

**SUMMARY OF POLICIES AND COSTS OF
PROVISIONS OUTSIDE OF THE PRESIDENT'S \$40 BILLION**

PROVISIONS OUTSIDE OF \$40 BILLION	OMB 5 Year Score	OMB 10 Year Score	CBO 5 Year Score	CBO 10 Year Score
Extension of Medicaid and CHIP state option to legal immigrant pregnant women and children	\$0.7	\$2.0	\$0.6	\$1.6
Extension of Medicaid coverage for SSI recipients	\$0.5	\$4.5	\$1.2	\$9.8
State option for Medicaid coverage of low-income women with breast and cervical cancer	\$0.2	\$0.8	\$0.2	\$0.6
Family Opportunity Act including state option for Medicaid buy-in for disabled children	\$2.0	\$5.7	\$3.9	\$11.3
CHIP/Medicaid Alignment	\$1.6	\$4.0	\$0.2	\$0.5
Presumptive eligibility for Medicaid/CHIP	\$0.3	\$1.2	\$0.3	\$0.7
Extend transitional medical assistance	\$1.6	\$4.3	\$1.7	\$4.8
Medicaid 300% SSI expansion	\$0.2	\$0.4	\$0.4	\$1.3
Medicaid and CHIP state option for children 19 and 20	\$0.7	\$1.9	\$0.9	\$2.1
Grants to help deinstitutionalize people with disabilities (MiCASSA)	\$0.05	\$0.05	\$0.05	\$0.05
Medicaid coverage of smoking cessation drugs	\$0.1	\$0.2	\$0.1	\$0.2
Homeless children's outreach grants	\$0.01	\$0.01	\$0.01	\$0.01
TOTAL	\$7.96	\$25.06	\$9.56	\$32.96

Senate Democrats' BBA Refinement and Access to Care Proposal

July 27, 2000

The Balanced Budget Act (BBA) of 1997 made some important changes in Medicare payment policy, improved health care coverage, and contributed to our current period of budget surpluses through significant cost savings in Medicare. CBO originally estimated Medicare spending cuts at \$112 billion over 5 years. Some of the policies enacted in the BBA, however, cut payments to providers more significantly than expected – in some cases more than double the expected amount – and threaten the survival of institutions and services vital to seniors and their communities throughout the country. Senate Democrats believe that, in light of the projected \$2.2 trillion on-budget surplus over the next 10 years and the problems facing vital health care services, the Congress should enact a significant package of BBA adjustments and beneficiary protections. Senate Democrats therefore propose a package of payment adjustments and access to care provisions amounting to \$80 billion over 10 years.

Hospitals. A significant portion of the BBA spending reductions have impacted hospitals. According to MedPAC, "Hospitals' financial status deteriorated significantly in 1998 and 1999," the years following enactment of BBA. The Senate Democrats' BBA refinement proposal addresses the most pressing problems facing hospitals by:

- Adjusting inpatient payments to keep up with increases in hospital costs, an improvement that will help all hospitals.
- Preventing further reductions in payment rates for vital teaching hospitals -- which are on the cutting edge of medical research and provide essential care to a large proportion of indigent patients. Support for medical training and research at independent children's hospitals is also included in the Democratic proposal.
- Targeting additional relief to rural hospitals (Critical Access Hospitals, Medicare Dependent Hospitals, and Sole Community Hospitals) and making it easier for them to qualify for disproportionate share payments under Medicare.
- Providing additional support for hospitals with a disproportionate share of indigent patients.

Home Health. The BBA hit home health agencies particularly hard. Home health spending dropped 45 percent between 1997 and 1999, while the number of home health agencies declined by more than 2000 over that period. MedPAC has cautioned against implementing next year the scheduled 15% reduction in payments. The Senate Democrats' BBA refinement proposal:

- Prevents further reductions in home health payments, takes into consideration the highest cost cases, and addresses the special needs of rural home health agencies.
- Improves payments for medical equipment.

Rural. Rural providers serve a larger proportion of Medicare beneficiaries and are more adversely affected by reductions in Medicare payments. The proposal addresses the unique situation faced in rural areas through a number of measures, including establishing a capital loan fund to improve infrastructure of small rural facilities, providing assistance to develop technology related to new prospective payment systems, creating bonus payments for providers who serve independent hospitals, and ensuring rural facilities can continue to offer quality lab services to beneficiaries.

Hospice. Payments to hospices have not kept up with the cost of providing care because of the cost of prescription drugs, the therapies now used in end-of-life care, as well as decreasing lengths of stay. Hospice base rates have not been increased since 1989. The Senate Democrats' BBA Refinement proposal provides additional funding for hospice services to account for their increasing costs.

Nursing Homes. The BBA was expected to reduce payments to nursing homes by about \$9.5 billion. The actual reduction in payments to SNFs over the period is expected to be significantly larger. A significant number of skilled nursing providers have gone into bankruptcy in the past two years. The Senate Democrats' BBA Refinement proposal:

- Allows nursing home payments to keep up with increases in costs.
- Further delays caps on the amount of therapy a patient can receive.

Medicare+Choice. Senate Democrats are committed to ensuring that appropriate payments are made to Medicare+Choice plans. In addition, for beneficiaries who have lost Medicare+Choice plans in their area, Senate Democrats have included provisions that strengthen fee-for-service Medicare and assist beneficiaries in the period immediately following loss of service.

Other Provisions. Access to other types of care and services are adversely affected by existing policy. The Senate Democrats' proposal will address high priority issues, including adequate payment for dialysis to assure access to quality care for end stage renal disease (ESRD) patients, training of geriatricians, and others.

Beneficiary Improvements. In addition to ensuring access to vital health care providers, the proposal includes refinements to Medicare that directly help beneficiaries. Senate Democrats continue to believe that passage of a universal, affordable, voluntary, and meaningful Medicare prescription drug benefit is of highest priority. Other improvements for beneficiaries include:

- Lowering beneficiary coinsurance in hospital outpatient departments more quickly.
- Removing current restrictions on payment for immunosuppressive drugs for organ transplant patients.
- Allowing beneficiaries to return to the same nursing home after a hospital stay.

Medicaid and SCHIP. Improvements to the BBA as well as to immigration and welfare reform legislation that passed in 1996 could mean significantly improved access to health care for a number of uninsured people. Improvements in the proposal include:

- Giving states the option to cover legal immigrant children and pregnant women.
- Improving eligibility and enrollment processes in SCHIP and Medicaid.
- Extending and improving the Transitional Medical Assistance program for people who leave welfare for work.
- Giving states grants to develop home and community based services for beneficiaries who would otherwise be in nursing homes.
- Creating a new payment system for Community Health Centers to ensure they remain a strong, viable component of our health care safety net.

PRESIDENT'S HEALTH CARE PROVIDER IMPROVEMENT INITIATIVE

As part of his Midsession Review budget, the President has proposed to dedicate \$21 billion over 5 years (\$40 billion over 10 years) to improve health care provider payments to ensure adequate reimbursement to hospitals, rural providers, teaching facilities, home health care agencies, nursing homes, managed care plans, and other providers. The proposal, designed to continue access to high-quality care, clearly illustrates that adequate financing for provider payments need not conflict with needed funding for a long-overdue and voluntary Medicare prescription drug benefit. It includes \$9 billion (\$19 billion over 10 years) in specific policies that are primarily designed to repeal Balanced Budget Act (BBA) payment reductions for 2001, many of which are scheduled to occur on October 1. It also includes \$11 billion (\$21 billion over 10 years) in unspecified funding for use in developing additional policies that target and/or permanent corrections to flawed BBA policies. The President remains committed to a comprehensive plan to make Medicare more competitive and efficient, add a long-overdue, voluntary prescription drug benefit, and transfer part of the on-budget surplus to the Hospital Insurance trust fund to help pay for the retirement of the baby boom generation. The improved status of the Medicare Trust Fund makes it possible to pay for provider payment restorations and help offset the cost of a prescription drug benefit while still achieving the President's Medicare reform goal of extending the Trust Fund's life to past 2030.

	Dollars in Billions, FY	
	<u>5 Years</u>	<u>10 Years</u>
HOSPITALS		
• Full inpatient hospital market basket for '01: ¹	\$4	\$8
• Indirect Medical Education at 6.5 percent for '01:	\$0.2	\$0.2
• Repeal Medicare DSH reduction for '01:	\$0.2	\$0.2
• Freeze in Medicaid DSH allotments for '01:	\$0.3	\$0.3
• Rural initiative [Reserve for Conrad, Blue Dog policies]:	\$0.5	\$1.0
• Adjusting Puerto Rico hospital payments to 75/25 blend: ¹	\$0.05	\$0.1
Total:	\$5	\$10
HOME HEALTH		
• Delay 15 percent cut in '02:	\$1	\$1
• Full market basket update for '01: ¹	\$1	\$2
Total:	\$2	\$3
NURSING HOMES		
• Full market basket update for '01: ¹	\$0.6	\$1
• Delay therapy cap changes for an additional year:	\$1	\$1
Total:	\$1	\$2
MANAGED CARE		
• Indirect effect of specified policies:	\$1	\$3
OTHER		
• ESRD composite rate update of 2.4% for '01: ¹	\$0.2	\$0.5
• Extending the BBA diabetes provisions for 5 years:	\$0.18	\$0.3
• Fully funding the Ricky Ray Trust Fund in '01:	\$0.5	\$0.5
Total:	\$1	\$1
TOTAL SPECIFIED POLICY COSTS:	\$9	\$19
UNSPECIFIED PROVIDER RESTORATION POOL:	\$11	\$21
TOTAL FUNDING:	\$21	\$40

NOTE: REVISED: 6/26/00. Numbers may not add due to rounding. In addition to these policies, the President will no longer include in his Medicare plan traditional provider payment reductions for '03-07, repeal of the BBRA managed care risk adjustment policy, and the bad debt and the preferred provider organization proposals. This reduces net Medicare savings by over \$30 billion over 10 years.

8-04-1995 0:04AM

FROM

P. 2

BILL THOMAS, CALIFORNIA, CHAIRMAN
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Medicare Reimbursement Provider Cost-Back File

COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

SUBCOMMITTEE ON HEALTH

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JANICE MATS, MINORITY CHIEF COUNSEL
BILL VAUGHAN, SUBCOMMITTEE MINORITY

April 14, 2000

The Honorable Gail Wilensky
Chair
Medicare Payment Advisory Commission
1730 K Street NW, Suite 800
Washington, DC 20006

Dear Madame Chair:

We were surprised to hear about the Commission's recommendation for an inpatient hospital update in the range of 3.5 to 4 percent. This is more than the hospital industry itself has been asking for in legislation. More importantly, we do not see the hard data that supports such a multi-billion dollar across-the-board increase.

Please provide us immediately with an analysis, in graph form and in numbers, of the increases in hospital costs (over the last five years and trended forward) compared to the market basket and the payment updates as provided by law. Are we correct in understanding that hospital costs are increasing at rates below the market basket? We would also like to know the actual increases in Medicare inpatient costs and payments, separating the impact of the reductions resulting from the 1997 Balanced Budget Act from changes in hospital case mix.

Second, since the Commission's recommendation will undoubtedly cause many hospital representatives to visit Congress requesting a higher update than current law or pending legislation provides, we would like to consider such updates with the benefit of hard data—not anecdotes. Please provide us data from 1996, 1997 and 1998 on Medicare cost per discharge and margins (inpatient Medicare, outpatient, most-of-Medicare, non-Medicare, and total) on a hospital-specific basis. We understand that these measures are calculated from publicly available information on the Medicare Cost Report, and will assist us in assessing whether an inpatient update is warranted.

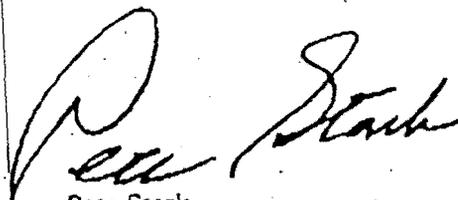
Additionally, since the data presented to the Commission are from the period prior to last year's Balanced Budget Refinement Act (BBRA), we are curious to know the impact of that legislation on margins in FY 2000 through FY 2002, including the impact on outpatient margins, PPS-exempt unit margins, and hospital-based home health and skilled nursing margins. We would like this information on a hospital-specific basis.

Yesterday's action will generate considerable pressure in Congress. We need an immediate response and hard statistical support from you and the Commission staff, if the Commission is to serve its purpose of helping Congress, rather than simply being an organized forum for the voice of self-interested lobbying.

Sincerely,



Bill Thomas
Chairman



Pete Stark
Ranking Minority



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

Medicare Redesign Premium Support

7500 SECURITY BOULEVARD
BALTIMORE MD 21244-1850

DATE: February 23, 2000

FROM: Richard S. Foster
Office of the Actuary

SUBJECT: Request from Representative Stark Regarding Proposed "Medicare Preservation and Improvements Act of 1999"

TO: Bill Vaughan
Ways and Means Health Subcommittee Minority Staff

This memorandum is in partial response to Representative Stark's request of December 1, 1999, for actuarial information regarding S. 1895, the "Medicare Preservation and Improvements Act of 1999," as introduced by Senators Breaux and Frist. Please convey my apologies to Mr. Stark for the delay in our response. At this time, we are still working on estimates of the impact of the Breaux-Frist bill on Medicare revenues and expenditures. Estimation of beneficiaries' choices of plans, as well as what plans would be offered, is complicated by the high- and low-option provisions of the bill and the constraints placed on plans' cost-sharing rules. We will, however, try to answer Mr. Stark's other questions on a preliminary basis.

Mr. Stark asked to what extent the proposal would increase premiums for fee-for-service beneficiaries relative to present law. The premium formula specified in S. 1895 is essentially the same as the one developed by the staff of the National Bipartisan Commission on the Future of Medicare. As an incentive for beneficiaries to enroll in more efficient plans, it would reduce premiums for plans with below-average costs and increase them for plans with above-average costs (including the traditional fee-for-service Medicare plan). The increase for fee-for-service beneficiaries would depend on (i) the proportion of beneficiaries in private plans (since greater private enrollment results in a lower weighted average premium), and (ii) the average cost for enrollees in private plans relative to fee-for-service beneficiaries, after adjustment for geographic and health-status differences. The comparison is also affected by the 12-percent factor used in the premium formula, as described below.

If the proposal had no impact on beneficiary enrollment in private plans, compared to present law enrollment in 2003, then we estimate that the standard-option fee-for-service premium would be about 47 percent greater than the SMI premium under present law. This increase can be allocated as follows:

Increase due to operation of premium formula.....	25%
Increase due to use of 12% factor in premium formula, versus estimated 9.8% beneficiary cost under present law in 2003.....	22%
Total impact.....	<u>47%</u>

As noted above, we have not yet been able to estimate the impact of S. 1895 on the proportion of beneficiaries enrolled in private plans; therefore the impact on fee-for-service premiums shown

above is illustrative. Through the action of the premium formula, an increase in the private enrollment proportion relative to present law would tend to further increase fee-for-service premiums, by lowering the weighted average premium. Under the Medicare Commission's two alternative proposals, enrollment was estimated to increase by about 6 to 8 percentage points but the impact of the current bill could be significantly different.

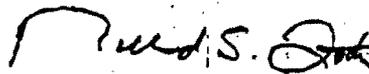
As indicated above, a substantial part of the illustrative increase in fee-for-service premiums is due to the 12-percent factor in the premium formula, rather than the actual level of SMI premiums as a percentage of total Medicare costs (currently estimated to be 9.8 percent in 2003). The Medicare Commission's intent was for beneficiaries in average-cost plans to pay the same proportion of total Medicare costs as would happen under present law (once the home health costs transferred to SMI have been fully reflected in the SMI premium). This proportion had been estimated at roughly 12 percent at the time of the Commission's deliberations. Under current projections, the present law percentage is estimated to increase gradually from about 10.1 percent in 2004 (when the home health cost is fully reflected) to an estimated 10.8 percent in 2010.

Mr. Stark also asked about the cost of high-option coverage compared to the standard option. In the absence of antiselection by beneficiaries, we estimate the following costs and premiums under the proposal for fee-for-service beneficiaries in 2003 (for beneficiaries with incomes above the section 2229 threshold):

Coverage	Monthly cost	Monthly premium	Annual cost	Annual premium
Standard option	\$564.00	\$81.45	\$6,768	\$977
+ catastrophic coverage	45.83	45.83	550	550
+ drug coverage	76.67	57.50	920	690
Subtotal, additional coverages	122.50	103.33	1,470	1,240
High option	\$686.50	\$184.78	\$8,238	\$2,217

In practice, however, it is very likely that beneficiaries choosing high-option plans would tend to have greater health care costs than those choosing standard-option plans. This result could increase the cost of the supplementary coverage substantially, causing high-option plans to face a terminal "antiselection spiral" with steadily increasing premiums and declining enrollment. Limiting enrollment in high-option plans to a one-time opportunity at initial eligibility would substantially reduce or eliminate this problem and we understand that Senators Breaux and Frist have specified this modification to their original bill.

We cannot comment at this time about the financial status of the Medicare program or its general revenue financing requirements under the bill, since we have not yet been able to estimate the program savings. Please let us know if you have any questions about the preliminary estimates shown in this memorandum.


 Richard S. Foster, F.S.A.
 Chief Actuary

GAO

Testimony

Before the Committee on Finance, U.S. Senate

For Release on Delivery
Expected at 10:00 a.m.
Thursday, February 24, 2000

MEDICARE REFORM

Leading Proposals Lay
Groundwork, While Design
Decisions Lie Ahead

Statement of David M. Walker
Comptroller General of the United States



GAO

Accountability * Integrity * Reliability

Table 1: Under Both Versions of Competitive Approach, Medicare and Beneficiaries Can Enjoy Direct Savings

	Medicare+Choice	President	Breaux-Frist
Payment rates	Administratively determined, largely based on fee-for-service (FFS) costs	Plans determine own premium for providing Medicare-covered benefits	Plans determine own premium for providing benefits
Maximum government contribution	About 89% of administratively determined payment rate ^a	- For private plans, 85% of traditional Medicare cost ^b - For traditional Medicare, about 89% of cost	88% of national average premium, includes HCFA-sponsored FFS plan ^c
Beneficiary contribution	- Monthly part B premium to Medicare - May pay additional premium to plan	- Difference between private plan premium and government contribution - Nothing for private plans with premiums below about 80% of FFS cost - If in traditional FFS, approximately 11% of per capita program cost	- Difference between plan premium and government contribution - Nothing for plans with premiums at or below 85% of national average
Impact on beneficiary if enrolled in plan with relatively high costs	- Pay monthly part B premium to Medicare - Pay premium to plan	- Pay premium	- Pay premium
Impact on beneficiary if enrolled in plan with relatively low costs	Pay monthly part B premium to Medicare Pay little or no premium to plan Receive extra benefits	- Pay little or no premium	- Pay little or no premium
Impact on Medicare if beneficiary enrolled in plan with costs below maximum government contribution	None; savings flow to plan and beneficiaries	Receives portion of savings	Receives portion of savings

^aNet effect, government payments offset by beneficiary part B premiums (assumed to total about 11 percent of FFS costs).

^bNet effect, maximum government payment set at 96 percent of average FFS cost offset by beneficiary part B premiums revenue (assumed to equal about 11 percent of FFS costs).

^cPlans submit premium for benefit package that may include benefits not covered by Medicare. Medicare Board determines the portion of the premium associated with Medicare-covered benefits and uses that amount to compute the enrollment-weighted national average.

One major difference between the two proposals concerns how the beneficiary premium would be set for those who remained in the traditional fee-for-service program. Under Breaux-Frist, there would be no separate part B premium. All plans—including traditional Medicare—would calculate a total premium expected to cover the cost of providing

Table 2: Simulation Showing Similarities Between Two Proposals in Monthly Premium Contribution Amounts

	Total per capita premium	Beneficiaries enrolled	President's Proposal		Breaux-Frist Proposal	
			Beneficiary contribution	Government contribution	Beneficiary contribution	Government contribution
Private plans	\$450 ^a	17%	\$33 (7.2%)	\$418 (92.8%)	\$26 (5.7%)	\$424 (94.3%)
Traditional FFS	\$500	83%	\$55 (11.0%)	\$445 (89.0%)	\$67 (13.5%)	\$433 (86.5%)
Overall average			\$51 (10.3%)	\$440 (89.7%)	\$60 (12.2%)	\$431 (87.8%)

^aPrivate plan premium is a hypothetical example that assumes plans could provide Medicare-covered benefits for 90 percent of the costs incurred by the fee-for-service program.

Source: GAO analysis.

This is 720 percent more than current law

Over the longer term, larger differences will emerge only if private plans decide to compete aggressively on the basis of price for market share or traditional fee-for-service Medicare becomes significantly less able to control the growth of costs relative to private plans. Although the premium support proposals are intended to slow health care spending through competition, it is not certain that this will occur. Private plans may very well find that their most profitable strategy is to "shadow price" (set prices only slightly under) traditional Medicare and be satisfied with smaller market share. (Paradoxically, serving larger numbers of beneficiaries could lead to higher costs and less profit.)

The greater ability of private plans to control cost growth and thereby offer significantly lower premiums is not a foregone conclusion. Medicare's fee-for-service cost containment record over the longer term has not differed substantially from that of the private sector. In some periods, Medicare's cost growth has been lower; in others, higher. Today, actually, we are witnessing a resurgence of cost growth in private plans, while Medicare spending projections have flattened.

Prudent Purchasing Strategies for Traditional Medicare

More than 80 percent of Medicare beneficiaries currently receive their health care coverage through the traditional fee-for-service program. Both leading reform proposals recognize the importance of this program to beneficiaries and would ensure its continued availability nationwide. They also recognize that controlling the growth of overall Medicare spending requires a more efficient traditional program. Consequently, both proposals seek to make Medicare a more prudent purchaser of health care by introducing modern cost control strategies.

CBO Estimate of Effect of Medicare Provisions in President's Budget for 2001 on Mandatory Spending ^{3/18/2000} + R

In billions of dollars, by fiscal year

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2001- 2005	2001- 2010
Premiums (dollars per month, by calendar year)													
Premiums: Current Law	45.50	49.30	53.20	58.60	64.20	69.70	74.70	79.40	84.20	89.70	95.10		
President's Budget													
Part B	45.50	48.90	52.60	57.80	63.20	68.40	73.30	77.90	82.50	87.80	93.00		



Greater New York Hospital Association

555 West 57th Street / New York, N.Y. 10019 / (212) 246-7100 / FAX (212) 262-6350
Kenneth E. Raske, President

November
Twenty Nine
1999

The Honorable William Jefferson Clinton
The White House
Washington, D.C. 20500

Dear President Clinton:

On behalf of the Greater New York Hospital Association, I want to thank you and your excellent staff for helping secure much-needed relief from the Medicare cuts imposed by the Balanced Budget Act of 1997.

Your support for relief of the nation's teaching hospitals was a great help to our effort to ensure that America's teaching hospitals remain the envy of the world. The bill you are signing today will stop further cuts in Medicare indirect medical education funding in FY 2000 and will greatly reduce the scheduled cut in FY 2001. This provision alone will prevent a further \$157 million in Medicare reductions to teaching hospitals in New York State over the next two years.

We are also grateful for your efforts and the efforts of your staff on direct medical education. Although the agreement does contain a funding formula change that will reduce Medicare payments to many hospitals in New York State over the next six years, the final proposal is a vast improvement over the proposal that passed the House on November 5, 1999. It is only due to your efforts and the efforts of the New York Congressional delegation that this provision was improved. We look forward to working with you to secure further improvements in the future.

Please communicate our gratitude to your excellent staff, particularly Chris Jennings, who acquitted himself admirably throughout the process.

Again, we thank you for your extraordinary efforts on behalf of the nation's teaching hospitals, New York's health care community and, most importantly, our patients.

Sincerely,

Kenneth E. Raske
President

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November 22, 1999

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Chief Executive Officer

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The Honorable William Jefferson Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, N.W.
Washington, D.C. 20500

Dear President Clinton:

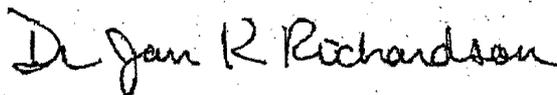
On behalf of the more than 70,000 members of the American Physical Therapy Association (APTA), I am writing to express our sincere appreciation for your support of recent Congressional action, relieving Medicare beneficiaries from the inequities of the \$1,500 cap on outpatient physical therapy services. As you know, this cap was imposed as part of the Balanced Budget Act of 1997.

At the end of the First Session of the 106th Congress, as part of H.R. 3194, Congress placed a moratorium on the \$1,500 caps for 2000 and 2001. This moratorium ensures that Medicare beneficiaries will be able to access necessary physical therapy services regardless of the setting in which they receive their care.

The moratorium also provides the Secretary of the U.S. Department of Health and Human Services the necessary time to develop appropriate mechanisms that can permanently replace arbitrary limits on patient care. APTA looks forward to working with the Department to assist its efforts in this area.

Again, thank you for resolving this issue on behalf of Medicare beneficiaries and the physical therapists that treat them.

Sincerely,



Dr. Jan K. Richardson, PT, OCS
President

CSM 2000
Combined Sections Meeting
February 2-6
New Orleans, LA

Physical Therapy 2000:
The Annual Conference
& Exposition of the
American Physical Therapy
Association
June 14-18
Indianapolis, IN

Health Care Officials Praise President Clinton for Signing Bill to Restore Medicare Funding for Sickest Beneficiaries

Legislation Will Provide Temporary Relief for Patients Needing Skilled Nursing Care

Washington, D.C. – The American Health Care Association today praised President Clinton for taking “an important step” to protect America’s sickest seniors by signing the Omnibus Bill into law which would restore more than \$2.5 billion in Medicare funding for skilled nursing care. The legislation was called by AHCA “a life preserver thrown to critically ill seniors in the nick of time.”

The legislation addresses Medicare cuts that threatened patient access to skilled nursing care for seriously ill elderly. Among the patients helped by this legislation are those needing ventilator care, intravenous drug therapy, chemotherapy and dialysis. The legislation also will eliminate for two years government-mandated caps on physical, speech and occupational therapy. Many elderly patients quickly run into the government caps before they have fully recovered from stroke or hip fractures.

“The Clinton Administration has played an essential role in rescuing America’s sickest and most vulnerable senior citizens from the impact of deep cuts in Medicare,” said AHCA Legislative Counsel Bruce Yarwood. “America’s sickest Medicare beneficiaries, their families and caregivers, owe Congress and the President a debt of gratitude.”

“President Clinton said in his State-of-the-Union address earlier this year that ‘we must invest in long term care.’ The President, staying true to his word, has demonstrated genuine *concern for* and *commitment to* the growing number of elderly citizens who rely on Medicare for skilled nursing care by signing this bill into law. We must now make this temporary fix permanent.” Yarwood said. “We’ve come a long way, but the job is far from finished. We look forward to continuing our work with Congress and the Administration to address other issues facing America’s seniors, such as long term care insurance protection, quality and continued Medicare protection.”

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The American Health Care Association is a federation of affiliated associations, representing more than 12,000 non-profit and for-profit nursing facilities, assisted living residences, and subacute care centers that provide care to more than one million elderly and disabled individuals nationally.

President Clinton: Providing Strong Leadership At Home And Abroad

November 29, 1999

This month, President Clinton's strong leadership in both domestic and foreign affairs was clear. The President: reached a budget agreement that reflected his priorities and the American people's values; brokered an historic agreement to bring China into the World Trade Organization and rules-based trade; put the Good Friday Peace Accords back on track in Northern Ireland; brokered an agreement for peace talks between Turkey and Greece over Cyprus, and signed an agreement that will improve US energy security through the building of a Caspian energy pipeline.

□ The Budget Agreement: A Hard Fought Victory for the American People

President Clinton insisted that Congress keep working on its budget until key priorities were addressed, including maintaining fiscal discipline, paying down the debt and making investments in our people. This budget reflects *all* of those priorities. The President won:

- ✓ A victory for our children with investment in 100,000 new qualified teachers to reduce class size.
- ✓ A victory for safer neighborhoods with investment in up to 50,000 new police officers.
- ✓ A victory for a cleaner environment through investment in the President's "Lands Legacy" initiative to preserve natural areas and removal of anti-environmental "riders."
- ✓ A victory for Americans with disabilities through passage of the Jeffords-Kennedy-Roth-Moynihan legislation allowing Americans with disabilities to rejoin the work force without losing health care.
- ✓ A victory for American national interests through payment of UN dues and investment in the Middle East peace process, safeguarding of nuclear arms, and debt relief for impoverished nations

□ China-WTO Agreement: An Historic Trade Agreement with China

For 13 years, the United States has been working to bring China into the system of rules-based trade. Earlier this month, the team of negotiators President Clinton dispatched to China reached an historic agreement paving the way for China to join the World Trade Organization. The agreement furthers US economic interests, opening Chinese markets to American goods, slashing Chinese tariffs, leveling the playing field for American businesses and protecting American workers from dumping. The deal also promotes US national security interests, opening Chinese society to democracy, human rights and the rule of law.

□ Northern Ireland: Putting the Good Friday Peace Accords Back on Track

After months of stalemate and painstaking negotiation, the President Clinton's Representative to the Northern Ireland peace talks, former Senate Majority Leader George Mitchell, announced a significant breakthrough this week. The blueprint for peace announced by Senator Mitchell will lead to the formation of shared political institutions and the start of the disarmament process at the earliest possible date. The Good Friday Peace Accords are back on track.

□ Cyprus: Brokering an Agreement for New Peace Talks

Settling the decades long-conflict between our two allies, Turkey and Greece, over the political status of Cyprus is a high priority on the President's foreign policy agenda. Tireless mediation – and President Clinton's personal involvement – bore fruit last week as leaders from both sides agreed the peace talks. Due to President Clinton's leadership, there is new hope for peace in Cyprus.

□ Caspian Oil Pipeline: Signing an Agreement to Strengthen Energy Security

The Clinton Administration has worked since 1994 to develop secure energy and gas pipelines from the Caspian Sea to the Mediterranean to ensure that Americans have access to these important energy resources. Last week, President Clinton brokered a landmark agreement that takes an important step towards this goal. The agreement signed in Istanbul, Turkey ensures the free flow of oil and gas to the world market, offers new commercial opportunities for U.S. companies, enhances cooperation among the countries of the region, and provides an environmentally safer way to transport oil and gas.

PRESIDENT CLINTON SIGNS A BUDGET THAT MADE PROGRESS ON AMERICA'S PRIORITIES, BUT ENCOURAGES CONGRESS TO ACT ON AMERICA'S UNFINISHED BUSINESS

November 29, 1999

Today President Clinton will sign the Consolidated Appropriations Act for Fiscal Year 2000, providing funding for education, public safety, the environment, international leadership, health care and other priorities. In his speech, the President will prod Congress to act on America's unfinished business when it returns in January.

PROTECTING FISCAL DISCIPLINE AND PAYING DOWN THE DEBT. The budget represents a victory for President Clinton's stand for fiscal discipline. Between 1981 and 1992, the debt quadrupled. In 1992 the deficit was \$290 billion and projected to rise to over \$400 billion in 1999. As a result of the tough and sometimes unpopular choices made by President Clinton in 1993 and 1997, we have seen seven consecutive years of fiscal improvement for the first time in America's history, bringing last year's budget to a unified surplus of \$124 billion – the largest ever. Throughout the year, the Republicans have been proposing fiscally irresponsible tax cuts that would have jeopardized this record of fiscal discipline. In September, the President vetoed a Republican tax cut that would likely have drained hundreds of billions of dollars of the Social Security surplus from debt reduction. As a result of the President's stand, America will stay on course to pay off the debt held by the public by 2015 – for the first time since Andrew Jackson was President.

A VICTORY FOR AMERICA'S STUDENTS. After vetoing a Congressional budget that denied funding to priority education and training investments, President Clinton and Vice President Gore delivered on their ambitious education agenda.

- ✓ **More High-Quality Teachers With Smaller Class Sizes:** Following on a new initiative by the President last year, the bill includes \$1.3 billion for a bipartisan plan to help reduce class size in the early grades by hiring 100,000 quality teachers over the next six years.
- ✓ **Accountability for the Lowest Performing Schools:** \$134 million in Title I funds for this new initiative to help turn around the worst-performing schools and hold them accountable for results.
- ✓ **Double Funding for After School:** \$453 million for after school, providing support to 675,000 students – 375,000 more than last year.
- ✓ **GEAR UP:** A 67 percent increase to \$200 million for the President's GEAR UP initiative, which helps 482,000 students aspire to and prepare for college – the second year of this new initiative.
- ✓ **Expanded Head Start:** A \$607 million increase for Head Start to serve an additional 44,000 children. Total funding is \$5.3 billion – 90 percent higher than 1993.
- ✓ **Hispanic Education Agenda:** \$436 million in increases for a number of education programs that help to improve the educational achievement and high dropout rates of Latino students.
- ✓ **Largest Pell Grant Maximum Award Ever:** Increased to \$3,300 – a 43 percent increase since 1993.

FIGHTING CRIME, DRUGS, AND GUNS. To keep crime coming down to record lows, President Clinton fought for important investments in the budget to build on the Administration's successful community policing initiative, including funds to put more police on the street and critical resources to strengthen law enforcement efforts to keep communities safe.

- ✓ **More Police for Our Streets:** The bill contains full funding for the first installment toward the President's goal to fund the hiring of up to 50,000 more police officers for our Nation's streets by

2005. The initiative builds on the President's successful COPS program that has already funded 100,000 police officers to help keep America's streets safe.

INVESTING IN A CLEANER ENVIRONMENT. President Clinton and Vice President Gore won significant gains for the environment in the fiscal year 2000 budget, including new resources to combat water pollution, protect wildlife, address global warming, and preserve precious lands across the country. At the same time, the President and Vice President forced Congress to drop or substantially modify dozens of anti-environmental riders that would have rolled back hard-won environmental safeguards and benefited special interests at the expense of our public lands.

- ✓ **Preserving Our Lands Legacy:** The President and Vice President won \$651 million for Lands Legacy, a 42 percent increase for this historic initiative that strengthens federal efforts to preserve natural treasures and provides communities with new resources to protect local green spaces.

MAINTAINING AMERICA'S GLOBAL LEADERSHIP. The Republican Congressional budget would have turned its back on America's leading role in the world by not providing funds for peace in the Middle East, leadership at the United Nations, economic development in the poorest countries, and efforts to halt the spread of nuclear weapons. The President fought for and secured victories to strengthen America's leading role in the world:

- ✓ **Promoting Peace in the Middle East:** The Congress fully funded the President's \$1.8 billion request arising from the Wye River Agreement.
- ✓ **Maintaining Leadership at the United Nations:** In an agreement reached between the President and Congress, the United States will now be able to avoid losing its vote, encourage needed reforms at the UN, and repay \$926 million owed to the UN.
- ✓ **Debt Relief for Poor Countries:** The bill provides \$110 million to fund reduction of debts owed to the U.S. government by the poorest developing countries.
- ✓ **Reducing the Nuclear Weapons Threat and Building Democracy in Russia and the Newly Independent States:** The final bills provide \$1.5 billion across the government to fund critical efforts in Russia and the Newly Independent States to reduce the threat of nuclear weapons, to promote democracy, private enterprise, and free speech, and to generally assist in the transition these countries are undertaking.
- ✓ **More Funding for President Clinton's Child Labor Initiative:** The Congress fully funded the President's \$30 million request – maintaining the 10-fold increase from the \$3 million funding in 1998.

PROGRESS ON THE NEW MARKETS INITIATIVE: In his State of the Union, President Clinton proposed to bring more private investment to all areas of the United States. The President and Congressional Leaders have agreed to work together to enact bipartisan legislation to help spur economic development in urban and rural communities that have not shared fully in the benefits of the nation's strong economy. The New Markets initiative enjoys bipartisan support.

- ✓ **Funding America's Private Investment Companies (APICs):** Provides \$20 million of funding for APICs (subject to authorization), a key element of the President's New Markets Initiative, that would leverage \$800 million of new investment in underserved areas.
- ✓ **New Markets Venture Capital Program:** Provides, subject to authorization, \$16.5 million in funding for New Market Venture Capital Firms (NMVCs) and BusinessLINC to bring equity capital and technical assistance to small businesses in low- and moderate-income neighborhoods.

ADDRESSING HEALTH CARE. The President won a \$34.5 billion investment in health programs, 11.7 percent above the FY 1999 enacted level, to strengthen the public health infrastructure, provide critical prevention and treatment services to individuals with mental illness, invest in pediatric training programs, and advance biomedical research with a historic investment of \$2.3 billion. The bill also invests \$16 billion over 5 years to address the flawed policy and excessive payment reductions resulting from the Balanced Budget Act (BBA) of 1997. It lifts caps on therapy services, increases payments for very sick nursing home patients, restores teaching hospital funding, and extends coverage of drugs that prevent rejection of organ transplants, among others.

A STRONG RESEARCH AND DEVELOPMENT AGENDA: The bill includes an unprecedented commitment to key civilian research. The bill increases the President's "21st Century Research Fund" for civilian research programs by more than \$3 billion.

- ✓ **National Science Foundation:** A 6.6 percent increase in support for science and engineering research and education.
- ✓ **National Institutes of Health:** Provides \$2.3 billion, a 15 percent increase over FY 1999 funding levels, to build on the President's commitment to biomedical research.
- ✓ **Information Technology:** The bill includes more than \$80 million in funding for the Next Generation Internet and \$235 million for the Administration's "Information Technology for the 21st Century" initiative.

MUCH WORK STILL LEFT TO DO

- × **Passing Common Sense Gun Legislation:** Congress must pass a bipartisan juvenile crime bill that includes strong gun measures to: close the gun show loophole; require child safety locks for handguns; ban the importation of large capacity ammunition clips; and bar violent juveniles from owning guns for life.
- × **Passing a Strong, Enforceable, Patients' Bill of Rights:** During the past two years, the President has exercised his executive authority to extend critical patient protections to over 85 million Americans. But ultimately, the only way to ensure that all Americans in all plans have basic consumer protections is to enact a strong, enforceable Patients' Bill of Rights.
- × **Strengthening Social Security:** The Republicans have proposed so-called "lockbox" legislation that would not add a single day to the life of Social Security; the President has asked them to join him in using the benefits of fiscal discipline to extend the life of Social Security from 2034 to 2050.
- × **Modernizing and Strengthening Medicare:** Although members of both parties joined the President and Vice President in the effort to adjust Medicare health care provider payments, Congress failed to address the growing challenges that Medicare faces. These challenges include modernizing it with a long overdue, optional prescription drug and giving Medicare the adequate resources and tools to be as efficient as possible.
- × **Raising the Minimum Wage:** The Congress has failed to pass a clean, straightforward bill to increase the minimum wage by \$1 over two years – a step that would simply restore it to the 1982 inflation-adjusted level. Instead, the Senate attached the minimum wage increase to fiscally irresponsible tax giveaways for special interests.
- × **Expanding Federal Hate Crimes Laws:** The President and Vice President have called for a bill that would make it easier to prosecute crimes based on race, color, religion and national origin; and that would also include crimes based on sexual orientation, gender and disability.



November 29, 1999

The Rose Garden

12:25 P.M. EST

*formal
signing
statement
not done yet.*

THE WHITE HOUSE
Office of the Press Secretary

For Immediate Release
November 29, 1999

REMARKS BY THE PRESIDENT
AT BILL SIGNING CEREMONY FOR
THE OMNIBUS APPROPRIATIONS ACT FOR FY 2000

The Rose Garden

12:25 P.M. EST

THE PRESIDENT: Thank you. Good afternoon. Please be seated. I want to welcome the members of Congress who are here, members of the Cabinet, the police officers and teachers who are shielding me from the cold wind -- (laughter) -- and who represent the big winners in this year's budget. I would like to say a special word of thanks to Jack Lew, Sylvia Mathews, Larry Stein, and Martha Foley for the work that they did on this budget. (Applause.) And I know that many members of the Senate and the House who are here brought their staff members who worked on the budget -- I want to thank them for their work, as well.

Last January, in my State of the Union address, I asked our Congress to use this truly historic time of peace and prosperity to meet our generation's responsibilities to the new century; to extend our economic prosperity, improve our education system, make our streets safer, protect our environment, move more Americans from welfare to work, prepare for the aging of our nation, and strengthen our leadership in the world. The first budget of the 21st century was a long time in coming, but it goes a very long way toward fulfilling those historic responsibilities.

Though it leaves some challenges unmet, it represents real progress. It is a budget for a government that lives within its means and lives up to the values of the American people. We value prosperity, and this budget will help to extend it. It maintains the fiscal discipline that has turned deficits into surpluses, and gives us what will be in February the longest economic expansion in the history of the United States.

It avoids risky tax cuts that would have spent hundreds of billions of dollars from the Social Security surplus and drained our ability to advance education and other important public purposes.

The budget keeps us on track toward paying down the debt, so that

in 15 years our nation will be debt-free, for the first time since 1835. This will mean lower interest rates and greater growth for a whole generation of Americans.

We value education, and this budget truly puts education first, continuing our commitment to hire 100,000 highly-qualified teachers to lower class size in the early grades -- which common sense and research both tells us leads to improved learning.

The budget also helps to fulfill another promise I made last winter, to encourage more accountability for results in our nation's schools. Under this budget, for the first time, we will help states and school districts turn around or shut down their worst-performing schools -- schools that year after year fail to give our most disadvantaged students the learning they need to escape poverty and reach their full potential. And the budget provides further help for students to reach higher standards by doubling funds for after-school and summer school programs, which will enable us to reach hundreds of thousands of more students, and by increasing support for mentoring programs, including the GEAR UP program to help students go on to college.

We value the safety of our families, and this budget will make America a safer place. It invests in our COPS program, which already has funded 100,000 community police officers and helped to give us the lowest crime rate in 25 years. This agreement will help to hire up to 50,000 more community police officers, targeted in neighborhoods where the crime rates still are too high.

We value the environment, and this budget protects the environment and preserves our precious natural heritage. It includes our historic Lands Legacy Initiative to set aside more of our magnificent natural areas and vital greenspaces, and does not include destructive, anti-environmental riders.

We value quality health care, and this budget includes historic investments in biomedical research, mental health, pediatric training and other areas. And it ensures that hospitals and other medical providers will have the resources they need to provide the 39 million elderly and disabled Medicare beneficiaries with the quality health care that they need and deserve.

Finally, we value America's role of leadership in the world, and this budget strengthens that role, with greater investments in our nation's strong defense and our nation's diplomacy, by paying our dues and arrears to the United Nations, meeting our commitments to the Middle East peace process, providing debt relief for the poorest countries of the world, and funding efforts to safeguard nuclear weapons and expertise in Russia.

Let me thank the leaders of both parties for their roles in this agreement. We had a lot of late night, long phone calls which led to it. I thank the leaders of the relevant committees and subcommittees for their special efforts in this regard. And, of course, I want to say a special word of thanks to the leaders and members of my party in both houses who strongly supported my efforts for the 100,000 teachers, the 50,000 police, the investments in the environment and paying the U.N. dues.

As we celebrate what we've accomplished, I ask us all to be humble and mindful of what we still have to accomplish: To give all Americans in all health plans the protections they need, we still need a strong, enforceable patients' bill of rights. To curb gun violence and keep firearms out of the hands of criminals and children, we still need sensible gun safety legislation -- to close the gun show loophole in the Brady law; to ban the importation of large ammunition clips; to include the requirement for child trigger locks in a juvenile Brady bill.

To build one America with freedom and justice for all, we should pass the Hate Crimes Prevention Act. To meet the challenge of the aging of America, we must extend the life of the Social Security trust fund, well beyond the years of the baby boomers' retirement, lift the earnings limitation, and alleviate poverty among older women on Social Security.

To ensure the health of our seniors in the years to come, we must secure and modernize Medicare, including a voluntary prescription drug benefit. To make sure hard-working Americans have a place at the table of our prosperity, we must pass a New Markets Initiative to give Americans the

same incentives to invest in poor areas they have to invest in poor areas around the world. We must raise the minimum wage and increase our support for quality child care.

In the weeks and months ahead, we can achieve these vital goals if we keep in mind that the disagreements we have are far less important than our shared values and our shared responsibility to the future. With this budget, we have helped to begin that future.

Again, let me thank the leaders and the members in Congress in both parties that contributed to a budget that passed with large majorities in both houses and both parties. I am proud to sign a bill that I believe will give us a stronger, better America in the 21st century.

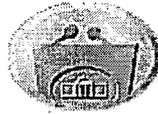
I'd like to now invite the members of Congress to come up and stand with me, and then I'd like to ask the police officers and the teachers to come in behind the members of Congress, and we'll sign the budget.

Thank you very much. (Applause.)

END 12:40 P.M. EST

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Draft 11/28/99 4:00 p.m.
Glastris

*Paul G. says
this is the
final.*

**PRESIDENT WILLIAM J. CLINTON
REMARKS AT BUDGET BILL SIGNING
ROSE GARDEN, THE WHITE HOUSE
WASHINGTON, DC
November 29, 1999**

Acknowledgments:

Last winter, in my State of the Union address, I called on Congress to use this time of peace and prosperity to meet our generation's historic responsibility to the 21st Century. To extend our economy prosperity, to make our streets safer, to improve education, to protect our environment, to move more Americans from welfare to work, and to strengthen America's leadership role in the world.

The budget I am about to sign does all that and more. This first budget of the 21st Century was a long time in coming, but it goes a long way towards fulfilling our responsibilities to the future. And though it leaves some challenges unmet, it also represents real progress. It is a budget for a government that lives within its means and lives up to the values of the American people.

We value prosperity, and this budget will help extend our prosperity. It maintains the fiscal discipline that has turned deficits into surpluses and given us what, in February, will be the longest economic expansion in U.S. history. It avoids risky tax cuts that would have spent hundreds of billions of from the Social Security surplus. Instead, this budget keeps us on track towards paying down the debt so that in 15 years America can be debt free for the first time since 1835. That will mean lower interest rates and greater economic growth in the future.

We value education, and this budget puts education first. Common sense tells us, and research reminds us, that smaller classes mean more learning for individual students. That's why I stood firm for our commitment to hire 100,000 highly qualified teachers to lower class size in the early grades. I am pleased that Congress has agreed to fulfill that promise.

This budget also helps fulfill another promise I made last winter: to encourage more accountability for results in our nation's schools. Under this budget, for the first time, we will help states and school districts turn around or shut down their worst-performing schools—schools that year after year fail to give our most disadvantaged students the learning they need to escape poverty and reach the middle class. And this budget provides further help for students to reach high standards by doubling funds for after school and summer school programs.

We value the safety of our families, and this budget makes America a safer place. It invests in our COPS program, which already has funded 100,000 community police officers for our streets and helped to give us the lowest crime rate in 25 years. This agreement will help to hire up to 50,000 more community police officers targeted to neighborhoods where crime rates are still too high.

We value the environment, and this budget protects the environment and preserves America's precious natural heritage for future generations. It includes our historic Lands Legacy initiative to set aside more of America's magnificent natural areas and vital green spaces. And I am very pleased we successfully opposed anti-environmental riders that put special interest above the national interest.

We value quality health care, and this budget includes historic investments in biomedical research, mental health, pediatric training, and other areas. And it ensures that hospitals and other medical providers will have the resources they need to provide 39 million elderly and disabled Medicare beneficiaries with the quality health care they need and deserve.

Finally, we value America's role of leadership in the world, and this budget strengthens that role, through greater spending for national defense as well as diplomacy. It pays our dues and arrears to the United Nations, meets our commitments to the Middle East peace process, provides debt relief for the poorest countries of the world, and funds efforts to safeguard nuclear weapons and expertise in Russia.

I want to thank the leaders of both parties for their roles in this agreement, and I want to say a special word of thanks to the Democratic leaders and the members of my party in both houses. Without you, our struggle for 100,000 teachers, 50,000 police, greater investments in the environment and paying our U.N. dues could simply not have succeeded.

As we celebrate what we have accomplished, let us also be mindful of what we must still accomplish. To give Americans in all health plans the protections they need, we must pass a strong, enforceable Patients bill of rights. To curb gun violence and keep firearms out of the hands of children and criminals, we must pass sensible gun safety legislation. To build One America with freedom and justice for all, we must pass the Hate Crimes Prevention Act. To extend the life of Social Security to well beyond the years of the baby boomers' retirement, we should pass my plan to strengthen Social Security. To ensure the health of our seniors for years to come, we must secure Medicare and modernize it with a voluntary prescription drug benefit. And to make sure more hard-working Americans have a place at the table of our prosperity, we must raise the minimum wage.

These are vital goals. And in the weeks and months ahead, we can reach them, if we keep in mind that the disagreements we may have are far less important than the responsibility we share to build a better future for our children. With this budget, we

have already begun to build that future. So let this budget be our inspiration to work together, for a better, stronger America in the 21st Century.

I would now like to invite the teachers and police officers here with us today to join me for the signing.



New York Hospital File

FACSIMILE TRANSMISSION

Greater New York Hospital Association

555 West 57th Street / New York, N.Y. 10019 / (212) 246-7100 / FAX (212) 262-6350
Kenneth E. Raske, President

Date: 11-24-99

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TO: Chris Jennings
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Fax Number 212/262-6350

Hard Copy [] will [] will not be sent by mail.

Total Fiscal Impact of the BBA Relief Bill

			2000	2001	2002	2003	2004	2005	6-Year Total
330381	Bayley Seton Hospital	New York City	372,787	768,831	581,075	324,783	135,868	135,868	2,319,212
330204	Bellevue Hospital Center	New York City	408,426	716,635	112,412	-	-	-	1,237,474
330169	Beth Israel Medical Center	New York City	3,096,206	3,491,975	(837,485)	(1,858,026)	(2,596,616)	(3,364,102)	(2,068,048)
330009	Bronx Lebanon Hospital Center	New York City	543,567	959,785	155,725	-	-	-	1,659,077
330233	Brookdale University Hospital and Medical Center	New York City	781,765	1,303,473	145,911	-	-	-	2,231,149
330056	Brooklyn Hospital Center (The)	New York City	1,282,147	2,259,708	818,908	388,579	168,145	168,145	5,085,632
330133	Cabrini Medical Center	New York City	975,461	1,788,057	1,003,057	618,058	273,039	273,039	4,930,711
330357	Catholic Medical Center (Excl. St. Mary's)	New York City	2,510,394	4,410,507	1,746,521	263,449	(840,294)	(1,151,720)	6,938,857
330196	Coney Island Hospital	New York City	321,163	562,450	87,307	-	-	-	970,920
330212	Doctors' Hospital of Staten Island, Inc.	New York City	76,554	153,108	140,932	123,438	56,768	56,768	607,566
330128	Elmhurst Hospital Center	New York City	330,268	566,350	77,555	-	-	-	974,173
330240	Harlem Hospital Center	New York City	229,468	121,805	(533,668)	(847,066)	(1,079,312)	(1,320,693)	(3,429,367)
330389	Hospital for Joint Diseases Orthopaedic Institute	New York City	282,954	374,778	(10,418)	(90,615)	(193,451)	(262,277)	100,971
330270	Hospital for Special Surgery	New York City	859,320	1,282,575	230,191	(26,787)	(326,568)	(434,589)	1,584,141
330397	Interfaith Medical Center	New York City	560,567	1,108,393	579,973	287,205	112,907	112,907	2,759,951
330127	Jacobi Medical Center	New York City	411,090	711,430	103,118	-	-	-	1,225,637
330014	Jamaica Hospital Medical Center	New York City	857,787	1,417,038	664,858	440,824	281,951	287,141	3,949,598
330202	Kings County Hospital Center	New York City	248,964	451,505	83,408	-	-	-	783,878
330201	Kingsbrook Jewish Medical Center	New York City	332,348	547,115	54,900	-	-	-	934,363
330119	Lenox Hill Hospital	New York City	2,862,080	4,344,615	2,334,013	1,751,128	1,288,692	1,319,765	13,900,293
330080	Lincoln Medical & Mental Health Center	New York City	398,754	704,881	115,045	-	-	-	1,218,679
330308	Little Neck Community Hospital, Inc.	New York City	9,256	18,511	17,642	16,774	11,561	11,561	85,304
330152	Long Island College Hospital (The)	New York City	1,885,372	2,752,352	1,657,677	1,476,317	1,158,118	1,187,580	10,117,415
330195	Long Island Jewish Medical Center	New York City	3,492,771	4,156,292	(419,794)	(924,936)	(1,407,000)	(1,907,978)	2,989,356
330306	Lutheran Medical Center	New York City	1,093,858	2,014,216	928,712	494,925	202,038	202,038	4,935,785
330194	Maimonides Medical Center	New York City	3,637,540	6,044,678	1,713,714	952,369	450,993	456,143	13,255,437
330247	Manhattan Eye, Ear and Throat Hospital	New York City	19,504	29,620	897	-	-	-	49,821
330154	Memorial Hospital for Cancer and Allied Diseases	New York City	1,080,682	2,161,364	1,990,036	1,748,954	804,693	804,693	8,580,422
330199	Metropolitan Hospital Center	New York City	292,474	511,870	79,166	-	-	-	883,510
330059	Montefiore Medical Center	New York City	4,482,188	5,646,369	(1,769,515)	(3,074,400)	(4,179,694)	(5,327,997)	(4,223,069)
330024	Mount Sinai Hospital	New York City	8,935,231	12,417,736	3,825,412	2,008,289	677,525	123,180	27,987,383
330100	New York Eye & Ear Infirmary	New York City	359,923	704,237	639,560	832,509	632,509	632,509	3,501,247
330193	New York Flushing Hospital Medical Center	New York City	708,181	1,206,495	429,361	338,809	156,229	156,229	2,985,304
330101	New York Hospital (The)	New York City	6,899,748	8,761,238	5,208,173	5,177,231	5,330,324	5,488,623	36,855,336
330055	New York Hospital Medical Center of Queens	New York City	2,081,641	3,694,435	1,933,687	1,130,537	487,218	487,218	9,814,735
330236	New York Methodist Hospital	New York City	1,761,322	3,149,878	1,284,894	896,170	282,332	282,332	7,456,928
330064	New York University Downtown Hospital	New York City	515,925	920,659	337,513	165,581	68,115	68,115	2,075,909
332012	New York University Medical Center - Roosevelt	New York City	256,666	340,221	286,610	259,453	228,760	235,740	1,617,471
330214	New York University Medical Center - Tisch	New York City	2,620,806	3,958,872	1,116,472	1,086,160	706,112	718,636	10,187,058
330385	North Central Bronx Hospital	New York City	85,184	159,089	33,212	-	-	-	277,485
330380	North General Hospital	New York City	338,022	674,086	356,234	170,828	68,147	68,291	1,675,408
330353	North Shore University Hospital at Forest Hills	New York City	329,788	546,000	158,188	93,595	38,229	38,229	1,204,028
330072	Our Lady of Mercy Medical Center	New York City	676,359	1,152,911	303,080	204,450	199,103	199,103	2,735,008
330041	Parkway Hospital	New York City	440,116	880,232	587,666	331,651	112,218	112,218	2,464,092

Total Fiscal Impact of the BBA Relief Bill

			2000	2001	2002	2003	2004	2005	6-Year Total
330002	Peninsula Hospital Center	New York City	288,582	542,101	245,141	199,200	189,928	200,877	1,675,629
330012	Presbyterian Hospital - Main Campus	New York City	4,922,628	8,041,334	3,121,986	2,600,020	1,486,783	1,504,454	21,677,216
330231	Queens Hospital Center	New York City	85,795	188,813	41,980	-	-	-	296,388
330399	St. Barnabas Hospital	New York City	1,025,934	1,867,553	731,827	359,978	134,679	134,680	4,254,662
330230	St. Clare's Hospital and Health Center	New York City	117,383	262,793	208,966	125,153	56,323	56,323	826,942
330048	St. Luke's-Roosevelt Hospital Center	New York City	3,417,127	5,573,544	2,559,360	1,686,319	1,104,164	1,127,164	15,447,679
330290	St. Vincents Hospital & Medical Center	New York City	1,878,684	2,838,044	908,752	712,641	335,182	335,182	6,808,485
330028	St. Vincent's Medical Center of Richmond	New York City	671,982	1,168,607	545,244	378,765	168,621	168,621	3,099,820
330180	Staten Island University Hospital	New York City	1,787,049	3,103,160	1,214,986	891,898	408,142	408,142	7,813,377
330034	Union Hospital	New York City	12,274	29,880	27,524	17,437	7,914	7,914	102,943
330350	University Hospital of Brooklyn	New York City	1,144,420	1,916,810	862,050	545,061	342,214	349,361	5,159,915
330242	Victory Memorial Hospital	New York City	57,505	115,011	115,011	115,011	115,011	115,011	632,580
330318	Westchester Square Medical Center	New York City	237,554	475,108	433,990	343,771	155,988	155,988	1,802,398
330258	Western Queens Community Hospital	New York City	137,268	274,533	249,832	187,562	84,442	84,442	1,018,077
330398	Woodhull Medical & Mental Health Center	New York City	190,868	369,867	88,025	-	-	-	648,758
330221	Wyckoff Heights Medical Center	New York City	544,667	983,519	381,958	261,010	120,728	120,728	2,412,605
330141	Brookhaven Memorial Hospital Medical C	NYC Suburbs	109,513	219,027	219,027	219,027	219,027	219,027	1,204,647
330314	Brunswick Hospital Center	NYC Suburbs	156,280	312,399	262,850	182,004	81,315	81,315	1,076,161
330028	Burke Rehabilitation Hospital (The)	NYC Suburbs	729	1,458	1,458	1,458	1,458	1,458	8,018
330107	Central Suffolk Hospital	NYC Suburbs	70,584	141,167	141,167	141,167	141,167	141,167	776,420
330038	Community Hospital at Dobbs Ferry	NYC Suburbs	75,223	150,445	128,127	75,558	32,216	32,216	491,786
330088	Eastern Long Island Hospital	NYC Suburbs	87,335	170,191	153,552	95,508	44,559	44,739	595,883
330395	Episcopal Health Services, Inc.	NYC Suburbs	1,289,198	1,958,797	502,347	(372,081)	(1,111,911)	(1,437,477)	828,874
330372	Franklin Hospital Medical Center	NYC Suburbs	105,470	189,037	126,133	126,133	126,133	126,133	799,039
330286	Good Samaritan Hospital Medical Center	NYC Suburbs	343,448	575,513	255,627	255,827	255,627	255,627	1,941,469
330333	Hempstead General Hospital Medical Ce	NYC Suburbs	83,582	167,164	154,648	142,133	67,039	67,039	681,606
330267	Hudson Valley Hospital Center	NYC Suburbs	64,650	129,300	129,300	129,300	129,300	129,300	711,148
330045	Huntington Hospital	NYC Suburbs	165,098	351,032	304,248	305,407	306,601	307,831	1,740,215
330185	John T. Mather Memorial Hospital	NYC Suburbs	485,041	970,082	738,915	439,970	182,874	182,874	3,000,755
330081	Lawrence Hospital	NYC Suburbs	85,912	171,825	171,825	171,825	171,825	171,825	945,036
330225	Long Beach Medical Center	NYC Suburbs	516,264	697,122	389,320	392,168	401,174	410,488	2,806,534
330336	Massapequa General Hospital	NYC Suburbs	272,001	483,353	248,575	147,150	61,928	61,928	1,272,935
330259	Marcy Medical Center	NYC Suburbs	414,044	822,039	758,280	711,892	433,563	433,563	3,573,380
330332	Mid-Island Hospital, Inc.	NYC Suburbs	48,808	94,404	85,181	85,181	85,181	85,181	483,935
330086	Mount Vernon Hospital	NYC Suburbs	320,910	603,696	363,561	328,731	245,474	250,574	2,112,946
330027	Nassau County Medical Center	NYC Suburbs	795,152	1,104,764	5,804	(559,828)	(1,029,023)	(1,284,395)	(977,527)
330106	North Shore University Hospital	NYC Suburbs	3,500,858	5,392,483	1,145,844	(208,365)	(1,445,224)	(1,896,833)	6,488,983
330181	North Shore University Hospital at Glen	NYC Suburbs	272,083	440,175	265,820	260,476	219,962	221,781	1,680,278
330331	North Shore University Hospital at Plainv	NYC Suburbs	64,483	128,967	128,967	128,967	128,967	128,967	709,318
330398	North Shore University Hospital at Syoss	NYC Suburbs	117,004	213,066	133,304	80,088	34,474	34,474	612,411
330182	Northern Westchester Hospital	NYC Suburbs	91,130	182,259	182,259	182,259	182,259	182,259	1,002,425
330281	Phelps Memorial Hospital Center	NYC Suburbs	182,715	262,968	265,245	267,601	270,036	272,554	1,501,119
330184	Sound Shore Medical Center of Westcha	NYC Suburbs	516,258	902,414	408,075	347,095	178,690	178,690	2,531,221
330198	South Nassau Communities Hospital	NYC Suburbs	281,438	494,845	299,467	299,467	299,467	299,467	1,974,152

Total Fiscal Impact of the SBA Relief Bill

			2000	2001	2002	2003	2004	2005	6-Year Total
330340	Southampton Hospital	NYC Suburbs	213,933	427,866	403,854	379,842	235,772	235,772	1,897,037
330043	Southside Hospital	NYC Suburbs	142,912	267,273	147,574	122,139	105,055	105,055	690,008
330338	St. Agnes Hospital	NYC Suburbs	67,255	134,510	126,933	119,355	73,892	73,892	595,837
330246	St. Charles Hospital & Rehabilitation Center	NYC Suburbs	138,765	355,364	303,140	282,561	203,705	206,419	1,489,954
330182	St. Francis Hospital	NYC Suburbs	375,882	670,088	435,521	435,521	435,521	435,521	2,788,053
330206	St. John's Riverside Hospital	NYC Suburbs	104,797	209,594	209,594	209,594	209,594	209,594	1,152,767
330006	St. Joseph's Medical Center	NYC Suburbs	203,282	351,737	138,183	118,247	118,247	118,247	1,047,934
330171	United Hospital Medical Center	NYC Suburbs	73,813	147,626	147,626	147,626	147,626	147,626	811,941
330393	University Hospital at Stony Brook	NYC Suburbs	1,978,561	3,180,553	768,316	670,356	360,414	360,414	7,318,615
330234	Westchester Medical Center	NYC Suburbs	1,399,083	2,207,313	133,804	-	-	-	3,740,200
330304	White Plains Hospital Center	NYC Suburbs	154,230	308,459	308,459	308,459	308,459	308,459	1,698,527
330167	Winthrop-University Hospital	NYC Suburbs	1,561,457	2,403,568	334,639	331,619	313,502	313,502	5,258,286
330122	Yonkers General Hospital	NYC Suburbs	48,728	97,457	95,451	93,444	81,406	81,406	497,892
330085	A.O. Fox Memorial Hospital	Upstate	65,230	130,461	130,461	130,461	130,461	130,461	717,534
330079	Adirondack Medical Center	Upstate	126,763	253,525	234,568	215,610	101,865	101,865	1,034,185
330013	Albany Medical Center Hospital	Upstate	1,447,735	2,273,250	292,811	224,077	224,077	224,077	4,866,028
330003	Albany Memorial Hospital	Upstate	316,652	633,304	582,690	506,427	232,683	232,683	2,504,340
330075	Albert Lindley Lee Memorial Hospital	Upstate	32,547	65,094	63,142	61,191	49,483	49,483	320,940
330084	Alice Hyde Hospital	Upstate	30,270	60,540	60,540	60,540	60,540	60,540	332,971
330010	Amsterdam Memorial Hospital	Upstate	79,907	159,814	148,500	137,186	69,301	69,301	684,009
330126	Arden Hill Hospital	Upstate	60,215	120,430	120,430	120,430	120,430	120,430	662,367
330090	Arnol Ogden Medical Center	Upstate	131,503	263,007	263,007	263,007	263,007	263,007	1,446,538
330235	Auburn Memorial Hospital	Upstate	65,214	130,429	130,429	130,429	130,429	130,429	717,359
330288	Bassett Hospital of Schoharie County	Upstate	22,886	45,371	45,371	45,371	45,371	45,371	249,543
330339	Bellevue Maternity Hospital, Inc.	Upstate	9,363	18,725	17,373	16,022	7,912	7,912	77,306
330224	Benedictine Hospital	Upstate	94,375	155,953	98,188	83,799	68,847	53,313	554,476
330111	Bertrand Chaffee Hospital	Upstate	29,042	58,084	54,780	51,476	31,650	31,650	256,683
330229	Brooks Memorial Hospital	Upstate	53,684	107,368	107,368	107,368	107,368	107,368	590,523
330005	Buffalo General Health System	Upstate	1,311,329	2,276,031	1,085,211	943,503	522,814	522,814	6,641,701
330161	Buffalo General Health System	Upstate	11,871	23,741	16,116	9,443	3,724	3,724	68,619
330187	Canton-Potsdam Hospital	Upstate	35,388	70,777	70,777	70,777	70,777	70,777	389,273
330263	Carthage Area Hospital, Inc.	Upstate	18,476	36,951	36,951	36,951	36,951	36,951	203,233
330307	Cayuga Medical Center at Ithaca	Upstate	73,759	147,517	147,517	147,517	147,517	147,517	811,345
330250	Champlain Valley Physicians Hospital	Upstate	330,896	655,262	598,667	559,677	325,736	325,736	2,795,772
330033	Chenango Memorial Hospital	Upstate	70,593	141,186	141,186	141,186	141,186	141,186	776,523
333300	Children's Hospital of Buffalo (The)	Upstate	3,107	6,213	6,213	6,213	6,213	6,213	34,174
330189	Child's Hospital	Upstate	68,895	137,595	137,031	137,031	137,031	137,031	754,614
330265	Clifton Springs Hospital And Clinic	Upstate	84,958	189,919	178,693	167,487	100,113	100,113	831,264
330179	Clifton-Fine Hospital	Upstate	6,856	13,711	12,327	7,592	3,305	3,305	47,097
330094	Columbia Memorial Hospital	Upstate	214,652	429,304	391,746	305,880	138,508	138,508	1,618,599
330359	Community General Hospital of Sullivan County	Upstate	1,187	2,334	2,334	2,334	2,334	2,334	12,837
330386	Community General Hospital of Sullivan County	Upstate	154,082	308,164	280,772	214,482	98,812	98,812	1,151,123
330249	Community Memorial Hospital, Inc.	Upstate	27,163	54,326	54,326	54,326	54,326	54,326	288,796
330159	Community General Hospital of Greater Saratoga	Upstate	178,012	332,944	273,094	268,037	237,695	237,695	1,525,477

Total Fiscal Impact of the BBA Relief Bill

			2000	2001	2002	2003	2004	2005	6-Year Total
330254	Myers Community Hospital	Upstate	33,345	66,691	82,680	58,669	34,605	34,605	290,595
330276	Nathan Littauer Hospital & Nursing Home	Upstate	66,266	112,531	112,531	112,531	112,531	112,531	618,922
330030	Newark-Wayne Community Hospital, Inc.	Upstate	67,704	135,407	127,245	119,084	70,113	70,113	589,867
330065	Niagara Falls Memorial Medical Center	Upstate	165,065	328,480	282,070	267,265	267,265	267,265	1,577,409
330236	Nicholas H. Noyes Memorial Hospital	Upstate	38,699	77,397	77,397	77,397	77,397	77,397	425,684
330049	Northern Dutchess Hospital	Upstate	34,150	68,300	68,300	68,300	68,300	68,300	375,848
330104	Nyack Hospital	Upstate	371,833	762,497	858,511	390,735	170,464	170,464	2,524,605
330103	Olean General Hospital	Upstate	86,852	173,705	173,705	173,705	173,705	173,705	955,375
330115	Oneida Healthcare Center	Upstate	57,152	114,305	114,305	114,305	114,305	114,305	628,878
330218	Oswego Hospital	Upstate	54,570	109,140	105,258	101,376	78,085	78,085	526,514
330011	Our Lady of Lourdes Memorial	Upstate	708,334	1,416,669	1,307,620	1,184,577	547,074	547,074	5,711,348
330095	Our Lady of Victory Hospital	Upstate	6,924	86,088	83,435	80,711	77,896	74,984	410,018
330226	Park Ridge Hospital	Upstate	264,254	528,507	485,260	411,739	188,587	188,587	2,066,934
330273	Pulnam Hospital Center	Upstate	72,134	120,297	121,171	122,075	123,009	123,976	682,662
330125	Rochester General Hospital	Upstate	1,550,120	2,754,659	1,532,909	918,910	399,009	399,009	7,554,618
330215	Rome Memorial Hospital, Inc.	Upstate	64,079	128,158	128,158	128,158	128,158	128,158	704,869
330354	Roswell Park Cancer Institute	Upstate	457,168	914,337	823,988	529,526	232,349	232,349	3,189,716
330180	Samaritan Hospital	Upstate	413,950	827,900	750,100	528,658	234,628	234,628	2,987,885
330157	Samaritan Medical Center	Upstate	119,846	239,692	239,692	239,692	239,692	239,692	1,318,304
330222	Saratoga Hospital (The)	Upstate	188,480	376,960	345,025	280,657	127,822	127,822	1,446,795
330062	Schuyler Hospital, Inc.	Upstate	13,418	26,836	26,836	26,836	26,836	26,836	147,598
330232	Saton Health System, Inc.	Upstate	473,880	947,760	851,197	514,648	223,254	223,254	3,233,994
330029	Sheehan Memorial Hospital	Upstate	41,247	107,042	97,567	74,355	52,504	52,743	425,458
330078	Sisters of Charity Hospital	Upstate	244,305	488,284	313,361	287,313	287,313	287,313	1,881,888
330097	Soldiers & Sailors Memorial Hospital	Upstate	22,158	44,316	44,316	44,316	44,316	44,316	243,737
330205	St. Anthony Community Hospital	Upstate	22,461	44,923	44,923	44,923	44,923	44,923	247,076
330086	St. Clare's Hospital	Upstate	390,696	721,834	491,711	376,574	170,256	170,256	2,321,327
330245	St. Elizabeth Medical Center	Upstate	760,429	1,474,011	888,953	519,629	198,084	198,084	4,049,189
330067	St. Francis Hospital, Poughkeepsie	Upstate	141,235	311,890	265,876	218,045	204,403	204,403	1,345,852
330151	St. James Mercy Hospital	Upstate	87,878	175,756	165,612	155,468	94,602	94,602	773,919
330038	St. Jerome Hospital	Upstate	141,537	283,073	256,802	183,960	82,220	82,220	1,029,813
330091	St. Joseph Hospital	Upstate	102,047	204,093	204,093	204,093	204,093	204,093	1,122,512
330108	St. Joseph's Hospital	Upstate	90,088	180,175	178,131	176,088	163,824	163,824	952,131
330140	St. Joseph's Hospital Health Center	Upstate	608,409	1,012,625	378,263	381,234	361,234	361,234	3,082,999
330209	St. Luke's Hospital of Newburgh	Upstate	53,895	107,790	107,790	107,790	107,790	107,790	592,845
330044	St. Luke's Memorial Hospital Center	Upstate	233,772	467,544	429,274	364,112	166,765	166,765	1,828,232
330275	St. Mary's Hospital	Upstate	331,560	646,162	392,230	349,603	183,251	181,309	2,084,114
330047	St. Mary's Hospital at Amsterdam	Upstate	305,763	611,526	563,028	494,549	227,526	227,526	2,429,917
330057	St. Peter's Hospital, Albany	Upstate	343,242	599,226	348,626	348,626	348,626	348,626	2,336,974
330285	Strong Memorial Hospital	Upstate	3,156,665	5,502,116	1,808,025	971,224	316,833	312,838	12,067,697
333025	Sunnyview Hospital and Rehabilitation Center	Upstate	18,426	42,257	30,569	20,367	11,651	11,828	135,097
330132	Tri-County Memorial Hospital	Upstate	33,018	66,037	63,498	60,959	45,728	45,728	314,968
330394	United Health Services Hospitals	Upstate	575,768	878,915	271,376	160,749	68,131	(32,167)	1,920,771
330241	University Hospital Suny Health Science	Upstate	1,648,126	2,802,531	975,143	544,517	227,996	227,927	6,426,238

Total Fiscal Impact of the BBA Relief Bill

			2000	2001	2002	2003	2004	2005	6-Year Total
330023	Vassar Brothers Hospital	Upstate	186,698	373,398	361,856	350,315	281,089	281,069	1,834,403
330166	Westfield Memorial Hospital	Upstate	60,302	120,605	108,416	66,651	29,006	29,006	413,985
330239	Woman's Christian Association	Upstate	128,596	257,192	257,192	257,192	257,192	257,192	1,414,558
330008	Wyoming County Community Hospital	Upstate	53,105	106,210	106,210	106,210	106,210	106,210	584,154
	Total New York State		120,201,670	195,836,778	83,975,513	56,750,616	29,436,660	24,888,072	511,089,309
	New York State Teaching		108,578,608	172,782,496	62,681,927	38,287,553	16,487,228	11,930,906	410,748,718
	New York State Net Losers		8,602,993	10,364,912	(3,134,864)	(8,339,320)	(8,884,645)	(11,307,087)	(10,698,011)
	Total New York City		77,353,522	119,633,649	40,600,692	22,369,779	6,916,862	3,186,043	270,052,546
	New York City Teaching		76,138,584	117,376,925	38,759,019	20,992,121	6,152,116	2,416,316	261,835,081



November 23, 1999

NATIONAL
ASSOCIATION
OF PUBLIC
HOSPITALS &
HEALTH
SYSTEMS

The President
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20502

Dear Mr. President:

I am writing on behalf of the National Association of Public Hospitals and Health Systems (NAPH) to thank you and Vice President Gore for your leadership on issues of importance to safety net hospitals and health systems in the omnibus budget legislation which passed Congress last week.

NAPH is especially grateful for the inclusion in this legislation, as a demonstration project, of the important initiative you proposed in January to improve access for the working uninsured. This initiative, which was included in the your original budget request, would provide \$25 million in initial seed funding to assist safety net providers to integrate and coordinate care to the uninsured in their communities. We welcome this program, which recognizes that the institutional safety net needs strengthening at a time when insurance coverage is likely to be increased only on an incremental basis. We look forward to working with you next year to obtain appropriate statutory authorization for this program and to obtain the full funding you proposed of \$250 million per year over the next four years.

NAPH represents more than 100 metropolitan area safety net hospitals and health systems. Approximately 54 percent of the patients served by NAPH members are either Medicaid recipients or Medicare beneficiaries; another 28 percent are uninsured.

These safety net providers have also been dramatically affected by many provisions in the Balanced Budget Act of 1997 (BBA). We therefore also appreciate the first steps that your Administration and the Congress have taken this year to address the unanticipated impact of a number of the BBA's provisions. In particular, we greatly appreciate and are strongly supportive of the bill's reduction in Medicare DSH cuts and the effort to ease the impact of the BBA's graduate medical education cuts.

We are concerned, however, that the focus this year has been almost exclusively on the Medicare impact of BBA, with relatively little attention to the serious potential consequences of continued cuts in Medicaid disproportionate share hospital (DSH) payments. By 2002, Medicaid DSH payments will be cut by over 37 percent from the pre-BBA baseline, an unsustainable reduction at a time when the number of uninsured continues to rise significantly. We look forward to working with you next year to urge that Congress reconsider the magnitude of the Medicaid DSH cuts and freeze them at the year 2000 level.

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Statement on BBA Relief Package

Dick Davidson
President
American Hospital Association

November 22, 1999

Congress and the Administration have made an important step for patients and the caregivers who serve them by fixing some of the unintended consequences of the Balanced Budget Act of 1997 (BBA).

The relief package – both legislative and administrative – provides hope to many hospitals across the nation that have been struggling to continue providing vital services such as home health, skilled nursing and outpatient care.

We're especially pleased that the package reversed the 5.7 percent across-the-board cut in Medicare payments for hospital outpatient services, which would have cost hospitals \$3.9 billion over five years. In addition, key changes will provide much-needed relief to financially strapped rural hospitals, teaching hospitals that lead the world in medical breakthroughs, and rehabilitation facilities that provide much-needed therapy.

We want to particularly acknowledge the leadership of Rep. Bill Thomas (R-CA) in the passage of BBA relief legislation. Mr. Thomas was the first member to acknowledge the serious problems facing hospitals and health systems because of the BBA, and was tireless in his pursuit of a meaningful solution this year. And we applaud President Clinton and his team for their willingness to tackle this critical issue.

But we continue to view this as only a first step, and will work with Congress and the Administration to further restore the necessary Medicare funds so that hospitals can continue providing quality patient care. With many hospitals still facing financial disaster, the fixes aren't complete. As we did this year, we'll continue to fight any moves to further reduce Medicare payments to providers, and to build upon our campaign to provide the right relief for our patients, our hospitals and the future of our health care system.

Medicare Reim 1999
Provider Give-Back
File

Washington, DC Center for Public Affairs
Chicago, Illinois Center for Health Care Leadership

Liberty Plaza, Suite 700
325 Seventh Street, N.W.
Washington, DC 20004-2802
(202) 638-1100

November 30, 1999

President William J. Clinton
The White House
Washington, DC 20500

Dear Mr. President:



On behalf of the Catholic Health Association of the United States (CHA), I write to extend my grateful appreciation for the outstanding leadership you demonstrated in securing a FY 2000 budget agreement with Congress. I was a guest yesterday in the Rose Garden as you enacted into law the bipartisan legislation that was firmly shaped by your policy priorities and vision for the future.

In particular, I thank you for the Administration's willingness to address some of the unexpected, but nevertheless deleterious, consequences of the Balanced Budget Act of 1997 (BBA) on health care providers. By including in the budget package much needed and welcomed relief from some of BBA's worst provisions you took what CHA considers a "first step" in removing significant barriers to Catholic health care's ability to provide essential health and human services, not only to Medicare beneficiaries but also to the nearly one of every five Americans who receive acute care services in Catholic facilities.

The Catholic Health Association welcomes especially the legislation's provision of additional funds for skilled nursing facilities that care for medically complex patients, a payment increase for safety-net disproportionate share (DSH) hospitals, and a delay in the 15 percent reduction to home health care. All these measures directly affect the mission of Catholic health care to care for the poor and those requiring medically complex care. Finally, the agreement your Administration reached with congressional leaders with regard to HCFA's proposed 5.7 percent cut in outpatient hospital payments was the right policy and the right politics.

Mr. President, CHA strongly urges you to be willing to reexamine additional BBA issues next year to determine whether the provisions enacted under this law contribute to sound health care policy or merely achieve cost savings at the expense of the health care delivery system and the persons and communities it serves. At the same time, the Catholic Health Association will continue to collaborate with others to effect more fundamental health care reform so that we can banish from our national vocabulary the term "health care uninsured."

With personal best wishes,

Sincerely,

A handwritten signature in black ink that reads "Michael D. Place".

Rev. Michael D. Place, STD
President and Chief Executive Officer

NATIONAL HEADQUARTERS

4455 Woodson Road
St. Louis, MD 63134-3797

Phone 314-427-2500
Fax 314-427-0029

www.chausa.org

December 1, 1999

Executive Office of the President
1600 Pennsylvania Avenue, N.W.
Washington, DC 20500

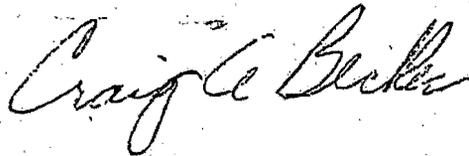
Dear Mr. President:

On behalf of the hospitals and health systems in Tennessee, I am writing to thank you for signing H.R. 3194 which contained Medicare "BBA relief" for many of our providers. In the context of a very difficult budget battle, I know you and your staff worked incredibly hard on this specific piece of the budget legislation. The changes were desperately needed and we appreciate your efforts.

Over the next few years, hospitals and health systems in the many communities across Tennessee will continue to face challenges from both the BBA and TennCare. Without comprehensive health reform, no legislation can fix all of health care's problems, but this bill has most certainly taken steps in the right direction. Bottom line - this bill will improve access for our Medicare beneficiaries and patients in our communities.

From our largest urban to our smallest rural provider, many thanks again for a job well done. We hope this bill will help pave the way for a more bipartisan and productive health care debate next year and you can count on our active participation toward that end.

Sincerely,



Craig A. Becker, FACHE
President

Post-It [®] brand fax transmittal memo 7671		# of pages	1
To	Barbara Woolley	From	Craig Becker
Co.		Co.	
Dept.		Phone #	615-256-8240
Fax #	202-456-6215	Fax #	615-242-4803

HANYS

HEALTHCARE ASSOCIATION OF NEW YORK STATE

Daniel Sisto, President

November 30, 1999

Honorable William Jefferson Clinton
President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear President Clinton:

On behalf of more than 500 hospitals, health systems, and continuing care providers that comprise the Healthcare Association of New York State (HANYS), and the communities they serve, I write to thank you for helping repair some of the unintended consequences of the Balanced Budget Act of 1997 (BBA). The Balanced Budget Refinement Act of 1999, which you signed into law this week, will return approximately \$630 million in Medicare payments to New York State's hospitals and hospital-based continuing care providers over the next five years.

New York State's urban, suburban, and rural hospitals and health care systems – as well as hundreds of thousands of hospital employees, trustees, physicians, and auxiliary volunteers – are grateful for your support and leadership. While this BBA relief represents only a modest percentage of the \$5 billion in total BBA cuts to New York State's hospitals, every hospital will receive some short-term relief. It is important to note that the largest restoration for New York's hospitals is the result of the successful efforts to address the across-the-board cut to all hospitals under the proposed outpatient prospective payment system.

We are appreciative of your efforts on our behalf, as well as the hard work of your staff. We are especially appreciative of the efforts of Chris Jennings and Barbara Woolley, who have both worked closely with us over the years. Mr. Jennings and Ms. Woolley have always been accessible to HANYS and have facilitated our involvement in many legislative and administrative issues. They are a credit to your Administration and I hope you will share HANYS' appreciation with them.

74 N. Pearl Street
Albany, NY 12207

phone (518) 431-7600
fax (518) 431-7915
<http://www.hanys.org>

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Utica
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BRUCE C. POTTER
Peledam

Hon. William Jefferson Clinton

November 30, 1999

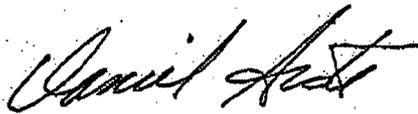
Page 2

The HANYS membership looks forward to working with your Administration to continue refining the BBA and minimizing the adverse consequences of the additional cuts to be implemented over the next two and one-half years.

Finally, I enjoyed talking with you at Monday's bill signing ceremony and appreciate your interest in the current discussion of New York's future Medicare Disproportionate Share Hospital (DSH) program payments. With your support, I know we can resolve this issue in a manner that protects the access to health care for New York's poor and uninsured.

My best wishes to you and Mrs. Clinton for the holiday season.

Sincerely,



Daniel Sisto
President

DS/clb

cc: John Podesta
Chris Jennings
Barbara Woolley

HANYS

HEALTHCARE ASSOCIATION OF NEW YORK STATE

Daniel Sisto, President

November 30, 1999

Honorable Al Gore
Vice President of the United States
The White House
1600 Pennsylvania Avenue, NW
Washington, DC 20500

Dear Vice President Gore:

On behalf of more than 500 hospitals, health systems, and continuing care providers that comprise the Healthcare Association of New York State (HANYS), and the communities they serve, I write to thank you for helping repair some of the unintended consequences of the Balanced Budget Act of 1997 (BBA). The Balanced Budget Refinement Act of 1999, which President Clinton signed into law this week, will return approximately \$630 million in Medicare payments to New York State's hospitals and hospital-based continuing care providers over the next five years.

New York State's urban, suburban, and rural hospitals and health care systems – as well as hundreds of thousands of hospital employees, trustees, physicians, and auxiliary volunteers – are grateful for your support and leadership. While this BBA relief represents only a modest percentage of the \$5 billion in total BBA cuts to New York State's hospitals, every hospital will receive some short-term relief. It is important to note that the largest restoration for New York's hospitals is the result of the successful efforts to address the across-the-board cut to all hospitals under the proposed outpatient prospective payment system.

We are appreciative of your efforts on our behalf, as well as the hard work of your health policy staff. David Beyer and Sarah Bianchi have been helpful on many issues and I hope you will share HANYS' appreciation with them.

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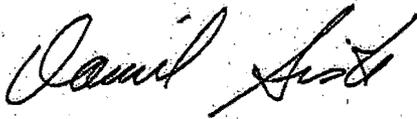
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Hon. Al Gore
November 30, 1999
Page 2

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My best wishes to you for the holiday season.

Sincerely,



Daniel Sisto
President

DS/clb

cc: David Beyer
Sarah Bianchi
Chris Jennings
Barbara Woolley



**CALIFORNIA
HEALTHCARE
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*

November 30, 1999

President William Clinton
The White House
Washington, DC

Dear President William Clinton,

On behalf of the California Healthcare Association's 650 member hospitals, health systems and physician organizations, I would like to thank you for your leadership during this year's budget negotiations.

As you know, the Balanced Budget Act of 1997 was an important landmark for our country's fiscal health but it also had some unintended consequences for our healthcare providers. Your willingness to discuss and then implement changes to the BBA will ensure that our members can continue to provide the quality care Californians have come to expect from our hospitals.

The Balanced Budget Act Refinement portion of the budget you signed yesterday will bring more than \$659 million back to hospitals and health systems in California. We especially appreciate your leadership in restoring the 5.7 percent outpatient payment reduction that would have been so detrimental to hospitals in California who provide a substantial portion of their care in the outpatient setting.

In addition to your leadership, we also appreciate Chris Jennings' ongoing efforts to listen and learn about issues that effect hospitals and healthcare delivery in California. We appreciate your commitment to healthcare and stand ready to work with you in the months ahead to ensure access to healthcare not just for Medicare beneficiaries but for all Americans.

Thank you again.

Sincerely,

A handwritten signature in black ink, appearing to read "C. Duane Dauner".

C. Duane Dauner
President

CDD:an

Contact: Valerie Erb Tully
202/547-7424

FOR IMMEDIATE RELEASE

**LEGISLATIVE PACKAGE GIVES RELIEF TO HOME HEALTH PROVIDERS FROM
ONEROUS PROVISIONS OF THE BALANCED BUDGET ACT**
Measure Includes Positive Steps Toward Restoring Access to Home Care for Medicare Beneficiaries

Washington, D.C. (November 22, 1999) – Congress Friday passed a package providing much-needed relief to home health providers who were sent reeling by Medicare cutbacks enacted under the Balanced Budget Act of 1997 (BBA). In addition to slight increases in Medicare reimbursement, the package, part of the omnibus spending bill HR 3194, also includes provisions to alleviate some unneeded regulatory pressures that have been placed on home health providers.

“Passage of this measure has sent waves of relief through the home health community,” said Val J. Halamandaris, president of the National Association for Home Care. “Beyond the help that will be given by the legislation, home care providers are experiencing a renewed sense that the Administration and members of the House and Senate are listening and are supportive of the pivotal role that agencies play in the recovery and rehabilitation of millions of Americans.”

Specifically, the measure will:

- Delay the 15% cut in Medicare funding that was scheduled for October 1, 2000, until one year after the home health prospective payment system (PPS) is put into place. The measure further requires a study by the Department of Health and Human Services analyzing the need, if any, for the 15% cut.
- Provide a payment of \$10 for each Medicare beneficiary a home health agency served in fiscal year (FY) 2000 to help offset some of the costs of collecting and reporting the required Outcome and Assessment Information Set (OASIS) data. Additionally, the General Accounting Office (GAO) will be required to report on the cost of collecting and reporting OASIS data as well as the impact of data collection on beneficiary privacy.
- Limit the value of surety bonds for home health agencies to the lower of \$50,000 or 10% of the previous year's revenues. A single bond will be required for agencies participating in both Medicare and Medicaid, and bonds will be required for four years of program participation (instead than the full length of participation).
- Raise the per beneficiary Medicare reimbursement limits by 2% during FY 2000 for agencies whose limits are below the national median.
- Eliminate the requirement that home health agencies bill for durable medical equipment (DME) under the forthcoming PPS, as had been required under the BBA.
- Increase oxygen and DME Medicare reimbursement rates by .3% in FY 2001 and by .6% in FY 2001. Rates otherwise would have been frozen in those years.
- Prohibit the Health Care Financing Administration from using inherent reasonableness authority for pricing DME until the GAO issues a report on its impact and a final rules has been published in the *Federal Register*.
- Increase payment rates to hospices by .5% in FY 2001 and .75% in FY 2002.

-More-

BBA Fix/P. 2 of 2

"We would like to thank President Clinton and all of the Members of Congress who have been so supportive of home health providers and the patients we serve," added Halamandaris. "This support is particularly important at this time as providers prepare for the major overhaul of the Medicare home health benefit that will occur next year with the launching of the prospective payment system."

Founded in 1982, NAHC is the largest trade association serving the nation's home care agencies, hospices, and home care aide organizations that provide health and supportive services to more than seven million patients receiving care in their homes due to acute, long-term, or terminal health conditions.

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FOR IMMEDIATE RELEASE
Friday, November 19, 1999

CONTACT: Dan Boston
Duke Hipp
(202) 624-1500

Federation Praises Passage of BBA Refinement Act

Washington, DC – This evening Tom Scully, President & Chief Executive Officer for the Federation of American Health Systems, released the following statement on passage of H.R. 3194, the FY 2000 District of Columbia Appropriations Act & Other Provisions, which included the Medicare, Medicaid & S-CHIP Balanced Budget Refinement Act of 1999.

“At a time when the foundation of our Medicare program was eroding nationwide due to the unintended consequences of the Balanced Budget Act, the passage of this legislation provides us with some much needed relief,” said Scully. “And while surely not everything our industry was hoping for, the Act will help ensure that our nation’s seniors will have high quality health care day-in and day-out.”

“The Federation -- and its more than 1,700 members -- is extremely grateful to President Clinton and the Members of Congress for their resolute support of the Medicare program and the providers who serve the nation’s 36 million beneficiaries.”

“At our Annual Meeting in April, Chairman Thomas first announced his support for potential ‘refinements’ saying, ‘...If we overshot the budget targets, we (*Congress*) ought to make adjustments – both administratively and legislatively -- and, if we need more money in the system because we didn’t get it right, I am prepared to go to the Leadership and ask them for that funding.’ Chairman Thomas was true to his word, and we appreciate his efforts to push this legislation to passage.”

Continuing, Scully added, “Similarly, we are also grateful to President Clinton, Majority Leader Lott and Chairman Roth for their commitment to reversing the impact of the Balanced Budget Act on the nation’s health care providers. And on the issue of importance to ALL hospitals – urban and rural alike – Speaker Hastert showed tremendous leadership in preventing the impending 5.7 percent cut on hospital outpatient department services.”

“Finally, none of today’s success would have come without the hard work and diligence of the Administration, and the Majority and Minority Congressional staff, who are too often the unsung heroes of these legislative battles. The good faith negotiations by Chairman Thomas, Chairman Roth and the White House staff, most notably Senior White House Policy Advisor Chris Jennings, that brought this legislation to fruition, should serve as a model for successful health care reform legislation in the future.”

For additional comment or background, please call either Dan Boston or Duke Hipp at (202) 624-1500.

- 30 -

The Federation of American Health Systems (FAHS) represents nearly 1,700 owned and managed hospitals and health systems that offer traditional care, ambulatory care, psychiatric and rehabilitative care and allied companies involved in health insurance and healthcare systems. Our membership’s workforce consists of more than 820,000 employees nationwide. For more information, visit the Federation’s website at <http://www.fahs.com>.