

MEDICARE INPATIENT HOSPITAL SERVICES

Mrs. CLINTON. Mr. President, today, I am so pleased to join my good friends, Senator HUTCHISON from Texas and Senator BAYH from Indiana, in supporting this legislation to help Medicare payments keep pace with the rising costs of hospital care, and to halt further Medicare reductions to teaching hospitals.

Our hospitals are under tremendous strain. They face soaring costs from nearly every direction: The growing number of uninsured individuals coupled with the devastating shortages of skilled health care workers. The struggle to afford skyrocketing pharmaceuticals prices, while simultaneously investing in emerging needs, such as information technology. At the same time, reductions in Medicare payments have hindered hospitals' ability to respond to these increased demands. How can we expect patients to receive quality health care when we're asking our hospitals to do more with so much less?

As you know, this week we are focusing on the crisis around the shortage of nurses. Ninety-one percent of hospitals in New York State report shortages of registered nurses, RNs. But this is really just the tip of the iceberg. The shortages in the health care workforce permeate the entire health care system, especially our hospitals. There are shortages in pharmacists, technicians, nurse aides, billing staff, and housekeepers that have all negatively impacted the quality of care New Yorkers are able to receive.

As a representative of the State of New York, I am especially troubled by the growing strains that our hospitals have been forced to contend with on top of the devastating cuts that have resulted from the balanced budget agreement of 1997, BBA. I have heard numerous firsthand accounts of the adverse impact on New York hospitals and the facts speak for themselves: In the 2 years following the BBA, New York hospitals' financial health ranked worst in the Nation. In fact, almost two-thirds of New York hospitals had negative operating margins last year. And in addition to the workforce shortage affecting health providers nationwide, New York providers are also confronting labor costs increases of 5-7 percent a year, while the Medicare rates for inpatient hospital rates, even with the full market basket update we are seeking in today's legislation, expected to rise only around 3.1 percent.

In recent years, Congress has successfully provided some short-term relief to address areas where the cuts enacted in the BBA of 1997 went much further than intended. However, much of the relief merely postponed scheduled cuts in Medicare payments and that is why the legislation that we are introducing today is so important.

This legislation today would eliminate some of those previously delayed cuts. First, it would restore the market

basket update for inpatient hospital rates to the full level, rather than market-basket minus 0.55 percent, as scheduled for fiscal year 2002 and 2003. This important step will help hospitals nationwide keep up with the rising costs of inpatient care for Medicare beneficiaries. This provision helps all hospitals in New York State by increasing inpatient hospital payments across the board.

I am especially pleased that this legislation would also address the cuts faced by teaching hospitals to their Medicare indirect medical education payments. Teaching hospitals are the crown jewels of our Nation's health care system and play a vital role in making our system one of the finest in the world.

We rely on them to train physicians and nurses, care for the sickest of the sick and the poorest of the poor, and engage in research and clinical trials. Thanks to the research, for example, at Memorial Sloan-Kettering, cancer patients will suffer less while receiving chemotherapy because of a drug that was developed there.

As my predecessor and friend, Senator Daniel Patrick Moynihan, in whose footsteps I am so honored to be following, put it so well a few years ago, "We are in the midst of a great era of discovery in the medical science. It is certainly not a time to close medical schools. This great era of medical discovery is occurring right here in the United States . . . And it is centered in New York City."

This legislation that we are introducing today would address the cuts faced by teaching hospitals to their Medicare indirect medical education payments. Last year's Medicare, Medicaid, and SCHIP Benefits Improvement Act of 2000, BIPA, provided some relief by delaying the cuts to help teaching hospitals cover the costs of caring for sicker, more complicated patients. Today's provision would make that relief permanent by freezing the indirect medical education adjustments percentage at 6.5 percent.

In addition, teaching hospitals throughout the State would benefit, including rural hospitals such as Kingston Hospital, Benedictine Hospital, Champlain Valley Physicians Hospital Medical Center, Olean General Hospital, and Hepburn Medical Center in Ogdensburg, NY.

Today's legislation is essential to ensuring that our Nation's older and disabled patients can continue to receive the high quality of care that they deserve. I look forward to working with my colleagues and the administration to address this and other important health care priorities.

REMEMBERING ASIAN PACIFIC AMERICAN HERITAGE MONTH

Mr. DAYTON. Mr. President, I rise today to recognize that May is Asian Pacific American Heritage Month, and I want to acknowledge the many ac-

complishments and contributions that people of Asian and Pacific Island descent have made to Minnesota and to our country.

Their many different talents, cultures, and histories have played important roles in building and strengthening our country, and they have exemplified the important traditions of hard work, respect for family and elders, and the value of a quality education.

Since their arrival in this country, they have believed strongly in the American Dream and in better opportunities for those who seek them. These qualities have enabled them to overcome adversity and discrimination, and allowed them to achieve enormous successes in virtually every field.

The complexion of my home state of Minnesota is changing dramatically. We have seen a sharp increase in the number of Asian Americans and Pacific Islanders who reside in our state, and we welcome the opportunity to continue to work with them to create a better Minnesota.

In one of my first meetings as a new Senator, I had the opportunity to visit with the Council on Asian Pacific Minnesotans, and I learned of the many important contributions which this community makes to my home state. They shared with me not only their successes, but also their continuing struggles to ensure that Minnesotans of Asian and Pacific Island descent have the best education, housing, health care, and job opportunities possible.

I would like to acknowledge just a few of the Minnesotans of Asian or Pacific Island descent whose efforts have made Minnesota a better place to live and work. In the political arena, the Honorable Satveer Chaudhary became the first Asian American to be elected to the Minnesota state legislature and now serves as the highest-ranking elected official of Indian descent in the nation. Ms. Zarina Baber helped establish the volunteer based clinic in Fridley known as Al'Shifa, which provides culturally specific health care free of charge to needy or uninsured patients. Ms. Baber volunteers as the director of this clinic and has developed partnerships with area hospitals and clinics. Mr. Lee Pao Xiong recently became the first non-African American President of Minneapolis' Urban Coalition. He has served on President Clinton's Commission on Asian and Pacific Islanders, and has been a leader in helping the Hmong community to make the transition to mainstream America while preserving the integrity of their own culture. Wai Lee, a devoted mother of four, as well as an active member of the Faribault community, has skillfully combined motherhood with activism. She has volunteered in the Faribault community for many years, taught English as a Second Language, and developed a mentor program to involve children and help them with their English skills. Venture