

CONGRATULATIONS TO THE CITY
OF LEBANON ON ITS SESQUI-
CENTENNIAL BIRTHDAY

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. SKELTON. Mr. Speaker, let me take this opportunity to congratulate the City of Lebanon and Laclede County on its Sesqui-centennial birthday.

Through the 1830's and 1840's pioneers chiefly from North Carolina, Tennessee, and Kentucky filtered in to fertile little valleys along streams and creeks in an Laclede County, Missouri. These settlers were farmers with only the bare necessities, and few tools, who relied upon their energy, efficiency and resourcefulness to overcome deficiencies.

In 1849 Laclede County was organized out of three neighboring counties, Pulaski, Wright, and Camden. A donation of 50 acres of land by Berry Harrison and James Appling established the county seat on what is now Old Town hill. A courthouse, jail, general store, and various office buildings were eventually added to this beautiful setting.

The county changed with the arrival of the Frisco railroad. The railroad was established three quarters of a mile out on the muddy prairie, which caused the railroad to be located a quarter of a mile outside of the town. Businesses eventually moved toward the railroad and in a couple of years a new business center grew up and Old Town became simply the first ward of new Lebanon. Small towns grew up and along the railroad each taking its quota of trade that the first years had given to Lebanon.

After 150 years Laclede County can boast of prosperous farms, schools within the reach of every child, churches for every community, and prosperity over the entire county.

Mr. Speaker, I wish to extend my congratulations to the residents of the city of Lebanon and Laclede County. It is with great pride that I honor their achievements on their Sesqui-centennial birthday.

CRISIS IN KOSOVO (ITEM NO. 5),
REMARKS BY DAVID SWARTZ,
FORMER AMBASSADOR TO
BELARUS

HON. DENNIS J. KUCINICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. KUCINICH. Mr. Speaker, on May 6, 1999, I joined with Representative JOHN CONYERS, Representative PETE STARK, and Representative CYNTHIA MCKINNEY to host the third in a series of Congressional Teach-In sessions on the Crisis in Kosovo. If a peaceful resolution to this conflict is to be found in the coming weeks, it is essential that we cultivate a consciousness of peace and actively search for creative solutions. We must construct a foundation for peace through negotiation, mediation, and diplomacy.

Part of the dynamic of peace is a willingness to engage in meaningful dialogue, to listen to one another openly and to share our views in a constructive manner. I hope that

these Teach-In sessions will contribute to this process by providing a forum for Members of Congress and the public to explore alternatives to the bombing and options for a peaceful resolution. We will hear from a variety of speakers of different sides of the Kosovo situation. I will be introducing into the CONGRESSIONAL RECORD transcripts of their remarks and essays that shed light on the many dimensions of the crisis.

This presentation is by David Swartz, former Ambassador to Belarus. He is a retired foreign service officer and Director of the International Institute of the U.S. Department of Agriculture Graduate School. His other foreign-service posts included Rotterdam, London, Moscow, Kiev, Zurich, Calgary and Warsaw. He is the author of "Redirecting the CIA: Keep Agency Out of Policymaking, Make Ambassador Boss Overseas" (Foreign Service Journal, February 1996).

Ambassador Swartz explains how United States policy in Bosnia contributed to NATO's current dilemma in Kosovo. He also states a clear position on a central question: Does the United States have an overriding national interest in the resolution of strife in the Balkans? Ambassador Swartz's comments may be controversial to some, but they represent a valuable contribution to our ongoing debate.***HD***Presentation by David Swartz to Congressional Teach-In On Kosovo

I think my role today is going to be controversial. And if ever there was a conflict that was controversial this one certainly is. So I'm pleased to be here. Some of what I'm going to say is going to offend some people and possibly some of it will offend everybody, I don't know. But at least it may serve as a catalyst to help get the discussion going as we move along. But I am being deliberately provocative in some places so I warn you in advance and ask your indulgence.

I do wish to express my thanks for the opportunity to present my statement this afternoon on U.S.-Kosovo policy. My statement, while critical, is non-partisan. It reflects the general reality, in my view at least, that U.S. policies in the Balkans over the past eight years have reflected bipartisanship, just as criticisms of Administration policy, particularly with regard to the Yugoslavia war, have also tended to be bipartisan.

The two key desiderata driving my views on U.S. actions in that region and in the Kosovo region are these: First, human suffering must be minimized. And that's way ahead of any other. But the second one is: clear U.S. national interests justifying involvement must be present. Our policies in my view reflect deficiencies on both counts. I will very briefly touch on three aspects of that problem. One, how we got to where we are. Two, why current policy is wrong. And three, what next. Three is perhaps being developed as well speak.

First, how we got where we are. American involvement in the post-communist Balkan turmoil stems in large part in my view from a questionable policy of premature diplomatic recognition of groups asserting sovereignty, particularly Bosnia, in the early 1990's. Some groupings in the then-Yugoslavia could genuinely be considered ripe for independence, most especially Croatia, and Slovenia, possibly to a lesser extent Macedonia. Bosnia, however, could by no reasonable standard be considered a nation-state.

What is Bosnia? Who are Bosnians? What is their history, language, literature, religion? What can we point to that is uniquely Bosnian? It seems to me that creation of a multi-ethnic state is complicated under the best of circumstances, and Bosnia in the early 90's was not the best of circumstances. At a minimum, a la Switzerland, the disparate groups must have a common desire to join together in some higher level of governance than just the individual groupings they find themselves in. So in Bosnia a so-called country was cobbled together and we know the result: ethnic cleansing, massacres, artificiality imposed at Dayton, and peace maintained solely through the possibly permanent presence of armed forces of external powers. Far from fostering stability in the former Yugoslavia, I would argue that the Bosnia so-called settlement has served to institutionalize instability. If U.S. involvement in Bosnia was the proximate cause of our current troubles, highly superficial understanding by our policy makers of the centuries of passions, hatreds, vendettas, indeed genocide throughout the Balkans was a more deep-seeded problem. If we knew nothing else, we should have known that there are no good guys in the region, and that therefore aligning ourselves in one or another direction was fraught with danger.

This truism applies equally to our current dilemma in Kosovo. With specific regard to Mr. Milosevic in Kosovo, the United States' misreading of his intentions is nothing short of shocking. If intelligence and diplomatic analysis are good for anything at all, they must serve the critical function of providing policy makers with accurate prognoses of the intentions of adversaries. We can forgive White House ignorance about Milosevic's likely response to a forced dictate over Kosovo, and perhaps even that of our Secretary of State. However, certainly at a minimum, emissary Richard Holbrooke and his well-meaning but judgment-impaired staff, with the hundreds of hours they spent in direct contact with Milosevic, should have been able to discern his intentions, once it became clear to him that the United States' intentions were to carve away his authority in Kosovo. At that point, the nonsensical idea that Milosevic would cave under the threat of bombing should have been discarded once and for all. Tragically, it wasn't.

My second point: Why our policy is wrong. And this brings me back to my two basic desiderata: Minimizing human suffering, and advancing clearly identified U.S. interests. A powerful argument has been made in some circles, an argument that I find somewhat persuasive, perhaps not completely, that the least human suffering in the former Yugoslavia would have resulted from the outside world not involving itself at all in the internal civil strife. Yes, there would have been oppression, yes there would have been killing, but in the end, the argument goes, a level of coexistence would eventually have been reached, no doubt for the moment at least with Serbia in full charge, in which life would have gone on for the masses. Not freedom, perhaps, not autonomy, certainly, but at least basic life. With outside support first for Bosnian independence, a wholly unsustainable proposition over the long run, and then for an imposed Kosovo settlement, even more implausible, great violence resulted, and continues.

What are U.S. interests? I am not persuaded that we have any overriding interests

in the Balkan strife and certainly none that would justify the course of action on which we are embarked. The NATO credibility argument is not persuasive. Had the alliance led by the U.S. not constantly threatened Milosevic with military action if he did not submit himself to NATO's demands, we would not have found ourselves in the put-up-or-shut-up corner. Expansion of the conflict to say, Turkey or Greece, or Turkey and Greece, is equally implausible. Clearly the conflicts are limits to the territory of the former Yugoslavia, and Milosevic's desire to reassert his and Serbia's domination. Support for human rights is indeed a laudable national interest, but as suggested above, our intervention in the region has had the opposite of the desired effect.

Where we do have strong national interests are vis a vis Russia, and there the Kosovo is quite possibly going to result in, if not permanent, at least long-lasting damage to reformist elements in Russian politics on whom we count for achieving societal transformations there. Or alternatively, as now seems quite likely, if Russian involvement in the settlement takes place, that might well lead to a diluted result bearing little resemblance to our stated conditions when we began this war. Or both of those might happen.

My third point: What next? Having embarked on what in my judgment is a foolish and ill-considered air war, it seems to me that the U.S. now has only two options: Stop the bombing, cutting whatever deal the Russians can broker for us, that now seems to be underway, perhaps, or immediately and massively escalate, with the specific twin goals of removing Milosevic and eliminating all Serbian fighting units in Kosovo. The first option is the one I prefer, because as I said at the outset I believe minimizing human suffering must be the goal. Each day of bombing is accompanied by more ethnic cleansing, raping and summary executions of Kosovars. It of course also leads to casualties among Serbia's civilian population. Forty-plus days of bombing have seemingly not stopped Milosevic's evil in Kosovo one whit, indeed, have accelerated it. The cessation of bombing is of course fraught with danger, since it will mean an outcome, no doubt far short of our stated objectives when we began this war, it will mean a resurgent Russia on the world scene, which might not be a bad thing, but that Russia could well be far different from the one we had hoped for, and now a truly credibility-deficient NATO. But we should have thought of those matters earlier, and in the meantime, each day brings more casualties.

I for one have reached my tolerance level of the daily dosage of atrocity stories juxtaposed with confident NATO spokespersons detailing the quote-unquote in the air war the previous night's 600 sorties have resulted in, where clearly the latter has not diminished the former.

The other option is massive force now. I do not advocate this course, but it seems to me the only other viable option. Paratroopers dropped in throughout Kosovo, going after Milosevic himself on the grounds of his long-overdue designation as a wanted war criminal. The other NATO partners will balk, and the U.S. should be ready to act alone, wasting no more time. Yes, this approach will result in still more deaths, and other atrocities among the suffering Kosovars, but at least the end of the agony will be sooner than with our present incomprehensible approach.

In sum, the U.S. should not be engaged in this war in the first place, but since it is, we must either win it quickly, or get out quickly. Otherwise the lives of many, many more innocent people will be on our American conscience.

PREVENTING ABUSE OF THE HOSPITAL PAYMENT SYSTEM: INTRODUCTION OF MEDICARE MODERNIZATION NO. 5

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, May 25, 1999

Mr. STARK. Mr. Speaker, in the Balanced Budget Act of 1997, Congress provided that for 10 hospital diagnosis related groups (DRG's), we would not pay the full DRG if the patient was discharged to further treatment in a nursing home, home health agency, or to a rehab or long-term-care hospital. I include at the end of my statement the conference report language describing this provision. Note that as originally passed by the House and Senate, it applied to all hospital discharges—not just 10 DRG's.

The administration and the Congress were worried that some hospitals have been gaming the Medicare hospital prospective payment system. They have been discharging patients early to downstream treatment facilities (which they often own), collecting the full DRG payment, and requiring Medicare to pay for longer and more expensive treatments in these downstream facilities.

Many of the nation's hospitals are lobbying for the repeal of this discharge provision—even though repeal would cost Medicare billions of dollars in the years to come. The intensity of the lobbying on this issues shows that early discharge to subsidiaries has become a major strategy of many hospitals. It may have been part of the Columbia/HCA scheme to maximize Medicare revenues.

Mr. Speaker, I think we should return to our earlier decision and apply the policy to all discharges, not just 10 DRG's.

The HHS inspector general has found that hospitals that own nursing homes discharge patients much earlier than average, and the patient then stays in the nursing home longer than average—an extra 8 days (OEI-02-94-00320). The OIG has also found that patients' stays are shorter when they are discharged to a home health agency. With about half the nation's hospitals owning a home health agency, this is another way to double dip.

The bill I am introducing will save Medicare billions of additional dollars in the years to come, and it will remove a temptation to abuse patients by pushing them out of hospitals too soon.

I hope that this legislation—one of a series of bills I am introducing to modernize Medicare and make it more efficient—will be enacted as part of our efforts to save Medicare for the Baby Boom generation.

CERTAIN DISCHARGE TO POST ACUTE CARE
Section 10507 of the House bill and Section
5465 of the Senate amendment

CURRENT LAW

PPS hospitals that move patients to PPS-exempt hospitals and distinct-part hospital units, or skilled nursing facilities are cur-

rently considered to have "discharged" the patient and receive a full DRG payment. Under current law, a "transfer" is defined as moving a patient from one PPS hospital to another PPS hospital. In a transfer case, payment to the first PPS hospital is made on a per diem basis, and the second PPS hospital is paid the full DRG payment.

HOUSE BILL

Defines a "transfer case" to include an individual discharged from a PPS hospital who is: (1) admitted as an inpatient to a hospital or distinct-part hospital unit that is not a PPS hospital for further inpatient hospital services; (2) is admitted to a skilled nursing facility or other extended care facility for extended care services; or (3) receives home health service from a home health agency if such services directly relate to the condition or diagnosis for which the individual received inpatient hospital services, and if such services were provided within an appropriate period, as determined by the Secretary in regulations promulgated no later than September 1, 1998. Under the provision, a PPS hospital that "transferred" a patient would be paid on a per diem basis up to the full DRG payment. The PPS-exempt hospital or other facility would be paid under its own Medicare payment policy.

Effective Date. With respect to transfer from PPS-exempt hospitals and SNFs, applies to discharges occurring on or after October 1, 1997. For home health care, applies to discharges occurring on or after October 1, 1998.

SENATE AMENDMENT

Similar provision, except defines a transfer case as including the case of an individual who, immediately upon discharge from and pursuant to the discharge planning process of a PPS hospital, is admitted to a PPS-exempt hospital, hospital unit, SNF, or other extended care facility. The provision does not include home health services in the definition of a transfer.

CONFERENCE AGREEMENT

The conference agreement would provide that for discharges occurring on or after October 1, 1998, those that fall within a specified group of 10 DRGs would be treated as a transfer for payment purposes. The Secretary would be given the authority to select the 10 DRGs focusing on those with high volume and high post acute care. The provision would apply to patients transferred from a PPS hospital to a PPS-exempt hospital or unit, SNF, discharges with subsequent home health care provided within an appropriate period (as defined by the Secretary), and for discharges occurring on or after October 1, 2000, the Secretary may propose to include additional post discharge settings and DRGs to the transfer policy.

Payments to PPS hospitals would be fully or partially based on Medicare's current payment policies applicable to patients transferred from one PPS hospital to another PPS hospital (per diem rates). The Secretary would determine whether the full transfer policy or a blended payment rate (50% of the transfer per diem payment and 50% of the total DRG payment) would apply based on the distribution of marginal costs across days, so that if a substantial portion of the costs of a case are incurred in the early days of a hospital stay the payment would reflect these costs. For FY 2001, the Secretary would be required to publish a proposed rule which included a description of the effect of the transfer policy. The Secretary would be authorized to include in the proposed rule and final rule for FY 2001 or a subsequent fiscal year, a description of additional post-discharge services that would result in a qualified discharge and diagnosis-related groups