

A Clinton health plan alternative

The Clinton health plan, as we know it today, is going to be a very costly, bureaucratic maze that will reduce the quality and the availability of health care for most citizens.

The cost of the health plan will force some small businesses out of existence. Employees will see a reduction in their real take-home pay as companies hold back wage scales and raises to compensate for the withholding tax that will be required to fund this program.

A publication called "IMPRIMIS" published by Hillsdale College in Michigan recently came across my desk. It contained a lengthy article entitled, "Health Care and a Free Society," authored by Matthew J. Glavin, president of the Georgia Public Policy Foundation. It was thought provoking and should be read by all taxpayers in the United States.

As an alternative to the Clinton bu-

reaucratic maze, Glavin proposes the establishment of individual medical accounts as a way of funding our medical needs. The following is a re-publication of a section of that article:

"Individual Medical Accounts (IMAs) are another key to controlling health care costs and strengthening the role of the individual as a health care consumer.

"An Individual Medical Account would work like this: individuals would be exempt from taxes on money deposited in an IMA, in the same way they currently pay no taxes on deposits to Individual Retirement Accounts (IRAs). Money to pay medical expenses could be withdrawn without penalty."

"The current corporate insurance policy costs about \$4,500 per year. With Individual Medical Accounts in place, employers could be expected to change

the way they provide insurance. Once a year, a corporation (or an individual, if self-employed) would deposit \$2,000 into an employee's IMA. This money, and any interest accrued, would be exempt from taxes. The employer or individual would also purchase a catastrophic health insurance policy that would have a \$2,000 deductible. The cost of the catastrophic policy would be about \$1,800. The employer who previously provided a \$4,500 insurance policy would save \$700 a year. Individuals could withdraw money from the IMA without penalty to pay medical expenses. Money left over at the end of the year would accumulate and belong to the individual."

"Only about 10% of families in this country spend more than \$2,000 per year on health care. This means 90% of all doctor visits would require no paperwork for insurance because they would be paid

directly by the consumer out of the IMA. This also would increase consumer responsibility because there would be an incentive to control costs, the consumer keeps what he doesn't spend."

"The use of deductibles in traditional insurance policies right now offers a perverse incentive, particularly for low-income workers. Low-income workers have little discretionary income, and as a result are often forced to forego preventive care or early intervention because they can't afford the deductible. Yet, once the deductible is met, they have no incentive to limit additional expenditures. With an IMA, the incentive is to spend wisely throughout the year."

"Individual Medical Accounts would also be completely portable. One of the most serious problems of our current medical system is that insurance is so closely linked with employment. Individuals who lose their jobs or change jobs often lose their health insurance as well. Of the estimated 37 million Americans uninsured at any given time, half are without insurance for four months or less, and only 15% are uninsured for more than two years, but it still leaves them vulnerable, if only for a short time. With an IMA, individuals would continue to have funds available to pay for health care during temporary interruptions in employment."

Glavin's idea is much more palatable to us. It leaves the individual with the freedom to choose his doctor or hospital. The red tape which is so costly is minimized. Individuals are covered for the most important element of an insurance policy, catastrophic coverage. Most importantly, the government will be stopped from controlling a very important and personal aspect of our private lives.

We hope that our congressmen and senators will think about this idea and propose it as an alternative to Clinton's catastrophic bureaucracy.

And why not?

Trust must come first

The creation of a special task force to study and offer recommendations for the merger of BOCES I and II was announced last week, with Dr. John Marburger of the State University at Stony Brook and Mitchell Pally of the Long Island Association as the co-chairs. The task force, which is to be comprised of more than 100 volunteers from local businesses and school districts in the region, is designed to reach beyond the BOCES (Board of Cooperative Educational Services) organization for input, creating a process to permit these groups to play a key role in the reorganization.

That's good. For too long BOCES has been a world all unto itself, without input or any voice from others beyond the BOCES circle. That condition is what created the storm of controversy over the retirement benefits received by Dr. Edward Murphy, the retiring superintendent of BOCES III. But while reaching out beyond the BOCES power structure will play a part in the reorganization of BOCES I and II, those who were responsible for the million-dollar giveaway to Murphy—the members of the BOCES III board—remain untouched. They continue to operate as usual, apparently without remorse for their extravagant expenditure of BOCES funds, dollars that should have been targeted for the benefit of the BOCES students and educational program.

That's wrong!

The merger of BOCES I and BOCES II was ordered by New York State Education Commissioner Thomas Sobol on September 27. That order followed a study of the BOCES operations in the county, a study mandated as a result of the retirements of the district superintendents in BOCES I and BOCES III. The commissioner found that "the consolidation of Suffolk I and Suffolk II BOCES makes sound educational and fiscal sense. Reducing costs while improving the quality of education services will benefit all of Long Island."

If Sobol truly believed in his own words, why has he not moved to create a task force to explore the workings of BOCES III, to determine how many sweetheart contracts currently exist in that district, how much money can be saved by fully exploring the workings of the BOCES III board to determine if their spending abuses go beyond administrative contracts?

BOCES District Superintendent Dr. Edward J. Milliken, in announcing the

creation of the merger task force, stated "by placing on the merger task force parents, board of education trustees, superintendents of schools, educational practitioners, and business and industry representatives, I have attempted to go beyond the boundaries of the BOCES agency. Their assistance in structuring a new organization will ultimately merit support and generate respect from consumers."

Perhaps. But will there be trust? Can there be any trust unless and until a full investigation is launched into the entire Murphy matter? We think not. There can be no trust until the full financial affairs of the BOCES operation are subject to public scrutiny, and the election process

for BOCES board members is changed to allow for a public vote. The current system, which allows only representative board members from local school districts to vote on BOCES board members is a farce. It perpetuates a closed system that leads to the abuses which brought BOCES III into a state of disgrace. As long as that continues there can be little hope that the taxpayers who foot the bill will have any trust in the BOCES operation, consolidated or not.

Sobol must act to remove the conditions and the people who were responsible for the Murphy fiasco. Unless and until that happens, a cloud of distrust will continue to hang over all BOCES operations.

And why not?

Who is Bob Schultz?

Recently the name Bob Schultz has been mentioned here on Long Island. Depending upon who you are talking to, he is a carpetbagger, an interloper, a person with a political agenda, or a first-class citizen who is bringing hope of controlling the government and making it conform to the Constitution.

Schultz is from just outside of Lake George. By profession he is a civil engineer and has an extensive background in the environment, particularly resource recovery.

Back in the mid-70s, a group of officials attempted to create a project similar to the Southwest Sewer District in the Lake George area. Schultz got interested, asked questions for which the officials did not have answers. He saw the government violating their own laws, disregarding the Constitution and abusing the public. He did as many people do—he became more involved. He went to meetings, asked hard questions. He came up with alternative proposals. But they were ignored.

When Schultz saw flagrant violations of the law, rules and regulations that he was expected to abide by as a citizen, being committed by the government, he hired an attorney and sued. This suit grew expensive and almost bankrupted him.

Schultz and his wife started to do research themselves. He won the first round but the municipality appealed. He didn't have the money for the attorneys on appeal so he did the unthinkable, he sued "per se," in a citizen law suit and was victorious. This, in itself, was unusual, but it proved that the citizens operating from within the system could fight back.

Normally, after involvement in a specific issue, citizen activists are burned out and quit. Schultz was different. He realized he had uncorked a Pandora's Box. He went on to file a number of other law suits

against the government when he felt they were in violation of the State Constitution. He has had numerous victories, including stopping Mario Cuomo from using taxpayers' money to promote bond issues, which is against the law. His current objective is to stop the state government from using one-shot revenue gimmicks to fill budget holes.

Schultz realized that although he was successful, he could not make a meaningful dent in the bureaucracy because government, operating with taxpayers' funds, can most always beat the people. Law suits are tremendously expensive and citizens, even as a group, rarely have the ability to fund them. Building on his original "per se" experience, Schultz put together an organization called ACTA, All County Taxpayers Association. ACTA, today, has a presence in most counties. Schultz instructs the local folks on how to do the research, how to write briefs and how to file law suits when the government is acting outside of the Constitution and violating the rights of the citizens. Some of these law suits have state-wide implications; others may be narrow in scope and just address violations being committed by a local school board.

The Middle Country school board is entangled in one of these suits. The school board operates on a 5-4 balance. One of the members of the board majority is a retired district employee and has a family member who is a member of the teaching staff in that district. This has brought into question the ethics and the legality of that individual voting on matters pertaining to retirement benefits and teacher salaries, both of which appear to raise a serious conflict of interest question. ACTA is suing on this question and has won a temporary restraining order and, recently, a victory in the Appellate Division in Brooklyn.

Schultz has been attacked by the teachers association as an outsider, meddling in their internal affairs, a carpetbagger and an interloper. Name calling, particularly when it degrades the people and the cause that they are advocating, serves to cloud the real issues, nothing else.

Those teachers who find Schultz's activities disturbing should be using him as a shining example of the proper use of civics. He is not standing up at the school board meetings making false accusations. He does not use misleading information. His cases are built on facts and he uses the courts to bring about redress. He is doing what every citizen should be doing. What we suspect frightens some individuals is that he is doing it successfully.

The Constitution of the United States and the Constitution of the State of New York are wonderful documents, for they allow every citizen equal rights and an ability to participate in our government. Schultz's law suits have not been frivolous. For the most part they have addressed clear violations of the laws by the very governments that created them.

Government is only as good as the people who take part in it. Too many of us allow elected officials the sole discretion of determining what is good for us even though their decisions are counter to the Constitution and in violation of many of our rights.

Schultz is no longer one man. He is showing others that if you want to carefully do the research, professionally prepare the briefs, you as a citizen have redress without the expense of attorney fees for law suits.

For further information about Schultz or ACTA you may write to him at ACTA, Box 177, Star Route, Glens Falls, New York 12801.

And why not?

But for the grace of God there go I

We are going to make it. Although it has been a struggle right from the beginning, The Group will be able to provide Christmas for most of the legitimate needs we have encountered this year.

Last week we told you we were behind \$6,000 in our fund-raising efforts. We are still behind, but not as much. Because of a loan that was made to The Group, we will be able to accomplish our mission this year. We are hoping that additional contributions come in as we get closer to Christmas to enable us to repay the loan.

The Group provides Christmas gifts, clothes and toys to children whose parents are normally able to provide these gifts. But this year, due to circumstances be-

yond their control, such as layoffs, business failures, foreclosures, accidents or ill health, they have been wiped out financially, and a Christmas visit by Santa for their children would not be possible.

The Group volunteers purchase the needed items and the special gifts. They are wrapped and all delivered anonymously. Outside of a very small core group, no one knows the identity of who they are shopping for, wrapping for and, in some cases, delivering the bags of Christmas gifts to.

We try to make the deliveries to a parent when the children are not home. It is our intention that the parents personally give the gifts to the children, either from

themselves or Santa. In this way, they can maintain their dignity and never have to let the children know that Christmas was provided by other people who cared, who reached out and touched others.

Being part of The Group gives you a very special sense of humanity. You are giving without any expectations or reward, or even a thank you. Just pure giving for the sake of your fellowman. And the warm glow of knowing on Christmas morning that children are laughing, filled with happiness, because you cared.

If you are able to do so, please send a contribution to The Group, c/o Suffolk Life Newspapers, PO Box 167, Riverhead, NY 11901.

And why not?

Freezing the level of rate pain

The high cost of Long Island's electricity was in the spotlight in the center ring in a circus of events last week which included three press conferences on the matter of Long Island Lighting Company (LILCO) rates.

One day after the latest 4% increase in electric rates went into effect, LILCO proposed a two-year freeze in its rates, followed by another 4% increase in the third year. Almost at the same time, Richard Kessel, executive director of the New York State Consumer Protection Board (CPB) and chairman of the Long Island Power Authority (LIPA), was in another ring calling for the Public Service Commission (PSC) to freeze, or possibly reduce, LILCO rates for the next three years. And, Action Long Island announced a "Power Use Avoidance" plan which called for shutting off all lights for one minute, starting at 4:44 p.m. every day, aimed "at bringing LILCO rates under control."

LILCO's announcement that it would

seek PSC approval of its freeze plan brought words of praise from Matthew Crosson, president of the Long Island Association, who called it "very significant news for the economic well-being of Long Island."

State Senator Owen Johnson (R-Babylon), who has been calling for LILCO rate decreases, was of a different mind. "Many, including the Long Island Association, are jumping to congratulate LILCO for working toward a rate freeze. I, for one, am not as impressed." Nor are we. In our mind, LILCO's freeze plan is too little, too late, and an insult to the people of Long Island.

The November 1993 issue of Energy User News contained a ranking of electricity prices for industrial use. Tops on that list, number one, was the cost of electricity from LILCO, at .1715 cents per kilowatt-hour (kwh). Compare this to the cost of electricity elsewhere in New York State: Con Ed charges .1558 cents per kwh; New York State E&G power

costs .0816 cents per kwh; Central Hudson G&E charges .0671 per kwh; Niagara Mohawk Power is .0551 per kwh. The New York Power Authority (NYPA) is 166 on the list with a cost of .0208 per kwh, but most of that power goes to upstate users, both industrial and residential, and certain privileged recipients here on Long Island.

Many businesses have left Long Island, fleeing to parts of the country where the cost of doing business is lower, including that of electricity. In Maryland, for example, Potomac Electricity's industrial rate is .0649 cents per kwh. Virginia E&P charges .0451 cents per kwh; Savannah E&P power costs industrial users .0441 cents per kwh. The price per kwh from Tampa Electric in Florida is .0464 and from Gulf Power, also in Florida, is .0430. Couple this with the higher taxes of this area and it's easy to see why businesses go south.

Freezing rates at the current level does nothing to solve the problem. Busi-

nesses will continue to flee; all ratepayers will continue to suffer. Maintaining the high rate pain at the same level for two years is nothing more than an effort to mask the problem, not cure it.

Taxes and energy costs are major factors which have had a serious impact on the area's economy, and those problems will continue until some changes are made. We need leaner governments and lower utility profits. We can't afford the costly overhead of golden parachutes and high salaries that impact our electricity costs.

We need a fair share of the low cost power produced by the New York Power Authority which, remember, has an industrial energy rate of .0208 cents per kwh. NYPA handles about 7500 megawatts of low cost power; our area gets about 700. That's hardly a fair share. Upstate towns, villages and school districts receive low cost power. We don't, but we should. With the Holtsville NYPA plant nearing completion, there is no reason why the output from that facility should not be earmarked for an increased share of low cost power for the region. That power could go to our local school districts, governments and lighting districts so that the taxpayers get the benefit.

We need legislation that will put a cap on the charges LILCO can apply to wheel that power through its lines. We also need an end to the practice of the Public Service Commission granting LILCO rate increases to ensure its guaranteed rate of return. Whenever energy conservation reduces electrical usage, the PSC hikes the rates to protect the utilities from a loss of income. A bill recently introduced in Albany by Assemblyman John Behan (R-Wainscott) would end this practice. Hopefully, that bill will pass, but we suspect the utility lobby will labor strenuously to kill it.

Also needed is a complete reevaluation of the Shoreham agreement masterminded by Governor Mario Cuomo. LILCO, in announcing its freeze proposal, said that a number of factors, including low interest rates, low inflation and low fuel prices, has made it possible to "reduce expenses to levels below what was anticipated in the Shoreham Settlement Agreement." That agreement, labeled by Wall Street experts as a "sweetheart deal," was so lopsided on behalf of LILCO at the expense of the ratepayers that LILCO has been fully restored to financial health. State legislators should immediately call for a full investigation of the Shoreham deal. If the projections called for in that disastrous agreement are erroneous and out-of-date, the entire LILCO rate structure should be revised. Downward!

Freeze the rates? You don't solve problems by continuing them at the same level. A meaningful reduction in LILCO rates is the only medicine that will save Long Island from economic death. Let's get on with it!

And why not?

Garbage is an asset

Over the last decade we have run more than one editorial with the headline that garbage is an asset. It didn't take much brainpower to see that garbage was not a problem but an opportunity in disguise.

The American consumer throws away tons of things that can be reused. What is somebody else's junk is someone else's gem. During the Shoreham fiasco we advocated the burning of garbage to develop electricity. We have editorially encouraged the utilization of our welfare recipients and unemployed work force to separate garbage, pull out the assets, turn the compostables into soil and humus.

We have editorially advocated separating the construction debris, utilizing the concrete and the steel to build an artificial reef offshore as a fish haven, and to back up and block the power of the waves that have torn our beaches apart.

We have editorially questioned the wisdom of towns entering into 20- and 30-year deals guaranteeing a flow of garbage to the mammoth incinerators. No one can see that far down the line. With technology changing, disposables could end up being eliminated. Yet, towns went ahead guaranteeing garbage flows they now cannot meet. The high tipping fees that they established are being undercut. Taxpayers of these municipalities face having to make up for the shortfalls through increased taxes. The politicians and the towns let their greed get in the way of common sense. They saw the garbage crisis as a way of creating more smoke and mirrors. They felt they could fool the public into believing they were holding the rate of tax increases down by transferring the cost of garbage operations out of the town's general budget into special garbage districts, creating the illusion that the fees mandated were not taxes.

The DEC (Department of Environmental Conservation), which should have been helping and guiding the towns, obstinately created roadblock after roadblock, forcing towns into costly propositions to avoid facing higher fines. The sea gulls are now coming home to roost and it's "panicsville" over garbage.

Trading a gun for a license

In the middle of the garbage mess have been the carters. Some carters have a long history of being run and con-

trolled by organized crime.

In last week's Suffolk Life, it was revealed that the carters have developed a nice sounding group called "The Environmental Coalition of Long Island." They want to establish a solid waste authority that would give them total control over the waste disposal business in both counties. They are asking the government to pay for a feasibility study. A gun has always been a favorite weapon of the mob, they want to trade it in for a license.

An authority has power of eminent domain. It can raise funds through bonds that the public is responsible for paying back. An authority has the power of condemnation and can usurp local planning and zoning regulations. An authority is not answerable to any elected official. Its only responsibility is to its bondholders. The last thing Long Island needs is an authority run by the carters who now call themselves environmentalists. Anyone who supports this cockamamie scheme should be investigated by the IRS (Internal Revenue Service).

Should towns be in garbage business?

Once upon a time, it was the towns' responsibility to maintain a dump and provide for the disposal of the residents' garbage. The DEC has closed down all dumps on Long Island. The carters pick up the garbage. Other than regulatory oversight, why should the towns be involved in its final disposition? Let the carters handle this, it's their business. Let the towns regulate the carters within their borders and keep a firm hand on rates, but let's stop wasting precious taxpayers' money on maintaining a business that the state has put us out of.

To keep the incinerators running, the operators are going to have to reduce tipping fees to be competitive. Conceivably, these incinerator operators could end up in a bidding war where they could actually be buying garbage. Let the market factors work and the taxpayers can get a break.

And why not?