will overwhelmingly impact the mothers, grandmothers, sisters, and aunts across this country. Women are living longer than ever, and they are living longer than men. That is good news. However, the poverty that many women experience during their final years is certainly not good news.

There are several reasons women's golden years are not so golden. While most women have worked their entire lives, a good portion of this work was not in the paid workforce. You do not earn a pension for the time spent caring for children or elderly parents. When many of our mothers and grandmothers were in the workforce, they were denied equal pay for equal work, therefore earning less. Some worked only part-time, trying to balance the responsibilities of their jobs and their families. As a result, they have made less over their lifetimes, and now their monthly Social Security benefit is considerably smaller than their male counterparts.

These women deserve financial stability and still, the Republican prescription drug proposal denies them the security that comes with knowing that they can afford to pay for their medical care. Not only will the majority's plan not help senior women, it will push Medicare beneficiaries into HMOs, creating more instability. I am not speculating; I have watched it happen in my district.

Just a few years ago, the Health Plan of the Redwoods, a good, small HMO that served my constituents in Sonoma and Marin Counties, went bankrupt. After first limiting services and physician payments, they had to close their doors. This bankruptcy interrupted care for a number of my constituents, a great number of them senior women.

We should not force Medicare beneficiaries to accept the same kind of instability in exchange for a prescription drug benefit. The Republican plan ignores the proverbial 800-pound elephant in the room: the astronomically high prices of prescription drugs.

Take a minute and think about the reason our senior women cannot afford prescription drugs. It is because prescription drugs are too expensive. To me, it is good, old-fashioned, common sense that we should take steps that address the root of the problem and find ways to reduce these prices. But the majority apparently does not enjoy the same common sense that my democratic colleagues and I do.

Their plan specifically forbids the Secretary of Health and Human Services from negotiating lower prescription drug prices. Can my colleagues imagine that? The Republican plan prohibits the Secretary of Health and Human Services from trying to make the cost of prescription drugs lower.

□ 2045

Private insurance companies then must on their own negotiate with far less bargaining power. The Veterans Administration has proven that negotiating can result in lower prices, but the Republicans have once again proven that they care more about the profits of the pharmaceutical companies than the bottom lines or about senior women.

Many older women have little or no financial security. But there is one thing even more dangerous than that, and that is a false sense of security. Millions of women will read the newspapers; they will be delighted to learn that there is now a Medicare prescription drug benefit. But imagine their surprise, imagine the surprise of the typical elderly woman when she learns that her so-called benefit will require her to pay $4,000 of the first $5,000 in annual drug expenses. And that is on top of a monthly premium that is yet to be determined.

Frankly, I find it shameful that the majority claims that they are delivering a drug benefit to seniors when in reality the plan will cover only a small portion of their expenses. And it will actually outlaw practical steps to reduce these expenses in the first place. I dare my Republican colleagues to tell their mothers what they are doing to Medicare.

After a lifetime of hard work, both in and out of the home, our mothers and grandmothers deserve better than this fraudulent plan the republicans are pushing. We can do better and we must.

PRESCRIPTION DRUG PLAN NOT FAIR TO OUR CHILDREN

The SPEAKER pro tempore (Mr. GARRETT of New Jersey). Under a previous order of the House, the gentleman from Michigan (Mr. SMITH) is recognized for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I agree with the previous speaker on several issues, and that is that we should delay this bill and try to improve it. And I am going to make comments suggesting that it is not fair to seniors, but it is not fair to our kids and our grandkids. I have four children, and they are trying to save money to send my grandchildren to college. And one question I would pose is, why should they pay more taxes to pay for seniors' prescription drugs?

The retiring seniors that we are going to see over the next 10 years are probably the wealthiest seniors this country has ever had in the past, probably will ever have in the future. Mr. Speaker, we now expect a vote on the addition of a prescription drug benefit to Medicare on June 26. And this vote would authorize the largest expansion of our entitlement programs since we amended the Social Security bill back in 1965 and added Medicare. So Social Security, because of the allure of more senior votes, Members of Congress and the President decided to expand the benefits to seniors to add Medicare.

When Medicare was under consideration in 1965, a few Members realized the sort of burdens that would come to place on future taxpayers, and Chairman Wilbur Mills of the House Committee on Ways and Means predicted in September of 1964 that the costs of even part A of Medicare, which was then under consideration, would soon exceed projections and that ever-increasing taxes would be needed to finance it. He predicted it would come to pass that Medicare costs would leave Congress hamstrung, facing uncontrolled increases in costs and to the indefinite future. Mills dropped his opposition to Medicare under pressure from the President of his own party, but he was right about the program's consequences.

This summer, as Congress considers the largest single expansion of any entitlement program since 1965, we should consider how a prescription drug benefit will burden future workers and taxpayers and not give seniors what they expect. The Federal Government is in serious financial problems. When the baby boomers start retiring in the next 10 to 12 years, we see more people going out of the workforce, if you will, paying in to Social Security and taxes and taking out benefits from Medicare and Social Security.

When the Federal Government comes to a pinch in another 12 to 15 years, guess what is going to happen to the prescription drug program that has been promised? Number one, I suggest that government, Congress and the President will say, well, to reduce costs, we need to spread the costs over a wider segment of the population, and so we are going to require all seniors, regardless of whether you have prescription drugs in your retirement program or not, regardless of whether you have a good insurance program that covers prescription drugs, we are going to require everybody to take the government's system.

Guess what comes next as government faces this fiscal pinch? Rationing, and then the government will follow what many other countries have done such as Canada and many other countries that have government-run programs. They are going to say, well, we are going to limit the prescription drugs that are available to seniors. This proposal suggest that $400 billion, and it is pretty much used up, is going to be required for spending in the next 10 years for prescription drugs. We should think carefully about the consequences of making a whatever-it-costs commitment into the indefinite future.

I chair the Subcommittee on Research in Science and the medical technology is now expanding more rapidly than our ability to pay for it. That means the medical technology of the future is going to be very impressive and very successful on maintaining our health and helping us to live longer. In fact, the future has suggested that in the next 20 years, anybody who wants to live to be 100 can do so, but it will cost money. And we are sort of programming that we will pay for those benefits, whether it is $40,000 a treatment or $60,000 a treatment after they

finish their first deductible and the 3,000 or whatever we end up with. And that is another question, none of us have read this bill yet.

It now looks like a bill we will consider this week will add prescription drug benefits with minimum offsets for Medicare. It is not fair to our kids to add this responsibility to everybody else's kids and grandkids and my 10 grandkids, and I would hope we look more carefully at this and review it over the Fourth of July recess and come back and try to have a better bill.

This will add enormous liabilities to a Medicare system which is already predicted to be insolvent. Economists calculate that the newly created unfunded liability of such a reform is $7.5 trillion. This means that a prescription drug bill that adds 12 percent to Medicare's costs comes with a present cost of $7.5 trillion, or a bit more than the entire public debt. You add this to an unfunded liability of $9 trillion for Social Security and you end up saddling our kids with a huge debt.

These projections assume that prescription drug costs will grow at the same rate as the rest of Medicare, and that the prescription drug benefit will not be expanded over time. Recent history would suggest that prescription drug costs are growing more rapidly than the rest of Medicare. In 1965, OMB projected that Medicare would spend $9 billion in 1990. The actual figure was $67 billion. Having projected $26 billion in spending for 2003, we will spend $245 billion. Because medical technology—the cost of prescription drugs will be much higher.

This drives home the point that any expansion of Medicare imposes a cost on taxpayers. Such a reform basically transfers the burden from retirees to taxpayers. More accurately, it means that we are transferring costs from us to our children and grandchildren. We're spending now and sending the bill to people who are yet to be born or too young to defend themselves.

This is selfish and it is wrong. I'm not against a prescription drug benefit if it is responsible. But it must not place heavy and increasing burdens on workers, taxpayers, and the economy in the future. I oppose the bill that is now under consideration because it does not meet this test.

Once again, we have not had an opportunity to see and review a bill on an important topic before we are required to vote on it. It is rumored, in fact, that changes are still being made. Few members will actually know exactly what's in this bill until after it has passed.

I believe that the better approach would be to release the bill tomorrow and then delay the vote until after the upcoming Fourth of July work period. That would allow all of us in Congress to read the bill, consult with our constituents, and make a fully informed decision on a program that could profoundly affect our future and that of our children and grandchildren.

I urge Congress to reject the bill tomorrow so we can take a more responsible and deliberate approach to reforming an important program like Medicare.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. FILNER) is recognized for 5 minutes.

(Mr. FILNER addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

PRESCRIPTION DRUG PLAN SHOULD BENEFIT SENIORS, NOT DRUG COMPANIES

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from California (Ms. LEE) is recognized for 5 minutes.

Ms. LEE. Mr. Speaker, I rise today to ask Congress to pass a prescription drug bill for our senior citizens, not for the insurance and the pharmaceutical industries. The Bush administration continues to sell our Federal domestic programs to corporations and to industry donors.

Today, hundreds of seniors stood against the Republican prescription privatization plan. They blew the whistle on this. They blew the whistle on this deceptive legislation; and tonight, we too are blowing the whistle. Their bill will dismantle Medicare as we know it.

This prescription drug bill does not provide affordable drugs under Medicare. Instead, it leaves seniors, particularly women, to pay the price for pharmaceutical advertising and insurance industry lobbyists. Democrats have been fighting against these industry economics for years, and we know what a good Medicare prescription drug benefit looks like. It is affordable and available to all. It is inclusive and provides drug coverage for all communities, rural and urban. It includes all seniors and all walks of life without establishing a means tests or a voucher system.

Last week, the House Republicans under the leadership of really the Bush administration released their prescription drug benefit. The Republicans contend that seniors should be forced to use private insurance companies for drug coverage rather than Medicare in order to force competition. But the bottom line is the Republicans are really providing a benefit to the insurance industry and to the pharmaceutical industry.

The industry would have the ability to design their own prescription drug plan. The industry would decide what to charge and which drugs seniors can get. The Republican plan exploits seniors and the disabled by requiring private insurance plans to stay in the program for only 1 year. This could leave seniors vulnerable to unavailable plans, rotating doctors and shifting prescriptions. Just thinking about all of these threats to our seniors really does make me sick.

Tonight I want to focus on women and remind the Republicans of the voters really that they are ignoring. Women in this country will suffer first hand if the Republican prescription privatization bill passes, not only because we live longer, but because we pay into the Medicare system longer. Almost eight out of 10 women on Medicare use prescription drugs regularly, though most pay for these medications out of pocket. Women on Medicare spend 20 percent more on prescription drugs than men. And in 1999 alone, women on Medicare spent $430 more a year on medications than men. The Republican bill puts women, it puts our seniors, our disabled really on the industry's chopping block. It should make you really cringe to witness the corporate welfare that the Republicans are creating for the insurance and pharmaceutical industry in their bill.

Since 1980, drug prices have increased by over 256 percent, while the consumer price index on which Social Security's cost-of-living adjustments are based rose just 98 percent. And in their bill they will not even allow our Secretary of Health and Human Services to discuss and negotiate lower prices for their medications. How shameful that is.

In the Bay Area, specifically in my home town of Oakland, California, my elderly and disabled constituents are paying up to $2000 more a year for basic drugs than in Canada, Europe and Japan. These disparities may seem bad now; but under the Republican plan before us, they will only get worse. I could go on and on, but the point is that seniors and the disabled are paying on average 89 percent more than our international counterparts. This is just dangerous and downright unfair. It is bad public policy.

Our senior women are having to make hard decisions about which drugs they can afford and if they should really buy drugs or pay for food. There is a better way.

Democrats have a low-cost prescription drug plan that does not pit seniors against one another, but makes access to prescription drugs a reality for all. The plan has incorporated many of the components of another plan called the Meds Plan, which many of us are supporting.

Under this plan, we ensure that seniors and people with disabilities have affordable, comprehensive and guaranteed access to prescription drug coverage. The proof is in the details. A $25 a month premium, a $100 a year deductible, an 80/20 cost-sharing between Medicare beneficiaries, a $2,000 minimum for Medicare beneficiaries, and a sliding scale for low-income individuals for up to 150 percent of the median.

Under the Republican plan, let me state that the bill that the Republicans have put forward will really punish people for getting sick. The Democrats will not punish our seniors for getting sick. The Republican plan gives authority to insurance companies and HMOs to really prey on Medicare and Medicaid beneficiaries. The Democratic plan reduces the costs of drugs. The Republican plan does not. The Democratic plan does not end Medicare. The Republican plan does.

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