates using two-digit numbers rather than four: 98 for 1998 and 00 for 2000. This makes 2000 indistinguishable from 1900, causing date sensitive systems to malfunction or stop working completely. Government agencies, private sector businesses, and individuals all face significant problems if their computer systems are not Y2K compliant. The breakdowns could be minor, but they could also disable air traffic control systems, financial networks, power grids, hospitals, home appliances and many other computer systems.

The Year 2000 problem can be fixed by the time-consuming and costly process of checking each program for potential errors. Millions of lines of software code must be renovated for every computer system. In addition, billions of embedded chips currently in use must be inspected for Y2K compliance, and an estimated 1-5% of those chips will probably have to be replaced. No universal solution can be created to fix each system, and nobody knows how much it will cost to solve the problem. One estimate is that U.S. businesses will spend \$50-300 billion and that the U.S. government will have to spend \$5-30 billion to fix its computers. The worldwide bill for this massive repair effort may come between \$300-600 billion. Correcting the problem will be further complicated by the fact that computer systems are increasingly interconnected—so that even if, for example, a major business fixes its computers, those very systems could break down as they interact with customers, clients and suppliers whose systems have not been fixed.

GOVERNMENTAL RESPONSE

The federal government has taken an active role in Y2K repairs for its own systems.

Federal agencies maintain many computer systems that manage large databases, conduct electronic monetary transactions, and control numerous interactions with other computer systems. The primary focus is to fix all of the 7,300 "mission-critical" systems necessary to continue these activities. A recent report concluded that 55% of the repair work is complete, but progress varies greatly by agency. The Social Security Administration expects to be ready for the year 2000 by January 1999 to ensure that Social Security checks continue to go out on time. Other agencies are expected to be on a tight schedule to meet the year 2000 deadline, and still others will probably not make it.

State and local governments are generally acting more slowly in response to the Y2K problem. Some states have begun planning Y2K conversions, but last year only 19 were beginning to implement the plans. Many localities are not emphasizing Y2K repairs, either for a lack of resources or awareness. Experts warn that state and local computer systems, even if repaired, may not be compatible with federal systems or may contaminate Y2K compliant systems with non-Y2K compliant data. In 1997, state and federal officials met to develop a set of standard practices to minimize risks involved in intergovernmental data exchanges. Several local government associations have also launched an awareness campaign to aid lagging localities.

PRIVATE SECTOR RESPONSE

Businesses will also have to become Y2K compliant if they are to avoid disruptions in their operations and transactions with governments and other private entities. The federal government is working actively with certain critical industries, including transportation, communications, health care, and financial institutions, to meet government standards in Y2K compliance. The Federal Reserve Board is preparing for the worst case scenario but is expecting most major banks to be Y2K compliant by the new millennium.

Current estimates suggest that 85% of industrial software will be fixed or replaced by the year 2000, at a total cost of at least \$300 billion. Congress is considering several measures to help the private sector address the Y2K problem. One bill seeks to promote open sharing of information about Y2K solutions by protecting those businesses that share information in good faith from lawsuits. Another measure would seek to limit the liability that a company can face if its products are not year 2000 compliant.

EFFECT ON PRIVATE CITIZENS

The Y2K problem also may present difficulties for the average citizen. Many electronic devices, including automobiles, cameras, televisions, and cellular phones, are not expected to cause problems. There may, however, be problems, with fax machines, pagers, telephones, video recorders, and especially personal computers. The Y2K compatibility of personal computer software varies by the program, so consumers are advised to call the manufacturer to find out about specific programs and insist on in-store tests when purchasing new software. Experts also suggest that consumers keep accurate records of finances and investments in the event that a computer error occurs at your bank or the IRS.

CONCLUSION

The federal government has been slow to recognize the seriousness of the problem. Initial warnings came in 1989 that the world was headed for a computer crisis, but it was not until the mid-1990s, after much prompting from Congress, that many federal agencies began to move, first from an awareness of the problem, then to an assessment of it,

and now to the correction of it. The federal government will not be able to guarantee that every computer can be fixed on time, but it is beginning to manage the risks. The government and industry have many improvements to make before the year 2000. While the task is large and tedious, our computers must be Y2K compliant for the electronics aspects of life to continue as normal.

WHY WE SHOULD QUESTION HOSPITAL HOME HEALTH REFERRALS

**HON. FORTNEY PETE STARK**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1998*

Mr. STARK. Mr. Speaker, on August 6, the Ways and Means Health Subcommittee held a hearing on the problems facing home health agencies because of payment changes made in the Balanced Budget Act of 1997.

In theory, for good and honest agencies, the BBA should not have created problems. It simply asks home health agencies (HHAs) to practice the type of care they practiced in 1994, before many HHAs greatly increased their number of visits per patient and their costs per visit. The theory assumed, of course, that HHAs are serving the same kind of patients they received in 1994.

But between 1990 and 1996, the number of HHAs owned by hospitals nearly doubled, and today, about half the nation's hospitals own HHAs.

So what, you say? At the August 6 hearing, one independent HHA testified, saying what several HHAs have told me privately:

As a freestanding agency, Great Rivers Home Care receives few referrals from hospitals since most have their own home health agencies. Our experience is that the hospitals refer the short term, less complex cases to their own agencies and the sicker, more costly, long term patients are then cared for by agencies like ours.

I do not know the quality of care provided by Great Rivers, but I do know they dared say what others are only saying privately. Before we casually throw more money at the home health sector, we should ask whether there is a self-referral abuse that is causing serious distortions in this part of Medicare.

TRIBUTE TO THE WOODLAKE GOT-A-JOB SUMMER YOUTH PROGRAM

**HON. GEORGE P. RADANOVICH**

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, September 9, 1998*

Mr. RADANOVICH. Mr. Speaker, I rise today to pay tribute to the Woodlake Got-A-Job Summer Youth Employment Program for its commitment and dedication to the lives of youth throughout Southeastern Tulare County. The Got-A-Job Summer Youth Employment Program provides a valuable learning experience for youth in developing job skills for their future.

The Got-A-Job Summer Youth Employment Program is funded and directed by Community Services and Employment Training Incorporated. Woodlake Got-A-Job has taken a