CONFERENCE REPORT ON H.R. 2622, FAIR AND ACCURATE CREDIT TRANSACTIONS ACT OF 2003

The SPEAKER pro tempore. The pending business is the question of suspending the rules and agreeing to the conference report on the bill, H.R. 2622.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. OXLEY) that the House suspend the rules and agree to the conference report on the bill, H.R. 2622, on which the yeas and nays are ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 379, nays 49, answered ''present'' 1, not voting 5, as follows:

[Roll No. 667]

YEAS—379

Abercrombie	Coble	Hall
Ackerman	Cole	Harris
Aderholt	Collins	Hart
Akin	Cooper	Hastings (FL)
Alexander	Costello	Hastings (WA)
Allen	Cox	Hayes
Andrews	Cramer	Hayworth
Baca	Crane	Hefley
Bachus	Crenshaw	Hensarling
Baird	Crowley	Herger
Baker	Cubin	Hill
Baldwin	Culberson	Hinchey
Ballance	Cummings	Hinojosa
Ballenger	Cunningham	Hobson
Barrett (SC)	Davis (AL)	Hoeffel
Bartlett (MD)	Davis (FL)	Hoekstra
Barton (TX)	Davis (TN)	Holden
Bass	Davis, Jo Ann	Holt
Beauprez	Davis, Tom	Hooley (OR)
Bell	Deal (GA)	Hostettler
Bereuter	DeGette	Houghton
Berkley	DeLauro	Hoyer
Berry	DeLay	Hulshof
Biggert	DeMint	Hunter
Bilirakis	Deutsch	Hyde
Bishop (GA)	Diaz-Balart, L.	Inslee
Bishop (NY)	Diaz-Balart, M.	Isakson
Bishop (UT)	Dicks	Israel
Blackburn	Dingell	Issa
Blumenauer	Dooley (CA)	Istook
Blunt	Doolittle	Jackson-Lee (TX)
Boehlert	Doyle	Janklow
Boehner	Dreier	Jefferson
Bonilla	Dunn	Jenkins
Bonner	Edwards	John
Bono	Ehlers	Johnson (CT)
Boozman	Emanuel	Johnson (IL)
Boswell	Emerson	Johnson, E. B.
Boucher	Engel	Johnson, Sam
Boyd	English	Jones (NC)
Bradley (NH)	Etheridge	Jones (OH)
Brady (PA)	Everett	Kanjorski
Brady (TX)	Fattah	Kaptur
Brown (SC)	Feeney	Keller
Brown, Corrine	Ferguson	Kelly
Brown-Waite, Ginny	Fletcher	Kennedy (MN)
Burgess	Forbes	Kennedy (RI)
Burns	Ford	Kildee
Burr	Fossella	Kilpatrick
Burton (IN)	Frank (MA)	Kind
Buyer	Franks (AZ)	King (IA)
Calvert	Frelinghuysen	King (NY)
Camp	Frost	Kingston
Cannon	Gallegly	Kirk
Cantor	Garrett (NJ)	Kleczka
Capito	Gerlach	Kline
Capps	Gibbons	Knollenberg
Capuano	Gilchrest	Kolbe
Cardin	Gillmor	LaHood
Cardoza	Gingrey	Lampson
Carson (IN)	Gonzalez	Langevin
Carson (OK)	Goode	Larsen (WA)
Carter	Goodlatte	Larson (CT)
Case	Goss	Latham
Castle	Granger	LaTourette
Chabot	Graves	Leach
Chocola	Green (TX)	Levin
Clay	Green (WI)	Lewis (CA)
Clyburn	Greenwood	Lewis (GA)
	Gutknecht	
Lewis (KY)	Pallone	Simmons
Linder	Pascrell	Simpson
Lipinski	Pastor	Skelton
LoBiondo	Payne	Smith (MI)
Lowey	Pearce	Smith (NJ)
Lucas (KY)	Pence	Smith (TX)
Lucas (OK)	Peterson (MN)	Smith (WA)
Lynch	Peterson (PA)	Snyder
Majette	Petri	Souder
Maloney	Pickering	Spratt
Manzullo	Pitts	Stearns
Marshall	Platts	Stenholm
Matheson	Pombo	Strickland
McCarthy (MO)	Pomeroy	Stupak
McCarthy (NY)	Porter	Sullivan
McCollum	Portman	Sweeney
McCotter	Price (NC)	Tancredo
McCrery	Pryce (OH)	Tanner
McGovern	Putnam	Tauzin
McHugh	Quinn	Taylor (MS)
McInnis	Radanovich	Taylor (NC)
McIntyre	Rahall	Terry
McKeon	Ramstad	Thomas
McNulty	Rangel	Thompson (MS)
Meehan	Regula	Thornberry
Meek (FL)	Rehberg	Tiahrt
Meeks (NY)	Renzi	Tiberi
Menendez	Reyes	Tierney
Mica	Reynolds	Toomey
Michaud	Rodriguez	Towns
Miller (FL)	Rogers (AL)	Turner (OH)
Miller (MI)	Rogers (KY)	Turner (TX)
Miller (NC)	Rogers (MI)	Udall (CO)
Miller, Gary	Rohrabacher	Udall (NM)
Mollohan	Ros-Lehtinen	Upton
Moore	Ross	Van Hollen
Moran (KS)	Rothman	Velazquez
Moran (VA)	Royce	Visclosky
Murphy	Ryan (OH)	Vitter
Murtha	Ryan (WI)	Walden (OR)
Musgrave	Ryun (KS)	Walsh
Myrick	Sabo	Wamp
Neal (MA)	Sandlin	Watt
Nethercutt	Saxton	Weiner
Neugebauer	Schrock	Weldon (FL)
Ney	Scott (GA)	Weldon (PA)
Northup	Scott (VA)	Weller
Norwood	Sensenbrenner	Wexler
Nunes	Serrano	Whitfield
Nussle	Sessions	Wicker
Oberstar	Shadegg	Wilson (NM)
Obey	Shaw	Wilson (SC)
Ortiz	Shays	Wolf
Osborne	Sherman	Wu
Ose	Sherwood	Wynn
Otter	Shimkus	Young (AK)
Oxley	Shuster	Young (FL)

NAYS—49

Becerra	Jackson (IL)	Roybal-Allard
Berman	Kucinich	Rush
Brown (OH)	Lantos	Sanchez, Linda T.
Davis (CA)	Lee	
Davis (IL)	Lofgren	Sanchez, Loretta
DeFazio	Markey	Sanders
Delahunt	Matsui	Schakowsky
Doggett	McDermott	Schiff
Duncan	Millender-McDonald	Slaughter
Eshoo	Miller, George	Solis
Evans	Nadler	Stark
Farr	Napolitano	Tauscher
Filner	Olver	Thompson (CA)
Flake	Owens	Waters
Grijalva	Paul	Watson
Harman	Pelosi	Waxman
Honda		Woolsey

ANSWERED ''PRESENT''—1

Ruppersberger

NOT VOTING—5

Conyers	Gephardt	Gutierrez
Foley	Gordon	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. LAHOOD) (during the vote). Members are advised that 2 minutes remain in this vote.

□ 2337

Mr. DAVIS of Illinois changed his vote from ''yea'' to ''nay.''

Mr. RUPPERSBERGER changed his vote from ''yea'' to ''present.''

So (two-thirds having voted in favor thereof) the rules were suspended and the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Stated for:

Mr. GUTIERREZ. Mr. Speaker, I was present today in this Chamber on November 21, 2003. However, I was inadvertently not recorded on rollcall vote number 667. Had my vote been recorded, it would have been a ''yea'' vote.

FURTHER MESSAGE FROM THE SENATE

A message from the Senate by Mr. Monahan, one of its clerks, announced that the Senate has passed a bill of the following title in which the concurrence of the House is requested:

S. 579. An act to reauthorize the National Transportation Safety Board, and for other purposes.

CONFERENCE REPORT ON H.R. 1, MEDICARE PRESCRIPTION DRUG, IMPROVEMENT, AND MODERNIZATION ACT OF 2003

Mr. THOMAS. Mr. Speaker, on behalf of seniors and taxpayers, pursuant to House Resolution 463, I call up the conference report on the bill (H.R. 1) to amend title XVIII of the Social Security Act to provide for a voluntary program for prescription drug coverage under the Medicare Program, to modernize the Medicare Program, to amend the Internal Revenue Code of 1986 to allow a deduction to individuals for amounts contributed to health savings security accounts and health savings accounts, to provide for the disposition of unused health benefits in cafeteria plans and flexible spending arrangements, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 463, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of November 20, 2003, Book II at page 11877.)

The SPEAKER pro tempore. Pursuant to the order of the House of today, the gentleman from California (Mr. THOMAS) and the gentleman from New York (Mr. RANGEL) each will control 1 hour.

The Chair recognizes the gentleman from California (Mr. THOMAS).

Mr. THOMAS. Mr. Speaker, I yield one-half of my time to the gentleman from Louisiana (Mr. TAUZIN), chairman of the Committee on Energy and Commerce.

The SPEAKER pro tempore. Without objection, the gentleman from Louisiana will control 30 minutes.

There was no objection.

Mr. THOMAS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I called up this bill for seniors and for taxpayers. This evening you are going to hear some very harsh rhetoric. But what I really want to do is remind everyone here that since Republicans became the majority in this House in 1995, there has been a very positive and remarkable change to Medicare. Probably most important has been the introduction of preventive and wellness. For many years, it was available to be added to Medicare, but it was not. It took the Republican majority to add the testing and the education for diabetes, for osteoporosis, for improved mammography, for colorectal cancer screening, for prostate screening; and even today in this bill we continue with cholesterol screening and physical exams.

Tonight, the Republican majority is going to add prescription drugs to Medicare. We earnestly seek our friends across the aisle help in doing this. The conference report before us is bipartisan. It is bipartisan because of the House and the Senate structure. Tonight our friends across the aisle have a chance to make it bipartisan in the House. Our friends say that we are trying to destroy Medicare; but if we are trying to destroy Medicare, why is the American Association of Retired People supporting this proposal? Why is the AARP in favor of this bill? You have heard some very harsh rhetoric from my friends across the aisle describing their abandonment by the AARP. My friends, the AARP has not abandoned you. You have abandoned seniors. AARP has chosen to be with seniors, and they have chosen to be with us.

Fact: current Medicare cannot sustain itself financially. Question: Why in the world would we then be adding a $400 billion expansion of benefits under Medicare? Answer: today's medicine demands that we do so. Yesterday's medicine was hospitals and doctors. Hospitals and doctors still play a role, but prescription drugs play a central role. We simply would not be doing justice to our seniors if we did not try to add prescription drugs to Medicare.

But I also called this bill up for taxpayers, because if we add prescription drugs to Medicare, we need to be able to tell our taxpayers that we are also changing the funding structure of Medicare as well.

□ 2345

It cannot sustain itself, and we are adding an enormous new benefit. It would be irresponsible of us to simply think all we need to do is add prescription drugs. What we need to do is add prescription drugs, modernize Medicare, and make sure that those people who pay taxes today in the hopes of having a program tomorrow will be able to have one.

This bill protects low-income seniors. No one wants to place a financial burden on those unable to pay. But, Mr. Speaker, it is overdue to ask those who are financially well off enough to share.

We are hearing things from our friends across the aisle about how horrendous the suggested financial burdens are. For example, in today's voluntary, optional Part B Medicare, the premium is 75 cents on the dollar paid for by the taxpayers, 25 cents on the dollar paid for by the beneficiaries. This legislation is so radical, so extreme, that what it does is it asks people who are making $100,000 a year in retirement to pay 50 cents on the dollar and have the taxpayers pay 50 cents on the dollar. Ironically, that was the financial split when Part B Medicare began. All we are asking is for those who have the wherewithal to help share the financial burden. And where? There is an opportunity to provide a modest copay, one of the most significant factors in inhibiting overutilization. We ask those who are going to have a prescription drug, $2 on a generic prescription, $5 on a brand name. It will have a significant impact on utilization. It will also show that we understand, we need to be sensitive to taxpayers. Today they foot the bill, but tomorrow they also want a program. This bill is really all about a fair deal. Modernize Medicare with prescription drugs but put Medicare back on a sound financial basis as well.

We are going to hear a lot about what we are going to do for up to 40 million seniors in this legislation. Please understand with the modest structural changes we are asking for, there are going to be 140 million taxpayers who are going to be pleased as well.

This program cannot sustain itself. Add a new benefit and modernize the program. Medicare is not a Democrat program; they do not own it. Medicare is not a Republican program; we do not own it. It is a program that is in need of modernization, prescription drugs and better financing. The American people's Medicare, the seniors who receive the benefits, and the taxpayers who foot the bill deserve H.R. 1.

Mr. Speaker, I reserve the balance of my time.

Mr. RANGEL. Mr. Speaker, I ask unanimous consent to turn one-half of the time allotted to the distinguished gentleman from Michigan (Mr. DINGELL), a member of the Committee on Energy and Commerce, the dean of the House of Representatives, the son of the author of the Medicare bill, who was denied admission into the conference.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RANGEL. Mr. Speaker, I yield myself such time as I may consume.

This must be a very important piece of legislation, Mr. Speaker. It is 10 minutes to 12. When else would the majority bring out an important piece of legislation but in the middle of the night?

But more importantly than that, tomorrow for many of us is a date that many of us will never, never forget, at least those of us that were old enough to know of and to love the late John F. Kennedy. Most all of us will remember where we were or what we were doing on November 22. And I suggest to the Members that history will record what we do this evening and what we do tomorrow. The arrogance that has been displayed on this landmark piece of legislation defies description tonight, but history will record it. The audacity for people to talk about bipartisan here where for hundreds of years we inherited a House of Representatives that whether one was a Republican or Democrat, liberal or conservative, we could say in this House the people rule, and we have enjoyed saying that. Where do the Republicans get the audacity to say that when there is a conference, they would select the willing coalition, that they could look at a person and because they are a Democrat, appointed by the Speaker of this great House of Representatives, they exclude them? And let me tell the Members something else I am proud of, not just being a Member of this House, but sitting on this side of the aisle and taking a look at the faces and the backgrounds of the Members and where they come from, from the rural areas, from the inner cities, from America. We do not have senior citizens? We do not have a contribution to make? We can be excluded? And then to have the audacity to come to this floor, even if it is in the middle of the night, and call it bipartisan because you borrowed two Democrats from the other side. That is shameful.

No, our citizens really will recall what we do tonight, what you have done for AARP, what you have done for the pharmaceuticals, what you have done for the private sector whom you have subsidized. The bill is only 1,100 pages, but seniors know that they asked for some help for prescription drugs. No, they did not ask for competition. They did not ask for you to set up paper outfits. They did not ask for, at the end of the day, that you try to run them out of business. And I am suggesting to you, how would you know what you are going to hear on this side when just common decency prevented you from allowing you to follow the mandate that the Speaker set when he said that the House and the Senate, Republicans and Democrats, please go to conference, and you locked the door? One thing is clear. Seniors understand it better than a whole lot of Members do because it may in the middle of the night, but tomorrow they will be reading what we have done tonight.

Mr. Speaker, I yield the balance of my time to the gentleman from California (Mr. STARK), who has worked hard for decades on this legislation, and I ask unanimous consent that he be allowed to administer the remainder of the time that has been allotted to me.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. THOMAS. Mr. Speaker, I yield the remainder of my time to the gentlewoman from Connecticut (Mrs. JOHNSON), the chairperson of the Health Subcommittee of the Committee on Ways and Means, and I ask unanimous consent that she control the remainder of my time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2½ minutes to the gentlewoman from Washington (Ms. DUNN).

Ms. DUNN. Mr. Speaker, it is time to keep our promise and provide a comprehensive and voluntary prescription drug benefit for all seniors. Seniors cannot afford the frighteningly increasing cost of drugs any longer. This bill will protect the poorest seniors by helping pay for their drug costs immediately. By using the same principles already used by private companies, this bill will lower drug costs for seniors by passing along to them larger discounts from manufacturers.

As a result, over 775,000 Medicare beneficiaries in my State of Washington will get access to the drugs they need at affordable prices. The poorest seniors in Washington State, over 206,000 people living on fixed incomes, will pay only nominal fees, and I am talking about $2 to $5 for prescriptions, that is all, while qualifying for full assistance on their premiums, their deductions, and their coverage.

We can only strengthen Medicare's future if we are able to ensure access to the services that seniors need today. In this bill, we increase payments to doctors and hospitals, especially in rural communities, so that doctors will have some reason to stay in practice and seniors will get access to health services that they need.

For Medicare HMOs this bill requires Medicare to account for military retirees in the formula resulting in higher reimbursements in counties with military facilities. To help every State, the Federal Government will assume the drug costs for people eligible for both Medicare and Medicaid. This is hugely important. It will help 82,000 beneficiaries who qualify for both programs in my State with their drug costs, but this bill will also save my State $500 million, half a billion dollars over the next 8 years on drug coverage for its Medicaid population. In all, Washington State will receive at least an additional $800 million to serve our seniors.

Strengthening Medicare also means improving the quality of life for every senior. For this reason, I am very happy that we are able to provide preventative services to all seniors like a first-time initial physical exam. For the first time, seniors will have access to innovative treatments to deal with rheumatoid arthritis and other diseases. Seniors also will profit from disease management care, which means there will be coordination to help those seniors who suffer from multiple serious illnesses.

Mr. Speaker, these treatments will allow seniors to receive treatments in their homes, take the burden off physicians or hospitals, and I will tell the Members for too long our parents and grandparents have paid too much for the drugs they need. The time has come to strengthen the Medicare program so that seniors can get the care that they need and they deserve.

Mr. STARK. Mr. Speaker, I yield myself 2 minutes.

I first start by reminding the distinguished gentlewoman from Washington that the Seattle Times said that one suspects that many conservatives do not really care how the chips fall as long as they are heavy enough to break the back of traditional Medicare. All this talk about choice and updating or modernizing Medicare with market competition is pure malarky. So it does appear that somebody from the State of Washington understands what is going on here tonight.

But we are faced with a problem, and the Republican Party from the very top of its leadership to the very bottom have been lying to us. They have been lying to us about the war. They have been revising history. They have been going back on their word to give us 3 days. They have proven that we cannot trust them.

Just recently, the past few minutes, the chairman of the Committee on Ways and Means indicated that they had attempted to put in preventative measures. He seems to have forgotten that in 1995 he voted against colon cancer testing. He voted against prostate cancer testing. He voted against annual mammography. He voted against diabetes management. He has voted more often to cut Medicare benefits than he can remember, it appears.

So we are faced tonight with people who want to destroy Medicare. They will lie to us. They will lie to seniors for the pure purpose of their own messianic desires to destroy a system that will protect the fragile seniors in this country.

Mr. Speaker, I reserve the balance of my time.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. ENGLISH).

Mr. ENGLISH. Mr. Speaker, I rise tonight without any messianic pretensions to urge my colleagues to cast a vote for our seniors and support improved health care by voting for this bipartisan Medicare bill.

Mr. Speaker, today we have the best, and perhaps the last, opportunity to provide America's seniors with a voluntary and affordable prescription drug benefit as a part of Medicare. This is an unprecedented expansion of an entitlement program that will make life easier and health care better for many millions of Americans.

Mr. Speaker, I acknowledge this legislation is not perfect. There are things I wanted to see included that are not in the bill.

□ 0000

Yet, I am convinced that this is the best and most realistic compromise Medicare bill that Congress has so far developed. There are some here, I realize, who would make the perfect enemy of the good. But when you strip away all of the rhetoric and the partisanship, it really comes down to this: Do you support adding a prescription drug benefit to Medicare, or not?

In my district in western Pennsylvania, we have a diverse population of seniors. Some live on very low incomes and qualify for our State prescription drug benefit, PACE. Others are happy with their own private health plans, and some live in areas where there is only one hospital within a reasonable driving range.

This bill helps all of these seniors by offering a benefit that wraps around PACE, allows seniors to selectively participate in the Medicare plan, and includes a number of provisions to ensure that rural health facilities remain open and accessible.

Mr. Speaker, in 1965, our predecessors took the courageous and compassionate step of creating this important program. Now we have the best opportunity in years to build on their work by guaranteeing access to lifesaving drugs for our seniors. It is time for Congress to put people over politics and pass this Medicare bill.

I urge my colleagues to join AARP, America's doctors, America's hospitals, and major health care providers and vote ''yes'' on prescription drugs for our seniors.

Mr. STARK. Mr. Speaker, I am honored to yield 1½ minutes to the gentleman from Michigan (Mr. LEVIN), who understands that the United Steel Workers of America have said a vote for this measure is a vote to destroy the stability and long-term viability of the Medicare system.

(Mr. LEVIN asked and was given permission to revise and extend his remarks.)

Mr. LEVIN. Mr. Speaker, the key question: Why not add a prescription drug benefit to Medicare like for physicians and hospital bills? Because Republicans want to force seniors to get their drugs from private insurance companies and HMOs, with no set premium, and insurance companies would decide the benefits and could change them every year.

So again, why not simply add a drug benefit directly to Medicare? Because Republicans want to make sure the government has zero involvement in lowering drug prices for consumers. Indeed, their bill would prohibit Medicare from negotiating lower prices for drugs, and the only thing the government could do would be to keep people

from buying cheaper drugs from Canada.

Again, why not simply add a drug benefit to Medicare? Because the real Republican goal is to use a drug benefit as a vehicle for fundamentally changing and undermining Medicare.

The President's Medicare administrator called Medicare a dumb system. Under this bill, there would be a global cap on the size of the Medicare program and a voucher to buy private health insurance instead of getting regular Medicare, with the deck loaded against Medicare, $14 billion to HMOs.

Republican reforms are Medicare's destruction. Vote ''no'' on this Republican bill.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 1 minute and 15 seconds.

I would remind the gentleman from Michigan that 28 percent of his seniors will have no more costs than either $1 per generic or $2 per generic or $3 for prescription and $5, and 35 percent of Michigan seniors have incomes under 150 percent of poverty and will be totally protected under this bill.

Mr. Speaker, I think as we proceed in this discussion, we ought to remember that 38 States, 38 States provide Medicaid coverage for people whose income is 74 percent of the national poverty income. So 38 States are not even at 100 percent of poverty income. We cover people completely, everything, except $1 per generic or $2, depending on income, and $3 or $5 per prescription drug.

Do my colleagues understand that of the Medicare population, 57 percent are women? Mr. Speaker, 57 percent are women, and half of them, half of those women will pay no more than $2 per generic or $5 per prescription. They will have no other obligation, all the way up through catastrophic. Half the women on Medicare. This is a giant stride forward in women's health.

Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I am pleased to yield 1½ minutes to the gentleman from Maryland (Mr. CARDIN), who knows that all of the other members of the Older Women's League understand that this bill was supposed to modernize Medicare, not eviscerate it; and to deny basic health services for those who need it most, to increase the profits of the health care industry is criminal.

(Mr. CARDIN asked and was given permission to revise and extend his remarks.)

Mr. CARDIN. Mr. Speaker, I am very disappointed. I had hoped that I would have an opportunity to vote for a real prescription drug benefit within the Medicare system, or at least I would be able to vote on a bill that provides the foundation on which we could build a real benefit within Medicare. Instead, this conference report provides no guaranteed benefit whatsoever to our seniors for prescription drugs. It uses what is known as ''actuarial equivalent'' which depends solely upon private insurance companies.

We know what happened to Medicare+Choice with private insurance companies. The eight that were operating in my State of Maryland are all gone, leaving my seniors.

It has an ineffective mechanism to control prescription drug costs. It denies the government the tools that every other industrial nation in the world is using to bring down the cost of prescription medicines.

But worse than this, Mr. Speaker, it actually causes harm to our seniors. The Congressional Budget Office has estimated that 2.7 million retirees will lose their prescription drug benefits by the enactment of this bill. Mr. Speaker, this is not a voluntary bill for those 2.7 million Americans; they have no choice. It cost-shifts costs on to our seniors from basic Medicare because of premium support and triggers and caps. We overpay HMOs, using money that could be available to help our seniors. We make it more difficult for our seniors to get cancer treatment by the changes that we make on the reimbursement for cancer drugs.

So, Mr. Speaker, this bill does more harm than good. I support providing our seniors with a meaningful prescription drug benefit within the Medicare system that will strengthen Medicare. Therefore, I must oppose this conference report and urge my colleagues to do the same.

Mr. Speaker, I rise to express my disappointment with the conference report on HR 1. For the past several years, I have worked toward enactment of a prescription drug benefit for those who rely on the Medicare program for their health care needs.

A meaningful Medicare prescription drug benefit must be affordable, guaranteed, and available to all, it must contain an effective mechanism to lower the cost of medicines and it must be built on a sound structure that can be improved upon in future years.

I have carefully considered the legislation that is before us today, and it fails each of these tests. This Congress has missed an opportunity to enact far-reaching, bipartisan legislation that would provide the help that millions of seniors need and deserve.

Some have criticized the Medicare program as outdated, inefficient, a dinosaur. These members are ignoring Medicare's success in providing universal, comprehensive coverage. They are ignoring Medicare's low administrative costs—3%—relative to private insurers at 15 to 20 percent. They are ignoring Medicare's ability to cover a population that has been shunned by private insurers for decades.

Before Medicare was enacted, there was little private interest in covering elderly and disabled Americans. And there is still little private interest in doing so. That is why in my own state of Maryland, several hundred thousand seniors who once had the choice of eight Medicare HMOs, now have no HMO options available to them. As the options dwindled between 1998 and 2002, the remaining plans quadrupled their premiums, slashed their drug coverage and eliminated extra benefits. By 2003, the M+C HMO penetration rate in Maryland was zero percent. Nationwide, since 1997, more than 2.4 million seniors have been abandoned by private insurance plans, even though the plans were paid at 119 percent of fee-for-service Medicare costs.

This conference report changes the name ''Medicare+Choice'' to ''MedicareAdvantage,'' and adds $20 billion in subsidies to private plans, boosting their payments to equal more than 125 percent of the amount paid for traditional Medicare. But it cannot create private interest in the senior market. We have tried that and failed.

To be successful, a drug benefit must be within basic Medicare and based on a sound structure that can be improved over time. Only a benefit that is based on a solid foundation will give seniors the stability they need and deserve. Rather, this bill relies solely on the willingness of private insurance companies to offer the benefit. In the Ways and Means Committee, I fought for a fallback within Medicare that would be available to every beneficiary in the country. It would have a set premium, deductible, and copays that would always be there regardless of where seniors live and what plans enter their region. If the private sector offered a superior, more efficient plan, seniors would choose the private plan. But if the private plan never materialized, or if it offered a premium that was unaffordable, Medicare would be there for them. In rejecting my amendment, and choosing a ''fallback'' that could come and go from year-to-year, the conferees bypassed the opportunity to continue Medicare's promise of universally available health care for all seniors.

Ask your constituents if they want a choice of more private plans. They do not. They want a choice of hospitals and doctors, and they want stability, reliability, and real help with paying their prescription drug costs.

This conference report lets them down. It offers seniors an inadequate benefit. The President and the Republican leadership say that this plan gives seniors the same benefits enjoyed by Members of Congress and federal employees. That is untrue for several reasons. First, the benefit packages are nearly mirror images of one another. In most FEHBP plans, federal employees receive 80% coverage for prescription drugs. A federal employee with annual drug costs of $5,000, would pay about $1,000 out-of-pocket. But under this legislation, seniors with annual drug costs of $5,000 would have to pay $4,020 out-of-pocket.

Second, the Medicare drug benefit has a wide coverage gap that will leave many of our seniors paying premiums for several months when they are receiving no benefits. There is no plan approved by OPM that would require federal employees to continue paying premiums when we are receiving no benefits. Seniors should not have to do that either.

Third, under this bill, seniors who want to remain in traditional Medicare would have to enroll in a stand-alone drug plan to get prescription drug benefits, but there is no such plan in the under-65 market. The conference report does not guarantee them what their premium will be; only that a private company will offer them an actuarially equivalent benefit that can change from year to year. It is a level of uncertainty that our senior should not have to face.

Our seniors now know the details of this bill. They are calculating their prescription drug costs at kitchen tables across the country tonight. They are calling Congress to say how

disappointed they are at the inadequate benefits this bill provides, and they are urging us to vote no.

Rather than providing relief to our seniors, this bill shifts additional costs from government onto their backs. Although the drug benefit premium is estimated at $35, the conference report gives insurers license to charge much more. The Medicare Part B deductible will increase by ten percent in 2005 and then by program costs each year.

Some of my colleagues have tried for years to curtail Medicare spending by hundreds of billions of dollars, usually in the form of targeted provider cuts. But our hospitals, doctors, nursing homes and rehabilitation providers need fair reimbursement, and Congress has usually answered the call. In addition, these members have found difficult to argue the need for drastic cost containment given that Part A Medicare solvency is now the third longest in the history of the program. So the conferees have taken a surreptitious approach, adding a provision that was not in the House or Senate-passed bills. They created a new definition of insolvency that caps Medicare's use of general revenues at 45 percent of total Medicare costs and would force government to cut benefits or raise payroll taxes if this limit is exceeded. By triggering an increase in payroll taxes, which disproportionately affect lower-income Americans, this provision shifts the burden of Medicare away from those most able to support it to those who are least able, further jeopardizing Medicare's long-term stability.

Because we are limited to $400 billion in this bill, it would make sense to use every instrument possible to get the best price for prescription medicines. But the conference report contains an inadequate mechanism to lower the price of drugs, which have escalated steadily over the past few years, and show no signs of decreasing. This bill specifically prohibits the Secretary of HHS from using the federal government's purchasing power to negotiate lower drug prices, a tool that has been used effectively in nearly every other industrialized nation in the world. Instead, it relies on pharmaceutical benefit managers, which have had mixed results in past years.

I had hoped that this bill would improve health care for seniors. Unfortunately, the provisions affecting oncology drug reimbursement will do just the opposite for cancer patients and reduce their ability to get needed cancer care. The final bill still contains severe cuts to cancer care providers, nearly $1 billion annually. If this bill becomes law, many cancer centers will close, others will sharply reduce their staffs, and others will be forced to turn away patients.

The Ways and Means Committee and the Energy and Commerce Committee have examined this issue carefully. We recognize that the current payment system for cancer care needs to be fixed. Medicare over-reimburses for the drugs themselves, while it under-reimburses for the services that oncologists provide. I support appropriate reimbursement for cancer drugs, but we cannot make cuts of this magnitude without simultaneously paying oncologists fairly for the care they render. To do so will endanger the lives of cancer patients.

Finally I cannot support a conference report that harms currently covered retirees. I remain concerned about the impact of this bill on retirees with employer-sponsored drug coverage. Because of the inadequate reimbursements to retiree health plans, CBO estimates that 2.7 million retirees are expected to lose their benefits. The bill also encourages employers to drop the coverage they now provide by excluding private plan spending from counting toward the catastrophic limit. Because of provisions written into the bill, most seniors with retiree coverage and high drug costs will never reach the point at which Medicare resumes coverage. The authors of this bill say that the benefit they're devised is voluntary, but for those seniors who lose their private retiree health coverage, this plan won't be optional, it will be the only game in town.

Tonight's vote caps several years' efforts to provide Medicare beneficiaries with desperately needed prescription drug coverage. Unfortunately, the conferees have produced a bill that won't result in better health care for our seniors, a more efficient Medicare program, or fiscal responsibility. It will eventually do more harm than good to Medicare, and to those who depend on it for their health care needs. I support providing our senior a meaningful prescription drug benefit within the Medicare system that will strengthen Medicare. Therefore I must oppose this conference report and urge my colleagues to do the same.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 15 seconds.

Mr. Speaker, if the gentleman will note and other Members will note, and the listening public will note, on pages 49 to 53 of the bill, which is all on the Internet, they will see that there is what we call a hard fall-back. That is, if private plans do not offer prescription drugs to our seniors, the government will. The seniors will be guaranteed a drug plan; that is in the statute.

Mr. Speaker, I yield 2 minutes to the gentleman from Arizona (Mr. HAYWORTH).

Mr. HAYWORTH. Mr. Speaker, I thank my good friend, the chairwoman of the Subcommittee on Health of our full committee, for yielding me this time.

It has been interesting to listen to the debate thus far this evening. In fact, it evokes memories of an earlier time when I first arrived in this Chamber and, much to my surprise, heard all of these horror stories about what might happen to senior Americans and how schoolchildren might be starved and all sorts of villainy and demonizations that had no basis in fact.

Mr. Speaker, good people can disagree, but it is important to take a look at what we are doing with this legislation. The first thing we are doing is actually strengthening Medicare and preparing it for the 21st century, for the influx of more seniors, demographically what we will see in the 21st century, in just a few short years. And what we are also doing is updating Medicare for the 21st century to reflect changes in medicine. Prescription drugs are the first line of defense for America's seniors. This legislation recognizes that reality and moves to cover it. But moreover, Mr. Speaker, we first reach out to those seniors most in need, and we provide for all seniors next year immediate discounts, with our discount drug cards. Very, very important.

Now, we have heard a lot of wailing and gnashing of teeth about the endorsement of this plan by the AARP. I think rather than tearing up cards or engaging in personal attacks on those who may serve very competently in that association, it might be good to actually listen to the words of our seniors who belong, the millions of seniors who depend on prescription drugs and believe in the AARP. And they readily admit, as all of us would admit, this legislation may not be perfect, but it is a good place to start. We all know, on both sides of the aisle, change comes incrementally. Let us adopt this legislation for America's seniors and for future seniors.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Wisconsin (Mr. KLECZKA), who agrees with the Arizona Daily Star from Tucson that by doing nothing to address the cost of medicines and by raising payments to private HMOs that want to compete with Medicare, the bill dooms the Medicare program to major problems down the road.

Mr. KLECZKA. Mr. Speaker, the gentleman from Arizona who just spoke advised us to listen to our seniors; and many of us, I say to my colleagues, are doing just that with our vote today. Here is a senior from my district who advises me to oppose this bill, and they just canceled their AARP membership this morning.

What is going on here? This bill started out as a drug bill for senior citizens and, all of a sudden, we find the bill before us has over $100 billion for special interests in this country, and the calls we are getting to support the bill are from those special interests. They are saying, here is 200,000 specialty physicians; support the bill. Here, a big fat letter. And not once do they mention Medicare drugs for seniors. They are worried about their own pocket. Letter after letter in my office and on my fax machine are from special interests who have lobbyists in town urging Members to vote for this bill because they are getting something out of it: more money. And none of them are saying, and also the senior provision is good.

That is what is going on here. The seniors who call us are against the bill. The special interests who, in a campaign period can give us $10,000 in campaign contributions, are encouraging us to vote for the bill. Who do you think is going to win at the end of the day, huh? The seniors do not got a PAC. They do not give us $5,000 a crack, $10,000 a crack. That is what is happening, I say to my colleagues. And let us not forget it.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 15 seconds.

I do not consider the AARP a special interest group, or the Coalition to Ensure Patient Access a special interest

group, or the Alzheimer's Association a special interest group, or the Kidney Cancer Association a special interest group.

Mr. KLECZKA. The Hospital Association, the American Medical Association, that is who I am talking about.

Mrs. JOHNSON of Connecticut. Mr. Speaker, it is my time.

Mr. KLECZKA. Let us not kid a kidder; we know who they are.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentleman will suspend. The gentlewoman from Connecticut has the time.

Mrs. JOHNSON of Connecticut. The Mental Health Association of Central Florida, the Larry King Cardiac Foundation, the Latino Coalition.

Mr. Speaker, I yield 1 minute to the gentleman from Georgia (Mr. GINGREY).

Mr. GINGREY. Mr. Speaker, I rise tonight in support of the House-Senate Medicare agreement. For those of us who had hoped that this bill would contain more reforms or greater cost constraints, I agree. We did not accomplish all that we had hoped. But as a physician, I realize the medical reality of the bill, a medical reality that the prescription drug benefit itself is fiscally responsible and a potential cost-saver for Medicare.

By providing a prescription drug benefit, providers will be able to take the necessary preventive action to potentially stave off or treat an illness in an earlier stage, making it easier to control the cost of treatment.

□ 0015

The medical reality is that prescription medication can help seniors live longer, healthier lives, while saving a tremendous amount of money on treatment by avoiding costlier options.

Although I hope the future will bring about more changes and modernization to Medicare, the Medicare agreement will be a great start. And I urge my colleagues to take this fiscally responsible step and pass the Medicare conference report.

Mr. STARK. Mr. Speaker, I yield for the purpose of making a unanimous request to the gentleman from Minnesota (Mr. OBERSTAR).

(Mr. OBERSTAR asked and was given permission to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, I rise in opposition to the conference report.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Georgia (Mr. LEWIS).

Mr. LEWIS of Georgia. Mr. Speaker, I stand in strong opposition to H.R. 1. I believe in Medicare, I believe that Medicare is a sacred trust between the Federal Government and the American people. I believe with all my heart, with all my soul, and with all my being that Medicare must have a dependable, affordable, and strong prescription drug benefit. And that is why I cannot support this bill.

Mr. Speaker, 38 years ago the Republicans did not like Medicare and they do not like it now. Republican Speaker Newt Gingrich gleefully stated that he wanted to see Medicare wither on the vine. Mr. Speaker, my colleagues, Newt Gingrich is back, and his fingerprints are all over this bill.

If this bill is passed, it would be a dagger in the heart of Medicare as we know it. This bill is an attempt by the Republican party to privatize Medicare. I stand against privatizing Medicare, and I stand against this bill.

Medicare is a sacred trust. It is a covenant with our seniors. Let us not breach this trust. Let us not violate this covenant. We must do what is right.

I urge my colleagues to vote against this unreliable bill, vote for the seniors, vote for those that are in need. Vote against this bill.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Massachusetts (Mr. NEAL), who agrees with the Boston Globe that this experiment needs to be stopped before the Republicans in Congress damage a program that has served the elderly well for 38 years.

Mr. NEAL of Massachusetts. Mr. Speaker, it is not always an easy task to agree with the Boston Globe.

Mr. Speaker, I thank the gentleman from California (Mr. STARK). Well, here we are again in the dark of night, whether it is doing Trade Promotion Authority or whether it is doing tax cuts, or whether it is doing the privatization of Medicare, we do it in the dark of night.

Only could the gentleman from California (Mr. THOMAS), the chairman of the Committee on Ways and Means, talk about the crisis that confronts Medicare after they led the charge to rip $2 trillion out of the Federal budget over the next 10 years. Tonight we are children of Roosevelt on this side and Johnson, and let us not forget it. When you hear them talk about their newfound affinity for Medicare, recall that it was Dole and Michael and Rumsfeld and Ford who voted against the establishment of Medicare.

And I want to say something to my colleagues on the democratic side tonight who are tempted by what is about to happen. You mark my words, we are going to be back here in a year, and the next step is Social Security. That is where they are headed. Medicare is an amendment to the Social Security Act. America is a more egalitarian society today because it was our party who stood against the forces of privilege. They are the ones that said no.

Turn down this privatization of Medicare.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to my colleague, the gentleman from Pennsylvania (Mr. PETERSON).

Mr. PETERSON of Pennsylvania. Mr. Speaker, I want to congratulate those that have worked on this very complicated bill. I was pleased this morning to receive from the Governor of Pennsylvania, Governor Rendell, an endorsement of this plan. Why would a democrat governor from Pennsylvania support his plan? His people were here and reviewed it.

This allows states like Pennsylvania and 20 other states who have pharmacy plans to wrap around and make a really comprehensive pharmacy program for their state with a state effort and the Federal effort.

Now, those of you who come from rural America better think seriously about voting against this bill. Rural health care has been fighting for its life. This is a lifeline that will for once and forever help stabilize Medicare payments. In rural America what good does a pharmacy program do if you do not have a doctor in a hospital and a home health care agency for him or her to work in?

This program does more to help rural health care than has ever been done. The urban areas of this country have had Medicare Plus Plus while rural America has had Medicare Minus Minus. An unfair system. And this bill does more to equalize that. It also preserves cancer care that has been under threat. And it brings health savings accounts that will be an offering to our businesses more seriously considering about walking away from health care because they cannot afford the current plan.

COMMONWEALTH OF PENNSYLVANIA,
OFFICE OF THE GOVERNOR,
Harrisburg, PA, November 21, 2003.

Hon. JOHN PETERSON,
Cannon Building,
Washington, DC.

DEAR REPRESENTATIVE PETERSON: I am writing to thank you for your efforts to develop provisions in the Medicare Prescription Drug bill to allow PACE to continue to be the primary source of drug benefits for qualifying seniors in Pennsylvania. As of early 2004, we expect approximately 325,000 Pennsylvania seniors to be in the PACE program, and we owe it to all of them to ensure the program on which they rely continues to work for them.

As the Medicare drug benefit legislation had been in development, our goals have been to ensure seniors in the PACE program would be able to benefit from the new federal benefit without experiencing any changes in the way they obtain prescription drugs and without being forced through a bureaucratic process along the way. Federal legislation must allow for a seamless transition for PACE beneficiaries while at the same time allowing PACE to expand its prescription drug program and services to more of our seniors.

I am informed that the language in the Medicare drug benefit bill achieves our major goals relating to the PACE program. This is good news for our constituents and I appreciate very much all the hard work you and others in the Pennsylvania delegation did to make this happen.

Should the legislation ultimately be enacted, I look forward to working with you and Secretary Thompson to make sure the PACE-related provisions are implemented as we all believe they should be.

Thank you again for your efforts on behalf of Pennsylvania's seniors.

Sincerely,

EDWARD G. RENDELL,
Governor.

Mr. STARK. Mr. Speaker, I yield 15 seconds to the gentleman from Pennsylvania (Mr. DOYLE).

Mr. DOYLE. Mr. Speaker, I just spoke with the Governor's office earlier this evening. I was aware of this letter that was sent out to four Republicans. Governor Rendell does not endorse this program. He does not support this program. And I just want that to be reflected in the RECORD.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentleman from Texas (Mr. SANDLIN) who agrees with the Houston Chronicle, the Republicans are interested only in the illusion of providing a popular benefit, a Republican driven bill to, quote, improve Medicare is impossible.

Mr. SANDLIN. Mr. Speaker, we have heard a lot of pretty words from the Republicans tonight, but every one on both sides of the aisle knows that this bill is nothing but a sham, a charade, a shameless trick on America's seniors.

America's seniors need help right now and yet the bill advanced by the Republicans does not even take effect until 2006. No coverage in 2003, no coverage in 2004, no coverage in 2005, and who knows what will happen in 2006.

Our seniors cannot afford prescription drugs, and in the face of that challenge, the Republicans have presented a bill that requires seniors to pay out of their pockets over $4,000 of the first $5,000 spent on drugs. That is no benefit at all.

Now, have the Republicans done anything to reduce the cost of drugs? No. The HMOs and the pharmaceutical companies will not let them do it. And this bill that is supposed to make drugs more affordable, there is no control over the prices charged by the pharmaceutical companies. Their greed is what got us in this situation in the first place. Do you think that philanthropy has suddenly invaded the boardroom of the pharmaceutical companies. Is that what you think?

Amazingly, this bill prohibits, makes it illegal, against the law for the government to negotiate for lower prices with a pharmaceutical companies. They supply the product, they set the price, the seniors foot the bill, that is a sweet deal for them. And can the seniors save money by getting drugs from Canada or Mexico? Oh, no, the Republicans in this bill that was written by the pharmaceutical companies say no. And that is the way it is.

Finally, Mr. Speaker, the Republicans have the audacity to support a plan that lines the pockets of HMOs by taking $10 billion out of cancer treatment, leaving America's seniors both broke and dying. If this bill passes, it passes on the back of the America's seniors. The Republicans will have to answer. They can run in the middle of the night, but they cannot hide.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield 1½ minutes to the gentlewoman from Ohio (Mrs. JONES), who is a woman who agrees with Al Hunt, who wrote in the Wall Street Journal that this is an open rip-off by HMOs. There is a reason most Americans and, virtually all who have endured serious medical issues, despise HMOs. They are, with few exceptions, vultures.

(Mrs. JONES of Ohio asked and was given permission to revise and extend her remarks, and include extraneous material.)

Mrs. JONES of Ohio. Mr. Speaker, I am proud to have had the opportunity to serve my first year on the Committee on Ways and Means. And I think it is important for America to know that, finally, we had an African American male on the Committee on Ways and Means who rose to ranking member, who rose to representation on the conference committee, and he was excluded from being part of the willing coalition.

I say to people across America, particularly the African Americans in this country, you were not at the table, your interests were not represented. Let me, in addition, say that since we have two Houses in this Congress, the House of Representatives and the Senate, that the House was not represented on the Democratic side in this report.

But let me address another issue. And I have got a written statement that I will submit for the RECORD. Everybody keeps saying about AARP and how renowned they should be. But they do not talk about that in the last 4 years AARP made $608 million in insurance-related expenses, 30 percent of its income. They do not talk about that AARP had a 10-year Medigap contract with some company and the business is now worth $3.7 billion. They do not talk about that AARP made $10.8 million last year by selling its member list to insurance companies. And they do not talk about the fact that AARP spends $7 million in support of this legislation. Talk about a conflict of interest. If there ever was one, it is right there. So I say to you, we are going to ruin neighborhood drug companies. We are not drug pharmacies. Do not vote for this bill. This bill is not in the interest of senior citizens.

Mr. Speaker, I rise in opposition and with great disapproval of the Medicare conference agreement. The republican leadership in the House of Representatives has excluded Democratic Members from the negotiations and has written a Medicare bill that bows to major drug companies and prevents Medicare from negotiating better prices. This agreement masquerades as an attempt to add a long-overdue prescription drug benefit, but this is really a Trojan horse designed to dismantle Medicare, as we know it.

This agreement is flawed in countless ways. Its concentration on privatization is misguided at best and devastating. This is a special interest giveaway to the insurance companies with provisions including a $12 billion slush fund to bribe HMO's and PPO's to participate, all at the expense of taxpayers and the elderly alike. The agreement leaves a substantial number of the 6.4 million low-income Medicare beneficiaries who are also eligible for Medicaid worse off by requiring them to pay higher copayments for prescription drugs than they pay today. This agreement also prevents Medicaid from filling in the gaps of this new, limited benefit. This bill squanders $6 billion needed for coverage on tax breaks for the wealthy which in fact creates an unprecedented tax loophole that would undermine existing employer coverage and adds to the ever-growing number of uninsured. These funds should be used to prevent employers from dropping coverage or to improve the drug benefit. Even worse, this bill would force some low-income seniors who have modest savings to impoverish themselves in order to take advantage of the extra help allegedly available in this bill. A disproportionate share of African American Medicare recipients are disabled. The cut-off points chosen in this conference agreement will pigenhole African Americans into what is referred to as the ''donut'' on paying for the drug benefit. This will unreasonably hurt African American Medicare recipients, many of whom have chronic ailments. We are forcing our seniors to choose among purchasing food, prescription drugs or paying for a roof over their heads.

In closing, please let me inform America that this bill does not address the needs of our citizens. This bill would manufacture a crisis when an arbitrary cap on general revenue funding is reached, which would trigger a fast-track process for consideration of legislation to radically cut Medicare, including benefit cuts, payment cuts for hospitals, nursing homes, home health providers and increased cost sharing. Without hesitation, Congress provided $87 billion to rebuild Iraq; is it too much to provide the appropriate funding needed to give our Nation's seniors what they deserve—an affordable and guaranteed medicare drug benefit?

Mr. Speaker, I represent 206,000 constituents in my district who are 65 and older and are below the federal poverty level. The same constituents I promised that I would vote for a Medicare prescription drug bill that would be affordable with reasonable premiums and deductibles that are designed to significantly reduce the price of prescription drugs; a meaningful medicare prescription drug bill that would be defined, provide guaranteed benefits, there would be absolutely no gaps; no separate privatized plan; and most important, I repeatedly told my constituents that I would support a Medicare prescription drug bill that would be available to all seniors and disabled Americans. The results of the Medicare conference agreement is not what I expected. Dear colleagues, I ask that you join me and vote against this measure.

[From USA Today, Nov. 21, 2003]

AARP ACCUSED OF CONFLICT OF INTEREST

(By Jim Drinkard and William M. Welch)

WASHINGTON.—AARP, the nation's leading lobbying force for retirees, has a major conflict of interest in its backing for a new Medicare prescription drug plan, opponents charge.

The organization receives millions of dollars a year in royalties for insurance marketed under its name. It stands to reap a windfall from the plan, which would pump $400 billion into a new drug benefit and open Medicare to private insurance competition.

AARP's annual reports show it has received about $608 million in insurance-related income over the four most recent years for which data are available. That's 30% of its total income, roughly equal to what it collects in membership dues.

''It's almost unimaginable that they wouldn't stand to gain'' if the new benefit is passed, says David Himmelstein of Harvard Medical School. He is a proponent of national health insurance.

Much of AARP's insurance business is in policies that pay costs not covered by Medicare—so-called Medigap insurance. UnitedHealth Group signed a 10-year contract with AARP in 1998 to provide health coverage to its 35 million members. The business was worth $3.7 billion last year to the insurance company.

''The same folks who are in the Medigap market would want to get into this, and the best route in is through the AARP membership list,'' Himmelstein says.

AARP also collects millions of dollars a year from insurance and drug companies that advertise in the magazine it mails to members. It also makes money—$10.8 million last year—by selling its members list to insurance companies.

From its earliest roots in the 1950s, AARP has been closely tied to the insurance business. It grew out of a retired teachers group that sought to provide health insurance to its members. ''They have always had this commercial identity,'' says Jonathan Oberlander, a political scientist at the University of North Carolina who has studied the politics of Medicare.

The breadth of AARP's business activities—which include not only insurance but credit cards, travel packages and prescription drugs—has drawn unwanted attention before. In 1995, Sen. Alan Simpson, R-Wyo., convened hearings that alleged the group was abusing its non-profit status. AARP was forced to pay back taxes on its earnings from those commercial ventures. and the group has faced periodic questioning about whether its business interests at times overshadow the interests of its members.

Simpson, now retired from the Senate, remains one of the group's sharpest critics. ''If there was a sublime definition of conflict of interest, it would be AARP from morning to night,'' he says.

AARP is tax exempt and officially non-partisan. ''We made public policy decisions without regard to business considerations,'' says the group's policy director, John Rother. Spokesman Steve Hahn says some of its Medigap policies and mail-order pharmaceutical sales are likely to be hurt by passage of the Medicare bill because it will increase competition.

Democrats in Congress seemed stunned this week when AARP announced it would support the Republican-drafted Medicare compromise and pour $7 million into a TV ad campaign urging passage.

Senate Minority Leader Tom Daschle, D-S.D., and House Minority Leader Nancy Pelosi, D-Calif., say the legislation would sell out the interests of senior citizens. It ''undermines Medicare and serves the agendas of big drug and insurance companies,'' they wrote in a letter to AARP head William Novelli. They asked Novelli to pledge not to profit from any program that might be created.

Rep. Pete Stark, D-Calif., called the legislation a ''special-interest boondoggle'' that will split AARP's leaders from its grass roots. On Thursday, a message board on the group's Web site was peppered with angry postings from members, including 839 new missives under the title, ''AARP sellout.''

For a decade, AARP has been a sleeping giant. The organization felt burned after its support for a catastrophic insurance benefit in 1988 backfired with seniors and had to be repealed. It had since been reluctant to take positions on hot political issues. Its membership is evenly divided among Democrats, Republicans and independents, making it hard to take sides in policy fights.

But when the group does decide to engage, its clout is unmatched. ''They are the most important and well-organized association in Washington,'' says James Thurber, who teaches lobbying at American University in Washington.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 1 minute to my colleague, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE), who has experience legislating in the area of health care reform.

Ms. GINNY BROWN-WAITE of Florida. Mr. Speaker, I am one of those Republicans who grew up very poor. My dad was a Democrat. And I remember asking him why he was a Democrat, and he said because the Democrats protect the poor.

What I am hearing here tonight says the Democrats do not care about the poor. They do not care about the little old lady whose income is about $11,000, who only has Social Security, who cannot get prescription drugs today. That is the wrong message to be sending if they hope to be the savior of the poor and the drowntrodden.

I also teach health care. One of the things that I teach in my class are statistics. And the statistics are that the African American community and the Hispanic community pass away at a much earlier age from heart attacks, from coronary artery problems, and you know what? These are the prescription drugs that will be available under this prescription drug plan. How can they go back home and say that they are protecting the poor and the down-trodden? These are the same, the poor and the down-trodden, these are the people that are going to benefit from this prescription drug plan. I fully support it. It is a good bill for everyone.

Mr. Speaker, I rise today in support of the Bipartisan Medicare Prescription Drug, Improvement, and Modernization Act because it finally provides the much needed prescription drug relief seniors have asking for, offers help to our rural hospitals and our nation's doctors, and begins the real modernization and reform of a Medicare program in dire need.

Throughout my public service, I have heard a persistent question from my seniors how are you going to help us with the cost of prescription drugs? With the passage of this bill, I feel that I can finally begin to answer that question.

For the first time in history, we are going to provide all 40 million seniors and disabled Americans with prescription drug coverage.

It gives me great comfort to know that in 2006, with this Prescription Drug Plan, drug costs for seniors could be cut almost in half. And as early as next year, senior will begin to save an estimated 25 percent on prescription drugs with their Medicare prescription drug card. In the first year we expect seniors to save an estimated $365.

As a member of the Speaker's Prescription Drug Task Force, this is something we fought for, and this is something we got.

In addition, we are giving Americans more control over their health care by creating Health Savings Accounts, where they can contribute up to $2,500 a year into these tax-free accounts and citizens 55 years or older are permitted to make ''catch up'' payments. These accounts can be used for future medical expenses and may prove to be an additional much needed asset to our aging population.

Mr. Speaker, I would also like to bring to the attention of my colleagues a very important component to this bill. As we are all aware, in 2004, the prescription drug discount card in Medicare will offer seniors up to 25 percent off their drug costs and provide low-income seniors, those with incomes of less than 135 percent of poverty into account, a $600 subsidy on top of the discount card. That's great savings, especially for wealthier seniors.

But what if you have an income of over 135 percent of poverty and you're disqualified from receiving the cash subsidy? Currently, hundreds of thousands of seniors in this country are provided discount cards from the prescription drug companies that offer significant savings on medications that a particular company produces. The income-restrictions on these cards are in some cases up to 300 percent of poverty. This means virtually all seniors in my district are eligible for this savings, which in many cases equals up to 80 percent off the retail cost of the drug. For example, Mr. Speaker, Eli Lilly makes Prozac; and if one of my 5th district seniors needs assistance with the cost of that drug, they can sign up to receive a card from Eli Lilly that entitles them to receive a 30-day supply of any Eli Lilly product for just $12. If, due to the new Medicare discount card, these important voluntary programs were discontinued, many of our Nation's seniors would end up paying higher prices. My constituent would end up paying over $75 for the same Prozac he or she is now receiving for only $12. Just as there was a fear this benefit would cause employers to drop coverage once it became available, I was concerned that the drug card would cause drug manufacturers to discontinue their cards.

Mr. Speaker, working with you, Majority Leader DELAY, Majority Whip BLUNT and many of my other colleagues in this House, I took the lead and fought to protect seniors who are benefiting from the current prescription drug cards.

Now, on page 64 of the report language addendum and addressing section 1860D–31 of Conference agreement; Section 105 of House bill; Section 111 of Senate Bill reads:

Seniors currently benefit from prescription drug assistance programs offered by pharmaceutical companies. Conferees intend that these programs continue to be offered until the full implementation of the prescription

drug benefit. Nothing in this conference report shall be interpreted as encouraging the discontinuation or diminution of these benefits.

Additionally, I have secured several letters from drug manufacturers in this country indicating their commitment to continuing to offer these worthwhile and necessary card programs, copies of which I'd like to insert into the RECORD.

Mr. Speaker, I simply want to bring this to the attention of my colleagues on both sides of the aisle and especially to the seniors in my district. Neither conference staff nor most of the members of this body were aware of this glitch in the proposal and I am very proud of the work we were able to do together.

In closing, Mr. Speaker, friends, colleagues, the citizens of the 5th Congressional District of Florida elected me to this seat because they believed my voice would be heard and that I would stand with them in making a prescription drug benefit in Medicare a reality. It simply has been too long that our Nation's seniors have had to choose between life-saving drugs and food and this is unacceptable.

No one in this chamber believes that this bill is perfect, including myself, but I believe this bill is a good beginning and it signifies progress in our efforts to provide all of our constituents with the best, safest, and most affordable health care the world has to offer. In the months and years ahead, it is my hope and my promise that I will continue to work with Democrats and Republicans, to continue to make progress in our ongoing battle to improve health care for all Americans, including additional protections for retirees currently receiving health care benefits and addressing the rising costs of prescription drugs.

But tonight we have a choice to make—to take a step forward or to accept the status quo. Instead of concentrating on the weaknesses of this proposal, we must each embrace its strengths and dedicate ourselves to the next step forward. Accordingly, I urge my colleagues to vote in favor of the Prescription Drug and Medicare Modernization Act.

Mr. STARK. Mr. Speaker, I am delighted to yield 2 minutes to the minority whip, the gentleman from Maryland (Mr. HOYER).

Mr. HOYER. Mr. Speaker, this Medicare conference report is, sadly, a missed opportunity. I was here in 1983. Ronald Reagan, Tip O'Neill, and Bob Michael joined together to save Social Security. They came together, President Reagan, Speaker O'Neill, and Minority Leader Michael and said, we need to have a bill that has bipartisan support and will get the job done.

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It did.

The Republicans rejected that model. Most Members of this body on both sides of the aisle recognize that it is long past time that we provide for our seniors and give them a prescription drug program; but it is not this bill that they expected, a feeble benefit that forces them to pay 80 percent of their costs.

I will tell the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) her dad was right. He was a Democrat because this party has historically and now believes that we should have done better by our seniors. Even the conservative Heritage Foundation, which is against this bill because they want to see Medicare done away with, says this, ''The politically engineered premiums and deductibles, coupled with the odd combination of 'donut holes' or gaps in drug coverage, are likely to be unpopular with seniors.''

The Heritage Foundation said that. Not STENY HOYER, not Democrats. Even Dick Armey, the immediate past leader of our party wrote in the Wall Street Journal on Friday that this conference report is ''bad news for seniors.''

Your majority leader just past said that. Now, he wants to do away with Medicare. He does not believe we ought to have Medicare. He nevertheless says this is bad news for seniors. Because it is bad news for seniors, we ought to vote against this bad bill.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 10 seconds. I remind the gentleman from Maryland (Mr. HOYER) that of his 713,000 seniors, 31 percent will get total drug coverage under this bill.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. WELLER), a member of the Committee on Ways and Means.

(Mr. WELLER asked and was given permission to revise and extend his remarks.)

Mr. WELLER. Mr. Speaker, this is historic legislation tonight. Again, we make another positive step forward in modernizing Medicare, a process we have been working on every year the nine years that I have served in the House of Representatives.

I am proud that a majority of House Republicans voted in favor of Medicare when it was created. I am proud a majority of this House, who is the majority, continues to work to modernize and improve Medicare for our seniors.

This legislation that came out of bipartisan work, it is endorsed by the AARP, a trusted organization that represents millions of American seniors. And in the case of Illinois, my home State, 1.7 million seniors benefit in the State of Illinois. They benefit because they will have for the first time ever prescription drug coverage that is voluntary, it is affordable, and it is universal, available for every senior citizen. It will be immediately available.

In fact, within 6 months of this legislation becoming law, seniors will have a prescription drug card immediately this coming year allowing them to see up to a 25 percent savings; and 2 years later, 2006, every senior again will have the opportunity to see up to a 75 percent savings on prescription drugs. They choose to enroll in a prescription drug plan available through this modernization of Medicare. In fact, at a cost of about $1 a day, they can see a 75 percent savings, up to a 75 percent savings. And if they are low income, they will pay little or no premium. This is a good plan. That is why it has bipartisan support.

I want to salute Senator BREAUX and Senator BAUCUS for working with Republicans to come up with a bipartisan plan.

I would also note that hospitals and community health centers do benefit because when you modernize Medicare, you also fix the reimbursements. In communities that I represent, almost all of our hospitals, I think every one of them, is a not-for-profit. They struggle, both the hospitals and community health centers. Some call them special interests, but they get big improvements back for Illinois, $400 million in additional reimbursements as a result of this legislation.

Mr. STARK. Mr. Speaker, the Republicans can lock out two of the leading Democratic legislators from their conference committee, but just to show you that we are bigger than all that, we will turn the other cheek. I yield 2 minutes to the gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, first of all, I want to make it clear, I am a Republican and I am very proud to be a Republican. However, there are problems with this bill that make it impossible for me to vote for it.

It has been said tonight that 35 million AARP members cannot be wrong, but I am telling you AARP does not speak for all seniors. And when the seniors find out what is in this bill, that most of them initially are going to pay about $4,000 of the first $5,000 they are going to spend on pharmaceuticals, they are going to be so angry it is going to be like 1988 all over again.

Now, I want to talk a little bit about the pharmaceutical industry. There is nothing in here that allows our government to negotiate the prices with the pharmaceutical industry. We pay the highest prices in the world for pharmaceuticals. We pay seven, eight, nine, 10 times as much for Tamoxifen, a woman who has breast cancer and has to have it, than they do in Canada; and yet there is no provision in this bill for negotiation.

You say we have a 25 percent discount card. Twenty-five percent of what? If the pharmaceutical industry has these high prices and you knock 25 percent off, they are still a hell of a lot higher than they are in Canada or Germany, and yet we cannot reimport. Why? It does not make sense.

Do we believe in free trade? We have NAFTA. You can import everything back and forth across the borders, but not pharmaceuticals because it is not safe. Yet when we talk to the Canadians, and I had four hearings on it, they could not find one case where there was a problem. This is not a safety issue. The problem is profit and price.

I want to tell you something. It has been said that for too long seniors have paid too much. They have been paying too much. But we are not doing anything in this bill to lower the price of pharmaceutical products.

Now, I want to say to my colleagues also there is $70 billion in this bill, a

pay-off to Big Business to keep their employees and their former employees covered under this plan.

I want to tell you something. As a businessman, they are going to look down the road and they are going to say, hey, Congress changes from time to time and they are going to start dumping their employees on the Federal plan. And when they do, those retirees are going to be so angry at us, you are not going to believe it.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield for the purpose of making a unanimous consent request to the gentleman from Florida (Mr. YOUNG).

(Mr. YOUNG of Florida asked and was given permission to revise and extend his remarks.)

Mr. YOUNG of Florida. Mr. Speaker, as one who represents the largest groups of senior citizens, older Americans who are on Medicare and Social Security, I rise in support of this bill.

Mr. Speaker, I rise in support of H.R. 1, The Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This is the most important and comprehensive improvement to the Medicare program since it was established 38 years ago.

For the first time, Medicare will provide prescription drug coverage for 40 million older Americans. It will provide lifesaving help for the millions of seniors who today forgo taking prescription drugs because they have no coverage and cannot afford them. It will allow seniors to take their full dose of medicine as prescribed rather than cut them in half or skip days to make the supply last longer. And it will eliminate the heart wrenching decisions many seniors must make over whether to buy food or prescription medicine, because they cannot afford both.

One of the reasons Americans are healthier and living longer is that prescription medication is available to control many chronic diseases such as high blood pressure, cholesterol, and diabetes. Unfortunately, these medicines are oftentimes not available to those living on fixed incomes. This legislation changes that by creating a tiered benefit program that provides prescription drug coverage for everyone eligible for Medicare. Yet it still allows those who receive prescription drug coverage through their employers or other health benefit plans to elect to retain that coverage.

Because of the complexity of bringing the new Part D prescription benefits on line, those benefits will not take effect until 2006. In the interim, however, Medicare beneficiaries will be eligible beginning next April to receive a Medicare-approved drug discount card. Seniors will take this card to their local pharmacy to receive discounts of 10 to 25 percent off their prescription medicine. This will provide immediate savings to seniors while preparations are underway to launch the full Medicare prescription drug program in 2006.

Once implemented, seniors electing prescription drug coverage will pay a monthly premium of $35. Following a $250 deductible, they will receive federal coverage for 75 percent of the costs of their prescription drugs up to $2,250. For each prescription filled, there will be a $2 co-payment for generic drugs and a $5 co-payment for brand name drugs. If a senior incurs catastrophic drug costs, exceeding $3,600 in out-of-pocket costs, Medicare will cover 95 percent of drug costs over that amount.

For those on small fixed, limited incomes (below $12,123 for individuals and $16,362 for couples), they will pay no deductible and no premium and there will be no gap in coverage between the initial coverage limit of $2,200 and the catastrophic coverage threshold of $3,600. For those with incomes between those levels and 150 percent of the federal poverty level ($13,470 for individuals and $18,180 for couples), the premiums and deductibles will increase on a sliding scale.

In addition, it is estimated that this legislation will drive down the price of prescription medication by as much as 20 percent, to yield further savings for seniors. It also sets in place new federal laws that will allow drug manufacturers to bring to market quicker, more affordable generic drugs.

In addition to the new prescription drug coverage, this legislation will improve the quality of care for seniors in a variety of other ways. Most notably, it provides coverage for the first time for important new preventative benefits. Beginning in 2005, all newly enrolled Medicare beneficiaries will be covered for an initial physical examination. All beneficiaries will be covered for cardiovascular and screening blood tests and those at risk will be covered for a diabetes screen. These new benefits will allow for the screening of patients to catch many illnesses and conditions early, allowing them to be treated and managed in a way that improves their health and quality of life while at the same time lowering medical costs to individuals and the program by preventing later serious health consequences.

Finally, this legislation will ensure that Medicare payments for physician and hospital services keep pace with inflation so that we do not lose health care providers who are available to care for the growing population older Americans. It also seeks to stabilize the reimbursement rates and drug coverage for cancer patients, who have faced increasing problems with the reduction in Medicare payments for these services over the past few years.

Mr. Speaker, as the representative of one of the largest populations of Medicare recipients in this Congress, I know first hand the life-line that this program provides for seniors. My highest priority in the development of this legislation was to ensure that we do nothing to diminish or endanger the health care coverage it provides. We have done a good job in seeing that just the opposite is true. With its enactment, H.R. 1 will provide expanded benefits and will ensure that these benefits are more affordable and more available to all.

H.R. 1 also responds to the three major concerns I have heard from my constituents throughout the development of this legislation. First, it guarantees access to the traditional Medicare program, services, and benefits that they currently receive. It will, however, allow those who are interested to consider new Medicare-approved plans where drug coverage is integrated into broader medical coverage or lower cost managed care plans offering expanded benefits.

Second, H.R. 1 maintains the full Federal commitment and backing of the Medicare program. Some were concerned that the final legislation would in some way privatize the delivery of these health care benefits. That is not the case in this bill.

Third, H.R. 1 does not in any way encourage employers or private health care plans to drop current employees or beneficiaries from their health care or prescription drug plans. Instead, it provides a number of important incentives for employers and private health care plans to retain employees and beneficiaries in their health care plans and allows the new Medicare benefits to supplement the benefits they already receive privately.

Addressing these concerns is one of the many reasons the American Association of Retired Persons has endorsed H.R. 1. In a statement earlier this week, AARP said, ''AARP believe that millions of older Americans and their families will be helped by this legislation . . . The bill represents an historic breakthrough and important milestone in the nation's commitment to strengthen and expand health security for its citizens at a time when it is sorely needed. The bill will provide prescription drug coverage at little cost to those who need it most: People with low incomes, including those who depend on Social Security for all or most of their income. It will provide substantial relief for those with very high drug costs, and will provide modest relief for millions more. It also provides a substantial increase in protections for retiree benefits and maintains fairness by upholding the health benefit protections of the Age Discrimination and Employment Act.''

Mr. Speaker, the historic legislation before us today provides long overdue reforms to the Medicare program. It provides for the first time prescription drug coverage for older Americans. For those seniors currently unable to afford their medicines, it provides important new access to many preventive drugs. It also provides access for them to treat serious conditions before they worsen and require emergency room or hospital care.

This legislation also improves Medicare coverage for preventative health care including physicals and cardiovascular health and diabetes screening tests. This too will improve the quality of medical care our seniors receive and will forestall many serious and costly medical problems.

Finally, this legislation modernizes the Medicare program to provide 21st Century solutions to give seniors more health care choices. It also will bring market forces to bear to ensure that they receive better medical care at more affordable and competitive prices.

This is the culmination of a six year legislative effort that included the consideration of three separate prescription drug bills in the House. Our colleagues in the House and Senate have taken a hard look at the problems facing older Americans who receive their care through Medicare and have agreed upon a thoughtful and comprehensive approach. Certainly we will identify problems that will need correcting as the next step in implementing this complex program begins. For our seniors, however, this legislation fulfills a promise to give them access to prescription drug coverage for the first time through the Medicare program. It is a good response to a long overdue problem and I urge support for its final passage.

Mrs. JOHNSON of Connecticut. Mr. Speaker, how much time remains on each side?

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentlewoman from Connecticut (Mrs. JOHNSON) has 9½ minutes remaining. The

gentleman from California (Mr. STARK) has 8 minutes remaining.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 30 seconds.

I would like to note that the 25 percent discount means you pay 25 percent less. And once the subsidies go into effect, you pay 75 percent less, and half the Medicare recipients are women and half of those women will be covered totally. So this is a big, powerful prescription drug bill that will help half the women on Medicare by providing all of their drug coverage.

Mr. Speaker, I yield 2 minutes to the gentleman from Iowa (Mr. NUSSLE), chairman of the Committee on the Budget.

Mr. NUSSLE. Mr. Speaker, I thank the gentlewoman for yielding me time and for her leadership on this issue, as well as the chairman of the Committee on Ways and Means.

Mr. Speaker, America has got a big decision tonight and seniors have been waiting a long time. The previous gentleman said that seniors when they wake up tomorrow, if this passes, will find out they still have to pay a little bit of money. Some will not have to pay at all, but seniors will really be mad if they wake up tomorrow morning and find out that we failed yet again.

Four budgets in a row we have had the pleasure of putting into our budget plan a prescription drug benefit. This year is the first time we have been able to get it to this point, a conference report; and that is because the President of the United States has provided the leadership to get us to this point.

In Iowa we have been waiting for 20 years for fairness when it comes to reimbursement. We have been waiting for 20 years when it comes to the difficulty of recruiting physicians and other health care providers. We have been waiting 20 years to stop the cost shifting to the private side of health care that drives up the cost for small business people and farmers. We have been waiting for 20 years for seniors to have prevention and drug benefits and basic services.

Tonight we have the opportunity to solve so many of these problems. It is not perfect, as many people have said; but it is on the road toward making Medicare a fiscally responsible, sound and a very beneficial program for seniors. And it is fiscally responsible. I know there are Members who are suggesting that somehow this may not be perfectly fiscally responsible. Let me ask you the question, If we do nothing tonight, is Medicare going bankrupt? Wake up if you want to talk about fiscal responsibility. We are seeing a program go bankrupt before our very eyes. Doing nothing is not an option.

It is fiscally responsible to fix a program that we know is going bankrupt, to fix a program that would have a prescription drug benefit if it were created today, to fix a program that is not paying the bills in rural America and keeping doctors and health care professionals located there to provide quality health care.

Vote for this bill because it is fiscally responsible. We have been waiting long enough. Seniors deserve our answer tonight.

Mr. STARK. Mr. Speaker, I yield myself 15 seconds.

I remind the gentlewoman from Connecticut (Mrs. JOHNSON) that the seniors do not need to be misrepresented. I will not call it lying, but nowhere in that bill does it mention any percentage that they will save on the drug discount. You cannot find it in the bill because it is not in there. So do not tell the seniors something that is not true. It is not respectful.

Mr. Speaker, I yield 45 seconds to the gentleman from Illinois (Mr. EMANUEL).

Mr. EMANUEL. Mr. Speaker, I rise in opposition to this conference report.

The conferees have three opportunities in this bill to lower the price of prescription drugs. They could have opened the markets and allowed prescription drugs to compete and allowed competition and choices to bring prices down. They passed.

They could have allowed Tommy Thompson to lower prices and create a Medicare Sam's Club, a right enjoyed by private companies and businesses everywhere in this country. They took a pass.

They could have included meaningful provisions for generics to get to market to create competition. They took a pass.

This box of Zocor, a cholesterol drug, was purchased in Germany for $41. Here in the United States it cost $90. It went up 10 percent the last year. It is going up another 10 percent this year.

The only immediate benefit that comes out of this bill is the political benefit that its supporters are expecting in 2004. The elderly, on the other hand, will have to wait until 2006. Hopefully, they can survive 2 years while the politicians take their victory lap.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2½ minutes to the gentleman from Ohio (Mr. PORTMAN), a member of the committee.

Mr. PORTMAN. Mr. Speaker, I thank the gentlewoman for yielding me time, and I thank her for her leadership as chair of the Subcommittee on Health, as well as the gentleman from California (Mr. THOMAS), in getting us to this point.

This is not the first time we have had a Medicare prescription drug bill on the floor, but I think we have the best one. I think it is a great program that has been misdescribed tonight by a number of the speakers, and I just wanted to clarify a few things.

First of all, it is voluntary. People have come to the floor and talked about this is a mandate and people will be forced to get off their existing plans and get on this plan and so on. It is voluntary. If seniors do not choose to take up the prescription drug plans, they do not have to. Those who have looked at it, the Department of Health and Human Services, Special Budget Office, nonpartisan analysts think most seniors will, 90-some percent.

Second, I have heard people talk about the fact that, gee, some people have employer plans already. Let me give some statistics. In 1993, 40-some percent of employers provided coverage for their retirees. In 2002 it was 27 percent. It is happening. It is bleeding. People are not providing retiree benefits as they used to.

What I love about this bill is it goes the other way. It puts $88 billion into helping people be able to stay with their employer plans.

EBRI, which is a nonpartisan group that is called the Employee Benefit Research Institute, has studied this this week. Their analysis is that 2 percent, 2 percent of seniors will migrate from their existing retiree plans because their employers no longer offer it, into this. If this does not get passed, it will be greater than 2 percent. So those who have said this will result in a problem, I think it is just the opposite.

We are beginning to stop what is happening anyway. I think that is a good part of the plan.

People have talked about how puny the benefit is. Well, I have to tell you, over 35 percent of the American seniors, one figure says 38 percent, let us say over 35 percent of Americans who are seniors, who are low income, meaning they are less than 150 percent of poverty, their income, are going to be able to get prescription drug coverage with no premium, no deductible, no share. All they will do is pay a nominal co-pay, $5, $3.

□ 0045

That is over 35 percent of our seniors, represented by all of us. Some of us in this House have districts where that number will be as high as 60 percent. So a puny benefit, I do not know where that comes from.

For other seniors that additional, let us say, 65 percent of seniors more than half of their drug costs, some say as high as 70 percent, more than half of their drug costs for the average senior, that is no average senior, but average senior costs for drugs will be covered, more than half of the drug cost.

This is why the AARP supports this. This is why the AARP is standing up for their seniors. Some people on my side of the aisle think it is too generous. People on the other side of the aisle ought to look at this plan, at what it is, not the politics, but the substance. It is a good plan, and I hope people on both sides of the aisle tonight will support it.

Mr. STARK. Mr. Speaker, I yield myself such time as I may consume.

There they go again. I do not think they understand their own bill. Between 135 percent and 150 percent of poverty, there is a 15 percent copay, and regardless of what my colleague says, there are many, many poor seniors are going to pay more under this

bill than they do now, but it is sad that the people who wrote the bill do not know what they are talking about.

Mr. Speaker, I yield 45 seconds to the gentleman from Arkansas (Mr. ROSS), the distinguished member of our caucus who is in the pharmaceutical business.

Mr. ROSS. Mr. Speaker, as the owner of a small town family pharmacy and a wife who is a pharmacist, I see seniors who cannot afford their medicine. So I came here to help our seniors with the high cost of prescription drugs. This bill does not do that.

This morning we must decide whether to decide with the big drug manufacturers or side with America's seniors. In 2001, the gentlewoman from Missouri (Mrs. EMERSON) and I sponsored a bipartisan bill that would truly modernize Medicare to include medicine for our seniors, and the Republican leadership refused to give us a hearing or a vote on that issue, and now 2 years later the Republicans offer us a bill that does what? That says the Federal Government shall be prohibited from negotiating with the big drug manufacturers to bring down the high cost of medicine and provide seniors $1,080 worth of help on a $5,100 drug bill.

Have my colleagues ever heard of Medicare fraud? This is Medicare fraud.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I would like to inquire as to the time remaining.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The gentlewoman from Connecticut (Mrs. JOHNSON) has 4½ minutes remaining. The gentleman from California (Mr. STARK) has 6 minutes remaining.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield 45 seconds to the distinguished gentleman from New York (Mr. CROWLEY).

(Mr. CROWLEY asked and was given permission to revise and extend his remarks.)

Mr. CROWLEY. Mr. Speaker, I thank the gentleman for the time.

Mr. Speaker, let me see if I got this straight. In 1965, with a Democratic President, a Democratic House and a Democratic Senate the Medicare program was founded. Am I to believe today with a Republican President, a Republican House and a Republican Senate that somehow you all are going to save a program you did not support in the first place? We have an expression in New York and all around this country, give me a break. You are not about saving Medicare or Social Security. You are about dismantling it, and in 40 years, when I look at my children and they ask me where were you when they tried to dismantle Medicare, I will look them in the eye and I will be able to tell them that I voted against the dismantling of this great program.

I will vote against this, and I will vote against any chance that you may bring up to this floor to dismantle Social Security as well.

Mr. Speaker, I rise to support Medicare and oppose the incredibly offensive bill before us tonight. Medicare was created nearly 40 years ago to protect the health of seniors. And today, sadly, Members of this Congress are seeking to destroy the very program that has been so helpful to so many. In its place, Republicans claim they are inserting a new, better, and expanded program. But the reality is that this is not a bill about providing drug coverage under Medicare.

This is a bill about giving billions of dollars to insurance companies and drug companies. This is a bill about killing the Medicare program that seniors have depended on for generations.

Seniors in my district want and deserve prescription drug coverage. This could not be more true, as far too many of them are struggling without it. But I have yet to hear from a senior in my district who is asking for a $17 billion slush fund to be created for private insurance companies. Not one senior has talked to me about making sure that big drug companies are able to protect their massive profits. Not one of them has asked me for a prescription drug benefit where they have to pay $4,000 out of their first $5,000 in prescription drug costs. Not one of them has asked for a bill that would force seniors out of Medicare and push them into HMOs. And yet that is exactly what Republicans are giving them with this bill.

This bill seeks to help drug companies and insurance companies at the expense of seniors and American taxpayers of all ages. This bill does essentially nothing to bring down drug prices. It does not appropriately provide for reimportation despite this body overwhelmingly voicing its support of reimportation. Moreover, it expressly prohibits the government from trying to negotiate lower drug prices like other government entities have been able to do with much success.

Incredibly, Republicans are electing to protect drug company profits over the cost to our government. I have to wonder whose side the Republicans are really on?

Tonight Republicans are asking us to vote for a bill they claim will help seniors with their drug costs. Only the catch is that, in the process, we have to destroy Medicare, give billions to insurance companies and drug companies, and push seniors into HMOs. This bill is a slap in the face of the ideals that Medicare has stood for. This bill is a slap in the face of seniors who have waited far too long for a real prescription drug benefit.

But don't take my word for it. Listen to what the lead author, Republican Congressman BILL THOMAS of California said about this bill—a bill he wrote—and I quote him, ''To those who say that the bill would end Medicare as we know it, our Republican answer is: We certainly hope so.'' Protect Medicare—oppose this sham bill.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. HOUGHTON).

Mr. HOUGHTON. Mr. Speaker, in any situation where there is an argument at stake, there are two things that are important. First of all, it is to get the facts. Secondly, to face the fact, and I do not mean to oversimplify this, and a lot of people know much more of the details, but it seems to me two things come to the floor. One, Medicare needs an update, seniors need help with their drug costs, and I think this bill does both those things.

I have since learned that virtually any piece of legislation that comes before this body can be argued and attacked and counterattacked to death, but who are the customers? Who are we trying to help and are they being helped? Are the seniors being helped? Yes, probably not enough, but we do not know yet. Are the hospitals being helped? Yes, but they certainly could be helped more, but this is a never ending process. Are the doctors being helped who are opting out of the Medicare program? Yes. Are the ambulance drivers being helped? Yes, and it is about time.

Will the companies be helped who are thinking about whether to drop programs for their retirees? Absolutely. Will those purchasing drugs be helped? According to the arithmetic I read, there is absolutely no question about this.

I would rate this bill a B+, and the reason I do this is I do not think there is any bill that can come before this body that can get an A, not with the attack and counterattack process we use.

One of the great poets of this country, Ralph Waldo Emerson, used to say history is no more than a biography of a few stout individuals. It is the few stout individuals, Mr. Speaker, that we need tonight.

Mr. STARK. Mr. Speaker, I yield 45 seconds to the gentleman from Texas (Mr. REYES), who agrees with the Albany Times Union that what older Americans can least afford is for Congress to rush into a sweeping overhaul of a successful health care program without doing its research. This is not only an imperfect bill. It may also be a disastrous one.

(Mr. LAMPSON asked and was given permission to revise and extend his remarks.)

Mr. LAMPSON. Mr. Speaker, the previous speaker said that we do not know, and we do not know what all is in this bill, but during this week I have heard from representatives of thousands of senior citizens in southeast Texas, like my 93-year-old mother, that they overwhelmingly oppose this proposal, and they give three reasons why.

They believe the privatization provisions will cause Medicare to wither. They are astounded that the bill prohibits our government from bargaining for better drug prices. They are concerned about the uncertainty of being put back into HMOs that dumped them recently.

Do our seniors a favor, slow this train down. Put some dignity back in the process and open it up. The benefits will not even go into effect for 2 years. What is it going to hurt to wait two more weeks and do what the seniors requested at that White House Conference on Aging in 1995 at the beginning of this debate. Save Medicare and

let us live our lives in dignity and independence.

In 1995 I was sent as a delegate to the White House Conference on Aging. 4000 seniors gathered for this non-partisan meeting. They set goals at that meeting and asked our government to do 3 things: protect medicare; protect social security; and allow seniors to live their last years in dignity and independence.

We have been debating medicare and a medicare drug component for years now. I have promised to work to create a program that would help seniors achieve the goals I just listed.

During this week I have heard from the representatives of thousands of seniors in Southeast Texas, like my 93 year old mother, that they overwhelmingly oppose this proposal . . . and the reasons they give are 3:

They believe privatization provisions will cause medicare to wither and die;

They are astounded that the bill prohibits our government from bargaining for better drug prices;

They are concerned about the uncertainty of having to go back into HMO's that dumped them.

My colleagues, do our seniors a favor, slow this train down. Put some dignity back into this process and open it up. The benefits won't even go into effect for 2 years. Let's take a couple more weeks and do what the seniors of this country asked at the beginning of this debate 8 years ago . . . save medicare and let them live their last years with dignity and independence.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I ask what time remains on each side.

The SPEAKER pro tempore. The gentlewoman from Connecticut (Mrs. JOHNSON) has 2¾ minutes remaining. The gentleman from California (Mr. STARK) has 4 minutes and 15 seconds remaining.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield 45 seconds to the distinguished gentlewoman from Oregon (Ms. HOOLEY).

Ms. HOOLEY of Oregon. Mr. Speaker, despite the hard work and good intentions of many Members of Congress on both sides of the aisle, we have lost the forest for the trees, and so I rise today in opposition to conference report on H.R. 1.

We have lost sight of what seniors struggle with most, drug costs and the cost of coverage, and believe me, seniors have noticed that we have lost sight of them.

In the beginning and in the end, for me this issue has always been about the high cost of drugs and the need to affordably expand coverage. Regrettably, this bill prohibits ways to lower costs of drugs for American seniors, and for many, the coverage provided in the bill comes at a high price they simply cannot pay.

I urge my colleagues to reject this bill. Please go back to the negotiating table and give seniors what they really need, affordable drugs and affordable drug coverage.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself 10 seconds.

The gentlewoman from Oregon should know that with this prescription drug insurance plan Medicare recipients in Oregon who are covered will go from 60 percent up to 96.6 percent. This bill brings a benefit to Oregon.

Mr. Speaker, I reserve the balance of my time.

Mr. STARK. Mr. Speaker, I yield 45 seconds to the gentleman from New York (Mr. HINCHEY), and pending that, I would like to remind the gentlewoman from Connecticut that 41,000 people in Connecticut are likely to lose employer-sponsored coverage under this bill.

Mr. HINCHEY. Mr. Speaker, very few people are surprised that as soon as the Republican Party has control of both Houses of the Congress and the White House they move to destroy Medicare, and that is what this bill essentially will do. It will drive Medicare into the ground.

The disguise that they seek to use in order to accomplish that is a prescription drug program, but just today the National Center on Policy Analysis told us that only $1 out of every $16 in this bill will be spent to provide drugs for senior citizens who would not otherwise get them. Most of the rest of the money goes to drug companies and to insurance companies.

But the thing that surprises me about this bill is the Republican party is engaging in price fixing. They fixed the price of drugs so that they cannot go down, they can only go up. They have made sure that we cannot import drugs from Canada or other places at a cheaper price, and they guarantee that every time the prices change it will go up. Price fixing, increasing the cost of drugs.

Mr. STARK. Mr. Speaker, may I inquire as to the amount of time remaining?

The SPEAKER pro tempore. The gentlewoman from Connecticut (Mrs. JOHNSON) and the gentleman from California (Mr. STARK) have 2½ minutes remaining.

Mr. STARK. Mr. Speaker, I yield 45 seconds of that precious time to the gentleman from Texas (Mr. REYES).

Mr. REYES. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I have a long been a strong advocate for an affordable, comprehensive Medicare prescription drug benefit, but I am opposed to this bill. I am opposed because the bill before us tonight would harm, rather than help, more than 77,000 Medicare beneficiaries in my district by breaking this program's promise of guaranteed quality health care for our seniors.

In my district, where approximately one in five seniors live below the poverty line, Medicare and Social Security are their only safety net in retirement. To jeopardize this safety net would be unconscionable.

Mr. Speaker, I urge my colleagues to oppose this conference report so Congress can instead offer America's seniors the kind of Medicare prescription drug benefit that they need and more than anything that they deserve.

Mr. STARK. Mr. Speaker, I am delighted to yield 45 seconds to the gentleman from Arkansas (Mr. BERRY), one of the gentlemen who was a conferee but does not know.

Mr. BERRY. Mr. Speaker, I thank the gentleman from California, and I appreciate his leadership on this matter for many, many years.

In the document that founded this great Nation, it says all men are created equal. Under this bill, the drug companies are a lot more equal than the seniors I can tell my colleagues. Why would we for any reason prohibit the negotiation of lower prices by Medicare? Why would we do that?

Tonight, we make a choice. We either serve the drug companies or serve our seniors. I find this a very easy choice to make. I choose to serve our seniors. I will not be a part of the continued effort to allow the prescription drug manufacturers of this country to rob the senior citizens of America.

Mr. STARK. Mr. Speaker, I yield the balance of our time to the gentleman from New York (Mr. RANGEL), the distinguished ranking member of the Committee on Ways and Means.

Mr. RANGEL. Mr. Speaker, I thank the gentleman from California (Mr. STARK) for the fine work he has done over the years on this subject, and as we close one-half of this debate on this historic subject, I would just like to remind those who are recording this event that when you excluded the Democrats from participating in the conference, you excluded 20 Members who are members of the Hispanic Caucus, 39 Members that are members of the Black Caucus.

□ 0100

You excluded the Congressional Asian Pacific Caucus. And you had the arrogance to believe that you had to be Republican to be concerned about our senior citizens. But the three that were selected by the Speaker, the Republican Speaker, was the gentleman from Arkansas (Mr. BERRY), who knows the problems of our seniors out there. It was me, who served for decades on the Committee on Ways and Means and has worked hard to participate to make this a better bill and a better Congress. But it also was the gentleman from Michigan (Mr. DINGELL), former chairman of the Committee on Energy and Commerce and a person who fashioned a program for the aged who are poor. He too was excluded.

So it is a great honor for me to invite up to manage the other half of the time here the gentleman from Michigan (Mr. DINGELL). He is the dean of this Congress, and we should feel proud that we are able to serve with him. His father is the author of the Medicare bill, and we should feel ashamed that he was excluded from the conference.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I yield myself the balance of

my time, and I rise in strong support of this legislation. And, indeed, I believe its founders would be proud that tonight we bring a voluntary, generous drug benefit to all seniors under Medicare.

This is a milestone. That is why AARP describes it as a historic breakthrough in the Nation's commitment to strengthen and expand health security for its citizens. Something that has not been talked about much here tonight is the new support for seniors with chronic illness. We forget that one-third of our seniors have five or more chronic illnesses and use 80 percent of the money under Medicare, and yet Medicare has no way of supporting them to prevent their chronic illness from progressing.

In this bill, we couple the drug benefit and the disease management program to help our seniors prevent their chronic illness from progressing and thereby keep them healthy and keep Medicare costs under control. This is particularly important for minorities, for they tend not to use the medical system early, and they tend not to be diagnosed early. In this bill, we provide an entry-level physical so we can see what early signs of chronic illness they have, and we can help them prevent their chronic illness from progressing.

This will be an extraordinary boon to the well-being of our senior citizens. This is a historic advancement in both bringing prescription drugs to Medicare and improving the quality of health care Medicare is able to deliver, and in assuring that Medicare will be able to deliver 21st-century, cutting-edge health care.

And this is a historic bill for the rural communities of our Nation. Without it, they will not be able to attract the next generation of physicians as the current generation retires. They will lose small hospitals. They will lose small home health agencies. In fact, without this, our inner-city hospitals will not be able to continue to provide clinics for the poor, clinics for those with mental health problems. This is an important payer package because it restores fairness to our payment system.

And lastly, it cuts prices dramatically. It cuts prices dramatically by bringing the bargaining power of the seniors to the table to reduce prices and piercing right through that price support system that keeps State prices high. I am proud to support this legislation, and I urge my colleagues to do likewise, for half of America's women will experience free health care under this bill.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to a previous order of the House, the gentleman from Louisiana (Mr. TAUZIN) will control 30 minutes and the gentleman from Michigan (Mr. DINGELL) will control 30 minutes.

The Chair recognizes the gentleman from Louisiana (Mr. TAUZIN).

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hope you will all bear with me for a second as I tell a short story. I recently accompanied my son, Tom, who is 25 years old, to see the movie ''Matrix,'' the third in the evolution of the ''Matrix'' movies, a rather complex series of movies. Young people follow them, I think, better than my generation; but I try to follow them with him.

When we came out of the movie, I said, Son, what did you take from this? What did this mean to you? And he thought a long while and in the car with me he said, what I take from this movie, Dad, is that freedom is meaningless without choice. And I thought about that and I thought, that is pretty profound for a 25-year-old. What he was saying, basically, from this movie, is that if someone else is making all the choices for you, if you are without choice, you are not really free. Freedom, by definition, is choice. It is your capacity to choose for yourself right or wrong what you do with your life.

And then it occurred to me how meaningful that little profound conversation we had was and how it relates to this issue tonight. Because we are talking about a generation of Americans who Tom Brokaw called the Greatest Generation of Americans, who fought for this entire world to be free, for we in this country to have freedom of choice in our lives. And every day that we live in freedom, we have that generation to thank for it. And the ironic thing about it, when it comes to their health care, is that so far we have not given them choice. We have basically said if you want health care as you get older, after you fought to give us freedom, we will give you one plan. We will give you the choice of government Medicare. And if it works for you, great; if it does not work well for you, sorry, that is your choice.

Every despot, every tyrant, every monarch and feudal lord in medieval time took the attitude that the peasants, the servants were not smart enough to make choices for themselves; that they had to make all the decisions for them. That is the nature of people who think government always knows best and always knows the right answer and people are not wise enough to make good choices for themselves. The essence of this debate tonight is whether we are freedom-loving enough in this body, whether we understand and appreciate the freedoms that they fought for and gave to us, that we can, in the context of health care, give our seniors some real choice about how and where they take their health care and their coverage.

Now, it is about adding a significant new benefit to Medicare. It is that. But it is also about creating other choices for seniors. And I brought a picture of my mother with me tonight. I thought about her this evening. It is a small picture, but I wish you could all see it. She is a beautiful lady. She is 85 years old. She chose to remain in Medicare when she had a choice of a private plan in our hometown. She probably is going to choose to remain in Medicare and take her prescription drug benefit from Medicare when this program is completed and we pass this bill and it is signed into law. But I want her to have a choice to choose between that plan and any other plan that might be available, the same way we in this government, the workers and the Members of Congress, have choices to choose different plans for our medical needs.

I want Mom to have the same choice. Her generation fought for me to have choices and to make choices, right or wrong. And sometimes it hurt her deeply when I made bad choices, but she always knew I had the right to make them. And people died to give me that right. I think we owe that generation choice. And that is one of the things we do tonight, we give them choice how they take this new benefit. And if they want to choose, like my mother, to stay with Medicare, we fought for the right to make sure it is still in the Medicare bill, and she will have that right.

The other thing we did was to make sure if she chooses to have Medicare, that, indeed, it is still going to be around for her for as long as, God willing, she lives. She is a three-time cancer patient. A marvelous woman. She won eight gold medals at the Senior Olympics again this year. She took top place in the shot put. You do not mess with Mamma Tauzin. She is quite a gal. And she will probably choose to take her prescription drugs out of Medicare in this program. But if she ever wants to take it out of one of the PPOs or the new programs we develop out of this bill, I want her to have that choice. She deserves it. She ought to get it.

And I think that is why AARP has endorsed our bill, because they know we have gotten a great generous coverage for the low-income American seniors who want to stay in Medicare or who want to choose something else. And we create new plans for seniors and nonseniors to begin saving in their own health accounts; tax free in, tax free out, to build their own long-term care the way they want to design it. And I guess some people do not like that. I guess they think government ought to design it all and say, You got one choice, Mamma Tauzin, and that is it.

But I think, I think the benevolent government of the United States of America, respecting the freedom that so many fought and died for to give us choice and freedom, this government now, that we serve as Members of Congress, with such great appreciation of the people who sent us here, we ought to say here in Washington that we return the gift of freedom; that we give seniors more choices, and we give them a brand-new drug coverage program so they do not have to take chances on the Internet or go anywhere else to get drugs they cannot afford, that they can afford them under an insurance coverage here in America, and they can

get it under a program they choose to live under.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield myself 3 minutes.

(Mr. DINGELL asked and was given permission to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, almost 40 years ago, this body enacted Medicare. It was a great triumph for the senior citizens. Perhaps the most beloved program, with the exception of Social Security, was Medicare. It is also one of the most financially responsible and successful programs in the history of this country. Tonight, the fight is not about whether or not we are going to give prescription drugs to our seniors; it is about saving Medicare from my Republican colleagues, who now, finally, have figured a way to destroy it.

I want my colleagues to look at the kind of competition that the Republican Party is forcing upon the senior citizens of the United States: 120 or 125 percent of the costs of competing with Medicare is going to be given by the Federal taxpayers and by Medicare to, guess who, the HMOs. The Republicans have been trying to destroy this part for years. They are very close tonight.

A flawed process has brought forth a bad bill, which is laid before the House of Representatives in the wee hours of the morning so that the people will not know what is going on. What is at stake here is the existence of the most successful program to provide health care for our senior citizens.

Let me just tell my colleagues, the competition is unfair, 120 percent and more they give. They put forward a sham discount card, which will probably be given mostly by the retailers, not by the prescription pharmaceutical manufacturers. The senior citizens will not get much out of that.

Now, Medicare is going to be rewarding now the Republicans' friends in the HMOs and the pharmaceutical houses, huge amounts of money to each. No competition whatsoever will take place with regard to prescription pharmaceutical costs. Why? Because the Republican Members absolutely forbid that.

No wonder they want to do this at 2 a.m. in the morning. No wonder they want to foreclose the public from knowing. No wonder they would not let the people on this side of the aisle, they would not allow the Democrats into the meeting. Because it was the only way they could bring forward this slippery and dishonest program which is directed at destroying Medicare as we know it. And take the word not of myself on this, but of Mr. Newt Gingrich, of Mr. Armey, and the chairman of the Committee on Ways and Means on the Republican side. They want to destroy Medicare as we know it. That is what is at stake.

We can anticipate that they will allow Medicare to slowly wither away. And the senior citizens who are dependent upon it will no longer have the assurance that a program that they know they can choose their doctor and their hospital will be available to them. They will have to belong to the HMOs or pay more for it, and all in exchange for a proposal which has a huge donut hole which denies senior citizens care after they pay $2,000.

□ 0115

It does not add it at that point, it takes it away. This is a sham. It is a bad bill. It is one which takes from the senior citizens. It is one which threatens Medicare. It is an unfair, dangerous piece of legislation conceived in the darkness of night and slipped through over the heads of the senior citizens.

Mr. TAUZIN. Mr. Speaker, I yield 3 minutes to the gentleman from Florida (Mr. BILIRAKIS), the chairman of the Subcommittee on Health of the Committee on Energy and Commerce.

Mr. BILIRAKIS. Mr. Speaker, I would say I wish I had $100 for every hour that I spent in the wee hours of the morning during the time that the gentleman's party was in charge of this House.

Mr. Speaker, we have before us today an opportunity to finally provide our constituents with a meaningful prescription drug benefit that our Nation can afford. To finally do it; to finally do it, not to merely talk about it and to demagogue it. For four decades the other party controlled, and they did nothing. It seems every time we, since gaining the majority, attempt to meet a need, the Democrats finally awaken with nay comments. They do nothing. We attempt to do something, and they call our efforts a charade. We have not taken a pass, as one gentleman from the other side of the aisle said earlier. I would suggest the gentleman's party, which controlled for 40 years, took the pass.

While the bill before us certainly is not perfect, and we have admitted that, it targets the $400 billion available under our budget resolution towards areas where it can do the most good. Our bill provides a great deal of assistance to our low-income seniors. In fact, seniors who earn under $13,470 as a single or $18,180 as a couple will only be responsible for nominal copayments and will not experience a coverage gap. This is very generous coverage for the population of seniors who need it the most.

The conference report will also ensure that seniors will have the peace of mind of knowing that they will only be responsible for a very small amount of cost sharing once their out-of-pocket drug costs exceed $3,600 annually. It is a critical provision, and one I strongly support. This bill helps the poorest and sickest, and who can argue against that.

The conference report makes many other improvements to the Medicare program; in fact, too many to list tonight. However, I want to point out that the bill contains two provisions that I have long advocated for: Improved reimbursements for our Nation's physicians, and Medicare coverage for a physical exam upon entering the program. I call that the Dr. William Hale, ''Welcome to Medicare Program.'' Dr. Hale of Dunedin, Florida, gave me the idea some time ago. I am confident that this new benefit will ultimately save the program billions of dollars in the long term.

I would like to close by quickly dispelling a number of myths that we have heard on the House floor tonight, and over the past few months. The conference report does not privatize Medicare. It improves it, namely by adding a voluntary prescription drug benefit available to everyone, including those who do not wish to leave traditional fee-for-service Medicare. We are not pushing seniors into HMOs; I will not be a part of that. Or creating a voucher system. We are offering seniors voluntary choices other than traditional Medicare. And, finally, the conference report does not signal the end of Medicare. Instead, it marks the beginning of a new, better Medicare that will be available for generations to come.

Mr. Speaker, I would like to close by thanking all of the staff members who have worked to help make this bill possible.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Mr. Speaker, I thank the gentleman from Michigan.

Earlier this year President Bush stood in this well and pronounced solemnly, ''Medicare is the binding commitment of a caring society.'' Today just a few short months later, those words sound so empty.

Our Medicare offers the same reliable health coverage to retired and disabled Americans regardless of whether they are rural or urban, whether they are rich or poor, whether they are healthy or sick. Our Medicare is equitable, dependable, it is flexible, and cost efficient; but their bill takes $20 billion out of our constituents' pockets and showers those dollars on HMOs. It rigs the game so that the coverage seniors have today, the equitable, reliable, flexible coverage they have today, is sure to wither on the vine. That is the way they have set it up. As one of the authors of this bill, the gentleman from California (Mr. THOMAS) said, ''To those who say this bill would end Medicare as we know it, our answer is we certainly hope so.''

A binding commitment, Mr. President? Their bill leaves seniors with such high drug costs they still will not be able to afford their prescriptions. Their bill places retiree drug coverage of $12 million seniors at risk. Their bill forces seniors to either pay significantly more if they want to keep their doctor and their hospital, or join an HMO that may or may not cover needed drugs, that may or may not raise premiums beyond the $35 guesstimate,

that may or may not skip town if projected profits are not met. A caring society, Mr. President?

This bill is a big win for drug companies who stand to earn $139 billion in additional profits. No surprise there, the drug companies helped write the bill because the drug companies have given $50–60 billion to President Bush and to the Republican majority. It is a big win for insurance companies who are the beneficiaries of a $20 billion slush fund, no surprise there because the insurance industries and the HMOs gave tens of millions of dollars to the President and Republican leadership.

This is a tragic loss for America's seniors. Medicare should be the binding commitment of a caring society.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. FERGUSON), a valuable, distinguished member of the Committee on Energy and Commerce.

Mr. FERGUSON. Mr. Speaker, in addition to expanding Medicare to include prescription drug coverage for 40 million seniors, this important conference report also represents significant benefits for my home State of New Jersey. For years, my State has offered one of the Nation's most generous prescription drug benefits. It is called PAAD. Under this historic agreement to strengthen Medicare, New Jersey wins big time. In addition to ensuring a seamless integration of the new Medicare drug benefit and PAAD, this conference report also provides New Jersey with billions of dollars to strengthen PAAD and expand the number of seniors who benefit.

By using the drug discount card before the PAAD coverage begins, the State government will save $73 million. Because PAAD's enrollees will receive their drug benefit from Medicare, the State will save $2.8 billion. New Jersey will receive a 28 percent tax free subsidy to offset the drug costs it provides for retired State employees, saving the State $222 million. PAAD will no longer be forced to pay drug costs for seniors who qualify for both Medicare and Medicaid, saving the State $872 million.

How else does New Jersey benefit? In addition to $80 million for increasing the Medicaid reimbursement rate, an additional $756 million will be forwarded to New Jersey's hospitals. That is nearly $5 billion in Federal aid for New Jersey.

This bill has language to require coordination between Medicare and PAAD, no disruption for any senior currently enrolled in PAAD, and billions and billions for our State government to strengthen PAAD, offset low-income seniors' drug costs and expand the number of seniors who are served under PAAD.

My colleagues from New Jersey on the other side of the aisle can try to hide behind their partisanship, but they cannot ignore the fact that this conference report represents one of the biggest and most important victories New Jersey has ever, ever received in Congress.

Mr. Speaker, shame on them.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the gentleman from California (Mr. WAXMAN).

Mr. WAXMAN. Mr. Speaker, today we should be voting on legislation that makes a good prescription drug benefit a part of the Medicare program. We should give people real help without gaps in coverage requiring seniors and the disabled to pay thousands of dollars for drugs out of their own pockets.

Instead, what we have got is a bill that makes seniors buy private insurance to get drug coverage or go into HMOs where they might not be able to see their own doctor, a bill that lets insurance companies interested in their own profits decide what premium to charge and what drugs to put on their formulary, and a bill that will lead people holding the bag for most of their drug costs in far too many cases.

This is not what seniors and the disabled want. This bill uses the cover of providing drug coverage, inadequate as it is, to make very dangerous changes in Medicare. This bill is based on the point of view that Medicare was a mistake, that we should have left it to private insurers to provide health care for our seniors. Well, if we had done that, we would have a lot more seniors today who would be uninsured and struggling with their medical bills.

I do not want to turn the clock back on Medicare, I want to make it better. Much as I want prescription drug coverage for seniors, this inadequate drug benefit is not worth destroying Medicare. I do not want a Medicare where seniors and disabled people have to spend a lot more just to be able to stay in regular Medicare. I do not want a Medicare where seniors in Los Angeles have to pay premiums that are twice as high as premiums in some other area of the country, and depend on private insurance companies for what benefits they get.

So we might wonder, who benefits from this bill? Well, not the almost 3 million retirees who will end up losing the drug coverage they now have, not the 6 million of our poorest seniors who end up being worst off, and not the 40 million Medicare beneficiaries who cannot use their bargaining power to get lower prices from the drug companies, and not the people who have been able to get their drugs cheaper by going to Canada. It is the drug companies and the insurance companies who benefit from this bill. Let us improve Medicare, not ruin it.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from Georgia (Mr. GINGREY), one of the three Members of the House who is an OB–GYN physician, and who happens to know something about health care.

Mr. GINGREY. Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN) for yielding me this time.

Mr. Speaker, 35 million senior Members of AARP, 330,000 physician members of the American Medical Association who are providing care to hundreds of millions of Americans and 40 million Medicare beneficiaries, the American Hospital Association, the Rural Hospital Association, the United States Chamber of Commerce; Mr. Speaker, with so many for a prescription drug and Medicare modernization for our beloved seniors, who could be against it, and why?

The answer to that first question is pretty obvious, obstructionist Democrats. And why? Because they are more interested in attempting to embarrass President Bush and the Republican leadership of this House than they are in doing the right thing, the compassionate thing.

To suggest that this bill is nothing but a windfall for the pharmaceutical industry is like suggesting that Medicare Part A is nothing but a windfall for the hospital. Who is going to provide the prescription drugs, the chocolate chip cookie company? Give me a break.

But I say to my colleagues on the other side, stop the alliteration, stop the bizarre logic, the Mediscare rhetoric. Vote with us, vote for our seniors and make this truly a bipartisan victory.

Mr. DINGELL. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. PALLONE).

□ 0130

Mr. PALLONE. Mr. Speaker, I have listened to the rhetoric of the Republicans this evening, and it is cynical. They are trying to fool the seniors. I listened to the gentleman from Louisiana say that seniors are going to have a choice. They are not going to have any choice. They are going to lose their choice of doctors because they are going to be forced into an HMO. I listened to the gentleman from Florida say that seniors are going to get a meaningful benefit. Again they are fooling the seniors. There is no meaningful benefit here. They are going to have to shell out more out of pocket than they are going to get back in terms of a drug benefit. I listened to the gentlewoman from Connecticut earlier saying that she is going to give the seniors a discount. What a joke that is. There is no cost containment in this bill. The bill says that the Secretary cannot in any way negotiate price reductions. There is no reimportation in this bill. There is no way you are even going to be able to get discount drugs from other countries. There is no discount. There is no savings. They are just trying to fool the seniors.

I heard another speaker say that Medicare is going broke. The only reason it is going broke is because you have taken money away from their trust fund through your tax policies. You are trying to fool the seniors again. And then you are saying that the seniors are going to be able to have traditional Medicare, they can stay in

their traditional Medicare. Again you are trying to fool them because they are going to be forced out of traditional Medicare. You are going to limit them to a voucher, a certain amount of money. You have something in the bill that would cap the amount of money that comes from the Federal Government. They are not going to be able to stay in traditional Medicare. They are going to be forced out of it. Then finally you say, oh, they are going to get the drug benefit immediately. You talk about the drug card or whatever it is, the discount card. Again you are fooling the seniors. This bill does not even take effect, there is no drug benefit until the year 2006.

I want to tell you, the last thing of all was when I listened to my colleague tonight here from New Jersey (Mr. FERGUSON) say that New Jersey is going to benefit from this. There are 1.2 million Medicare beneficiaries in New Jersey; 91,000 of them will lose their employer-based prescription drug benefits; 186,000 of them in South Jersey would be subject to premium support and will lose their traditional Medicare. The list goes on. New Jersey is no different than any other State. You are not going to be able to fool the seniors. You should not try to. You ought to be ashamed of yourselves.

Mr. TAUZIN. Mr. Speaker, I yield myself 30 seconds to point out that the statement that this bill does not go into effect until 2006 is erroneous. The fact is that the drug discount card is effective immediately when this bill goes into effect early next year. The fact is that $600 per senior for drug costs is allocated immediately, next year. Not only that, but the $1,200 per couple that is allocated for drug costs for seniors is rolled over. If the senior does not use it the first year, they can use it the second year. It becomes a $2,400 benefit for seniors for that second year while the full program is enacted by the year 2006.

Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. UPTON), the distinguished chairman of the Subcommittee on Telecommunications and the Internet of the Committee on Energy and Commerce.

(Mr. UPTON asked and was given permission to revise and extend his remarks.)

Mr. UPTON. Mr. Speaker, I would like to focus on one misconception about this plan that we are debating today and set the record straight. I have heard from a lot of retirees who have been led to believe that enacting the conference agreement will cause them to lose their employer-provided prescription drug and health care coverage. That is not true.

First, it is important to note that under current law, employers who provide solid retiree health care benefits receive no assistance at all from the Federal Government. And even in the absence of a Medicare prescription drug plan, many of these same employers under increasing pressure from rising prescription drug and other related health care costs are already cutting back or entirely dropping their coverage that they provide to their retirees today. Under this plan if we pass it today, the Federal Government will partner with employers who maintain or improve their current health care retiree health plans. They will receive a subsidy of up to 28 percent of their retiree drug costs between $250 and $5,000 and the subsidy will not be subject to taxation. So the reality is if we do not enact this plan, there will be no incentives for those employers to maintain or improve their current retiree coverage. Thousands of retirees will wind up with no help with their prescription drug costs, and we most likely will continue to see those retiree benefits continue to be slashed. With this plan, they will have an incentive to keep it.

I also remember back to the days when we passed a catastrophic health care plan, back in the early nineties. It was mandatory. Guess what? We repealed it because it was mandatory. This is voluntary. You can participate if you want; and if you do not want, you do not have to participate. I also remember a woman that came up to me at my son's little league game. Her mom had just had a stroke, $600 in additional costs that she was going to face every month. She said, Mr. UPTON, will this plan help my mom? Yes, it will help her a lot. It will in fact save her family thousands of dollars, provide her with some quality of life that her family expects and the plan will help.

I urge my colleagues to vote for this plan this morning.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from California (Ms. ESHOO).

Ms. ESHOO. Mr. Speaker, we have all not only been taught but tried to abide by something, part of the Ten Commandments, honor thy father and thy mother. I think more than anything else this evening, that is really what we are talking about, honoring our fathers and our mothers, our grandfathers and our grandmothers, the seniors, the elders of our Nation that are part of our Nation's family. It is not just my mother and father, and it is not just yours. It is collectively those that have built the country and handed it over to a new generation.

I do not believe that the process in this House for this bill is anything for the Members of Congress to be proud of, because if you do not honor those that represent the mothers and fathers of this country, it is a singular disgrace. So I start with that process. And I do not believe my friends, whom I have worked with day in and day out on the other side, tonight in their heart of hearts can be proud of that. It is dark. It is bad. It is wrong. And it has set a very bad tone for this bill.

We love Medicare on this side. You cannot drive a wedge between us and Medicare. If this were prescription drugs only, it would sail through the House. But that is the loss leader on this. This is about rewriting the contract between our mothers and fathers and our Nation. We object. We do not think it should be parceled out. My grandparents never said God bless the insurance companies. They said God bless America. Vote against this bill. It is wrong and it is bad. It dishonors our mothers and fathers and our grandparents.

Mr. TAUZIN. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Oregon (Mr. WALDEN), a member of our committee.

Mr. WALDEN of Oregon. Mr. Speaker, my parents are both gone now. They died before this Congress could act to provide prescription drug coverage for them under Medicare. So they both paid for it out of their pocket. Let us talk about what this bill would do for those who survive. The agreement would provide 514,456 Oregonian seniors with access to a Medicare prescription drug benefit for the first time in the history of this program. Beginning in 2006, there would be 129,000 Medicare individuals in Oregon who would have access to drug coverage they would not otherwise have, and it will improve it for many more. They will get a $600 card if you are in the lower-income level of $12,000 a year. Couples who make $16,000 a year who lack prescription drug coverage today would be given $600 in annual assistance to help them afford their medicines along with the discount card of 15 to 25 percent. That is a total of $92 million for Oregon seniors that would help 76,000 of them be able to pay for their drugs in 2004 and 2005.

There are 151,000 seniors in Oregon who have limited savings and low incomes who will qualify for even more generous coverage. They will pay no premium, no deductible for their prescription drug coverage, and they will just be responsible for a minimal copayment. They will get the coverage. If you are low income under this plan, they get the coverage. Perhaps that is part of why the Portland Oregonian has endorsed this program. More importantly, my State like many has faced some fairly difficult fiscal challenges. I was there when we implemented the Oregon health plan and helped put it into place. Today because of the fiscal challenges, they are having to cut people off of Medicaid in Oregon. This plan over 8 years will return $279 million by having Medicare pick up the cost of those senior low-income people.

This is a balanced plan that will help our seniors get the prescription drug coverage they need. We ought to enact it.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from New York (Mr. ENGEL).

Mr. ENGEL. Mr. Speaker, for many years I have sponsored and worked for a real prescription drug bill for seniors and this bill breaks my heart. This bill is not a bipartisan bill. It is a Republican fraud. The Republican leadership

would like to privatize Medicare and replace it with private insurance vouchers and HMO health care. That is what this bill does. It is the beginning of the destruction of Medicare and the destruction and privatization of Social Security is next.

You mark my words. We should be giving seniors a clean prescription drug bill under the Medicare program, but we do not have money for that because the Republican tax cuts for the rich and the stealing from the Social Security trust fund make it impossible to have any money left to pay for a real prescription drug program. The hodgepodge of benefits will do nothing but confuse seniors. After spending $2,200 in drug bills, seniors will have to pay the next $1,400 out of pocket without any help whatsoever while they still pay their monthly premiums. What kind of assistance is that? Seniors want a real drug bill and they want it to begin now, not in 2006. They want help in bringing drug prices down. This bill does none of that.

When I first came to Congress 15 years ago, I asked my mother what was the best thing we could do to help senior citizens and she said, give us a prescription drug program. Tonight, my colleagues, my mother gave me some more good advice. She said, vote against this sham bill. And that is exactly what I am going to do. Shame on this Congress for betraying our seniors and ramming this bill through in the middle of the night.

Mr. Speaker, I rise today in strong opposition to the Medicare Prescription Drug and Modernization Act. When I came to Congress 15 years ago, one of my highest priorities was to strengthen Medicare, provide drug coverage for seniors, and ensure that my children and generations to come would always have access to quality health care in their golden years. What the Republican leadership has put before us today does none of these things and threatens the very fabric of the Medicare program. The Republicans chose to give the richest Americans billions and billions of dollars in tax cuts rather than truly provide our seniors with relief from the high cost of prescription drugs. If this legislation is enacted, Medicare, and the cornerstone of Lyndon Johnson's Great Society, will be decimated.

There is nothing I would like more than to vote for legislation that would provide a meaningful Medicare drug benefit for seniors. In fact, I authored legislation to do just that. My legislation would have provided seniors with coverage comparable to most private plans and those utilized by federal employees. But what we have in this Conference Report is a fraction of that coverage. Most seniors will see little relief from the high cost of prescription drugs. Seniors will pay at least $35 a month in premiums with a $250 deductible, but these are just benchmarks and seniors may wind-up paying much more. There is also a gap in coverage where seniors will pay the premium while receiving no benefit. The gap in coverage is between $2,200 and $3,650 of out-of-pocket drug costs. This could mean that for half the year a senior will be paying a premium and getting no assistance. Additionally, the drug benefit doesn't even begin until 2006. Seniors in my district tell me they need help now. They don't want to wait two more years for this benefit to begin. I certainly think that they have waited long enough for assistance in paying for medicines that save and improve their lives. Our seniors deserve better treatment than this.

In keeping with the poor design of this benefit, it is expected that millions of retirees currently receiving drug benefits from their employers will lose it. So the Republican bill offers seniors a paltry benefit while taking away the quality benefits they currently enjoy. Wait till our seniors get a load of this.

As bad as all this sounds, it only gets worse. Despite the large outcry by seniors and Democrats across the country, this Conference Report embodies not the first small step toward privatization, but a giant leap that breaks the promise we made to our seniors and have kept since 1965 when Medicare was created. What is being dubbed as a demo project to ''test'' premium support, what is at best a voucher program, will encompass about 1/6th of Medicare beneficiaries. We're talking about 7 million people being forced out of traditional Medicare and into HMO's. These, the unluckiest of all the Medicare population, will pay higher premiums and receive some type of benefits, but we don't know what they are because the HMO's will package them as they see fit. For the first time in history seniors in different areas will be paying different premiums and receiving different benefits.

What is most troubling is that this legislation is setting Medicare up to fail. This legislation includes a provision that automatically triggers cuts in the program if Medicare spending increases to an amount determined by the Republicans. The likely scenario regarding this is that sometime over the next several years Medicare spending will increase triggering the cuts. In order to get under the arbitrary cap traditional fee-for-service Medicare will be decimated. Republicans will then point to their privatization as Medicare's savior and they will have finally succeeded in their ultimate goal of ending Medicare and leaving seniors to fend for themselves in the private market where HMO's will be the order. Make no mistake, we agreed on the path to full privatization and an end to one of the most successful government programs in our history.

We have all heard that this group endorsed the bill and that group endorsed the bill, so why are Democrats opposing it. The only reason this legislation has any life in it is because the Republicans have doled out billions of dollars in payouts to insurance companies, drug companies, and other special interests. These groups are not endorsing the bill because it helps seniors, they are looking out for themselves. Well I am not going to sell out our seniors.

Mr. Speaker, the greatest generation is about to face the brunt of the greatest hoax since since I have been in Congress. Most seniors are not watching this debate. They will have on their local news that Medicare will soon be covering their prescription drugs and they will be ecstatic. ''Finally'' many will say. What a shame it is that we re playing a political game with the lives of seniors around the country. I urge all of my colleagues to vote this bill down so that the can enact a real benefit that strengthens Medicare and provides a comprehensive drug benefit that will make this wonderful program even better.

Mr. TAUZIN. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from Texas (Mr. BRADY).

Mr. BRADY of Texas. Mr. Speaker, I appreciate the leadership of our chairman on this important issue. For the last 4 decades, Medicare has helped millions of American seniors get needed health care, helping them live longer than any other generation before them. However, Medicare has become dangerously outdated. In America today, Medicare refuses to pay $80 a month for Lipitor to prevent heart disease, but will pay $20,000 in hospital costs after a life-threatening emergency has occurred. That does not make sense. Medicare needs to keep pace with these medical breakthroughs.

Medicare must also be preserved and strengthened for future generations. We worked hard and we must act now so that seniors, baby boomers, and our young people can count on Medicare decades from now. We have worked hard to make sure Medicare is more like the health care plans Congress enjoys, more choices, better plans, and lower expenses for Medicare down the road. There are thoughtful new reforms to keep Medicare costs from ballooning out of control, and there are exciting new savings accounts that give Americans of every age more freedom to determine their health care costs.

Our seniors deserve a modern prescription plan now and future generations deserve Medicare that they can count on. The bottom line is we can invest a dime now to help seniors afford their medicines, or we can pay a dollar later when they end up in the hospital or face emergency surgery that we could have prevented. Our seniors deserve a modern prescription plan today, and Republicans in Congress are going to deliver it.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Texas (Mr. GREEN).

(Mr. GREEN of Texas asked and was given permission to revise and extend his remarks.)

Mr. GREEN of Texas. Mr. Speaker, I rise in opposition to this so-called Medicare prescription drug conference report. Much as I want to support legislation creating a prescription benefit for our Nation's seniors, I cannot support this bill. First, the bill does absolutely nothing to drive down the outrageous costs of prescription drugs. In fact, it expressly prohibits Medicare from negotiating for 40 million seniors lower prices, and yet it still allows the insurance companies to do it. But they prohibit the government from doing it. The benefit has a huge doughnut hole that forces seniors to pay all their costs from $2,250 to $5,100. I guess I am so frustrated with this bill the best I can do is read a poem about America's Greatest Generation.

Rest gently, America's Seniors
You saved democracy in WW II
You survived a depression, too.
You built this Nation

to a great world power
so it is right you rest
at this late hour.

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But while you slumber
There are voices raised
In our Capitol yonder
Of your high costs for your drugs of wonder.
This proposed legislation
Considered in the dark of night
Will not reduce your cost a ''widow's mite.''
Awake you will from your night's slumber
To repay and respond to those who plunder
Your hard-earned Medicare benefits.

Mr. Speaker, I rise in opposition to this so-called Medicare prescription drug conference report.

Much as I want to support legislation creating a prescription drug benefit for our Nation's seniors, I cannot support this bill.

The bill does absolutely nothing to drive down the outrageous costs of prescription drugs. In fact, the legislation expressly prohibits Medicare from using the negotiating power of 40 million seniors to demand reasonable prices for our Nation's seniors but allows insurance companies to negotiate.

The benefit has a huge ''donut hole'' that will force seniors to pay for all of their costs from $2,250 until their costs exceed $5,100.

So if you have drug costs that are $300–400 per month, you're only going to get a benefit for the first half of the year.

The rest of the year, you'll continue to pay premiums, but get absolutely nothing from them.

And finally, this plan would require Medicare to compete with private plans that would be paid more to treat healthier seniors.

There is no way Medicare could honestly be expected to compete with these overpaid plans, and I think the bill's crafters did that on purpose.

Mr. Speaker, this legislation leaves people worse off than they were before it. The CBO estimates that 2.7 million employees will lose their retiree benefits.

More than 6.4 million Medicaid beneficiaries will lose their wrap-around coverage.

And in the long run, seniors will be left shouldering a significantly higher portion of their health care costs. This is unacceptable, and I urge my colleagues to vote against this bill.

Mr. TAUZIN. Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Ohio (Mr. STRICKLAND).

Mr. STRICKLAND. Mr. Speaker, I thank my friend for yielding this time.

I probably will not need a minute to say what I want to say. But this bill was written by and for the pharmaceutical companies. Do the Members want an example of why I say that? A few days ago the Blue Dogs met with our Secretary of Health and Human Services, Mr. Tommy Thompson, and two Democratic Senators were there, Senator BREAUX and Senator BAUCUS. And in that meeting, a question was asked: Why is there a prohibition against the Secretary from negotiating discounted costs for America's senior citizens? And Senator BAUCUS said it is in there because PhRMA insisted that it be in there. Shame, shame, shame on you.

Mr. TAUZIN. Mr. Speaker, I yield myself 30 seconds.

I want to point out that the language that the gentleman just referred to in the bill first appeared in the motion to instruct by none other than the gentleman from California (Mr. STARK), who offered a motion to recommit H.R. 4680 with instructions that included the very same language that the gentleman is complaining about that was referenced in the Blue Dog meeting.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Colorado (Ms. DEGETTE).

Ms. DEGETTE. Mr. Speaker, the Hypocratic oath requires that doctors first do no harm. There is no such oath for Members of Congress. But we would be wise to heed it when we consider the Medicare prescription drug benefit tonight, for this bill certainly will do harm to millions of Americans. I know this. My constituents know this, and seniors across the country know this. They are furious with the organizations and the Members of Congress that support this plan.

This is not an abstract debate. This has a huge impact on real people. It will do harm to people like Helen Lay, my constituent, a retiree in Colorado. Helen is worried because, as she sees it, this bill has something in it for everyone except the senior citizens. Helen and her husband, Frank, are fortunate enough to have good prescription drug coverage through their retirement plan. Right now, they spend about $800 a year on prescription drugs. Without insurance, they would be spending nearly $12,000.

This bill will do great harm to Helen and Frank and millions of other seniors because it will encourage employer retirement plans to end prescription drug coverage, forcing seniors into substandard plans that cost more, and no one knows what the coverage or the price will be.

Helen and Frank have other serious problems. They take 12 brand-name medications per month. But this bill specifically prohibits Medicare from negotiating drug prices, even though private companies like Wal-Mart and agencies like the Veterans Administration are able to negotiate cheaper drugs. That means even if this bill passes, Helen and Frank will still pay exorbitant prices.

I say to Helen that we are here to stand up for her today.

Congress first must do no harm. Send this plan back.

Mr. TAUZIN. Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from California (Mrs. CAPPS).

Mrs. CAPPS. Mr. Speaker, I rise in opposition to the Medicare conference report. Seniors deserve a good prescription drug benefit through Medicare. This bill cripples Medicare and truly is not a prescription drug benefit at all. It forces seniors into private insurance plans to get all of their health care and contains a time-released poison pill that will starve Medicare of needed resources by arbitrarily capping federal funds.

But on top of this, the conference report cuts cancer care by $1 billion a year, $10 billion over 10 years. So many rural cancer centers will close as a result, and others will lay off oncology nurses and critical support staff. These centers are essential to the delivery of cancer care today. How can we do this to cancer patients? It is hard enough to live with this dreaded diagnosis, let alone the horrendous side effects of the treatments. And now this.

I repeat. This bill cuts $1 billion out of cancer care. I am ashamed.

Mr. TAUZIN. Mr. Speaker, I yield 2 minutes to the gentleman from Michigan (Mr. ROGERS) for the purposes of colloquy.

Mr. ROGERS of Michigan. Mr. Speaker, I thank the chairman for his leadership on this for the millions of seniors who today have no access, no access to prescription drugs that will have that when this bill is signed into law. I thank him for each and every one of them.

For the purposes of colloquy, it is certainly not the chairman's intent that the cuts to oncology practices across the country would go below such a level that would cause practices to close, thus jeopardize access to care for thousands of cancer patients, and should we see that CBO's projections were wrong and that oncologists were found not to be made whole for their drug reimbursement under the new Average Sales Price that we would swiftly reverse this payment methodology?

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Michigan. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, the gentleman is correct, but let me point out that CBO's estimates now indicate that this bill makes oncologists perfectly whole in this first year of the changeover. In fact, for the first 2 years, it is a neutral completely, and oncologists will be getting something like 2½ to 3 times the practice expense allowance that CMS now estimates they would get under their own data. This bill will actually give oncologists 100 million more dollars than they are currently getting under the old AWP formula this year, 2004, and $100 million less the second year. So it is a total neutral policy for that 2-year period.

Mr. ROGERS of Michigan. Reclaiming my time, Mr. Speaker, I thank the gentleman for clarifying.

In addition, it is not the chairman's intent that small rural cancer centers across the country would be detrimentally impacted under the new Average Sales Price reimbursement method for their drugs based on their inability to buy in volume like their suburban

neighbors. And if we found that to be the case, we would swiftly review the specific impact such a payment methodology had on access to care in these rural areas.

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Michigan. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, the gentleman is of course correct. That is why we built an ASP, Average Sales Price, plus a percentage to give the smaller oncology units a chance to buy, in case the larger units buy at a lower price, they could at least get coverage on top of the Average Sales Price to reimburse them, but we would always review that to make sure cancer care is indeed preserved.

Mr. ROGERS of Michigan. Mr. Speaker, I thank the gentleman for his attention on this matter.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentlewoman from Illinois (Ms. SCHAKOWSKY).

Ms. SCHAKOWSKY. Mr. Speaker, I thank the gentleman for yielding me this time.

Earlier the gentleman from Louisiana (Chairman TAUZIN) waxed poetic about the deep meaning of a movie, of all things, and about the centrality of choice in our democracy. And I agree about choice.

But I have to tell the Members in all the years that I have worked for and with seniors, never, not once, did a senior citizen come up to me and say ''What I really want is a choice of insurance plans. I want more salesmen to call me, send me those brochures, include all those charts and graphs and fine print. I cannot wait to sit down each year and choose among HMOs.'' Never, not once.

Seniors want a choice all right. They want to choose their doctor. They want to choose the drug that their doctor prescribes for them. They want the choice of their pharmacy if they want to go to their neighborhood pharmacy. They want the kind of real choice they get under Medicare, the Medicare that they know and love. And that is the kind of choice they will lose under this bill and under a pile of brochures that they are going to be burdened with. But do the Members know what? That is okay. I want to tell the Members it is okay because the seniors know the difference between real choices and phony choices. And we can put all kinds of fancy pictures on it, but senior citizens will know, and I want to tell the Members that it is to their peril that they vote for this legislation and give seniors a phony choice.

Mr. TAUZIN. Mr. Speaker, I yield 1½ minutes to the gentleman from Arizona (Mr. RENZI).

Mr. RENZI. Mr. Speaker, I thank the chairman for yielding me this time.

There has been some talk about this not being about prescription drugs and more about the changes that we are looking at for Medicare.

In the 1950's and 1960's on the border of Nevada and Arizona at the test sites for the atom bomb, the schoolchildren in Arizona, in Kingman, Arizona, were given the day off to go up on the mountains and watch the A-bomb blasts. The skies would turn brilliant pink and orange. Years later, those adults are the ones that come down with the highest cluster rates of cancer in America. A lot of the folks in the Rust Belt send their cancer patients out to beautiful, warm Arizona, whereas one of the benefits of their suffering has been our ability to understand how to better treat cancer in these communities now rather than in the hospitals.

The nurses who provide that cancer care under the current Medicare are not allowed to bill and get their full amounts. That is because Medicare has not changed enough or at all since its inception.

Medicare must be updated. It must be modernized. To do so denies the ability to provide the proper billable hours for our nurses who provide cancer care and the better system of cancer care that we are seeing out in the West.

Modernize Medicare. Do not deny those nurses that kind of coverage.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the distinguished gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, we have talked a lot about this bill. I want to say just a couple of words about my seniors up in Maine. Two points. First, they are desperate for lower prescription drug prices. Number two, they want to keep the Medicare program that they have because it is all they have. There are no HMOs in Maine to provide services to them.

And here is what they do. To get lower prescription drug prices, they call my office in Maine every day. They pile into buses to go to Canada. They try to get their prescription drugs from Canada over the Internet.

And so what do they get out of this bill? They get a provision that says the government will not be able to negotiate lower prices for them, will not be able to negotiate lower prices. They get an inadequate benefit that is not as helpful to most seniors in Maine as the Canadian drug prices. It is a big win for PhRMA and a big loss for people in Maine.

Our seniors have come to rely on the stability, predictability, and continuity of Medicare. The chairman of the committee did talk about choice, but as in Illinois, no one in Maine has ever asked me for a choice between insurance plans. They have got the choice that matters now, a choice of doctors and hospitals. This bill over time drives them out of fee-for-service Medicare into HMOs. It is funded by an outrageous overpayment to private plans and HMOs.

My parents for 1 year were in a Medicare+Choice plan. It was not golden. It was not modern, not efficient, not fair. Just a bureaucratic nightmare. Defeat this Medicare bill. It is bad for Maine's seniors.

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Mr. TAUZIN. Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New York (Mr. ISRAEL).

Mr. ISRAEL. Mr. Speaker, last June I was one of nine Democrats who voted to move Medicare modernization into a House-Senate conference. That bill was flawed, but I wanted to give it a chance for bipartisan compromise and improvement. It saddens me that this bill was not improved, Medicare was not modernized; it has been privatized in this bill. I said when I voted for H.R. 1 that if it looked like privatization, if it sounded like privatization, if it felt like privatization, if it smelled like privatization, that I would oppose final passage. This bill sounds, it feels, it smells, it looks, it is privatization; and I have to oppose final passage.

Now, some say, well, it is not really privatization; this is just an experiment in six different areas. Do not worry. Mr. Speaker, when you are the guinea pig, you tend to worry.

We could have done a much better job with this bill, Mr. Speaker. We could have come up with a bill that Republicans and moderate Democrats could embrace, a bill that protects seniors and does not subvert them. I gave this bill every chance that I could. Tonight this bill robs our seniors of any hope that they have had for true Medicare reform. Medicare should be the Federal Government's obligation to seniors who need the right bill, not a profit center for the special interests who wrote this bill.

Mr. TAUZIN. Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from New Jersey (Mr. ANDREWS).

(Mr. ANDREWS asked and was given permission to revise and extend his remarks.)

Mr. ANDREWS. Mr. Speaker, I thank the gentleman for yielding me this time.

Several Members of the majority have said that this is a historic morning. They are correct. History will record that this is the day that any pretense the majority had, the Republican Party had of fiscal responsibility, ended.

Mr. Speaker, for every $100 we are spending to run our government tonight, we are only taking in $80, and you are taking every nickel out of the Social Security trust fund and then some to make up the difference. So what is your strategy to deal with this deficit? It is to add a $400 billion entitlement that you cannot pay for. You are using Social Security funds that are supposed to fund future retirements for our kids to pay for a sham prescription drug benefit for our grandparents.

This borrowing will purchase a Trojan horse, a massive giveaway to the health insurance industry disguised as a prescription drug benefit for senior citizens.

I listened to your speeches when you came here 10 years ago and said we could not afford to expand entitlements, and many of us on our side stood with you and made sure that we did not do that.

To have a real prescription drug benefit, you should repeal your sacred tax cut and pay for what is really necessary for America's seniors. Shame on the Republican Party for turning its back and releasing a torrent of red ink that we will pay for, for generations to come, when this bill metastasizes in the future. Oppose this ill-considered bill.

Mr. TAUZIN. Mr. Speaker, I yield myself 30 seconds. That was an interesting speech, but I got a letter from the Congressional Budget Office indicating that they prepared a preliminary estimate of the impact of the Democratic amendment to H.R. 1, the Democratic plan; and the estimate of CBO of their plan is $1 trillion. So a speech complaining about the fact that we in this House passed a budget that included $400 billion for this important program for seniors is wrong, when the other side prepared an amendment for $1 trillion; that is a little outrageous.

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 30 seconds to the distinguished gentleman from Arkansas (Mr. BERRY).

Mr. BERRY. Mr. Speaker, I rise at this time to just express my gratitude and the gratitude of my caucus to the two gentlemen who have worked tirelessly for years on this issue, the gentleman from Michigan (Mr. DINGELL) and the gentleman from New York (Mr. RANGEL). And I hope that this entire body, even though they have been treated shamefully and disgustingly by the Republican leadership and by this conference committee, I hope that everyone here this evening will join me in thanking them for the magnificent job that they have done for America and America's seniors.

Mr. TAUZIN. Mr. Speaker, I yield myself 30 seconds. While he is not here, I think the Members on our side ought to show their appreciation for the chairman of the Committee on Ways and Means, the chairman of the conference who did an amazing job in bringing this excellent bill to the floor for our consideration, the gentleman from California (Mr. THOMAS).

Mr. Speaker, I reserve the balance of my time.

Mr. DINGELL. Mr. Speaker, I yield 1½ minutes to the gentleman from Massachusetts (Mr. MARKEY).

Mr. MARKEY. Mr. Speaker, 40 years ago today, President Kennedy's assassination released an energy in our country that led to the passage of the Civil Rights Act and Medicare. By contrast, the bill before us today was conceived in secret, crafted by special interests, and cloaked in a prescription drug benefit to disguise its real purpose: the destruction of the Medicare program as we have known it in the United States over the past 40 years.

This bill is a Thanksgiving turkey, and this turkey will not fly. It forces senior citizens into HMOs. It gives HMOs billion-dollar subsidies. It raises drug costs for the poorest Americans, and it drops millions of seniors from their retirement plans.

Some claim this bill will provide America's senior citizens with new prescription drug coverage, but it will force millions of our frail elders to pay more for prescription drugs than they do now. Some claim it will lower Medicare premiums, but it will require Medicare beneficiaries to forfeit the power to choose their own doctors or their own drugs. Some claim it will make the Medicare program more efficient, but it will stick taxpayers with the bill for billions of dollars in subsidies to HMOs and new tax shelters for the rich.

This bill is not the elixir for Medicare; it is, rather, a poison pill that leads to the destruction of the Medicare program as John F. Kennedy and Lyndon Johnson envisioned it.

Mr. TAUZIN. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, it is the season of Thanksgiving, and this House is about to say thank you to a generation of Americans who we ought to say thank you to, and we are about to say it in the most important way we can. We are about to pass a $400 billion-insured drug account for these citizens who have no drug insurance today. We are about to pass a voluntary plan that gives them the right to join or not join, their choice, not mandated by government. It includes catastrophic coverage so they never have to lose everything they have worked for and saved for all of their lives. And we give to all Americans on this Thanksgiving holiday a chance to open up health savings accounts, tax-free in, tax-free out, tax-free interest earned to build their own long-term health care plans for the future.

This, indeed, is a time of Thanksgiving, and it is indeed a time for this generation to be true to our obligations of the previous generation. This bill does that. It gives the new generation choice in drug coverage for the first time.

It is amazing to me tonight, this debate. I have taken my parents to the hospital many times during my dad's life and my mom's. I do not ever once remember a doctor asking me as I checked in to the room there whether my mom was a Democrat or a Republican. This is not a partisan issue. I have gone and filled my mom's prescriptions every now and then for her. They never asked me at the pharmacy what party she belongs to. And when health deserts us in our senior years, when the ravages of time take us and we pass away, no mortuary worker stamps Democrat or Republican on our tombstones.

Health care is not a partisan issue, and it should not be a partisan issue. We have a chance today to do something that seniors desperately need, and we ought to join tonight together to do it.

There are a lot of people who helped write this bill. Let me tell you who they were. They were, of course, the members of the conference committee who worked together to put this bill together, but there were a lot of staffers; and I want to mention them today. They are the staff of the House and Senate legislative counsel. Special thanks to the House legislative counsel, Ed Grossman, who is a draftsman extraordinaire. Additional thanks go to Pierre Oisson and Peter Goodlow.

From the Senate side, Ruth Ernst and John Goetchus and Jim Scott.

Other staff members of the Congressional Budget Office and analysts, these individuals deserve great compliments for their analysis, their integrity, and their hard work. I want to thank Doug Holtz-Eakin and Steve Lieberman, Tom Bradley, and the entire CBO staff who worked night times and days for us.

I want to thank Tom Scully and the whole staff at HHS and CMS who sat and worked with us day after day to craft this bill.

I specifically want to thank the staffs of our committees. From Ways and Means, John McManus, who did such a great job; Madeleine Smith and Deborah Williams, and Joel White. From the majority side of the Finance Committee, I would like to thank Linda Fishman, Mark Hayes, Leah Kegler, Colin Roskey, and Jennifer Bell. Recognition is deserved to Liz Fowler and Andrea Cohen, Pat Bousilman and Jonathan Blum.

Last, but not least, all of the Committee on Energy and Commerce staff who toiled so hard for us, let me thank them again, over and over again: Dan Brouilette, Patrick Morrisey, Chuck Clapton, Jeremy Allen, Patrick Ronan, Kathleen Weldon, and Jim Barnette. They did a marvelous job for this House, and we owe them a debt of thanks. Thank you all.

Mr. DINGELL. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. ROYBAL-ALLARD).

(Ms. ROYBAL-ALLARD asked and was given permission to revise and extend her remarks.)

Ms. ROYBAL-ALLARD. Mr. Speaker, I rise in strong opposition to this bill.

Mr. Speaker, I rise in strong opposition to this extremely flawed bill. A bill that takes care of drug and insurance companies at the expense of our Nation's seniors.

Instead of helping our seniors, Mr. Speaker, this bill will result in higher drug prices, increased Medicare premiums for seniors who refuse to be forced into HMOs, and the erosion of retiree coverage for over two million seniors.

These are just a few of the problems with this bill, Mr. Speaker. There are far too many to name in the limited time I have.

Our seniors deserve better. They have worked and sacrificed and contributed greatly to our country.

We must not turn our backs on them, Mr. Speaker, with the passage of this bill. Instead let us honor our seniors by defeating this bill and coming back with a prescription drug plan that is affordable, comprehensive and guaranteed. A plan, Mr. Speaker, that protects Medicare not destroys it.

Let tonight's victory be for our seniors, not the pharmaceutical and insurance companies.

Mr. DINGELL. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. SPRATT).

(Mr. SPRATT asked and was given permission to revise and extend his remarks.)

Mr. SPRATT. Mr. Speaker, I rise in strong opposition to this bill.

Mr. Speaker, when we began this quest several years ago, our object was to make Medicare better by filing a big gap in its coverage. This conference report covers that gap with a drug benefit that is barely adequate and badly in need of redesign. The bill then goes on not to make Medicare better, but to move Medicare toward privatization, heavily subsidizing managed care with funds that could better be used to improve the meager drug coverage this bill provides.

I will vote against this bill not to kill it but to send it back to an open conference, where all participate, in an effort to make the bill worthy of our senior citizens who badly need this coverage, and depend on Medicare.

Here are some of the problems and objections that I find with this bill:

H.R. 1 couples meager drug coverage with major changes that move medicare toward privatization. The terms of coverage seem reasonable at first until you realize that they are not guaranteed. The premium of $35, the deductible of $250, and the co-payment of 25 percent are illustrative of what insurance companies may offer, but not written in stone. In any event, coverage stops after $2,250, just when it is needed most, and catastrophic coverage does apply until one has spent $5,100. For this first $5,100 in coverage, the consumer pays $4,020. Put another way, the plan pays 20 percent the consumer pays 80 percent. Catastrophic coverage starts after $5,100 has been spent, and seems reasonable, until you realize that this threshold, like all the other terms of coverage, is indexed to the rising cost of prescription drugs, and is likely to double in ten years. This is meager coverage, and a poor trade-off for all the changes crammed into this package to move Medicare toward privatization.

H.R. 1 contains a drug benefit that is flawed and needs to be fixed before it becomes law. Rather than providing continuous coverage, the Medicare benefit has a $2,850 gap in coverage that will leave millions of seniors without drug coverage for a good part of the year, even though they continue to pay premiums.

The drug benefit has a deductible of $250, and a coverage gap that begins at $2,250 in drug spending and ends at $5,100. According to CBO, this coverage gap of $2,850 will double to $5,065 by 2013. The structure of the benefit means that there will be several months out of the year when seniors are paying premiums and are not receiving any additional drug coverage. This odd benefit design, with its coverage gap does not currently exist as an insurance product.

H.R. 1 needlessly complicates prescription drug coverage by making it available only through private insurance policies and not through medicare. Even through stand-alone drug policies don't exist, and health insurance companies, fearing adverse selection, have made clear that they do not wish to write it, this bill provides primarily for private insurance coverage. Out of disdain for Medicare, the bill does not choose the simple solution and make drug coverage a feature of Medicare. Instead, in one of many steps toward privatization, this bill calls for drug coverage to be written by private insurance companies, adding unnecessary cost, complexity, and uncertainty.

H.R. 1 requires that drug coverage be purchased from a private insurance company even when there is only one underwriter and no competition. In regions where only one insurance company offers a drug-alone policy, Medicare will not provide ''fallback'' coverage under this bill, so long as there is a Medicare PPO or HOM in the area. The beneficiary will have three unappealing choices: take the coverage at a non-competitive price, leave Medicare fee-for-service and join the HMO, or go without drug coverage.

H.R. 1 bars the Federal Government from using the purchasing power of 40 million seniors to drive down the price of drugs—H.R. 1 flat prohibits the Secretary of Health and Human Services from negotiating better prices for prescription drugs. The bill divides Medicare's 41 million beneficiaries into numerous regions and to one or more private plans within each region. This fragmentation runs contrary to trends at the state level, where states have used the purchasing power of big beneficiary pools to negotiate better prices. This prohibition also flies in the face of prevailing federal practice, which requires government officials to seek the best possible price when spending the taxpayers' money—especially when spending $400 billion.

H.R. 1 overpays HMOs to induce them to join medicare and draw seniors into private plans—H.R. 1 provides $16.5 billion to sweeten subsidies paid to managed care plans and induce them to enter markets they have not found profitable. After spending billions to subsidize managed care plans, this bill then forces traditional Medicare to compete with the plans. This competition, known benignly as ''premium support,'' will destabilize Medicare as we have known it and lead to premium increases for seniors who want to stay with the government-run program.

According to the Medicare Payment Advisory Commission, Medicare already overpays managed care plans by 19.6 percent. They are paid 19.6 percent more than their members would cost if enrolled in traditional fee-for-service Medicare.

H.R. 1 increases HMO payments by another $4.5 billion and sets up a $12 billion fund to induce private plans to enter new markets. According to MedPAC, these changes will result in overpayments to managed care plans of 25 percent.

Medicare fee-for-service will then have to compete with private plans in six metropolitan areas starting in 2010. Obviously, the increased payments will allow private plans an advantage in the competition, one they will enhance by marketing their services to healthy seniors.

Managed care plans have a record of designing and marketing benefit packages that appeal to healthy beneficiaries. As private plans ''cherry pick'' healthier beneficiaries, traditional Medicare will be stuck with sicker, more expensive beneficiaries. If competing private plans run costs below traditional Medicare, the beneficiaries in fee-for-service Medicare will be assessed the difference through their Part B premiums. Traditional Medicare premiums will spiral upwards, forcing seniors who cannot afford the rising premiums to move into private plans that limit their access to doctors. The process will repeat itself year after year, beginning an insurance ''death spiral'' that will destroy traditional Medicare.

H.R. 1 will cause over six million low-income seniors to be worse off—The 6.4 million low-income and disabled individuals who now receive health coverage from both Medicare and Medicaid will be worse off under this bill.

Under current law, when a benefit or service is covered by both Medicare and Medicaid Medicare serves as the primary payer and Medicaid ''wraps around'' that coverage. Medicaid fills gaps in coverage that exist under the Medicare benefit. Medicaid also picks up most or all of the beneficiary co-payments that Medicare charges.

This bill largely eliminates Medicaid's supplemental—or ''wrap around''—coverage under the new Medicare drug benefit. As a result, substantial numbers of poor elderly and disabled people would be forced to pay more for their prescriptions than they now do.

In addition, in cases where Medicaid covers a prescription drug but the private plan that administers the Medicare drug benefit in the local area does not provide that particular drug under Medicare, poor, elderly and disabled beneficiaries who now receive the drug through Medicaid could lose access to it.

Under current law, low-income beneficiaries have co-payments that run from zero to as high as $3; but these amounts do not increase from year to year. The conference report raises cost-sharing for those with the lowest incomes by requiring $1 and $3 co-payments for beneficiaries whose income is less than $8,980 a year and $2 and $5 co-payments for beneficiaries whose income is between $8,980 and $12,123 a year. In addition, the $1 and $3 co-payments grow at CPI (1.5 percent to 3 percent). The $2 and $5 co-payments will rise at the same level as prescription drug spending, which is projected to average 10 percent a year, far exceeding the annual 1.5–3 percent. Social Security COLAs.

According to the Center on Budget and Policy Priorities, this provision will result in higher drug costs for 4.8 million seniors.

H.R. 1 will cause nearly 3 million seniors to lose retiree coverage—According to CBO, some employers will stop providing retiree coverage due to the structure of the drug bill, and this will result in 2.7 million seniors losing retiree drug coverage, in many cases far better than this plan.

According to the Congressional Budget Office, 11.7 million seniors currently have retiree coverage through their former employers. However, 23% of these seniors, or 2.7 million individuals, will lose this coverage. This loss of coverage results from the structure of the drug benefit, which gives employers an incentive to drop retiree coverage.

The drug bill targets Federal assistance toward those seniors who lack supplemental private drug coverage, most noticeably through the requirement that payments made by supplemental coverage don't count toward the beneficiaries' out-of-pocket limit. In effect, the out-of-pocket provision reduces Federal subsidies for beneficiaries with supplemental insurance. As a result, it provides a clear financial disincentive for employers to supplement the benefit.

Second, some employers see the enactment of a drug benefit as an opportunity to reduce the costs and risks of providing drug coverage.

H.R. 1 spends nearly $7 billion on tax shelters for the healthy and wealthy—Rather than marshaling funds to improve drug coverage, H.R. 1 diverts $7 billion to Health Security Accounts, which have nothing to do with Medicare drug coverage, and create an unprecedented tax break, which could undermine our employer-sponsored insurance system.

Under H.R. 1, tax-advantaged savings accounts to pay out-of-pocket medical expenses would be made universally available. These could be used with high-deductible health policies, but not with the comprehensive health coverage traditionally offered by employers. Holders of these accounts could make tax-deductible deposits, watch the earnings compound tax-free, and pay no tax upon withdrawal if the funds are used for medical expenses.

This would establish an unprecedented and lucrative tax shelter. In the existing tax code, when funds deposited in a tax-favored account are deductible, withdrawals are taxed. On the other hands, withdrawals are not taxed when deposits are not deducted. There is no precedent in the tax code for providing both ''front end'' and ''back end'' tax breaks. The political pressure to do the same for other types of savings and retirement accounts could become irresistible. A proliferation of such tax-free accounts would only send Federal deficits higher.

These savings accounts would also undermine comprehensive health insurance. Healthy, affluent workers would have an incentive to opt out of comprehensive health insurance in favor of the Health Security Accounts. They would receive a large tax break, and would not be much affected by switching to a high-deductible health policy since they generally use fewer health services. If large numbers of such workers opt out of comprehensive plans, the pool of people left in comprehensive plans would be older and sicker, causing premiums for comprehensive insurance to rise significantly.

That, in turn, would drive still more healthy workers out of comprehensive insurance, making those that remain even more costly to insure, adding pressure on employers to stop offering comprehensive coverage. Older and sicker workers could wind up paying more for health coverage or losing it altogether and becoming uninsured.

This suggests what could be done to make this bill better if it were taken back to a fair and open conference committee. The $7 billion allocated to Health Security Accounts and the $17 billion allocated to subsidizing HMOs could be used instead to narrow the ''doughnut hole,'' the zone where there is no coverage between $2,250 and $5,100. This is just one example of how this bill can be fixed and improved, and should be before it is passed.

Mr. DINGELL. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. FATTAH).

(Mr. FATTAH asked and was given permission to revise and extend his remarks.)

Mr. FATTAH. Mr. Speaker, I rise in opposition to this conference report.

Mr. DINGELL. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Arkansas (Mr. ROSS).

Mr. ROSS. Mr. Speaker, I thank the gentleman from Michigan for yielding me this time.

Mr. Speaker, in 2001, the Republican Congresswoman, the gentlewoman from Missouri (Mrs. EMERSON), and I offered up a bipartisan plan that would truly modernize Medicare to include medicine for our seniors, that recovered 80 percent of the cost of prescription drugs for our seniors, while taking on the big drug manufacturers, and the Republicans told us that we could not afford it. They said we could not afford $750 billion over 10 years.

But what has happened since then? They passed a $350 billion tax cut for the wealthy, and now they are proposing a $400 billion major prescription drug plan. I was not real good in math in high school, but I think I can figure that one out. That totals $750 billion. Two years later, we are getting a plan that does not even kick in until 2006. Our plan would be in effect today.

□ 0215

Seniors get $1,080 worth of help on the first $5,100 worth of medicine they need every year, and the Republicans even had the nerve at the urging of the big drug manufacturers to put language in the bill that says the Federal Government shall be prohibited from negotiating with the big drug manufacturers to bring down the high cost of prescription drugs. This is a bad bill. This is a bill that does not even fit our seniors, only the big drug manufacturers.

Mr. TAUZIN. Mr. Speaker, I yield myself 30 seconds.

Mr. Speaker, again let me read the language of the bill that the gentleman just referred to, that terrible piece of language. It says in effect that in administering the prescription drug benefit program established under this, the Secretary may not, number two, interfere in any way with negotiations between private entities and drug manufacturers or wholesalers; or, three, otherwise interfere with the competitive nature of providing prescriptive drug benefit through private entities. That language in the bill comes from a motion to recommit prepared and filed in this House in the 106th Congress by the gentleman from California (Mr. STARK) on his motion to recommit. It is language of the other side that they are complaining about.

Mr. DINGELL. Mr. Speaker, I yield 2½ minutes to the gentleman from Texas (Mr. TURNER) for purposes of explaining the motion to recommit, which will be offered at the conclusion of the debate. I hope my colleagues will listen closely to this.

Mr. TURNER of Texas. Mr. Speaker, for years the pleas of our hurting seniors fell on the deaf ears of our Republican majority until one day our Republican friends were struck with an ingenious idea, wrapping a plan to privatize Medicare into a deceptive package called prescription drugs for seniors.

It keeps the drug companies happy because they can still charge twice as much for medicine here as anywhere else in the world. It keeps insurance companies happy by paying them 25 percent more to cover seniors than taxpayers pay to cover seniors under traditional Medicare. It keeps doctors and hospitals happy by paying them billions while leading them like sheep into the perils of managed care.

And it costs taxpayers $400 billion for a meager prescription drug savings of 25 percent, a savings that could be achieved at no cost to taxpayers by giving seniors the right to buy drugs at the same price they can get them in Canada. All this slight of hand to force seniors into private insurance and some day to give them a voucher and tell them fend for yourself. No security, no certainty, no guaranty of coverage, you are on your own. And the promise of Medicare is no more.

My seniors in east Texas see right through this. In a poll conducted tonight, over 6,000 seniors in my district, 85 percent said they were opposed to the Republican plan. Dress it all up as fancy as you can, it is a bad deal for America's seniors and they know it.

Mr. Speaker, I will be offering a motion to recommit to give seniors a meaningful prescription drug plan. This motion matches the conference report dollar for dollar on provider payments. It allows the Secretary of HHS to negotiate lower drug prices. It eliminates premium support ensuring that seniors will not have to pay more to keep the Medicare coverage they know and trust. It rejects the poison pill language that guts reimportation, and it prevents millions of retirees from losing their benefits and protects

low-income seniors by allowing Medicaid to provide wrap around coverage.

Mr. Speaker, let us give the greatest generation the certainty, the security, and the guarantee they deserve. Vote for this motion to recommit.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The Chair would advise Members that there are 2 minutes remaining on either side. The gentleman from Louisiana (Mr. TAUZIN) has the right to close.

Mr. TAUZIN. Mr. Speaker, I might inquire of the gentleman from Michigan (Mr. DINGELL) if he has further speakers. I am reserving for the Speaker of the House to close.

Mr. DINGELL. Mr. Speaker, at this time I would inform my distinguished friend in the House, the gentleman from Louisiana (Mr. TAUZIN) that we have only one speaker remaining who will close for this side.

Mr. TAUZIN. Mr. Speaker, then I would advise my friend to take advantage of that time at this time and the Speaker will close on the Republican side.

Mr. DINGELL. Mr. Speaker, is my good friend assuring me he has only one speaker remaining?

Mr. TAUZIN. Mr. Speaker, I can assure my friend that is true.

Mr. DINGELL. Mr. Speaker, then with a great deal of pride and pleasure I yield the remainder of my time to the distinguished minority leader, the gentlewoman from California (Ms. PELOSI).

Ms. PELOSI. Mr. Speaker, I first I want to invite my colleagues to join me in expressing our appreciation to our Democratic conferees who have been true champions of a defined affordable prescription drug benefit under Medicare, the dean of the House and ranking Democrat on the Committee on Energy and Commerce, the gentleman from Michigan (Mr. DINGELL), the distinguished ranking Democrat on the Committee on Ways and Means, the gentleman from New York (Mr. RANGEL), and a true champion for health care in this Congress and the country, the gentleman from Arkansas (Mr. BERRY), all for their leadership on this important issue.

Sadly, Mr. Speaker, the Republicans would not let these appointed conferees into the conference room. And this bill does not reflect the benefit of the thinking and experience of our very diverse caucus. That is a great loss to this debate and a great loss to our country.

Mr. Speaker, the Democratic Party has made ensuring the dignity and security of our seniors a cornerstone of our mission for generations. Nearly 40 years, ago a Democratic Congress and the Democratic President, Lyndon Johnson, honored that mission by making Medicare the law of the land. Ever since then, America's seniors have known where Americans stand. We created Medicare, we want to protect it and strengthen it.

Americas seniors have also known where Republicans stand. For 40 years, they have waged war on Medicare. When Congress passed Medicare in 1965, only 13 Republicans in Congress supported it. Only 13 in Congress supported it. When Newt Gingrich and the Republicans tried to gut Medicare in 1995, President Clinton stopped them. That same year, Newt Gingrich made his intentions about Medicare clear. He said, ''Now, we did not get rid of it in round 1, because we do not think that is politically smart, but we believe it is going to wither on the vine.'' And tonight the Republicans want to deliver the final blow. On behalf of America's seniors and disabled, we must stop them.

Recognizing the desperate need of America's seniors citizens, Democrats proposed a guaranteed, defined, affordable prescription drug benefit under Medicare. Instead of joining us in this historic opportunity, Republicans offered up a Trojan horse, a deceptive gift intended to win their 40-year war against Medicare.

Republicans said this is a first step toward a prescription drug benefit. This Republican plan is not a first step, it is a false step, it is a mistake. It puts profits for HMOs and big pharmaceutical companies over seniors, providing a $12 billion slush fund for HMOs and gives a $139 billion in windfall profits to the pharmaceutical companies over 8 years.

The Republican plan does not lower costs for prescription drugs. It prohibits the government from negotiating for lower prices. It privatizes Medicare and pushes seniors into HMOs. It makes seniors pay more to keep the Medicare they know and trust. It does all of this for a deceptive plan that makes most seniors pay $4,000 out of their first $5,000 in prescription drug costs. How do you explain that to mom? You are going to get a new benefit, this is the Republican plan. And of the first $5,000 of prescription drugs cost, you, senior citizen of America, are going to pay the first $4,000.

Nearly half of all Medicare beneficiaries, up to 20 million seniors and disabled Americans, will fall into a coverage gap, meaning they will pay premiums all year without receiving benefits all year. Under the plan most seniors will be worse off than before, and millions of retirees will lose their existing employer provided coverage.

Republican priorities are clear: They place the special from interest of the HMOs and the pharmaceutical companies before the public interest of America's seniors and disabled. This is not the beginning of a real prescription drug benefit under Medicare. On the contrary, this is the beginning of the end of Medicare as we know it. The more seniors across America learn about the details of this scheme, the less they like it, and the more they want us to keep fighting for real prescription drug benefit that really answers their needs.

Mr. Speaker, this is an hour of decision. Tonight there is own one way to improve this bill and that is to and to provide the benefit seniors need and deserve and that is to vote no. I urge my colleagues to vote against this Republican hoax. I urge them to send all of the conferees, Democrats and Republicans, to the conference room to produce a bipartisan bill that will be sustainable over time and meet the needs of our seniors and disabled. I urge them to stand with 40 million seniors and disabled Americans who look to us for help and hope at this defining moment.

Speaking on the day when he signed Medicare into law, President Johnson said that this Nation's commitment to its seniors was part of a noble tradition that calls upon us never to be indifferent toward despair, never to turn away from helplessness, never to ignore or spurn those who suffer untended in a land that is bursting with abundance. Tonight the hopes of 40 million seniors and disabled Americans rest upon us. They have waited too long, fought too hard, endured too many broken promises, only to be sacrificed on the alter of the special interest. We cannot, we must not, and we will not abandon them now.

Mr. TAUZIN. Mr. Speaker, in order to close this historic debate we yield the balance of our time to the distinguished Speaker of this, the whole House of Representatives, the gentleman from Illinois (Mr. HASTERT).

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Louisiana (Mr. TAUZIN). I also want to thank those many, many staff members who spent uncounted hours, night and day, to help make this bill possible. I especially want to thank my own staff member, Darren Willcox, who sacrificed many late nights and early mornings and long weekends despite having a wife and a baby boy at home. I want to thank Brett Shogren of the majority leader's staff, and many, many other young men and women who committed their time, dedicated their time to try to do a good job in this people's House.

I want to thank those folks at the legislative counsel who spend untold hours of trying to craft the right language to make this legislation the right legislation for the American people, and those folks at the Congressional Budget Office who crunched numbers day after day after day to make things work.

In this time and space of legislative arena, there are times when things come together. There are times of great opportunity. And there is a time for change.

□ 0230

This, indeed, is one of those times for that opportunity. This, indeed, is one of those times for great change. A poet once said that ''things fall apart, the center cannot hold. The best lack conviction while the worst are full of passion and intensity.''

For the good of our senior citizens and for the good of our Nation, the center must hold. The best must be full of

passion and intensity. And today, we must pass this historic legislation.

I want to thank all of those who have put aside their partisanship and worked together for the good of this Nation. I want to thank the conferees, especially the gentleman from Louisiana (Mr. TAUZIN), the gentleman from California (Mr. THOMAS), the gentleman from Texas (Mr. DELAY), the gentlewoman from Connecticut (Mrs. JOHNSON), the gentleman from Florida (Mr. BILIRAKIS) in the House, and Senator FRIST and Senator BAUCUS and Senator BREAUX of the Senate.

They have worked long and they have worked hard on this product through many late nights and long weekends, and they deserve our gratitude.

The third time is a charm when it comes to prescription drugs. This Congress under this leadership passed drug prescription legislation in the 106th Congress. The House passed a prescription drug bill only to see it die in the Senate. In the 107th Congress, we passed a prescription drug bill only to see it die in the Senate. And finally, we are poised to complete this long journey.

When Medicare was first conceived, the baby boomers were young adults and most seniors got their health care from a doctor's visit or a trip to the hospital. Thus, those who constructed the program were not overtly concerned about long-term cost projections or about prescription drugs.

Today, we face a different story. The baby boomers are now thinking about retirement, and they want their prescription drugs. Prescription drugs now make up more than a third of health care costs.

This conference report makes two fundamental changes to the Medicare system. It makes it more sustainable in the future, and it provides seniors with a prescription drug benefit. Why do we have to make Medicare more sustainable in the future? Because if we do not, my kids and all those other young adults out there will be forced to pay 30 percent of their salary in the next decade or two for the Medicare program. And I just do not think we can make that happen, and that will not sustain Medicare; and I do not think it is fair to them.

So in this bill we start the process of making Medicare more sustainable. We means test the part B premium and index the deductible to inflation. We introduce free-market principles and give consumers more power to choose their health care. We include cost-containment measures so that if Medicare costs grow too quickly, the Congress and the President will be forced to confront that fact.

Finally, we create health savings accounts which might be the most dramatic and exciting reform of our health care system in generations. These health savings accounts give consumers the ability to make health care choices. This will hold down skyrocketing health care costs and deliver better health care for our citizens and for our seniors.

As we make these necessary financial reforms in Medicare, we also modernize the program with a prescription drug benefit. And after this legislation goes into effect, low-income seniors will never be confronted with the choice of putting food on the table or paying for life-saving prescription drugs. Low-income seniors will finally have the benefit that will take care of their drug costs, and this will save the deposit money in the long run. For example, if a low-income senior has diabetes, the monthly cost of Glucophage, a drug that helps control that disease, is about $30 a month. But if diabetes is left untreated, a single hospitalization for renal kidney failure is about $6,700. The benefit is both penny-wise and pound-wise.

It will also help the typical senior by cutting down their drug costs by 40 percent. And those seniors with high drug costs will save even more, up to 60 percent or more. In other words, this prescription drug benefit is a good deal for all seniors.

This legislation has other important factors. It includes incentives to employers so that they will not drop their current plans. In fact, this bill will make it more likely that if you have coverage with your employer, that employer will continue to offer that benefit. It also includes vitally important help to rural America. And if you live in the cities or urban America, it is probably not a problem. But if you are trying to compete with your rural hospitals and keep doctors and hospitals going in rural areas, you know that is a problem.

This bill solves the problem. It takes care of rural hospitals. It provides rural health care. That is something that many of us have been fighting for for a long, long time. Let me be the first to admit that this conference report is not perfect. The far left does not like it. And some of our friends on the far right do not like it. But let me tell you who does like it.

The AARP has endorsed it. So has the American Hospital Association and the American Medical Association and almost every other major seniors organization and doctor and patient group.

I urge my colleagues to put politics aside. I urge you to consider this piece of legislation for the good of this Nation. I urge you to stop and think when is the last time that we have really been able to change the paradigm of health care in this country. When is the last time that we have really had the chance to offer our seniors in this country a future for good health care, for good pharmaceutical coverage and for a chance to live and enjoy a great future.

I ask for a positive vote.

Mr. FILNER. Mr. Speaker, I rise today to say shame on this body for passing this reprehensible Medicare bill that has been rammed through Congress today by the Republican leadership.

This legislation does nothing that its supporters claim it does. They claim that this bill will help seniors with their prescription drug costs and give them more choices in their healthcare. But actually, this bill does none of that. It does not provide a comprehensive, affordable or reliable prescription drug benefit. Further, it unravels the consistent, guaranteed healthcare coverage that seniors have come to expect under Medicare. This bill is so bad, that even some Republicans refused to support it. Opponents of this terrible legislation see through the smoke and mirrors that supporters are putting up and realize that this bill was not about helping seniors pay for their prescription drugs or giving them access to better care, but that this bill was actually about helping the bottom lines of private insurance companies, HMOs and the pharmaceutical companies.

There are many, many bad provisions in this legislation, and I would like to highlight some of the worst of them here.

One: Under this bill, Medicare as we know it is completely unraveled. First, Medicare Part B will be forced to compete with private managed care plans. This leaves the health of our seniors to the whims of private insurance companies and does not guarantee that all seniors will be receiving the same benefits across the country. That means seniors in my District in San Diego, CA, might have better coverage than seniors in New York. Or seniors in New York might have better coverage than those in San Diego—we just don't know—it's completely up to the private insurance companies and HMOs to decide how much coverage they want to provide. Not only is the amount of coverage going to vary, but so are the costs of the premiums. Again, that means seniors in San Diego might pay more than seniors in New York—or vice versa—depending on how much the private insurance companies and the HMOs decide they want to charge!

Secondly, this bill would institute a ''means test.'' In layman's terms, that means that in 2007, the Medicare part B premium would be linked to income. This not only goes against the main tenet of Medicare—which grants coverage to everyone, regardless of income—but also, higher premiums create an incentive for healthier seniors to leave Medicare. This would leave only the sickest seniors in Medicare and drive up premiums even more.

Two: The so-called prescription drug ''benefit'' is absolutely inadequate and actually decreases coverage for some seniors and can cost them more than they're paying right now. Supporters of this bill claim that the prescription drug benefit will help seniors cover the costs of their medications. However, there are so many problems with this benefit that it's hard to decide where to begin. First of all, this benefit does not even kick in until 2006. When it finally does begin, seniors are expected to pay a high deductible. Then, there is a piece de resistance of this so-called benefit: there is a big hole in coverage. Rather than providing continuous coverage throughout the year, this bill has a $2,850 coverage gap in which seniors don't receive any coverage at all. Half of America's seniors fall into this hole. The icing on the cake is that despite the fact that they would not be receiving coverage for part of the year, they are still expected to continue to pay the premiums.

Additionally, more than 2 million retirees, who currently have drug coverage through

their former employers, will lose that coverage. Because drug costs keep rising and this bill has no measures to keep drug costs low, it is very tempting for employers to simply drop their coverage and force seniors onto this inadequate drug coverage plan. Furthermore, rather than having Medicare kick in when a retiree reaches catastrophic coverage, this bill forces the employer-provided benefits to cover those costs—yet another reason for employers to pull their coverage.

Three: This bill explicitly prohibits the government from negotiating with drug companies for lower drug prices. One of the greatest strengths of a prescription drug plan under Medicare is that it could reduce drug prices for participants using the large number of participants in the Medicare program to bargain with pharmaceutical companies for better prices on their products. Yet this bill denies Medicare participants those lower costs, ensuring continued skyrocketing prescription drug prices.

It is for those reasons—and many many more—that I could not support this poison pill for Medicare and a placebo of a prescription drug benefit.

Mr. THORNBERRY. Mr. Speaker, like most bills brought before us, this bill is a mixture of provisional I support and provisions I oppose. Unlike most bills brought before us, it affects every American and will have significant, long-term consequences for our Nation.

I believe that providing access to quality health care is one of the most formidable challenges facing our Nation now and in the decades to come. The retirement of the baby boom generation, which begins in less than 8 years, will make that challenge enormously difficult.

When the House considered its version of this bill in June of this year, I said that our objective should be to ''update and strengthen Medicare so that it does a better job of providing health care for seniors and at the same time put Medicare on a sound financial footing so that it can be sustained through the baby boom generation retirement.'' This conference report does begin to update Medicare by adding prescription drug coverage. It does little to put Medicare on a sound financial footing.

Making prescription drug coverage available to all seniors is very important. Not only will that benefit keep seniors from having to choose between buying medicines and other necessities of life, it will help them stay healthier. As they stay healthier longer, hospital and other medical expenses should be less.

This bill includes reforms of the system which are also important. Allowing all Americans to choose Health Savings Accounts gives everyone a new option to pay for health care and could help stem the tide of rising insurance rates and rising health care costs. Beginning to consider income in calculating Part B premiums is a significant change in the law. Other provisions related to provider reimbursements and reducing the discrimination against rural health care providers are worthy of support.

I am concerned that the total cost of this bill is vastly underestimated, as has happened before in Medicare. There are payments or tax credits for virtually every group interested in health care, yet of all of the groups affected by this bill, I worry that the interests of those paying the bills, especially future taxpayers, are given the least consideration.

So, we are left weighing the benefit of modernizing Medicare and some reforms versus the danger that this bill will hasten the day of Medicare' collapse. It is not an easy judgment to make.

It is clear that if we do nothing, millions of seniors will go without the prescriptions they need and that none of the reforms essential to Medicare's survival will occur. We must begin somewhere. Reluctantly, I have concluded that this most imperfect bill is at least a place to start.

If we are honest, we have to admit that this bill is something of a gamble. We are betting that the limited reforms begun here will flourish and work to strengthen Medicare for the 21st century. If we are wrong, the added benefits and payments may sink the entire program. Tonight, I choose to vote with my hopes rather than my fears, prayerfully mindful of both my parents and my children.

Mr. UDALL of Colorado. Mr. Speaker, I want to support a Medicare drug bill, but I can't support this bill. Instead of giving us a foundation to build on, I believe it will compromise the effectiveness of a very popular healthcare program for seniors in order to deliver an inadequate, unreliable and unfair drug benefit. Under this bill seniors will pay higher premiums, higher deductibles and higher prices for drugs. It will force seniors into HMOs, and millions of seniors will lose drug benefits that they get through their retirement plans. Instead of crafting a drug bill, the Republican leadership has used the opportunity to dismantle Medicare and turn it over to private insurance and drug companies.

I have long believed that Congress should act to help seniors with their prescription drug expenses. Congress should give seniors greater choice in coverage, but it should not force seniors into HMOs in order to get a drug benefit. Colorado could be chosen as part of the demonstration project under this bill, which would force seniors into HOMs in order to get the drug benefit. According to a recent analysis by the Department of Health and Human Services, most seniors would see increases in their premiums with some facing increases as high as 88 percent. Colorado seniors would pay some of the highest premiums in the country. For example, seniors in Adams County, CO would pay $100 a month while seniors in some parts of North Carolina will pay $58 a month. Why should Coloradans pay higher premiums than seniors in other parts of the country for the exact same benefit?

It's no wonder that seniors in my district are skeptical about this plan. Let's not forget, we tried private competition in Medicare when HMOs were allowed to participate in the program as a result of legislation that passed in 1997. Seniors were told that managed care was better able to deliver healthcare services to them. Managed care aggressively courted seniors to join Medicare+Choice plans and then dropped them because they couldn't make a profit. That left millions of seniors searching for doctors and coverage. Now, this bill includes billions of dollars in subsidies to managed care to provide coverage. If privatization is such a good idea, why do insurance companies need these large subsidies in order to participate in Medicare?

There are a few provisions in this bill that I support, such as the payment increases for hospitals and physicians and other providers. In fact, I have consistently voted to increase provider payments and I have cosponsored legislation to change the flawed formula upon which these payments are based. But those payments should have been brought up separately rather than as part of the Medicare bill.

It is grossly ironic that Medicare will pay for a senior's care following a stroke but will not pay for the anti-hypertension drugs that prevent them. The time is ripe to pass a Medicare prescription drug benefit, but not as proposed in this legislation. I had hoped that we would vote on a bill that created a fair, workable, financially sound prescription drug benefit. But I am not willing to set in motion forces that will lead to the destruction of a program that seniors and the disabled have trusted for nearly 40 years in exchange for a feeble prescription drug benefit. We should work to get it done right rather than get it done right now.

Mr. BUYER. Mr. Speaker, the measure before the House tonight, the conference agreement on the Medicare Prescription Drug and Modernization Act, H.R. 1, is not a perfect bill. But, it is also not the bill that I opposed several months ago when the House first considered the measure. As with any conference agreement, this bill is a product of compromise and negotiations. It is an improvement in the House-passed bill in some respects, a disappointment in others. Nonetheless, I think it is time to end the debate on a prescription drug plan in Medicare and move forward.

While this bill has some troubling flaws, it does take major steps forward in improving access to health care of our nation's seniors. It serves as a blueprint for enhancements to Medicare that will enable Congress to resolve the long-term solvency issues in Medicare's structure.

Reform cannot occur in a vacuum. We must be vigilant as we take these necessary steps to reform Medicare to provide greater choice and health care services to beneficiaries.

This measure will require close scrutiny by Congress to oversee the implementation of the drug plan to insure that it provides cost containment and prevention of drug overutilization. The provisions before us to enhance Medicare are likely to require annual maintenance by Congress.

If the provisions of this bill that expand Medicare Advantage plans, that improve Medical Savings Accounts in Medicare, and that create Health Savings Accounts, are successful in the marketplace, beneficiaries will have alternatives to government-run health care and greater choices to meet their health care needs.

I applaud the inclusion in this bill of provisions to address the needs of rural providers, especially rural hospitals. Under this bill rural hospitals will see an equalization on reimbursement on inpatient care as compared to their urban counterparts. This bill includes provisions which I have urged that give Critical Access Hospitals more flexibility in their bed limits. I also applaud the conferees for including a provision that will enable hospitals to seek a reconsideration of their classification. The bill also extends Medicare cost contracts until Medicare Advantage plans are available. These are good provisions that will directly address patient care in my district.

I am also pleased to see the inclusion of regulatory reforms that this House has passed twice.

Finally, the bill gives seniors help with their prescription drugs almost immediately by authorizing a discount drug card. In a serious level of effort, I worked with four of my colleagues in drafting legislation to add a drug card to the Medicare program. Under our approach seniors would have been able to choose from a variety of discount drug cards available at a very low annual fee. We also included funds for seniors, based on income, to help seniors pay for drugs; a catastrophic limit; and a mechanism for seniors to save and for others to help seniors pay for their drugs.

Frankly, I think this is a better approach and I would have preferred to see it made a permanent feature of this bill, rather than expiring at the end of 2 years. Nonetheless, the discount drug card provisions of H.R. 1 do incorporate many of the ideas that my colleagues and I advocated. It would be my hope that Congress will see the wisdom of extending the drug card program.

I am troubled by the present fallback provisions, by the extent of the subsidies permitted under the bill, and by the uncertainty as to whether Medicare will be adequately reimbursing physicians for providing care to patients needing injectable drugs. I am also concerned that this bill still does not effectively keep the costs in-line with the ability of the taxpayers to fund the benefits.

Nonetheless, the bill, on the whole, is more positive and I am fully aware that Congress will have to tackle difficult issues down the road, however, I will support H.R. 1, to add a prescription drug benefit to Medicare and create long-term solutions to solve access, choice, and solvency of Medicare when baby boomers become seniors.

Mr. BEREUTER. Mr. Speaker, this Member wishes to add his support for the Medicare conference report and would like to commend the distinguished Chairman of the House Ways and Means Committee (Mr. THOMAS); the distinguished Chairman of the House Energy and Commerce Committee (Mr. TAUZIN); and the other Medicare conferees for their leadership, expertise, and good efforts on this comprehensive Medicare reform package. This Member would especially like to thank the distinguished gentleman from California (Mr. THOMAS) and his staff for the time he spent briefing this Member on the rural health provisions as Medicare conference negotiations were taking place and for his work to bring greater equity to the rural health care delivery system.

This measure may well be one of the most complex and important bills that this Member has ever had to consider during his tenure in Congress. Although the conference report lacks immediate controls on the high cost of pharmaceuticals—the market-oriented and pro-competition cost-containment provisions provided for the existing Medicare program are critically important reforms. The conference report makes Health Savings Accounts available for the first time ever to all Americans, and includes the undoubtedly controversial, but necessary means-testing of Part B premiums on a sliding scale, beginning at $80,000 (for singles). The rural health care reforms are also exceedingly important for millions of Americans. The conference report is certainly not perfect, for the prescription drug benefits may be both unaffordable and a huge disappointment to the intended beneficiaries. Yet, the Medicare reform and greater Medicare equity for citizens of rural and non-metropolitan areas make this conference report on H.R. 1 worthy of an ''aye'' vote. Congress will have ample time and opportunity to address concerns, enhance, revise, and improve upon this historic legislation.

Until this year, there has been nothing but gridlock and delay in terms of how to reform the Medicare program. The Medicare conferees worked long and diligently to develop the Medicare reform agreement before us today. We cannot afford to let this prospect of Medicare reforms slip away.

Mr. Speaker, the rising cost of prescription drugs has become an issue that simply must be addressed. Senior citizens in Nebraska and throughout the United States should not have to compromise their quality of life or their health because the cost of their prescriptions is more than their income allows. Without an end to the ever higher prescription drug cost—the product largely of huge international cost-shifting onto the backs of American consumers—the prescription drug benefits we are adding will cost more than the $400 billion allocated—it will quickly be too expensive for our Nation to bear, even with Federal taxpayer funds. Therefore, this Member is very concerned that the measure lacks immediate restraints on the high cost of pharmaceuticals.

This Member is extraordinarily disappointed, but not surprised, with the intentionally unimplementable reimportation language included in the conference report. Drug re-importation from Canada was not the best approach to meeting the problem of escalating drug costs and it could be only an interim approach, but it is the only tool now available. The provisions of the bill allow for the importation of drugs from Canada, but the measure contains language in which the Department of Health and Human Services can say it cannot responsibly or legally implement the provision, as it has done on two previous congressional efforts. This language is the ''poison pill,'' and it is wholly unsatisfactory.

Mr. Speaker, it is additionally important that the conference agreement authorizes $50 million for fiscal year 2004 for the Agency for Healthcare Research and Quality (AHRQ) to conduct research on health care outcomes, comparative clinical effectiveness, and appropriateness of health care items and services—including prescription drugs. This Member has been a strong advocate for such research, as evidenced by his amendment to the Labor, Health and Human Services, and Education appropriations bill (H.R. 2660).

Americans deserve the best health care for their dollar. Clinicians, patients, and those financing health care services need credible, objective information on the benefits, risks, and costs of prescription drugs so that they can make informed decisions about the prescriptions they consume and prescribe. Consumers need information regarding the effectiveness, quality, and cost-effectiveness of new drugs, in comparison with existing alternatives, especially when new drugs can cost much more than those now on the market. This Member is pleased that the conference report language authorizes the AHRQ to conduct such research and that comparative clinical effectiveness is referenced but is concerned that cost-effectiveness is also not mentioned.

Mr. Speaker, in addition to adding a long overdue prescription drug benefit to the Medicare program, the conference report provides for robust reform of the rural health care delivery system. It is the best bill ever for the health care of citizens living in rural and non-metropolitan areas; it moves them to a more equitable position with respect to their urban counterparts.

This Member is extremely pleased that the Medicare conference report includes a substantial amount of funding specifically for rural areas and small communities. As the Interim Co-Chair of the House Rural Health Care Coalition, this Member has been working diligently to address rural health care issues and the needs of those individuals who practice, work, and live in rural areas. This conference report includes funding that is dedicated to assisting community hospitals, outpatient facilities, home health agencies, skilled nursing facilities, ambulance service providers, rural physicians, and other skilled health professionals. Such funding is crucial for cash-strapped rural facilities which are near a breaking point and in need of urgent aid.

This Member is especially pleased that the Medicare conference report includes language to address the significant differential in Medicare reimbursement levels to urban and rural skilled health care professionals. For the past 2 years, this Member has introduced the Rural Equity Payment Index Reform Act to assure that physician work is valued, irrespective of the geographic location of the physician. The Medicare conference report establishes a 1.0 floor on the Medicare physician work adjuster from 2004 to 2006, thereby raising all localities with a work adjuster below 1.0 to that level. This is a huge victory for this Member, my very able legislative assistant, Ms. Michelle Spence, for Nebraska, and for all Medicare localities with a physician work adjuster below 1.0.

Several other provisions are included in the Medicare conference report to assist rural areas physicians and other skilled health professionals. For example, the measure protects senior citizens' access to physicians by replacing a 4.5 percent across-the-board physician payment cut—scheduled to take effect on January 1, 2004—with 2 years of payment increases. Additionally, this Medicare agreement provides a five percent bonus payment for primary and speciality care physicians who practice in scarcity areas.

This Member is also pleased that the Medicare conference report addresses hospital payment disparities to ensure that facilities in rural areas and small cities can stay in business and continue serving patients who need care by permanently extending the standardized base payment. This policy will help maintain access to care in rural and less populated urban areas of the country by better aligning hospital payments to actual costs. The estimated impact of eliminating the base rate differential will result in $26.7 million over 10 years for Nebraska hospitals in the First Congressional District, according to the American Hospital Association.

Additionally, the Medicare conference report lowers the labor share of hospital wage index to 62 percent. This change will increase inpatient reimbursement for many rural hospitals and will more accurately reflect the labor costs of many rural facilities. According to the American Hospital Association, this provision would bring $3.3 million over 10 years to the First Congressional District of Nebraska.

Several other provisions are included in the Medicare conference report to address rural hospitals. For example, the agreement increases disproportionate share hospital payments for small rural and urban hospitals and increases critical access hospital payments to 101 percent of reasonable costs.

Mr. Speaker, in closing, this Member supports the Medicare conference report. It finally gives the American people some of the critical reforms that are essential if the system is to avoid fiscal disaster or unaffordable burdens on American employers and employees. And, on what is a gamble, at least until we reduce the huge international pharmaceutical cost-shifting onto Americans, it will provide senior citizens with access to prescription drugs when they need them most and it will greatly improve health care for Americans living in rural areas.

Mrs. MALONEY. Mr. Speaker, the seniors in my district have made their views on Medicare clear.

They believe that it should provide the same coverage for prescription drugs that it does for doctors' appointment and hospital stays. And they think that they should no longer pay the highest prescription drug prices in the world.

Unfortunately, however, the bill before us will provide inadequate benefits that would leave half our seniors paying more out of pocket for prescription drug coverage than they do now. And it contains a gap in coverage that will leave half of seniors without any drug coverage for part of the year.

Just as bad, this bill will impose a global ceiling on the size of Medicare. If the overall cost of the Medicare program exceeds a predetermined cap, Congress will immediately be forced to slash benefits or hike premiums for those currently on Medicare.

To add insult to injury, this bill will undermine initiatives to cut the cost of prescription drugs. It would bar by law any effort by the Secretary of Health and Human Services to try to negotiate with pharmaceutical companies to lower prescription drug prices.

This bill will undermine and ultimately destroy Medicare as we know it.

It's not a magic potion. It's a poison pill.

I urge my colleagues to vote ''no.''

Mr. LANGEVIN. Mr. Speaker, I rise today gravely disappointed by, and opposed to, the Medicare Modernization and Prescription Drug Act of 2003. The 108th Congress has squandered our best opportunity yet to provide a meaningful prescription drug benefit for our nation's seniors. I am outraged that the republican leadership has taken advantage of the public's cry for medication coverage. They have used the demand to exploit the elderly, funnel money to drug and insurance companies and privatize Medicare. Sadly, this debate is no longer simply about a prescription drug benefit. This debate is about the survival of the health care system that has been serving and protecting our seniors since 1965.

In a striking divergence from the universal nature of Medicare, the conference report we are voting on today establishes a system wherein seniors rely on private, drug-only companies to administer their drug coverage. Each of these companies will develop their own rules about premiums, deductibles and what medicines are covered. The standard this bill sets for the companies only offers 75 percent coverage of the costs up to $2,250—and no coverage at all until the expenses then reach $5,100. During that significant gap in coverage, seniors will still be responsible for paying a $35 monthly premium. Even more infuriating, that premium will not count toward their out of pocket expenses, making it take even longer for them to reach the catastrophic level. The Republican conferees claim to offer help for the poor, and indeed, premium subsidies are available to individuals earning less than $6,000 a year or couples earning less than $9,000. But these vulnerable, low-income seniors must first meet a strict assets test, where cars, burial plots and even wedding rights will be counted as assets. Additionally, I remain deeply concerned that the legislation fails to include a meaningful fallback plan seniors can rely on if private companies fail to emerge in their area, an all too likely scenario that it is our duty to protect against.

The prescription drug component of this bill contains a particularly troubling provision that strictly forbids the Secretary of Health & Human Services from using the bulk purchasing power of Medicare beneficiaries to negotiate for lower drug prices for senior citizens—a tactic that has proven effective in the state programs, as well as 25 other industrialized nations. America's seniors have made it clear that they want the government to assist them in obtaining their prescription drugs at a fair price. It infuriates me that that we have over 40 million people with a common and basic, need, yet instead of taking advantage of that power to secure lower prices for the most rapidly increasing component of health care, the Federal Government, under the proposal put forward, would outlaw that practice. This tremendous missed opportunity makes it clear to me that this bill was written with the interests of drug companies, not America's seniors, in mind.

The problems with this conference report go far beyond the inadequacy of the drug benefit. This bill not only fails to meet the needs of seniors and jeopardizes the retiree coverage used by 12 million Americans, it also lays a strong foundation for the demise of the Medicare program as we know it. Beginning in 2010, this agreement will expose millions of seniors to new cost and benefit uncertainties in as many as six large metropolitan areas, possibly including my home state of Rhode Island and neighboring Massachusetts.

This vast demonstration project, which will involve up to 7 million seniors, will subject Medicare to competition with private companies, coercing seniors into HMOs and private plans. These private companies will be given huge financial incentives to offer health coverage for seniors, funneling critical resources away from Medicare and those who rely on it. If a senior wishes to stay in the Medicare program, he or she will be required to pay the difference between the cost of the private plan and the cost of Medicare—which will, no doubt, skyrocket as private plans court the healthier seniors out of Medicare, leaving Medicare the more costly task of providing for a sicker, poorer risk pool. This plan breaks the fundamental promise of Medicare. It replaces a guarantee of quality health care with increased premiums, provides a voucher for health insurance, and leaves seniors and people with disabilities to fend for themselves in a market where they may not be able to find a health care plan that meets their needs. Medicare was created in 1965 because the private industry was unable to provide adequate health coverage for this population. The virtue of the system is that it creates a large risk pool. Injecting private competition, and subsidizing that competition with billions of taxpayer dollars, will leave the healthiest seniors with the ever-changing and unstable options of private plans, and will resign those who are not as fortunate, our most vulnerable population, to an even more uncertain fate.

Seniors in Rhode Island, and no doubt the rest of the country, will see through this scheme. My constituents remember the devastating effect of the abrupt departure of Harvard Pilgrim, an HMO that covered over 150,000 Rhode Islanders. The scramble to find a health insurance plan that would allow patients to keep their doctors, and the struggle to understand new sets of benefits that followed Harvard Pilgrim's exit from our state would be replicated on a regular basis in the regions affected by the so-called demonstration project contained in this bill.

I must also touch upon the issue of provider relief. I am a strong supporter of doctors and hospitals that serve Medicare beneficiaries, and voted three times this year in favor of striking the premium support provision from this bill and using that money to update provider payments instead of subsidizing private companies. The conferees failed to take this approach, instead providing some temporary relief to providers for the upcoming year, but no long term fix to the systemic problem that plagues doctors and hospitals year after year. Providers are already overburdened by Medicare-related paperwork and receive lower-than-average reimbursement rates for their services. Should the premium support provisions in this conference report become law, providers will be forced to negotiate new terms for payment annually with every private plan that emerges to serve Medicare beneficiaries in a region. This bill signs away the rights and responsibilities Congress currently has to these providers, leaving decisions about provider payments up to the CEOs of insurance companies. The high turnover rate of providers in participating Medicare + Choice plans signals the instability this will cause, for providers and patients alike.

In this year's debate over Medicare, once again, Congress has lost sight of what the public has asked for, and what American seniors need. Our seniors are choosing between paying their rent of buying food and obtaining the medication they need to stay alive. They need relief from prescription drug costs. They do not need the additional challenges, burdens and costs of navigating through a system of HMOs, subjected to a different plan, a different doctor and higher premiums each year. Our Medicare providers need a fair payment system over the long term. All Americans need their government to take action against the soaring cost of prescription drugs. Given the opportunity to make a difference in each of these areas, the Republican leadership chose to put their resources and their trust in the hands of insurance companies and drug companies. This Is a matter of priorities and principles. I urge my colleagues to make American seniors our priority, vote no on the conference report and immediately begin to take meaningful steps to solve these problems.

Ms. HOOLEY of Oregon. Mr. Speaker, over the last 7 years, Oregon seniors have told me

that their top concern is the high cost of prescription drugs coupled with the lack of coverage for these lifesaving medicines under the Medicare program.

Regrettably, the bill before us today does nothing to address the high cost of drugs, and it comes at too high a price for coverage. Many seniors would lose the expanded coverage they currently have through their retirement and many others couldn't afford the high premiums, deductibles and gaps in coverage.

Despite the hard work and good intentions of many members of Congress on both sides of the aisle, we have lost the forest for the trees.

And so I rise today in opposition to the conference report on H.R. 1.

In August, I sat in the House gallery with some guests as the reimportation bill came to the floor. We sat with a group of interns and junior staffers. Along the back wall was a line of representatives of the pharmaceutical industry. It was an interesting mix.

From that unique vantage point, we watched members on the floor who were not speaking to represent ''sides of the aisle,'' but who joined together across the aisle to form the People's House. It was an interesting perspective on the situation.

You couldn't necessarily tell what anyone's party affiliation was by the impassioned way they spoke about an issue that cuts across party lines. The vast majority of us were adamant about fighting for the people we represent back home who are no longer willing to tolerate the fact that people in Mexico and Canada can get their drugs for less than Americans.

That bill passed overwhelmingly, and yet this conference report has failed to include drug reimportation. It has failed to address the elephant in the middle of the living room: the high cost of drugs.

Seniors can't afford drugs, and they can't afford high priced coverage, or loss of coverage they currently enjoy.

Unfortunately, when we were closest to getting agreement on making medicines more affordable for all of the Nation's seniors, the pharmaceutical companies, who make the lifesaving drugs that patients need, killed every attempt to allow Americans to benefit from the same low drug costs that other countries enjoy.

They also made sure that this legislation specifically prohibits the Medicare program from negotiating the prices of drugs, a power that even other government agencies, such as the Department of Veterans' Affairs, have. Why? Because seniors would finally have the leverage to lower drug costs for themselves in this country. They would make one heck of a purchasing pool.

And, when we were closest to getting agreement on improving coverage for everyone, the conferees failed to adequately protect retirees' health coverage. Unfortunately, somewhere along the way we forgot that this isn't just a pharmaceuticals bill, this is a seniors' bill.

We lost sight of what senior's struggle with most . . . drug costs and the cost of coverage. And believe me, seniors themselves have noticed that we've lost sight of them.

Take 79-year old Ruth Beale of Portland who was just diagnosed with Parkinson's disease who writes: ''I still work 3 days a week as a companion to a 103 year-old. This gives me just enough cash to pay the $300/month for my prescriptions. Of course that doesn't include the pain medication for the Parkinson's, my doctor gives me free samples when she can, though sometimes she runs out.

My Social Security check is barely enough to cover rent, (and I live in a subsidized senior apartment), food and the $72 per month for my Medicare HMO premium. Under this plan, I wouldn't get any help for my drug costs. I really can't afford to pay any more than I do now. So I guess I'll just keep on working until I can't anymore—I'm going to give this Parkinson's a run for it's money though.''

And God bless her.

Although Dorothy Patch of Salem has supplemental insurance, she still pays over $230.00 per month out of pocket for her prescription drugs. Dorothy is concerned about being pushed out of the coverage.

Dorothy figures that she would actually pay more for her coverage if this legislation passes. Why?

1. Only 75 percent of her drugs would be covered up to $2,250 per year.

2. From $2,250 to $5,100 Dorothy would fall into the ''donut hole'' and not receive any coverage at all, while she is still responsible for paying a $250.00 deductible and $35.00 monthly premiums.

3. Even though under her current plan, Dorothy is paying $230.00 per month, there is no donut hole in her coverage and she is covered no matter how high her drug costs become per year.

4. She is using a fee for service system and does not want to be forced into an HMO.

The truth of the matter is that people who currently have no coverage would gain a little at a very high price, a cost that many who have contacted me say they cannot afford. For many in the district I represent, this legislation is a step backwards. For others, it is a sore disappointment that we were unable to slay the giant and make reasonably priced medicines within their grasp.

At the beginning and in the end, for me, this issue has always been about the high cost of drugs and the need to affordably expand coverage. Regrettably, this bill prohibits ways to lower drug costs for American seniors and, for many, the coverage provided in the bill comes at a high price they simply cannot pay.

I urge my colleagues to reject this bill, go back to the negotiating table and give seniors what they really need: affordable drugs and affordable drug coverage.

Mr. MATSUI. Mr. Speaker, I rise to express my strong opposition to the Medicare conference report before us today. It shortchanges seniors who have waited far too long for a comprehensive, affordable prescription drug benefit and it undermines the Medicare coverage they have counted on for almost four decades.

First, the drug benefit in this bill is woefully inadequate. Seniors will have to pay a $250 deductible before they receive any benefit, and there is a significant gap in coverage, or ''donut hole'', where seniors will continue to pay monthly premiums but receive no assistance towards the cost of their drugs. In fact, a senior with $5,100 in annual drug costs would pay $4,020 of that cost out of their own pocket.

The fact that seniors have to pay 80 percent of their first $5,100 in drug costs is appalling. But, it doesn't stop there. This bill does nothing to lower drug prices. To the contrary, it explicitly prohibits the government from using the collective purchasing power of more than 40 million seniors to negotiate lower drug prices. So, not only does this bill make seniors pay 80 percent of their first $5,100 in drug costs, it prevents the use of reasonable tools to bring those costs down.

Now, let me address for a moment the 12 million retirees who already have health insurance from their former employers. The Congressional Budget Office estimates that this bill will cause 2.7 million of them to lose their existing coverage. This happens because the bill excludes employer contributions from counting towards the prescription drug catastrophic cap. This will incentivize employers to reduce their coverage to the level in this bill or drop it altogether to avoid having to pay the cost of prescription drugs in the donut hole.

Finally, this bill undermines the fundamental commitment of Medicare to seniors. Beginning in 2010, Medicare will be forced to compete with private companies for the provision of all Medicare and prescription drug benefits. Often referred to as ''premium support'' or ''privatization'', this provision shifts Medicare from the guaranteed, defined-benefit program it currently is to a defined contribution plan. Under this legislation, privatization is aided by almost $20 billion in subsidies to insurance companies and HMO's, creating a competitive advantage that allows them to attract healthier seniors, leaving sicker or chronically ill seniors in Medicare. The result will be a Medicare program that is unaffordable for the seniors who need it the most.

Mr. Speaker, as we consider the merits of this legislation, it is critical to look at the history of health coverage for seniors in this country. Medicare was created in 1965 because seniors were unable to find health insurance in the private marketplace. The bill before the Congress today would return us to that very same scenario and I urge my colleagues to vote against it.

Mr. CASTLE. Mr. Speaker, I rise today in support of the Medicare Prescription Drug Conference Report, and thank all the Conferees for their dedication to providing relief for our seniors. This landmark legislation updates Medicare and finally brings the program into the 21st Century by modernizing the program and providing a prescription drug benefit. While not perfect, this bill presents us with an historic opportunity of providing 40 million Medicare beneficiaries with relief in the face of rising prescription drug costs. Every member of this body has identified health care reform as a top priority and now we have the opportunity to make progress. The reality is clear—every year we postpone this debate and fail to compromise on a Medicare and prescription drug bill, while the burden of drug costs on seniors continues to increase.

In 1965 when the Medicare program first began, the average senior's spending for prescription drugs was $65 a year. In 2002, overall spending had risen to $2,149—a 35-fold increase. The average retail prescription price increased more than three times the rate of inflation from 1998 to 2000. Over 60 percent of seniors spend more than 1,000 per year on prescription drugs and of those seniors, 17 percent spend more than $5,000. And with 80 percent of retirees using a prescription drug every day, the expense for many is out of reach. These statistics clearly show the transition of patients relying mostly on hospitals and

physician for their health care needs to patients relying more on prescription drugs as measures for health treatment and prevention.

The bill aims to make prescription drugs more affordable and more accessible by creating a voluntary prescription drug benefit. For the first time, since the creation of the Medicare Program, seniors, no matter where they live, will be able to receive financial assistance to help pay for these drugs, which are becoming increasingly integral to disease prevention, management and treatment. Seniors can keep whatever drug coverage they have now, choose a private plan or stay in the traditional Medicare program.

Once the benefits is in place, Medicare will pay 75 percent of seniors' drug costs up to $2,250 per year, with a $250 deductible and a monthly premium of $35. With the CBO estimate indicating that the average senior will spend $1,891 on drugs in 2006, I think most seniors will find this to be a strong improvement. Importantly, this legislation provides the most generous benefit to the lowest income seniors. These seniors do not pay a premium, nor do they have a deductible and there will not be gaps in coverage for the drug benefit.

This bill also takes strong steps towards preparing Medicare for future challenges, such as being equipped to meet the needs of retiring baby boomers. We offer new preventatives measures including an initial physical and certain preventative benefits such as diabetes and cholestrol screening as well as chronic care disease management. These common sense reforms are long over due—who can believe that Medicare was not covering an initial physical for our seniors? Encouraging beneficiaries to participate in preventive and early detection programs can not only improve their immediate health, but has potential to save billions in future healthcare costs.

Another key component of this legislation are incentives for employers to retain and enhance retiree coverage. During the debate in both the House and Senate a significant amount of time focused on employer-based coverage. With increasing costs of health care as a whole, it is logical that employers are looking for a way to reduce their overhead. Most likely, retirees who tend to be more costly than younger, healthier workers, are targeted for cost cutting measures. These are concerns that provisions would be included in this legislation to allow employers to drop coverage based on age, but fortunately, due to the work of many, that did not happen.

One-third of all Medicare beneficiaries currently have prescription drug coverage through their former employers. Retirees want to keep that coverage and frankly, I believe they should be able to make that choice for themselves. This legislation provides a percentage subsidy to employers who maintain coverage for their retirees, which also saves Medicare money. Specifically the legislation will provide a federal subsidy to employers equal to 28 percent of drug spending by their retirees between $250 and $5,000. This applies not only to private companies, but also to state governments, and unions, like teachers unions, which often have very generous retiree packages. Of course, this is not a fail-safe solution. The higher costs associated with retiree health care coverage is an expensive matter for most corporations, unions and other providers. But, we hope that these incentives will help curtail the problem.

Importantly, this legislation also contains numerous provisions intended to speed the entry of generic drugs into the market by preventing multiple 30-month stays by brand drugs and incentives for generic manufacturers to challenge weak or inappropriately listed patents. Generic drugs often provide consumers with a low cost alternative and I hope that the medical community will continue to make efforts to inform patients about the availability of generic drug options.

We also address the reoccurring problem of physician fee cuts by increasing reimbursements by 1.5 percent instead of earlier proposals to cut them by 4.5 percent. I have spoken to a lot of doctors in Delaware who said these cuts were likely to put them out of business. With the rising cost of malpractice premiums compounded by cuts in reimbursements, some physicians may have already been forced to close their doors, which clearly impacts all of us. However, this is only a temporary fix. We must now move forward to fix this physician fee formula that was laid out in the Balanced Budget Act so doctors are not strung along year in and year out worrying about this potential cut. I hope to work with my colleagues to ensure this formula is fixed in the coming years.

This legislation is not perfect and no one here today will tell you that it is. One of the major issues missing from this bill is a good faith provision allowing the reimportation of prescription drugs. Despite the overwhelming support in the House for true reimportation, this bill simply encourages the status quo by requiring the Secretary of Health and Human Services to certify the safety of these drugs coming from Canada. Essentially this is the current law of the land, yet we do not see pharmacists and wholesalers importing drugs from Canada and passing those savings on to consumers. Seniors will be forced to continue the bus trips to Canada and mayors and governors will continue to negotiate agreements with Canada, until we truly address our prescription drug costs. This bill does include a study to research the major safety and trade issues regarding reimportation, and I hope it will be conducted in good faith and in a timely manner so we can return to this important discussion.

I also have serious concerns about premium support and forcing Medicare to directly compete with private insurance plans because I believe it can lead to higher costs for those seniors who choose to stay in Medicare. While I believe the demonstration language in this legislation is far less disconcerting than a full premium support provision, I will continue to monitor this closely. In the end, we cannot undermine the basic tenets of the Medicare program, which has a history of providing an equal benefit no matter where seniors live. Varying premiums within and among states is surely not the message we want to send our seniors. Hopefully this demonstration program will yield positive results that drive costs down—only time will tell. I will work to ensure that Medicare is viable and that seniors who choose to stay in Medicare are protected.

I commit myself and I hope others will join me, in continuing to address the rising cost of health care, prescription drugs and the rising ranks of the uninsured. According to the U.S. Census Bureau, an estimated 15.2 percent of the population or 43.6 million people were without health insurance coverage during the entire year of 2002, up from 14.6 percent in 2001. That is an increase of 2.4 million people. What's even more disconcerting is the percentage of people who are employed but lack health care coverage. That number dropped from 62.6 percent to 61.3 percent. However, these are clear and challenging issues that we must address in the upcoming session.

Despite these and other concerns I have, I am supporting this legislation because I believe it provides desperately needed relief to Americans suffering from their overwhelming health care costs. American seniors have waited long enough for this assistance and I encourage my colleagues to provide them with the immediate relief in this bill.

Mr. RODRIGUEZ. Mr. Speaker, I rise to express my strong opposition to the Medicare Prescription Drug Conference Report that we will be forced to vote on today. This bill has been crafted behind closed doors with the help of those corporate interests which will most benefit. Unfortunately, the bill they have created offers nothing more than empty promises to our Nation's seniors.

Medicare was built on the principle that all seniors should have access to health care, regardless of how much you make or where you live. And for over forty years, this program has successfully worked to provide access to health care, offering hope and security to America's seniors. As the nature of health care has changed over the years, however, we recognize there is a need to improve upon the program and address the prescription drug price crisis.

Seniors that I have met with back home have asked that I fight for a prescription drug benefit under the traditional Medicare plan and that is exactly what I have done. Over the years, I have worked to enact legislation that would establish a guaranteed and affordable prescription drug benefit for all Medicare beneficiaries.

The industry-backed bill that Congress will vote on today falls far short of a benefit that will truly fit seniors' needs. While the bill provides $112 billion to entice managed care companies to participate in the program, seniors will receive little assistance with their drug costs. For the first $2,000 of coverage, the consumer will pay over $1,100; for the first $5,100 of coverage, the consumer will pay approximately $4,000. Put another way, if a consumer buys approximately $5,100 of drugs a year, the consumer will pay nearly 80 percent of that cost.

Despite the $400 billion price tag, millions of retirees and low-income beneficiaries will find themselves in an even worse situation. Up to 6.4 million of the poorest and sickest Medicare beneficiaries, including close to 390,000 Texans, could have drug coverage reduced. The bill prohibits Medicaid, the nation's low-income health insurance program, from helping with co-payments or paying for prescription drugs

not on the formularies of the private insurers administering the new Medicare benefit. And 2 to 3 million seniors could lose retiree prescription coverage, including at least 132,000 Texas retirees, due to a provision that lowers Medicare assistance to employer-sponsored retiree health plans.

Furthermore, by relying on private companies to deliver a benefit, we force seniors into the arms of the health insurance industry. We have learned all too well that private Medicare insurance plans do not work. In the early 1990s, Medicare HMOs were touted as the way to control escalating costs, but by the end of the decade, private plans abandoned thousands of seniors in rural regions. Over the past couple of years, Medicare+Choice beneficiaries in metro areas have faced dramatic increases in premiums and co-payments, and reduced benefits. Given that the Republican Medicare bill does not guarantee a defined premium and plans will have substantial flexibility to create their drug benefit, millions of beneficiaries will face the same situation in the years to come.

Lastly, this bill forces us down a path towards privatization. By employing measures like the voucher-type premium support system and the creation of an overall budget cap, we end Medicare as we know it. Congress established Medicare to rescue seniors from the failure of the private sector to offer insurance or health coverage. Now we are going back.

This 600-page measure will produce the biggest change to our safety net system in over forty years. The crafting of the legislation was done behind closed doors with the help of special interest groups. Incredibly, most Members of Congress have had less than twenty-four hours to pore through the pages and analyze how the bill will truly impact America's seniors.

I understand there are important provisions in this bill for certain hospitals and providers such as increased Medicare reimbursement rates for physicians and an increase in the Medicare DSH cap for rural hospitals. I have supported similar measures in the past either by cosponsoring legislation or voting in support of such legislation.

However, there are also provisions in this bill that will hurt patients tremendously. The Medicare bill still contains drastic cuts to our nation's cancer care system. Despite several efforts by the cancer community to reach a compromise, the bill will deprive America's cancer care system of $1 billion a year. A cut like this will be devastating to cancer care. If this happens, many cancer centers will close, others will have to admit fewer patients, and still others will lay off oncology nurses and other critical support staff.

Mr. Speaker, I urge my colleagues to vote against this bill. I do not agree with those who say something is better than nothing. I say a bad bill is worse than no bill at all. This proposal goes against the fundamental principles of a program created to serve all seniors. Let's not give America's seniors more bad medicine. Reject the Republican plan and adopt one that provides real coverage for all seniors.

Mrs. TAUSCHER. Mr. Speaker, ''I strongly believe that seniors deserve and need a prescription drug benefit that's part of Medicare. I believe we should strengthen Medicare by adding drug coverage that will save seniors money and preserve the choices that matter. I will vote against this bill because it does not get us where we need to be.

''This legislation prohibits Medicare from negotiating lower drug prices; gives big drug and insurance companies $82 billion in subsidies just to compete with Medicare; and will privatize Medicare by pushing seniors into HMOs.

''I introduced a bill that would have provided immediate, real drug discounts to all seniors without turning over part of Medicare to HMOs. Unfortunately, it was not brought to a vote.

''There are many serious problems with the bill being debated today that people are trying to sweep under the rug. Up to a quarter of seniors on Medicare would pay more for prescriptions than they do now. Up to seven million seniors would pay higher Medicare premiums unless they join an HMO and give up their choice of doctor. Two to three million retirees would lose the drug coverage provided by their former employers. Millions of seniors would go without drug coverage for parts of every year, even though they would be charged premiums year-around. Seniors would be prohibited from purchasing American-made drugs from Canada at lower prices. After they have spent $1,169 on prescription drugs, seniors will have to pay their full drug costs until they reach $3,600 in drug expenditures.

''I am deeply suspicious that this bill, written almost entirely by Republicans, put the special interests of HMOs and pharmaceutical companies over seniors' interests. It will give $82 billion to private insurance companies so they can compete with Medicare, yet Medicare will be forbidden from negotiating lower drug prices with drug companies and competing in the same way. Even AARP has a financial stake in this bill. The company derives almost 60% of its annual revenue from selling insurance products. If they capture even 10% of the prescription drug market, their profits would be $1.5 billion.

''As a former investment banker, I know risk management. The magic of Medicare is that everyone has always been in the pool—the wealthy and healthy as well as sick and lower-income seniors. This bill will turn that on its head—driving the healthy and wealthy out of Medicare and creating large tidal pools in which sick and lower-income people are left without anything.

''It is a bad bill that will hurt millions of seniors and not really benefit anyone but the drug and insurance companies. I will vote against it, and I encourage all of my colleagues to stand up for seniors and do the same.''

Mr. HOLT. Mr. Speaker, I rise in opposition to this legislation.

As my constituents in central New Jersey know, I have been working ever since I came to Congress to provide Medicare beneficiaries with coverage for the prescription drugs that improve their quality of life and often save or extend lives. Today we are considering a bill that purports to provide such coverage, but unfortunately fails on several counts.

I have pledged to the seniors in my district that I will not support any legislation that undermines Medicare, a program that has succeeded in providing adequate health care to tens of millions of seniors for nearly 40 years. That is why I cannot and will not support the proposal that is before us. We can do much better, and with something this important, we should not get it wrong.

First and foremost, this legislation would devastate the Medicare program. It forces several million seniors into private plans and lays the groundwork for privatizing the traditional fee-for-service program. In New Jersey alone, an estimated 186,000 seniors will be affected. We need to strengthen Medicare with a drug benefit, not use prescription drug coverage as a mechanism for dismantling the entire program. It is simply not good policy to spend $12 billion of taxpayers' money just to set up a for-profit competitor to Medicare.

Second, even after the government spends all this money, seniors will not even get a very good benefit. It is true that any level of assistance will be of some help to seniors, but the gap in coverage under this bill will leave most seniors still paying thousands of dollars out-of-pocket. In fact, seniors with high drug costs must pay over $4,000 to receive $5,100 worth of medications. For many seniors, after August or September or whenever their drug bills reach $2,250, they would get no benefit—even though they would continue to pay their monthly premiums.

Third, this bill clearly undermines the universal nature of the Medicare program. Everyone, no matter what his or her income level, pays Medicare payroll taxes, and everyone is entitled to an equal benefit. But under this legislation, many low-income seniors would be subject to an assets test to see if they qualify for low-income subsidies. I know seniors in my district will be up in arms when they hear they have to send in bank statements or declare the value of things they own, potentially even having to sell some to get the benefit.

This bill is also bad news for the 220,000 seniors who currently receive prescription drug coverage through New Jersey's highly successful Prescription Drug Assistance for the Aged and Disabled (PAAD) program. While the bill will allow the state to receive Medicare funds for its PAAD spending, it also means that seniors will not receive their prescription drugs in the same simple, reliable way they did under PAAD. Seniors may find themselves limited to a list of approved drugs and face other restrictions not imposed by PAAD.

The bill also fails our physicians and other health care providers. While it purports to solve the problem of insufficient reimbursements, it actually offers little more than a Band-Aid. Two years of a 1.5 percent increase will provide some small measure of relief, but Congress must still address the long-term problems inherent in the current physician payment system.

Health care providers should also be alarmed by the provision that triggers an automatic congressional procedure once general revenues make up an arbitrary proportion of Medicare spending. This means that a few years down the road, providers may find themselves facing drastically insufficient reimbursement levels, and seniors will find themselves with fewer benefits and fewer doctors willing to accept Medicare patients. One editorial writer noted that the spending trigger would sound an alarm if Medicare spending exceeds certain levels, but the bill itself does almost nothing to control spending.

This bill fails our seniors, and unfortunately, it will fail the test of history. We have a historic opportunity to craft a bill that genuinely helps seniors afford the medicine they need. Sadly, the Republican leadership has decided to write a bill that privatizes Medicare, moves

seniors into managed care plans, leaves gaping holes in coverage, and puts current retirees' benefits in jeopardy. I will not support such a plan.

I urge the Congress to address this again in January. I firmly believe we can pass a bipartisan prescription drug benefit that is universal, voluntary, dependable, and affordable, if we make the choices that put seniors first.

Mr. SKELTON. Mr. Speaker, there is no truer indication of a nation's priorities than the investment it makes in the health of its citizens, particularly our senior citizens. Medicare was created nearly 40 years ago with a basic fundamental principle in mind: health care coverage should be guaranteed, affordable, and equitable to all seniors. Throughout the time I have been privileged to serve in Congress, I have worked to make sure Medicare remains strong for those currently benefitting from its coverage and for those who will rely upon its benefits in the years ahead. As a member of the Rural Health Care Coalition, I was pleased when the administration and congressional leadership announced earlier this year that providing a prescription drug program within the reliable Medicare system was a high priority for the 108th Congress. However, it has become clear throughout the year that efforts to provide a meaningful prescription drug benefit within Medicare were being undermined by a systematic attempt to destroy the Medicare program. I am disappointed that the bill before us today, H.R. 1, does just that, undermining the very foundation of Medicare while creating a confusing and inadequate prescription drug coverage program for rural Missouri's seniors.

As I visit with seniors throughout Missouri's Fourth Congressional District, it remains clear that they depend on Medicare for their health care. They understand Medicare and trust it cannot be taken from them. Medicare is part of a health care contract with the senior citizens who brought this Nation out of the Depression, fought in our wars, and paid into the Medicare trust fund so they would have health coverage when they need it most. Unfortunately, H.R. 1 seeks to destroy the Medicare system on which these Americans have depended for nearly 40 years. Under this bill, in just six short years, millions of senior citizens in America could be coerced out of Medicare and into private insurance plans that generally don't do business in rural America. While the drafters of this measure explain that these private plans are simply a demonstration project and seniors don't have to participate if they don't want to, once the door is open to privatizing this vital government program, I am afraid it will not be closed.

It is also troubling that if these so-called demonstration projects take root around the nation as H.R. 1 prescribes, seniors within Missouri could be paying very different prices for the exact same health care benefit. It would create a very confusing situation, where folks in Versailles could pay more than citizens of Blue Springs or Lamar for their health care needs. Show-Me State seniors trust Medicare because they know that everyone participating in this program will pay the same rate for their health care insurance no matter where they reside. H.R. 1 undermines this fundamental principle, which could create even more disparity in the health care coverage of rural Missourians.

In addition to undercutting Medicare, I am concerned that the prescription drug portion of H.R. 1 will negatively impact seniors living in rural Missouri. This measure would require Medicare beneficiaries who wish to receive the new prescription drug benefit to enroll in private drug plans which rarely operate in rural America. These plans would be run by large insurance companies that would likely charge different premiums for the same prescription drugs. As an added benefit to large insurance companies, H.R. 1 would provide them with a $12 billion taxpayer subsidy while creating a $2,800 gap in prescription drug coverage for seniors. According to an article published in The Wall Street Journal on November 18, 2003, ''for the drug industry, the legislation is good news, at least in the short run.'' This is just plain wrong.

For rural Missourians, H.R. 1 would also impose an assets test on low-income seniors who earn below 150 percent of the federal poverty level. Seniors whose income falls within this financial threshold may be forced to either pay additional prescription drug costs if their assets—their car, their farm equipment, or their acreage, for example—total $10,000 per individual or $20,000 per couple, or sell their possessions to get cheaper pills. Many seniors in rural areas rely solely on their Social Security checks to get by each month and they should not be forced to sell their belongings or their property to qualify for a more comprehensive drug benefit.

While I am dismayed that the leadership of this Congress would work to dismantle Medicare through this legislation, I am pleased that conferees were able to address Medicare reimbursement rates for rural doctors and hospitals. Through the years, I have worked with my colleagues in the Congressional Rural Caucus to boost reimbursements to those who provide health care in rural America. In fact, time and time again on the House floor, I have voted to instruct the conferees writing the Medicare bill to abandon divisive ideas of privatization in order to provide more adequate reimbursement to rural providers. Unfortunately, these motions were defeated each time.

Mr. Speaker, senior citizens throughout Missouri understand and trust Medicare. They have worked all their lives, paid their taxes, and contributed to a system that takes care of their health care needs. Medicare is a contract with our seniors that should not be broken. That is why I will oppose H.R. 1 and urge all my colleagues to do the same.

In the days ahead, I look forward to working with my colleagues in a bipartisan manner to provide senior citizens with a real prescription drug benefit that strengthens Medicare.

Ms. CORRINE BROWN of Florida. Mr. Speaker, today the Republican party will finally do what it has been trying to do for 35 years, destroy Medicare.

Claude Pepper, my mentor on health care issues, the most well known advocate for seniors, a man who fought for years and years to strengthen Medicare and Social Security, would be rolling in his grave if he were here today.

This is a life and death issue for many of our senior citizens, and this hollow bill does nothing for them.

A snake is a snake, no matter what color it is. And AARP is getting into bed with a snake, the Republican party, in supporting this bill. To the AARP leadership, I have some sage advice that my Grandmother used to tell me: ''Those who sleep with dogs, wake up with fleas''.

Each provision in this bill is one more nail in the coffin of a program that has guaranteed health care for this Nation's seniors for 38 years. Under the Republican plan, HMO's that offer an alternative to Medicare will pick and choose their customers, and get paid more than Medicare to do it. And yes folks, these are the same Plus Choice providers that are fleeing your districts in droves, and leaving your seniors with absolutely no healthcare options.

Even more disturbing is the fact that this bill prohibits, yes, prohibits, Medicare from using its bargaining power to cut drug prices.

What happened in the 2000 election is a U.S.A. coup d'etat. This is what happens when you don't have fair elections. Folks, it matters who is in the White House. This is entirely a Republican initiative, and their goal is to destroy Social Security and Medicare entirely. Their goals is not to modernize it, but to have it wither on the vine.

Mr. STRICKLAND. Mr. Speaker, today, this Congress is missing a golden opportunity to pass a real prescription drug benefit for all seniors. During the Energy and Commerce Committee's consideration of the prescription drug bill this summer, my colleagues and I offered many amendments that would have improved this bill to ensure that all seniors, regardless of where they live, have access to an adequate, affordable, reliable prescription drug benefit. But my Republican colleagues defeated our amendments and pushed through a partisan bill that will do little to give meaningful help to the middle income seniors who most need a prescription drug benefit.

In other words, Congress is passing up an opportunity to ensure that the retired, 68-year-old steelworker who had a heart surgery last spring and lost his retiree health insurance this summer, and who, along with his wife, has an annual income of about $28,000 can afford the prescription drugs they need to stay healthy. This bill does not even ensure that a person under these circumstances can access affordable prescription drugs from Canada or elsewhere in the world. For shame that we are passing up such an opportunity to do the right thing by our seniors.

The AARP says that the prescription drug bill we are considering today is better than nothing, that it's one foot in the door. I disagree. The voucher demonstration program in the bill lays dangerous groundwork for a privatization scheme that I believe will undermine Medicare's ability to provide a guarantee of health security for all Americans when they turn 65. In addition, the drug benefit created by this bill will force many seniors to private insurance plans for their drug benefit. My colleagues who support this bill say that seniors want ''choice'' and that the private plans will give them the choice they want. Well, the seniors I talk to want choice, but not choice of a private plan. Instead, they want choice of their doctor, pharmacist, and hospital; they want the ability to choose their treatment plan when they are sick and the choice to access preventive services to keep them as healthy as possible. If seniors in my district have the choice of a private plan, the Medicare safety net as we know it today is no longer there. This is especially true since the bill we are considering tonight doesn't require these private plans to offer a standard premium, deductible,

or copayment—in fact, where these private plans have been tried, monthly premiums have ranged as high as $85 a month, not the $35 promised by proponents of this bill. I cannot overstate this: the bill we are voting on does not mandate a $35 premium.

Additionally, this bill includes a $12 billion slush fund to bribe private HMOs to participate in Medicare. This $12 billion is in addition to about $8 billion in huge overpayments to private plans. I believe that the billions we are spending in this bill in payments to private plans are simply to support an ideology of privatization that seeks eventually to destroy Medicare. This ideology is needless when you consider that traditional Medicare has both a strong track record with seniors and the amazingly low administrative overhead cost of only 2 to 3 percent.

It is for all of these reasons that I cannot support this bill. However, it does include some good provisions that I wish I could vote for today. I wholeheartedly support the physician and hospital provisions, particularly for rural providers. For the last 2 years, doctors have faced significant scheduled cuts in their Medicare reimbursements, leading some to stop-taking new Medicare patients or drop out of the program altogether. Especially in the current environment of high malpractice rates, rising medical school costs and medical school debt, rising overhall health care costs, and a growing Medicare population, it is unacceptable for Congress to ask doctors to continue providing the same care for less money. And our rural hospitals are struggling to maintain their ability to serve as our health care safety net for the uninsured. Seniors depend on a strong network of physicians and hospitals to provide care; each time a physician decides he or she cannot afford to take new Medicare patients, seniors are forced to look elsewhere to find care. This is particularly troubling in rural areas, where there are fewer physicians and where it may be more difficult to travel to a doctor's office.

I realize how important these provider provisions are, and I would say to the doctors and hospital advocates who are asking me to vote yes tonight that it is unfair to hold their needed reimbursement increases hostage in a bill that includes so many controversial provisions. We can and should pass a provider reimbursement bill apart from this Medicare package. In fact, I hope that we can defeat this Medicare bill and immediately pass these provider increases in a stand alone bill before we leave this session.

In closing, I reiterate my support for adding a strong, adequate prescription drug benefit to Medicare. Seniors need such a benefit and Medicare is not a complete health insurance program without it. But the benefit before us tonight does more harm than good, particularly in the long term. I urge my colleagues to vote no.

Mr. SERRANO. Mr. Speaker, I rise in strong opposition to the conference report on H.R. 1, the Republicans' Medicare ''reform'' bill. On procedure and on substance, the legislation is deeply flawed and the best course now would be to start all over and work toward a bipartisan package that truly provides benefits to our elderly and disabled Medicare participants.

Others have eloquently expressed the reasons to oppose this legislation, so I will not take much time to repeat what has been said. But I will quickly mention the major flaws.

This enterprise was meant to help seniors and the disabled get the prescriptions they need at affordable prices, but that's certainly not where it is ending up. This bill both increases the burden on seniors and lays the groundwork for taking Medicare apart altogether.

Coverage is limited and complicated, and there is a huge ''donut hole'' in coverage that, when combined with premiums, deductibles and copayments, can leave seniors paying up to $4,000 of the first $5,000 of prescription expenses as well as paying premiums but receiving no benefits for part of the year. Worse, dual eligibles, the Medicare beneficiaries who are poor enough also to be eligible for Medicaid, will end up worse off under an all-Medicare regime.

Drug prices in this country are high and rising fast, keeping even seniors with drug coverage through their employers facing difficult choices between medicines and other necessities. But the bill before us explicitly prohibits the Federal government from negotiating lower prices for Medicare beneficiaries. It also ignores the will of most Members of Congress who support reimportation of prescription drugs from Canada and other select countries. What a windfall for the pharmaceutical companies!

Millions of retirees who now have coverage through their former employers may end up without it when the bill's incentives cause employers to drop retiree health benefits.

The premium support demonstrations present insurers with the opportunity to cherry-pick healthier, wealthier beneficiaries, leaving Medicare covering the high-cost sicker and poorer elderly and disabled, which would force fewer beneficiaries to pay higher premiums until Medicare became unaffordable and unsustainable.

There are many other reasons to oppose this conference report. Let me just note that it does not include the Senate provision to remove the 5-year bar on federal health benefits for legal immigrant children and pregnant women.

The Republicans have not been shy about announcing their intention to dismantle the Medicare program, and this bill is a major step down that path.

Mr. Speaker, this is a profoundly bad bill that should go back to the drawing board. As the National Committee to Preserve Social Security and Medicare wrote to Members yesterday ''. . . a bad bill is worse than no bill at all''.

Mr. Speaker, I urge my colleagues to vote ''no.''

Mr. MORAN of Virginia. Mr. Speaker, I rise in opposition to the Medicare prescription drug benefit conference report that the House is scheduled to consider today.

I want to make it clear that I strongly support a Medicare prescription drug benefit for our nation's seniors and am supportive of a universal, affordable, voluntary and guaranteed Medicare prescription benefit for all.

Unarguably, the enactment of the Medicare program in 1965 was one of the wisest things Congress has ever done. At that time, there were very few prescription drugs with wide applicability, and that is why Medicare did not cover prescription drugs.

In large part, because of Medicare and Social Security, we have raised the life expectancy of our citizens, lifted millions of Americans out of poverty, and vastly increased the quality of life for our nation's senior citizens.

Unfortunately, this conference report does not reflect the vision and ideals of Medicare set forth by President Johnson and Congress, and will, if passed and signed into law, harm the 57,000 seniors that reside in my congressional district and millions of other seniors in America.

It had been my hope that any expansion of the Medicare program to include a prescription drug benefit would be above partisan politics. We have all heard first-hand from seniors how the high prices of their prescription drugs negatively impact their already limited incomes.

This issue which cuts across political lines should be about what's in the collective interest of our nation's seniors.

Unfortunately, this debate on one of the most important domestic issues, which not only affects today's seniors, but future generations as well, did not rise above partisan politics or enhance our democratic process.

In a decade, 10,000 people a day will turn 65 years old and with the retirement of the Baby Boom generation, America's senior population will almost double.

This conference report provides a weak prescription drug benefit for all seniors—regardless of income, and will change the Medicare program as we currently know it, by overpaying private insurance companies to administer this drug benefit, while giving them great latitude in setting premiums, deductibles, and pharmacy choice with little oversight through a premium support system.

One of the reasons why I voted against the House version of the Medicare Prescription Drug and Modernization Act of 2003 (H.R. 1) was that Medicare beneficiaries would pay 20% of their drug costs up to $2,000 and 100% of drug costs from $2,000 to $3,500, while still subjecting them to monthly premiums that would result in a gap of prescription drug coverage for most beneficiaries.

The coverage gap that exists in this conference report is even worse. Seniors will pay 100% of costs between $2,250 and $5,100—a gap of $2,800 which will be increased to over $5,000 by the year 2013.

I also cannot support a conference report that does nothing to alleviate the high costs of drugs imposed on seniors. This conference report actually prohibits the Secretary of the Health and Human Services from negotiating lower drug prices with the bargaining clout of the 40 million Medicare beneficiaries as well as the importation of drugs from countries where drug prices are lower, except Canada and only if they are certified by the Food and Drug Administration.

While I am pleased that this Congress has finally addressed the issue of reimbursement rates for doctors, hospitals, and other important health providers, I am discouraged that this conference report is still a bad deal for our seniors, and the endorsement of this legislation by the AARP, comes into question. The AARP is not recognizing its membership's need and desire for a true Medicare prescription drug benefit without the heavy reliance on the private health insurance industry.

It is with great sadness that I will have to vote no on this conference report. My constituents want a legitimate Medicare prescription drug benefit, lower drug prices and better Medicare services.

This conference report undermines the Medicare system, and I am afraid, will do

more harm in the long run than good in the short term for our seniors.

Mr. ETHERIDGE. Mr. Speaker, I rise in opposition to H.R. 1. As the Representative of North Carolina's 2nd District, I know firsthand how hard our older people have to struggle to pay for their prescription medicines. Since I began my service in the people's House in 1997, I have worked to create a prescription medicine benefit for our seniors. Seniors deserve a guaranteed Medicare prescription medicine benefit, not empty promises. I have consistently supported a prescription medicine benefit plan that features low, predictable premiums and allows seniors to obtain medicine from any doctor they choose. And I want seniors to be able to get their medicine from the local pharmacy, not some huge mail order company.

I oppose H.R. 1 because it does not deliver on its promises. This bill will force 73,000 Medicare beneficiaries in North Carolina to lose their retiree health benefits entirely and leave thousands more with significantly reduced benefits. According to the nonpartisan Congressional Research Service of the Library of Congress, this bill will force 222,800 Medicaid beneficiaries in North Carolina to pay more for the prescription medicines they need. Under this bill 99,500 fewer seniors in North Carolina will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels. This provision will hit particularly hard the many farmers in North Carolina whose farm equipment and land are considered financial assets even if the farmers' income is below the poverty line. Also according to CRS, under this bill, 37,920 Medicare beneficiaries in North Carolina will pay more for Part B premiums because of income relating. And according to the CMS Actuary Tables, the premium variation under the bill's premium support program would range form $1,225 in some parts of North Carolina to $675 in other areas of the state. The bill contains a huge hole in coverage which will result in no benefit at all for seniors with prescription costs between $2,200 and $5,044.

I oppose H.R. 1 because this bill will have devastating economic consequences because the $400 billion price tag will be added directly to our massive national debt of $6.8 trillion. A few short years ago, we had achieved surpluses as far as the eye could see and were on pace to erase the national debt. But this Administration's tax policies have produced record budget deficits that will be compounded by the conference report on H.R. 1. Deficits matter for our current economy because in creased borrowing means the government has to spend more and more tax money on interest costs and will have less available for other important priorities. ''For example, even before this bill passage, this year the federal government will pay $156 billion for interest on the national debt. That is three times what the federal government will spend on education. When I asked a White House representative where the money will come from to pay for this bill, I was told that it is ''new money.'' This is not new money. These are borrowed funds that will be paid for by our grandchildren and their grandchildren.

Mr. Speaker, prior to holding elected office, I spent nearly twenty years as a small businessman. There can be no doubt that I strangely support the private sector. But there are some things the private sector does well and some things the private sector does not do well. Medicare was created because the private sector by itself does not do well at the important priority of providing a strong public health system for older Americans. This bill is a $400 billion ticket back to the days when senior citizens were forced to fend for themselves in the private health care marketplace. This bill sacrifices Medicare as we know it, and will cast senior citizens to the mercy of HMOs and force them to give up their own doctors and pharmacists.

Congress should reject this flawed bill and go back to the drawing board and get it right once and for all for our seniors. I urge my colleagues to vote ''no'' on the Republican Medicare Privatization bill.

Mr. EVANS. Mr. Speaker, this has been a disappointing week in Washington for seniors around the country. Not only are we voting on a bill that provides a meager prescription drug benefit through Medicare, but the once-regarded AARP has apparently put their profit margins before the health of the seniors by endorsing this Republican Prescription Drug bill.

There are so many disturbing provisions in this bill that I will only take the time to mention a couple.

This bill explicitly prohibits the Secretary of Health and Human Services from negotiating lower drug prices on behalf of America's 40 million Medicare beneficiaries. With my support, the Veterans' Administration adopted this practice some time ago, and the VA enjoys the ability to negotiate drug prices for numbers of veterans. This restriction on the Secretary of Health and Human Services clearly crimps efforts to keep prices down for seniors.

Another troubling provision is the ''demonstration project'' in this bill that coerces seniors out of the traditional Medicare program they know and enjoy to sign on with an HMO. Up to 7 million seniors may be forced to choose between staying in Medicare and purchasing a likely expensive drug-only plan from a private insurer or leaving their trusted doctors to join an HMO or other plan that would provide Medicare-like benefits including drug coverage. This is hardly a choice for our nation's greatest generation.

As our healthcare delivery system moves increasingly toward managed care, many people have expressed concerns about the care they receive from HMOs. Today it is frighteningly common for insurance companies, rather than doctors, to make the medical decisions that affect people's lives. As these concerns are aired, we are ready to throw our seniors into this lion's den. Until doctors are free to give the best medical advice based on a patient's need, not an insurance company's bottom line, our seniors are better served by traditional Medicare. While others have let HMO reform legislation die away, I still believe that we need to address these concerns, and they should be addressed before seniors are coerced into the system.

This debate has been fundamentally changed from one focused on providing seniors with a solid prescription drug benefit to defending the integrity of one of America's finest programs, Medicare. I have been part of the Democratic fight for years to add a meaning drug benefit for our nation's seniors, but I will not be a part of destroying a vital program that seniors have trusted for almost 40 years to settle for inadequate drug coverage. I strongly urge my colleagues to reject this bad bill.

Ms. SOLIS. Mr. Speaker, in 1965, Congress created Medicare and promised seniors that after a lifetime of working and paying into the system they would have access to health care coverage during their retirement years, regardless of where they live, their age or their income. Thirty-eight years later, instead of honoring our commitment to affordable, accessible health care for all seniors, Congress is set to create a prescription drug benefit program that will destroy Medicare as we know it and turn it over to the unreliable for-profit insurance industry.

A Medicare prescription drug bill should use the purchasing power of our nation's seniors to negotiate lower prescription drug costs, just as we do for veterans now, and it should provide assistance to low-income seniors who need extra help in their retirement years. Our hard working seniors and their families expect a high quality, affordable, universal and guaranteed prescription drug benefit within their trusted Medicare program.

Unfortunately, the Republican plan dismantles Medicare as we know it by turning it into a voucher system with private HMOs competing with the traditional Medicare system. Under this system, seniors who want to stay with the traditional Medicare system they trust would face premiums that could vary dramatically across the nation. Premiums for traditional Medicare in the Los Angeles area could be as much as $1,700 per year—119% more than seniors in other parts of California.

This bill is especially troubling for retirees who have health benefits through a former employer. I have received dozens of calls and letters from retirees concerned about the Medicare proposal's impact on the prescription drug coverage they have through a former employer. Well, under the Republican bill an estimated 244,860 Medicare beneficiaries in California will lose their retiree health benefits because the bill does not sufficiently stem the tide of employers reducing or dropping their retiree health coverage.

Nearly 6,000 seniors in my district are living below the poverty level, so I am especially troubled about what this bill will mean for low-income seniors struggling to pay for the medicines they need. The bill will increase drug costs for six million elderly and disabled Medicaid beneficiaries by imposing co-payments on their prescription drugs and prohibiting Medicaid from filling in the gaps of the new Medicare benefit. It is shameful that this bill would harm our most vulnerable seniors.

The supporters of this bill talk about the funding it provides for disproportionate share hospital (DSH) payments to hospitals that serve a high number of indigent patients and for improved Medicare payments to physicians. I have a strong record of supporting DSH funding, which is critical to protecting California's safety not hospitals. I have also long supported fixing the flaws in the Medicare physician payment system in order to help doctors who serve elderly patients, and recently voted to increase physician payments. It is important to note that the Democratic Medicare prescription drug proposal would have done substantially more to help doctors and hospitals than the bill before us today.

I would like to take a moment to comment on AARP's endorsement of the bill. AARP

claims to represent the needs of seniors throughout the country, but I can tell you that the seniors I represent are upset that AARP has chosen to endorse this wrong-headed bill that doesn't even meet the criteria they set back in July. I encourage seniors to continue to contact their lawmakers and let them know their views on this Medicare bill.

Let's be clear—the endeavor to make prescription drugs more accessible for seniors began as a bipartisan effort to modernize Medicare for our new era. Now it has turned into a fight for the soul of Medicare. I am tremendously disappointed that my Republican colleagues have chosen to reward the private insurance companies and big pharmaceutical industry at the expense of seniors. However, I will continue my efforts to ensure that seniors have access to the medicines they need.

Mr. REYES. Mr. Speaker, it is with great regret that I rise in opposition to the conference report on the Medicare Prescription Drug and Modernization Act of 2003.

I regret that I must do so, because I have long been a strong advocate for providing America's senior citizens with an affordable, comprehensive prescription drug benefit under Medicare. Unfortunately, however, the bill before us today would harm rather than help the more than 77,500 Medicare beneficiaries in El Paso County, Texas, which I represent, and millions of others like them across the country.

For example, instead of a comprehensive, continuous prescription drug benefit, the bill offers a benefit that has a $2,800 gap in coverage that will leave about half of Medicare beneficiaries without any prescription drug coverage for part of the year, even though they will still be paying monthly premiums. While without coverage, many Medicare beneficiaries in my district will have to pay the entire cost of their prescription drugs out of their own pockets, which is the very circumstance we are supposed to be remedying.

Rather than doing more to help low-income seniors, this bill fails to ensure that they will receive the prescription drugs they need under the proposed new program. The bill would, for the first time, prohibit federal Medicaid funding from being used to pay for drugs not paid for by Medicare. In Texas alone, it is estimated that 389,400 Medicaid beneficiaries would pay more for their prescription medications under the bill. In my congressional district, where approximately one in five people over age 65 lives below the poverty line, this change could be devastating.

At the same time, the bill requires states to make large annual payments to the federal government, offsetting the savings states would have realized by having the federal government provide drug coverage for low-income seniors under Medicare. In short, for the first time ever states will have to fund a federal Medicare benefit, at a time when my state of Texas and many other states are facing budget troubles.

Insteaad of expanding re-importation of prescription drugs, with appropriate safety checks, the bill blocks re-importation. By doing so, it ensures that Americans will continue to subsidize low drug prices in other countries, while paying the highest drug prices in the world here at home.

Rather than empowering Medicare with the authority to use its purchasing power to negotiate better drug prices, as the Veterans Administration currently does, the bill specifically prohibits Medicare from doing so. As a result, the pharmaceutical companies benefit, but hard-working taxpayer will have to foot the bill for the higher costs.

Perhaps most troubling, the bill puts us on a path toward privatizing the entire Medicare system, breaking our government's solemn promise to America's senior citizens to provide guaranteed, quality healthcare under Medicare. Two generations of seniors have relied on Medicare and Social Security to ensure their quality of life in their retirement years. For many poor seniors in my district, these programs are their only safety net. To jeopardize that safety net would be unconscionable.

This bill, with all its shortcomings, will cost the American people nearly $400 billion over the next decade. It does include a few provisions that I strongly support and have voted in favor of repeatedly—most notably provisions providing increased Medicare reimbursement rates for healthcare providers and funding to reimburse local governments and emergency medical providers for providing care to undocumented immigrants. However, the bill would do such significant harm to Medicare recipients and the Medicare program that, on balance, I find that I cannot support the legislation.

Mr. Speaker, I urge my colleagues to oppose this conference report, so Congress can instead offer America's seniors that kind of Medicare prescription drug benefit they desperately need and truly deserve.

Mr. BACA. Mr. Speaker, I rise in opposition of the Republican Conference Report on H.R. 1.

I oppose this Republican plan because it is bad for seniors. It's bad for California. And it's simply bad for the American people.

There are 40 million seniors across this Nation that need a safe and reliable healthcare plan that protects them, whether they are sick or not.

This plan will not help seniors. This is a $400 billion plan that will privatize care and cost seniors more than they pay now.

This plan is similar to having car insurance that doesn't really protect you. You're fine as long as you don't get into an accident.

Seniors are only fine under this plan if they don't get sick. But because of privatization, when a senior gets sick, this plan offers no guarantee that their premium will stay the same or that their carrier will continue to cover them.

Under Medicare, seniors at least had a guarantee that they would be insured. They at least had a guarantee that if they got sick; someone would be looking out for them.

Under this plan, privatization could force as many as 7 million seniors into HMO's. Seven million. How is this fixing Medicare? Who is this guaranteeing that all seniors have coverage?

Our parents and grandparents deserve better. They do not need privatization. They need to know they are going to be insured.

They need to know that they are going to be protected despite the cost.

Under this plan, there is a $2,800 gap that will leave millions of seniors without drug coverage. This plan leaves seniors uninsured for part of the year despite the fact that they are paying premiums.

Much like car insurance, if you knew your car wasn't going to be insured for half of the year, you wouldn't drive it.

But we can't do that with our health. Seniors can't say I just won't get sick. It doesn't work that way.

In my district of San Bernardino, California, we have seniors who board buses to travel down to Tijuana to purchase life saving prescription drugs.

Will this plan help the seniors in my district get off that bus?

No. If we pass this bill, seniors will still have to travel to Mexico to get their prescriptions.

The practice of forcing seniors to go across the border must stop. We have no way of knowing what our seniors are actually purchasing. This isn't safe and it isn't fair.

This bill could actually raise the cost of prescription drugs for over 6 million low-income seniors, and one in six Hispanics. In my home state of California, almost 900,000 will have to pay more.

Those are the people in my district. Those are the people that are risking their lives, going across the border, to purchase their prescriptions. And this bill does nothing to help them.

The Republicans are ignoring what seniors need.

Under this plan, over 3 million low-income seniors are going to be forced to pass a test before they get help paying for prescription drugs.

If you are a senior and you simply own a home, a car, or even a burial plot you could be considered too wealthy to get help with prescription drugs, under this plan.

If you are a homeowner, you'd better catch the bus for Tijuana because that is the only way you will be able to afford your prescription drugs because the Republicans think that you are too wealthy.

Many seniors in my district have worked hard their entire lives trying to put food on the table for their families. Many of them have been fortunate enough to have some health coverage from their employers.

Under this plan, 3 million retirees could lose that coverage. That affects over 250,000 seniors alone in California.

This plan leaves the seniors in my district will no option but privatized healthcare.

Our abuelos, our grandparents, have worked too long and too hard to be ignored.

They need a prescription drug coverage that preserves traditional Medicare, helps low-income seniors afford prescription drugs and keeps retirees in employer sponsored health plans.

It's time to give seniors what they want, what they need, and what they deserve.

Mr. OSBORNE. Mr. Speaker, I rise in support of H.R. 1, the Medicare Prescription Drug, Improvement and Modernization Act.

Today, this House will consider landmark legislation to help our Nation's seniors afford their prescription medications. I am particularly pleased with the generous assistance this legislation provides for the low-income seniors in my district.

Those seniors with incomes below 135 percent of poverty (individuals with incomes under $12,123 and couples under $16,362) will be eligible for a prescription drug discount card that immediately applies $600 annually toward the purchase of their medicines and covers up to 90 percent of their prescription drug costs. Seniors with incomes between 135 and 150 percent of the federal poverty level ($12,123–$13,470 for individuals and

$16,632–$18,180 for couples) could ultimately have 85% of their drug costs covered.

Beginning in 2006, seniors without coverage would have the option to join a Medicare plan that requires a $35 monthly premium and would cut seniors' yearly drug costs roughly in half. For example, a senior without any drug coverage and monthly drug costs of $200 would save more than $1,700 each year. Seniors with no drug coverage and monthly drug costs of $800 would save nearly $5,900 on drug costs each year. In addition, seniors would be protected against high out-of-pockets costs with Medicare covering as much as 95% of drug costs over $3,600 each year.

Mr. Speaker, this legislation also provides a historic opportunity to help strengthen the rural health care delivery system with billions of dollars in additional Medicare payments. For far too long, Medicare has short-changed rural health care providers in my district, which threatens seniors' access to care. This legislation eliminates many of the disparities that exist between rural and urban physicians, hospitals, and other health care providers.

Finally, this bill includes important cost-containment provisions. These accounting safeguards will alert future Congresses and Presidents if the expenditures of the entire Medicare program exceed 45 percent of total Medicare spending so they can address the problem.

This may not be a perfect bill, but it is a good bill, and I urge my colleagues to support the Medicare conference report.

Mr. KANJORSKI. Mr. Speaker, I rise today to speak about the conference report on H.R. 1, the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. While I wholeheartedly support providing a prescription drug benefit to our Nation's seniors, I cannot support this bill in its current form because it does more harm than good.

Since the House of Representatives first began debating the creation of a prescription drug benefit for Medicare recipients, I have consistently maintained that this proposal must adhere to four key principles to garner my support. In my view, we must create a benefit that is affordable, easy to administer, nationally available, and comprehensive. I believe that the bill crafted by the conference committee falls short on all counts.

In addition, there are many other provisions folded into this bill that will substantially alter the Medicare system as we know it. These provisions would privatize the program, cause millions of seniors to lose their prescription drug coverage through their employers, and result in insufficient reimbursements for some Medicare providers. These ill-crafted proposals also influenced my decision to vote against this bill.

AFFORDABLE PRESCRIPTION DRUGS

In working to create a prescription drug benefit, we must ensure that the plan is affordable for Medicare participants. The benefit that is outlined in this legislation, however, will provide little relief for the senior citizens in my district. Because the plan requires sizable premiums, deductibles and copayments, seniors can still expect to pay between 50 and 80 percent of the cost of their prescriptions. This bill also creates a gap in coverage that will leave millions of seniors with drug costs between $2,250 and $3,600 without any benefit, even though they continue to pay premiums. While some may conclude that this is a good start to providing a prescription drug benefit, I disagree. We must do more to make prescription drugs affordable.

Seniors across the country, and especially in my district, cannot afford to pay thousands of dollars each year in prescription drug costs. Those seniors living on fixed incomes must already sacrifice on other necessities in order to afford their costly medications. These seniors need immediate relief and this legislation will not provide that help. In addition to the cost-sharing provisions of this bill, the benefit does not even go into effect for another two years. In the interim, seniors will receive a discount drug card that will provide only minimal relief.

This legislation also purports to protect low-income senior citizens. Individuals at the poverty level will not pay premiums under the program and will have copayments of only $1 to $3 for each prescription. In addition, for individuals slightly above the poverty level, assistance with premiums and the deductible will be available. These individuals, however, will be subject to an assets test. Individuals must have less than $6,000 in assets to receive the benefit while married couples must have less than $9,000 in assets. Therefore, any low-income senior who owns a home, a car, or any other large asset will not be eligible for this financial assistance. In my view, we should not force senior citizens to choose between selling their homes and getting their prescription drugs.

In addition, this legislation does nothing to address the high cost of prescription drugs. Under the current bill, there is no methodology for insurance companies to negotiate for lower drug prices. If the program were administered through Medicare, the Government could negotiate with the pharmaceutical companies for lower, more affordable prices because the program would cover a larger number of seniors.

Furthermore, with my support, the House recently passed legislation that would allow for the reimportation of prescription drugs from 24 foreign countries. These medications are often the same as those sold in the United States. They are, however, sold at a much lower price. Unfortunately, this legislation provides only for the reimportation of drugs from Canada and requires that the U.S. Food and Drug Administration certify that the reimportation of drugs is safe. While this may seem like progress, it is not. The Food and Drug Administration has already indicated its unwillingness to consider such a certification. Consequently, this legislative sleight of hand on drug reimportation will not increase the availability of affordable prescription drugs in the United States.

EASE IN ADMINISTRATION

A Medicare prescription drug plan must also be easy to administer. The proposal before us fails to meet this standard. This plan will create a complicated system of payments and programs. As a result, it will be difficult to administer.

In particular, senior citizens should not have to worry about whether the amount of money they spend on prescriptions during the year will leave them paying the whole amount of their drug costs at some point during the year as this bill does. Seniors who annually spend more than $2,250 for prescription drugs will find themselves without any coverage at all for a portion of the year. In order to remain in the program, however, these seniors will need to continue to pay the monthly premium, whether the program provides assistance or not.

Such a system will create confusion for seniors. This benefit should provide a sense of security for the elderly, who are used to receiving their benefits through the Medicare program. Instead, this complicated program will only serve to provide older Americans with more worries about their health care needs.

NATIONWIDE AVAILABILITY

An effective Medicare prescription drug plan must also be available nationwide. By making the benefit available through private insurance companies, there is no way to ensure that benefits will be equal across the country. in an area like Northeastern Pennsylvania, this scheme would have a devastating effect. By moving towards privatization, areas like mine would be disadvantaged because insurance companies would not be enticed to operate there. Northeastern Pennsylvania has a higher concentration of older residents than most areas in the country, and insurance companies will not want to operate in our area because they would not find it profitable, unless they charge exorbitant premiums. As a result, the government fallback provision would engage, but it would still result in these seniors paying more than those in other areas across the country.

We have tried such a scheme before. In 1997, we created the Medicare+Choice program. This failed experiment operated in Northeastern Pennsylvania for awhile. Initially, this program provided tens of thousands of seniors in our area with prescription drug benefits. Insurance companies, however, discovered that they could not make a profit because of the economics of the region. As a result, they abandoned the program, leaving thousands of senior citizens without affordable prescription drugs once again. By providing a prescription drug benefit through private insurance companies, we can expect this legislation to result in a similar outcome for Northeastern Pennsylvanians.

In addition, this faulty Medicare plan already anticipates that there will be a problem with providing prescriptions through private plans in areas like Northeastern Pennsylvania. Included in the bill is a provision to set aside $12 billion to pay insurance incentives to provide the prescription drug benefit. One must ask why, if we already anticipate the failure of the program, we are not considering alternatives, such as adding the benefit through Medicare.

COMPREHENSIVE BENEFITS

Finally, a prescription drug program must be comprehensive. Under a government program, seniors should have access to any drug prescribed by their doctor and the program should cover the costs of that drug. This bill, however, establishes a limited list of categories and classes of drugs, and only these drugs will be covered under the program. Hence, this exclusion will leave many seniors to cover more costly medications and experimental treatments out of their own pockets.

PRIVATIZATION OF MEDICARE

In addition to the prescription drug coverage, there are other changes made to ''reform'' Medicare by this legislation. If passed, for example, this legislation would put in place a radical system to privatize Medicare.

For example, rather than providing a prescription drug benefit through the current Medicare system, it will, as I have previously noted, instead be offered through private insurance companies, which can profit from their

participation in the prescription drug program. Once the system is in place it will be difficult to go back and make the necessary changes to make the prescription drug benefit affordable, easy to administer, available nationwide, and comprehensive. Earlier this year, I supported the Democratic version of this legislation that would have provided prescription drugs through Medicare and achieved these objectives. We should be considering that bill today.

This bill will also change the way the current Medicare program is run and move it towards a total privatization of the benefits Americans have worked their whole lives for and have come to depend on in their golden years. In 2010, this legislation would create a premium support demonstration program. This program would require seniors to enroll in a private plan and would provide a voucher for the cost of the insurance premiums. In addition, this bill would break the country into sections, providing different benefits in each. Therefore, the amount of money a person in Northeastern Pennsylvania pays could be substantially higher than the amount paid by a senior living in another part of the country.

In my view, this program will move the country on the slippery slope towards the total privatization of Medicare. Rather than providing health care benefits to senior citizens that are guaranteed, money would instead be provided to insurance companies to support seniors in a private program. We should not allow Medicare to wither on the vine. There is also no reason to believe that other benefits, such as Social Security, would not also eventually be privatized if we begin to privatize Medicare now.

PROVIDER ISSUES

This prescription drug bill also seeks to increase Medicare payment to physicians and hospitals. I must acknowledge that some of the provisions in this bill would provide relief to the doctors and hospitals in my area. In particular, the bill's provision altering the weight given to labor costs when determining the reimbursement rate for an area would provide millions of dollars to the hospitals in my district. In addition, physicians who are anticipating a 4.5 percent cut in their payment through Medicare would instead receive a 1.5 percent increase. Further, this bill provides additional funding for rural hospitals and for teaching hospitals.

For hospitals like the ones in my district, this legislation provides only minimal relief and these changes should not be used as a justification for voting for this bill. As one hospital administrator in my district said, ''If you are dying of thirst in a desert, even a drop of water looks good.'' Rather than providing a band-aid fix to these hospitals experiencing genuine financial difficulties, we should have worked to equalize reimbursements across the country.

In addition, there are portions, of this bill that will have severe impacts on the providers in my district. For example, the legislation provides for a system to competitive bidding for durable medical equipment to begin in 2007. This change in the program will have a devastating effect on the numerous small- and medium-sized medical equipment providers in my district. The competitive bidding system will cause a race to the bottom, resulting in cost cutting measures like layoffs and the loss of services provided for users of durable medical equipment.

RETIREE COVERAGE REDUCED

Beyond privatizing Medicare, this legislation will result in millions of retirees losing their employer-sponsored drug coverage, dealing an irreversible blow to the employer-based system that is the backbone of our Nation's health care system. Employer-sponsored retiree health benefits are the single greatest source of drug coverage for retirees, providing benefits to one in three Medicare beneficiaries. They also generally offer the best coverage available—generous benefits and low-cost sharing.

The Congressional Budget Office, however, projects that 2.7 million seniors in employer-based retiree plans will lose the coverage they have today due to the discriminatory treatment of seniors with retiree coverage in this legislation. As a result, those individuals would be forced into the flawed prescription drug program outlined in this measure. Men and women who have worked their whole lives with knowledge that they will have health and prescription drug benefits in their retirement should not be forced into a program that could leave them with inadequate benefits.

CLOSING

In sum, I cannot support this legislation. It falls short of providing seniors with an affordable, widely available, easily administered, and comprehensive prescription drug benefit. It will privatize the program and it will result in millions of retirees losing coverage through their former employers. Ultimately, this legislation will hurt senior citizens more than it will help them. We should do better for Americans in their golden years by defeating this bill and drafting a new one.

Mr. PASTOR. Mr. Speaker, I strongly support efforts to give prescription drug coverage to the Medicare patients who do not currently have it. But, this bill does a poor job of meeting our prescription drug needs, and it drastically and negatively alters the overall structure of the Medicare program.

We have the ability to give Medicare patients prescription drug coverage. But our hands have been tied by the arbitrary budget limits Congress has set on funding such a program.

Congress and the President decided that, over the next 10 years, $400 billion was all we could spend on helping the elderly who need prescription drugs. So, in order to meet this number, a prescription drug bill has been written that will prove inadequate for meeting the basic needs of today's senior citizens while proving itself a champion at destroying health care for the senior citizens of the future.

Simply put, Mr. Speaker, this bill is no longer about prescription drug coverage. It is about ending traditional Medicare coverage.

I oppose this bill for several specific reasons.

First, the bill will do little to alleviate significant out-of-pocket costs for most senior citizens. A senior who spends $2,200 a year, less than $200 a month, on prescription drugs, will be required to pay almost $1,200 for this coverage and the drugs. A senior spending $3,500 a year on prescription drugs will be forced to pay almost $2,500 out of his pocket. That is 70 percent of the total drug costs. While this bill provides some help, I fear it will not be enough to keep the poorest of our elderly from making the difficult choices between buying medicine and groceries.

I am also opposing this bill because, in essence, it is designed to privatize Medicare. The ''demonstration'' projects to be established in six areas of the country, the so-called Premium Support Program, is nothing more than a first step toward complete privatization. The authors of this bill hope that more and more people will forego traditional Medicare for cheaper private HMOs with less overall choice and coverage. In fact, the private insurance companies would receive billions of dollars in subsidies for luring patients away from the traditional program. We all know that the private insurance companies will only accept the healthiest of patients, leaving the sickest patients in traditional Medicare. This, in turn, would result in higher costs for traditional Medicare because it would serve a sicker population.

Additionally, I am opposing this plan because it will mean that a good portion of the 75 percent of Medicare patients who already have prescription drug coverage, many through former employers, will be dropped from their current plan and forced into a more expensive plan with less coverage. In hopes of avoiding that event, this bill is paying a tremendous subsidy to keep these companies from dumping their beneficiaries.

So, this bill provides billions and billions of dollars to private companies to help them lure senior citizens away from traditional Medicare and to continue to provide prescription drug coverage to former employees.

There is some disconnect here. As Robert Robb, the noted Arizona Republic conservative columnist writes, ''Congress is proposing to subsidize private drug plans that are currently being offered at no cost to taxpayers, in order to offer taxpayer-financed drug coverage to seniors that Congress hopes they won't take.'' He continues, ''See what I mean about being sort of stupid.''

Mr. Robb and I rarely agree on issues. But he has hit this nail right on the head.

A more logical solution might be to take these subsidies and use them to simply pay for prescription drugs for those who don't currently have coverage.

Mr. Speaker, I say, let's give prescription drug coverage to the senior citizens who need it. We could do that, in a fair and meaningful way. We only need the desire to do so. But, let's not hurt the seniors who have coverage, and all those in future generations, by passing this ill-advised legislation. We have the opportunity to do something good and important. Yet, the drafters of this bill have taken it as an opportunity to change the Medicare program so drastically that it can only prove devastating to this country's older population. Let's reject this bill and force ourselves to set aside partisan ideologies and help the current and future senior citizens of this great land.

Mr. BLUMENAUER. Mr. Speaker, our senior citizens need help with spiraling drug costs. It is outrageous that moderate income seniors pay the highest prescription drug prices in the world. The idea was to fix this problem, but somewhere along the line, the bill was hijacked by the Republican leadership for other purposes. I can't remember how many of my Republican colleagues have told me that they think this is a bad bill. From the Wall Street Journal to consumer advocates, thoughtful conservatives to people who classify themselves as very liberal, all find this bill deeply flawed.

Spending what's claimed to be $400 billion, but will actually entail far more cost to the

Treasury, and the unprecedented pressure and advertising may pass this bill. The fascinating reversal of position by the leadership of the AARP gives a public relations boost, but that move has already been attacked by its own members.

The authors of this bill are putting something in for almost everybody: not just the drug companies, but doctors, hospitals, insurance companies, and so on, but ignoring the fundamental needs of senior citizens. As over a thousand pages come into focus, details leak out and are investigated by outside groups, the press, even Members of Congress, it is clear the bill still does not meet the needs of our seniors. After all the dust settles, our senior citizens will still pay out of their pockets the highest drug prices in the world.

There's something wrong when the only people who appear to be happy with the Medicare Prescription Drug bill are the drug companies. They were able to strip out provisions that would have allowed reimportation of cheaper drugs from Canada. It will be illegal for the government to negotiate lower prices for Medicare recipients. Future price increases will not be indexed to inflation, but to the rate of runaway drug costs, ensuring that spending will continue to spiral out of control.

For the drug companies, the holidays may come a little early this year. Sadly, deserving senior citizens who need help won't even get this inadequate drug plan until 2006. Told that even in 2006, they will have to pay $4,000 of their first $5,100 of drug costs, they'll feel that they didn't get a present. I will vote against the conference report.

Ms. JACKSON-LEE of Texas. Mr. Speaker, this is about as ugly as it gets. Just when I thought the Republican Leadership could not work any harder to undermine the Democratic process, to abuse their power, and to play politics with critical issues at the expense of the American people—they have just taken it to a higher, or should I say lower level. Call it what you will. The Alliance for Retired Americans calls the Republican drug bill a lemon. Others call it a rotten turkey. Whatever it is, it sure isn't medicine for the American seniors who need it.

When Medicare was founded in 1965, U.S. Government formed a covenant with the people, and said, ''If you work hard and pay your share, we will make sure that you have access to health care when you retire.'' Modern medicine has made great strides over the past decades at managing health problems, not just through surgery and hospitalizations, but also with pharmaceutical drugs developed through great research at the National Institutes of Health, and in pharmaceutical companies here and around the world. These drugs can lead to dramatic improvements in quality of life, by helping Americans live longer, more comfortable, more productive lives.

As great visionaries Lyndon Johnson and the Members of Congress designed Medicare, however, they did not predict that prescription drugs would revolutionize medicine, and therefore they did not include drug coverage in Medicare. Medicine has changed, but the promise that the U.S. Government made to the American people has not. It is time for Medicare to change with the times. It is time to do the right thing and create a real prescription drug benefit for our Nation's seniors in Medicare.

I, with my Democratic colleagues, have been fighting day after day to make that happen. We have gone to the people of this Nation, and to our academics, and health care providers and developed bold plans to get people the medicine they need. We had developed great momentum and help might have been on the way. The problem is that ever since the times of Newt Gingrich, the Republican dream has been to privatize or destroy Medicare. That is why the Republican plan is a risky scheme only an HMO could love.

The Bush administration's Medicare Administrator has called traditional Medicare dumb and a disaster, highlighting Republicans' hatred for a program that Democrats have been fighting for since 1965. While Democrats have worked to modernize Medicare with prescription drugs, preventive care and other new benefits, Republicans are insisting on a riskier course even the conservative Wall Street Journal calls a business and social experiment.

When this process first began, and the President and the House and Senate leaders proclaimed that they intended to produce a prescription drug plan, my Democratic colleagues and I tried to give them the benefit of the doubt. We tried to work in a bipartisan fashion. At one point, I wrote a letter to the Members of the House-Senate Conference Committee and encouraged them to include fair provisions for our physicians and hospitals, so that they would be able to afford to continue providing excellent care for our seniors. I am pleased to say that they did respond to that request, and have put in some funds for those deserving groups. But that is where the collaborations ended. I wish that they could take the handful of good pieces in this bill and move them as separate legislation—the reimbursement pieces I asked for, the rural health provisions, the Hatch-Waxman Reforms—but they won't. These good things are being held hostage to leverage passage of a terrible bill.

Ultimately, the core mission of this bill is to provide prescription drugs to seniors and the disabled on Medicare. On that, this bill fails horribly. The Democrats on the Conference Committee, among them, had decades of experience in the field of health policy. No one could question their commitment to helping seniors, but in a deeply cynical move by Republican leadership, Democrats were barred from even entering conference meetings. That is against everything our Founding Fathers intended this ''People's House'' to be. We got our first glimpse of this bill just over 24 hours ago. Even in our haste to get it read, we have found numerous flaws and pitfalls in it. In 2006, if it is allowed to come into effect, I am sure our seniors will find many more.

Instead of merely blocking our ideas, as they have done for years, they hijacked this issue and in the name of a prescription drug bill, they are trying to shove a piece of legislation through Congress that will destroy Medicare as we know it. It privatizes Medicare, pushing seniors into HMOs and private insurance plans expecting them to do what is right for seniors. And we know from Medicare+Choice, that we cannot count on that. In one year alone, 46 percent of Medicare beneficiaries in Houston were chopped out of HMOs. Switching plans every year jeopardizes health and wastes time and money. The Republicans have invented new gimmicks like artificial caps on spending, and buzzwords, like ''premium support'' instead of what it really is a ''voucher'' system to replace Medicare in 2010.

It is a misdirected attempt, with a terrible benefit—with a giant doughnut hole in coverage. And as bad as the benefit package is—even it is not guaranteed. The entire system is just basically a guideline that Republicans hope and pray insurance companies will follow, and develop drug plans for seniors.

It seems like at this point, we might say, ''well money is tight, so let's just take what we can get, and be happy with this bill.'' But the conference report that we are now finally getting a glimpse of is so bad, it would actually leave millions of senior citizens worse off than they were without it. And as doctors say in the Hippocratic Oath, the most important rule in healthcare is do no harm.

Furthermore, there is no rush to pass this bill. The Republican authors conveniently made their plan kick in in 2006, well after the Presidential elections of 2004. Obviously, they don't want seniors to go to the polls furious when they realize how bad this plan is. The point is, we can wait until spring and do this job right—and still make their 2006 timeline.

AARP used to agree with us on every point I am making, but in a bizarre twist, this week the group, that supposedly represents the interests of our Nation's seniors declared that they would support this lousy bill. I was mystified by this until I learned that, according to a study done by Public Citizen that AARP will make an extra $1.56 billion in profits if this bill goes through. AARP is in the insurance business, and has become too tied to that industry and the Republican leadership. They have breached the trust of the American seniors, and seniors are angry. It is a sad turn of events.

With the measly Republican benefit, the average senior will actually be paying more for their prescription drugs a year after the bill kicks in, than they are paying now. And as every senior knows, it has a giant donut hole in the benefit plan, where seniors have to pay every nickel for their medications—thousands of dollars—while they keep paying premiums. This is tragic for seniors on fixed incomes, and it will be an administrative nightmare for pharmacies. It is a gimmick to compensate for the fact that the Republican administration has squandered and mismanaged our economy to a point that now they say we have no money to fund critical programs.

It seems that at every turn, the people who need our help are getting the short end of the stick. Minorities, who already suffer from tremendous disparities in health and health care, are left behind. While this bill gives a giant gift to the drug and insurance industries and other special interests, it does little to reverse those life-threatening disparities. My Democratic colleagues and I, in both the House and Senate, all came together recently and put forth the Healthcare Equality and Accountability Act of 2003. Our bill is the kind of thoughtful and comprehensive approach that healthcare deserves. One provision I wrote will create a Center for Cultural and Linguistic Competence to help every American take advantage of the health revolution that is upon us. The Republican Medicare bill seems to have the opposite goal.

For example, this conference report does not contain the Legal Immigrant Children's Health Improvement Act (ICHIA), included in the Senate Medicare bill, which would have

removed the 5-year bar on Federal health benefits for legal immigrant pregnant women and children. While these children and pregnant women may still get emergency medical care, States are unable to cover this population with basic medical services that may reduce the need for such emergency care. This unnecessarily increases the cost to taxpayers.

Hispanics are the largest minority group in the United States, and it's estimated that by 2025, Hispanics will account for 18 percent of the elderly population. Currently, one in six Hispanics seniors live under the poverty level. For these Americans, an increase in prescription drug payments or doctor's visits could mean disaster. Houston has a strong Hispanic population, and therefore my district will be hit especially hard by this bill.

And there is more bad news for Texas. 132,300 Medicare beneficiaries in Texas will lose their retiree health benefits. 389,400 Medicaid beneficiaries in Texas will pay more for the prescription drugs they need. 209,000 fewer seniors in Texas will qualify for low-income protections than under the Senate bill because of the assets test and lower qualifying income levels. 97,420 Medicare beneficiaries in Texas will pay more for Part B premiums because of income relating.

When we look at the health care system for our seniors in the United States today, we see two undisputable facts. One is that Medicare is an excellent program that seniors trust, and that delivers quality care at a fair price to those who pay in. The other is that drug costs are out of control and need to be brought down.

The Republican bill preserves the bad, the high cost of drugs—and it dismantles the good—Medicare.

Americans pay about twice as much for drugs as people do in other rich countries in the world—Canada, Germany, England, Japan. This is outrageous, since many of those drugs were developed here, by our workers, trained in our universities, funded by our National Institutes of Health. Our seniors deserve to get the same prices as they get across the border in Canada. The reason they don't is because the Canadian government negotiates with the drug companies, and says ''Hey, there are 30 million of us in Canada buying your products, give us a fair price.'' Both the Republican bill forbids the Secretary of Health and Human Services from bargaining on behalf of the 40 million seniors on Medicare. That is outrageous, especially considering how well such negotiations have worked at the Veterans Administration. This bill is a gift to the pharmaceutical industry and HMOs and the insurance industry.

This bill really is the epitome of just how bad partisanship and political demagoguery can get. Trying to pass it before Thanksgiving is a cruel—and expensive—joke on our seniors on Medicare. I don't want to do that to Houston. Let's don't do that to America.

I will vote against this bill, and keep fighting to get this done right.

Mrs. CHRISTENSEN. Mr. Speaker, I have listened to the debate tonight, and I think everyone agrees that some seniors and disabled would benefit by this bill. But if truth be told, many would lose, which is not what we set out to do—we need and promised a bill that provides a prescription drug benefit for all Medicare beneficiaries, not just a few.

What is clear and why we should oppose this bill, is that if passed it would sound the death-knell for Medicare.

We must insist that the Republicans provide funding to shore up our rural hospitals. We must insist that the Republican leadership not only increase the physician payments this fiscal year, but fix the formula, so that the payments won't be cut again next year.

But what we must not do, is let this divide and conquer tactic make us pass a bill that would do more harm than good and physicians and hospitals should not allow themselves to be used to dismantle the very program they and the patients they are sworn to serve, depend on for the long run.

With a few crumbs to seniors and the disabled, and playing on the dire need of hospitals and doctors, this bill is nothing more than another corporate give-away.

We can afford to vote this bill down, start again, with an inclusive process—the benefit doesn't start for two years anyway. What we cannot afford to do and must not do is to kill Medicare; we must vote no on H.R. 1.

Mrs. KELLY. Mr. Speaker, I rise in support of this important legislation. The Medicare Prescription Drug and Modernization Act will provide prescription drugs to seniors, and provide additional money for doctors and hospitals, both of which are the front line in providing health care.

I am particularly pleased with provisions in the bill which seek to provide financial assistance to hospitals currently experiencing difficulties with inadequate wage index reimbursement rates. And I am encouraged by the potential this bill holds for assisting hospitals in the Hudson Valley which are adversely affected by their proximity to the New York City Metropolitan Statistical Area (MSA).

I would also like to direct my colleagues' attention to an aspect of this legislation which perhaps hasn't received a great deal of attention, and that's the provision that creates Health Savings Accounts.

For years we have been concerned about the many people in this country who have no health insurance. Many of the uninsured are small business owners or employees who simply cannot afford health insurance. With the Health Savings Accounts established in this bill, the small business owner can not only save tax free money for health care, but offer tax free health care money to their employees.

Think of it. Now, because of Health Savings Accounts, the owners of small businesses across the country can make contributions—tax free contributions—to their employees.

Money in these accounts can be used for insurance premiums or spent directly on medical care. This means many more people can buy coverage. For the first time, health care will be more accessible to the millions of small businesses in this country.

This is a powerful tool for empowering working Americans who deserve to control important decisions over their own medical care.

Mr. NUSSLE. Mr. Speaker, I rise today to support a long overdue, welcome victory for Iowa's seniors and health care providers.

Medicare's policies have penalized health care providers in Iowa and other rural areas since the 1960s. While Medicare's primary purpose is to provide health care for seniors, its policies affect both our health care system and our economy. The flawed policies have had an impact not only on seniors, but on all Iowans.

As many of my House colleagues know, I have worked long and hard to address the problems affecting health care providers in rural states such as Iowa. In fact, I wrote this year's budget to reserve significant resources for rural health care as part of a $400 billion Medicare Reserve Fund. Later, in the Ways and Means Committee, I successfully amended the Medicare legislation to ensure that sufficient rural health care funds were included in the bill that was reported from committee. And I continued fighting on the House floor to ensure that these funds—the most generous rural package ever considered by the House—remained in the Medicare legislation as it worked its way through the House.

Today, we are considering a conference report that carries this rural health care package to the end of the process. The benefits for Iowa will be multiplied for years to come. This conference report contains an unprecedented $25 billion rural package including benefits of over $400 million for Iowa alone. I am proud to have worked toward this day with the distinguished chairman of the House Ways and Means Committee and with the senior Senator from my home state of Iowa.

With these significant strides to improve Medicare's reimbursement policies on Iowa's behalf, we help our health care providers to pay the bills and to continue recruiting and retaining top-notch professionals. With a more secure health care system in place, we can further job creation and economic growth for our state.

In addition to taking several steps to strengthen the overall program, we are, of course, finally giving seniors what they have sought since Medicare's inception in 1965—a prescription drug benefit that is affordable, accessible and completely voluntary. All seniors will save on their current prescription drug costs.

Another important feature in the bill is the provision to establish Health Savings Accounts (HSAs). These accounts will allow pre-retirees to accumulate tax-free savings over their lifetime and these savings will remain with the individual once they reach Medicare eligibility. Even with reforms such as these, I want to remind my colleagues that Medicare will still face long-term demographic pressures and Congress will likely have to take additional steps to address the program's sustainability.

Finally, as Chairman of the Budget Committee, I am pleased that the Medicare conference report—with a total cost of around $395 billion—is generally consistent with the $400 billion Medicare Reserve Fund that was laid out in this year's budget resolution. In a year of intense demands for limited government resources, this Medicare Reserve Fund was the largest policy initiative in the budget resolution and was arguably its centerpiece. Because the budget resolution struck a responsible balance between seniors' needs on the one hand and affordability on the other, we were able to generally stay within our own guidelines. I commend the conferees for staying within the $400 billion threshold.

Mr. Speaker, I have been spreading the word and twisting arms for a long time on behalf of legislation that would meet Iowa's health care needs. I am gratified that our message has been received and our persistence has paid off.

Mr. CAMP. Mr. Speaker, I rise in support of H.R. 1.

In the last five days, I've heard a lot about what this bill doesn't do. Let me be frank: life is not about what we don't do; it's about what we accomplish.

And, if I had a friend in need who asked me for $100 and all I had was $20, I wouldn't give him nothing. But that's what some here are prepared to do—turn away a friend in need.

For years we have agreed that our seniors needed a prescription drug benefit in Medicare; but unfortunately we have yet to provide them with any relief.

This Medicare bill offers a prescription drug benefit through competing private health insurance plans—marking the first time private sector plans and consumer choice would be the principal vehicle for delivering Medicare benefits. It also includes common sense reforms like preventive care and health savings accounts.

This is the first step in the direction of true reform. It's a step in the right direction and it is time we take it.

Mr. ORTIZ. Mr. Speaker, Congress created Medicare in 1965 to make healthcare affordable and available for all senior citizens. My colleagues and I have fought to maintain this original intent.

Today, the leaders in Congress are pushing dangerous legislation—called Medicare reform—on South Texas seniors that fails to include an adequate prescription drug benefit while privatizing Medicare, killing the program at the end of the decade.

This prescription drug ''coverage'' is not what seniors expect or deserve. When seniors have more than $2,200 in drugs costs, they will hit a gap, where Medicare will no longer cover the costs of their prescriptions until they reach $5,000.

When this happens, these seniors will be forced to pay 100% out of their own pockets while still paying monthly premiums. Meanwhile, their HMOs will select their doctors and their pharmacies.

Over 185 organizations with an interest in seniors' issues are wholly opposed to this bill. While one of the largest senior organizations has lent support to this bill (The American Association of Retired Persons, AARP), it is the only one to do so . . . it is the only one that provides insurance to seniors at a profit of $635 million . . . and the only one poised to take advantage of billions of dollars in the bill to entice private insurers to cover seniors.

The bill effectively ends drug reimportation by allowing the Secretary of Health and Human Services (HHS) to decide what prescriptions could be reimported. The HHS Secretary has already said he would allow none.

If this is not the answer, what is? I stand on my record, voting 8 times for a complete Medicare Rx drug plan . . . voting 6 times and co-sponsoring 6 bills supporting higher reimbursements to doctors and hospitals . . . voting 6 times not to kill Medicare . . . and voting 8 times and co-sponsoring 3 bills to improve rural healthcare.

Nothing in this bill makes prescription drugs cheaper. Other Federal programs, such as the Veteran's Administration, get cheap drugs negotiating directly with the big drug companies. The plan will keep the government from negotiating for lower drug prices for Medicare beneficiaries.

This plan protects the profits of drug manufactures instead of providing real savings to seniors. Rising drug prices are unaddressed in this bill, a victory for the drug industry for preventing any attempts to lower drug prices.

Meanwhile, the value of some seniors' property will be used to determine their level of coverage—including jewelry, cars, and other property of value for which they worked their entire lives.

In South Texas, for the short term anyway, the bill (which would not take effect until 2006) would help only about 30% of low-income seniors. Effectively, that means this bill will not help over two-thirds of our most needly seniors.

When I think about the seniors that bill will affect, I think of the ladies who took care of me as I grew up of Robstown, Texas. Life for them revolves around family and children, paying the bills and finding health care in their senior years.

These are the people affected by the bill, which ends Medicare as we know it, privatizing the entire progrm by the end of the decade. It is thousands of South Texans like these who have raised voices in opposition to this bill. I stand with them.

Medicare has been a trust between the government and those who do the hard work in our society, our senior citizens. Too many seniors depend on Medicare for their healthcare needs, and I will not support a bill that destroys that trust.

Mr. LARSON of Connecticut. Mr. Speaker, I rise today in opposition to H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003. Some may claim that this legislation is the answer to the high prices seniors are paying for their prescription drugs. That is far from true. The reality is that this legislation is a Medicare privatization plan masquerading as a prescription drug relief bill. The big winners in this bill are not the seniors that desperately need relief, but pharmaceutical companies and big business.

Does this conference report strengthen the Medicare program that seniors know and trust? The answer is no. It includes a premium support demonstration project that is the first step towards forcing all seniors to choose private insurers to get the prescription drug benefit they need, or to pay more to stay in the traditional Medicare program. This bill having any effect at all is contingent upon the willingness of HMOs and insurance companies to participate, and the track record does not paint a positive outlook. We in Connecticut remember HMOs pulling out of Medicare Plus Choice plans because they simply could not make a profit.

Does this conference report allow the Government to negotiate the costs of prescription drugs and provide relief to seniors? The answer is no. The bill specifically prohibits the Secretary of Health and Human Services from leveraging the tremendous buying power of the Federal Government to negotiate lower drug prices for 40 million Medicare recipients, a system the VA currently uses.

Does this conference report allow reimportation of drugs from other industrialized nations so that seniors will be able to purchase less expensive drugs? The answer is no. It ignores the reimportation measure that this House passed this summer and places the decision in the hands of health officials who have vocally opposed reimportation.

Does this conference report help low-income seniors who need help the most? The answer is no. First, the proposal actually reduces coverage for the 6.4 million lowest-income and sickest beneficiaries who qualify for Medicaid today. It prohibits Medicaid from helping these beneficiaries with copayments or from paying for prescription drugs not on the formularies of the private insurers administering the new Medicare benefits. It also leaves behind 3.9 million seniors that would have qualified under the Senate bill. One reason for this is the imposition of an invasive assets test. This means that seniors with modest savings will not receive any assistance with the cost of their premiums, the deductible, copayments, or the cost of the medications while they are in the $2,850 coverage gap.

Does this conference report help cancer patients? The answer is no. It falls well short of the drug and practice reimbursements needed to provide millions of cancer patients with the care they need.

Will this conference report prevent employers from dropping health insurance for their retirees? The answer is no. Though incentives were added to encourage employers to maintain their retiree plans, the Congressional Budget Office estimates 2.7 million retirees will lose the existing coverage they rely upon and countless others may have their benefits reduced. Furthermore, it does nothing to protect retired teachers, firefighters, police officers, State and local government employees, and those who worked for nonprofit organizations.

Does this conference report help the hospitals and doctors struggling to meet the needs of their patients? The answer, surprisingly, is yes. It provides an increase in the Medicare Disproportionate Share Hospital cap for rural hospitals and urban hospitals with fewer than 100 beds. It increases payments for indirect medical education that would provide increased funding for the twenty Connecticut hospitals that have medical education programs. Also, it eliminates the 4.2% reduction in payments to physicians in 2004 and replaces it with a 1.5% increase for the next two years. These provisions are positive. But, this was intended to be a prescription drug relief bill and these positives are by far outweighed by the negatives of this legislation.

So, who are the winners in this conference report? The answer is pharmaceutical companies. They will receive the majority of the $400 billion that this legislation will cost. But, even better for them, they will not be forced to lower their prices. The Government will not be allowed to negotiate prices and seniors will not be allowed to purchase imported drugs from other industrialized nations. Apparently, the industry's army of lobbyists and $22 million in campaign contributions were effective.

Who are the losers? The answer is seniors, the ones this bill was meant to assist. They asked for prescription drug relief and we are trying to give them a Medicare privatization bill. That is why I urge my colleagues to join me in voting against this conference report.

Mr. UDALL of New Mexico. Mr. Speaker, I rise today with great disappointment in the conference agreement that has been brought to the floor. I sincerely hoped that the bill that passed the House in July would have been moderated with provisions included in the other chamber's bill.

Unfortunately, instead of considering legislation today that would have modernized the

Medicare program to provide prescription drug cost relief and coverage for seniors throughout this great nation, we have this agreement that is geared toward dismantling one of the most successful government programs ever implemented. Instead of considering legislation to modernize the Medicare formulas to fix the inequities between rural and urban areas, we are considering an agreement that wraps these crucial fixes in with a prescription drug benefit that is designed to achieve the ideologically extreme goal of privatizing Medicare.

Mr. Speaker, I will certainly admit that the provider package included in this agreement is excellent. For years doctors, hospital administrators, and other health care providers have suffered under the unfair Medicare formulas that severely hampered their ability to provide care to Medicare beneficiaries. The labor share revision, the geographic physician payment adjustment, increasing home health services furnished in rural areas, critical access hospital improvements—these are all incredibly important provisions that I strongly support in order to help strengthen the health care system in rural areas. I also support fixing the inequitable disproportionate share formula, which is done to a degree in this agreement. Unfortunately, however, the conference agreement removes language that would have given New Mexico a larger increase of DSH payments to $45 million. The physician fee formula update is another provision that is incredibly important. Without this fix, physicians will have no other choice but to stop seeing Medicare beneficiaries, which will lead to the total breakdown of a system that is already badly strained to its limits.

I recognize the importance of these provisions. I understand the difficulties that those in the health care industry are facing. I understand the difficulties seniors are facing in trying to purchase and pay for their medications. That is why I have cosponsored legislation to fix the disproportionate share provisions, I have cosponsored legislation to fix the Medicare physician payment updates, I have written letters supporting these provisions and urging Chairman Thomas to include these rural fixes in the legislation, I have written a letter to conferees asking them to retain this provisions, and, when this bill passed in July, I voted in favor of the Democratic alternative that not only included stronger rural provisions than those included in the Majority's bill, but also contained a real prescription drug benefit—not a benefit engineered to bring about the demise of the Medicare program.

Mr. Speaker, lets be clear about what our goal was supposed to be. We were supposed to create a new prescription drug benefit in Medicare. That's what we were supposed to be doing with this important legislation.

Unfortunately, we are doing much more than that, and a lot of it is terrible. We were supposed to be reducing the costs of drugs for seniors. Yet this plan prohibits the federal government from using its clout to force down the price of medicine.

We were supposed to help seniors keep their current drug coverage if they are fortunate enough to have it. Yet this plan may force up to three million seniors out of their current employer-based plans.

We were supposed to be strengthening the Medicare program by adding a voluntary benefit for prescription drug coverage. Yet this plan, under the guise of a premium support demonstration, weakens the Medicare program by forcing beneficiaries to pay more for Medicare if they don't give up their doctor and join an HMO.

We were supposed to help low-income seniors who get additional assistance from Medicaid afford their prescriptions. Yet this plan not only forces 6 million low-income seniors to pay more for their medications, but also imposes an unfair assets test that disqualifies seniors if they have modest savings.

We were supposed to be providing a prescription drug benefit that would ease the cost and emotional burden seniors face in dealing with medication purchases. Yet this plan leaves millions of seniors without drug coverage for part of the year due to the $2800 gap in coverage.

Mr. Speaker, I am extremely disappointed with this agreement. I am disappointed because what should have been a straightforward approach took a wrong-turn along the way. I think this is a terrible way to spend $400 million dollars on a supposed prescription drug benefit, and I will be forced to vote against this measure. I urge my colleagues to reject this shameless assault on Medicare.

Mr. STUPAK. Mr. Speaker, I rise today in opposition to this Medicare bill with limited prescription drug coverage.

This plan is bad for America's seniors and especially bad for rural areas like Northern Michigan, which I represent.

Medicare should be a right—this Republican Medicare bill threatens to undercut this right and destroy a program that seniors have trusted for nearly 40 years.

For most seniors, the prescription drug plan does not begin until 2006 while the Democrats' plan would have begun next year.

The Republican plan has a gap in prescription coverage the size of the Upper Peninsula. This gap starts at $2,250 and goes on until you hit $5,100.

We should be giving our seniors a real prescription benefit not one that gives you part-time coverage.

Illnesses and diseases do not take time off—you're not sick part of the time—seniors need full prescription drug coverage now.

Those seniors who now have coverage may lose it—CBO estimates that up to 3 million could lose their existing prescription drug coverage.

I cannot support a bill that will undercut our seniors' right to Medicare.

While Congress provides universal health coverage for Iraq that includes full prescription drug coverage—seniors in America will receive part-time prescription drug coverage but pay 100 percent of the costs.

Vote ''no'' on this ill-conceived bill.

Mr. DAVIS of Illinois. Mr. Speaker, I have heard my colleagues describe the prescription drug plan as ''not perfect'' and a ''step in the right direction.'' However, this legislation is neither. Our seniors will not gain better health coverage or a prescription drug benefit that is affordable. Instead the CBO estimates that approximately 2–3 million seniors, 107,000 alone in my state of Illinois, who currently have drug coverage from their employer, will lost that coverage. This bill lowers Medicare's assistance to the employers making it unaffordable to keep their retirees' coverage. The new cap on general revenue spending will cause reductions in provider reimbursement rates, higher out of pocket cost, or even raise the payroll tax—once again passing the buck along to future generations. Worst of all for our senior consumers, we do not even allow the Secretary of HHS to negotiate lower drug prices for them.

I am disappointed in this House for turning its backs on fulfilling our promise to seniors, but I am extremely disappointed that we are completely abandoning our Nation's most needy—our Nation's poor seniors. We are expecting our States to pay the Federal Government 90 percent of the cost of drugs for our low-income seniors. During a time when States are already faced with large debts and complicated decisions on what to cut next—how do we expect the States to afford 90 percent of the cost of drugs for our poor seniors? An estimated 6.4 million low-income and disabled people will have significantly worse coverage under this new plan. It is probably because this bill actually prohibits Medicaid from helping with copayments or paying for prescription drugs that are not approved by the private insurers. This means that certain, needed medications that are currently covered by Medicaid will no longer be available to seniors. This plan does not even provide assistance for our seniors that are between 150 percent and 160 percent of the federal poverty line that is an annual income of $15,300 to approximately $17,850.

Mr. Speaker, no one is saying that we should give our seniors something for free. But we are saying lets give them something that is fair, reasonable, and makes sense.

Mrs. BONO. Mr. Speaker, I rise in strong support of the Medicare Prescription Drug and Modernization Act of 2003. This has been a very long and cumbersome process; however, I believe that the American citizens will be pleased with what we have accomplished. I would particularly like to laud the accomplishments of the conferees who put in tireless hours crafting this monumental legislation.

More often than any other concern, I hear from the constituents of the 45th District regarding health care. They are legitimately frightened that without reform, they will lose their existing benefits and the standards of care to which they have become accustomed. The time had come to pass substantive legislation that will allow seniors to spend less money on prescription drugs and spend less time navigating through the red tape and paperwork.

This landmark legislation is responsive to the needs of our seniors and will allow access to affordable prescription drugs and improve health care to millions of our most needy senior citizens. This is the most generous package Congress has considered for rural and suburban health care giving seniors will have better access to doctors, hospitals and crucial treatment options, regardless of where they live. Additionally, this bill addresses the needs of the low income.

I am particularly proud that the bill includes the critical funding for relief from the drastic payment reductions in the Medicaid disproportionate share hospital (DSH) program. The provision will go a long way toward protecting California's fragile health care safety. The funding in the conference report will restore several hundred million dollars to safety-net providers in California over the next 10 years.

Safety net hospitals across the state of California, two of which are located in the 45th District in Moreno Valley and Indio, have had

to absorb drastic reductions in Medicaid DSH funding at a time when demand for their services has been increasing. The additional funding will help ensure that services to the most vulnerable populations are available.

This bill represents a breakthrough in the nation's commitment to strengthen and expand health security for its citizens at a time when it is most needed. I rest assured knowing that our nation's future generations will continue to receive the highest level of health care available.

Mrs. BIGGERT. Mr. Speaker, no single piece of legislation is as important to meeting the health care needs of Americans as is the bill we will vote on shortly, the conference report to H.R. 1, the Medicare Modernization and Prescription Drug Act. I rise to express my strong support for this legislation.

Today is truly a momentous day. Finally, Medicare will catch up with the realities of twenty-first century medicine. When the program was first created in 1965, the majority of medical treatment was done in a hospital. This is reflected in Medicare's current generous hospitalization benefit and paltry prescription benefit.

Well, times have changed, to say the least. Today, life-saving medications are helping seniors stay out of the hospital and live longer, happier and more productive lives. But, as we all know, prescription drugs are expensive, and seniors too often are forced to cut back on other necessities to afford the medicine they need. Passage and enactment into law of this conference report will help to ensure that this never happens again.

Here's how it works.

Six months from now, seniors will begin to see the benefits. In April of 2004, any senior who wishes to have one will be issued a voluntary drug discount card that will save them 10 to 25 percent on their prescriptions. For low-income seniors, $600 automatically will be added to their cards to help them afford the drugs they need. The discount card will work like a supermarket discount card, giving users a discount at the time of the purchase.

Another very important benefit kicks in beginning in 2005, when all newly enrolled Medicare beneficiaries will be covered for an initial physical examination. At last, patients and physicians will have an early baseline that can signal if problems exist or what areas might need to be monitored more closely in the future.

All beneficiaries also will be covered for cardiovascular screening blood test, and those at risk will be covered for a diabetes screen. These new benefits can be used to screen Medicare beneficiaries for many illnesses and conditions that, if caught early, can be treated, managed, and can result in less serious health consequences.

And perhaps most importantly, beginning in 2006, for the very first time in the history of Medicare, seniors will have a prescription drug benefit. If they choose to participate, seniors would pay about $35 a month. Once they have met the $250 a year deductible, 75 percent of their drug costs will be covered up to $2,250. When drug costs exceed $3,600 a year, 95 percent of costs will be picked up by Medicare.

No matter where in the country they live, seniors will be able to choose between at least two prescription drug plans.

If seniors are happy with the coverage they now have—and many in my district are—they do not have to switch into a new plan. This new benefit is absolutely, completely, 100 percent voluntary.

But there is much, much more to this bill than a prescription drug benefit option for seniors. In fact, this bill can affect the health and welfare of every American citizen, no matter how young or old. How is this so?

Well, first, this bill will expand access to health care for everyone.

As you know, physicians who see Medicare beneficiaries are reimbursed for the extra cost of treating these patients. These payments are already woefully inadequate and physicians have been forced to stop taking on Medicare beneficiaries because they simply cannot afford to keep seeing them. Under current law, these reimbursements will be cut by an additional 4.5 percent next year.

I am very, very pleased that the conference report addresses this issue by reversing the scheduled cut and increasing the payments by 1.5 percent. This means that more doctors will be able to treat more seniors, and more seniors will have a choice of which doctors they see.

Hospitals also will be better off under this bill. The conference report provides increases in payments to teaching hospitals and increases funding for hospitals that treat a large number of Medicare patients. It also reimburses hospitals for the costs of using the most advanced technology. In short, the conference report ensures that hospitals can continue to care for Medicare beneficiaries.

Finally, this legislation encourages Americans of all ages to save for their own healthcare needs. The Health Savings Accounts—HSAs— will let people save money and accumulate interest—tax-free—in order to take care of health care premiums and other medical expenses.

HSAs are completely portable, so when people change jobs, they can take their accounts with them. Individuals also can make ''catch-up'' contributions to their accounts once they turn 55, and still enjoy the tax benefits.

These accounts will help thousands of individuals who do not have access to health insurance—or who wish to augment their coverage—to better afford it.

Our seniors have worked hard throughout their lives. They should be enjoying their golden years, not worring about how to pay for their life-sustaining medicines. This legislation will go a long way in helping them get back to the business of enjoying life.

Drug discount cards, baseline physical examinations, prescription drug coverage, and disease screenings are just a few of the great new features that will help seniors stay healthy.

Health savings accounts and improved levels of physician and hospital reimbursements will go a long way to improving access to health care for Americans of all ages.

I am honored to support this legislation and I encourage my colleagues to do so as well.

Mr. CAPUANO. Mr. Speaker, I rise today to voice my strong opposition to H.R. 1, the Republican Prescription Drug Bill.

This bill represents the first step in a Republican plan to end Medicare as we know it. Under the guise of providing seniors with the prescription drug coverage they so desperately need, this Congress is attempting to destroy the program that seniors have depended on for over 35 years to provide them with the affordable, reliable health care they need and deserve.

Mr. Speaker, not only does this bill fall far short of what the senior citizens of this country expected of us, but it fails by the most basic of standards: it prohibits the federal government from negotiating for lower-cost drugs; it may lead to 3 million seniors losing the good prescription drug coverage they currently have through former employers; it subsides HMOs at 124 percent of what it pays to traditional fee-for-service Medicare; it creates new Health Savings Accounts, which benefit mostly the wealthy; and it sets up new ''cost-containment'' measures, designed to lay the groundwork for future cuts to beneficiaries and providers. But most alarmingly, this bill contains a massive demonstration program that it the first step toward the privatization of Medicare.

The ''premium support'' demonstration project in this bill could force 7 million seniors to be subject to a social experiment that has never been tested. Under the demonstration program, HMOs could ''cherry-pick'' healthy and wealthy seniors citizens, leaving the poor and sick in the traditional program, undermining the social insurance pool. Premiums for those in the traditional program would be driven up, and they could also vary by region and fluctuate from year to year. This is an unacceptable assault on the Medicare program that will only result in higher profits for the insurance industry.

There is no denying that some people may benefit from this bill. For example, it does provide some prescription drug coverage for those with the lowest incomes. Although instituting the first assets-test for low-income beneficiaries in Medicare's history, it will mean that many of these senior citizens now have access to prescription drugs.

Further, as the Member representing many of the teaching hospitals in the Boston area, I am well aware of the important provisions in this bill that will provide essential funding for the world-class hospitals, dedicated doctors, and other health care professionals who work so hard to provide quality care to all the citizens of my district.

However, the positive elements of this bill do not outweigh my concern for the damage this bill could do to a program that has become an integral part of our society. The steps toward privatization contained in this legislation are unacceptable. I am not willing to gamble with the health of our nation's seniors, placing their well being in the hands of the insurance industry. I do not believe this is a risk worth taking. Medicare has served us well for over 35 years. Its demise would mean an America where senior citizens are left to fend for themselves in the private insurance market without a safety net. While this bill may offer some appealing short-term benefits, the price could be the end of Medicare as we know ti. I cannot and will not be a part of it.

I urge Members to vote ''no'' on H.R. 1.

Mr. SHERMAN. Mr. Speaker, I rise to protest the process that brings H.R. 1, the Medicare reform and prescription drug legislation, before the House today. These procedures could only be described as undemocratic and unfair.

Republican Leaders were in the room for weeks as this bill was drafted, and were able to brief their members on its contents. Democratic Members could not begin to analyze the bill's provisions until yesterday.

We were given almost no time to review the conference report for this momentous legislation. We have waived the rules of the House to allow for this hasty, almost immediate consideration of a bill more than 1,000 pages long, so that not even the members of this body, to say nothing of the public, can fully grasp what is included.

There is no way that we, with a fairly full day of debate in this body, could have read the bill in the short time provided. And it is not enough that we merely read the bill. One must understand its implications. This alone demands that we vote ''no'' now, to give ourselves more time to fully deliberate and debate this legislation.

Mr. Speaker, again, I rise to express my strong opposition to the process by which we are today voting to overhaul one of the most important institutions in our country. American seniors deserve better, and we owe them more of our time; we owe them full deliberation, debate and our full consideration of this legislation.

Mr. ROTHMAN. Mr. Speaker, for seven years, I have been pushing and voting for a voluntary prescription drug benefit under Medicare. Such a plan would give seniors access to the quality, affordable, life-saving medicines they need. Unfortunately, the final Medicare bill—written in secret by the very same Republicans who eight years ago shut down the federal government as part of their strategy to force Medicare to wither on the vine—does exactly the opposite of what it is supposed to do. Instead of providing seniors with a voluntary, guaranteed drug benefit, the bill provides no drug coverage until 2006, and then forces millions of seniors to pay more for drugs if they don't give up their doctor and join an HMO—HMOs that can raise premiums at will and will throw out seniors who get too sick. The bill is nothing less than an outrageous giveaway of taxpayer funds to the health insurance industry.

A $12 billion slush fund in the bill will be doled out to insurance companies that offer privatized Medicare services and employers are given a $70 million windfall to maintain their retiree drug plans. These subsidies create a huge bias in favor of private plans. That's not competition, it's corporate welfare, and it's wrong.

The Congressional Budget Office projects that when the drug benefit begins in 2006, the average senior will spend $3,155 annually on prescription drugs. Under the Republican bill, because it so loaded up with giveaways to the private insurance industry, a senior with an income over $13,500 will pay $2,075 out of the first $3,155 in total drug costs—66 percent or two-thirds of the total—including the $35 monthly premium and the $250 annual deductible. And on top of these costs, 52,000 New Jersey seniors will face additional increases in their Part B premiums.

Also, instead of a voluntary benefit under Medicare, seniors will lose their doctors and be forced out of the system they know and trust. Worse still, 220,000 New Jersey seniors enrolled in PAAD and Senior Gold will have their health jeopardized and their choice of medicines limited by restrictive drug formularies imposed on the State by managed care plans. These seniors will face disruption in their coverage and will likely get less help than they currently receive. And it's a bad bill for doctors, whose reimbursement rates will be set not by the federal government, but by HMOs out to make a profit.

It is an especially bad deal for New Jersey seniors. As a result of the Republican bill, 94,000 New Jersey retirees will lose their drug coverage, 2–3 million nationwide. Over 150,000 Medicaid beneficiaries in New Jersey will pay more for drugs and 186,000 New Jersey seniors will be forced to leave traditional fee-for-service and accept vouchers to enroll in private plans starting in 2008.

The Republicans controlling the House of Representatives today dislike Medicare so much that they are literally willing to subsidize private health insurance companies to compete with Medicare, paying those companies $82 billion to create new private bureaucracies to handle prescription drugs for seniors and to even go so far as to build in a profit for them. We tried this experiment once already, giving private plans subsidies to offer Medicare services in the form of Medicare+Choice. But despite these subsidies, private Medicare+Choice plans felt they could not make enough of a profit, so they cut benefits and dropped hundreds of thousands of policyholders. Not only will this bill ultimately destroy Medicare and force seniors and their doctors into dealing with private HMOs, but the $82 billion could have been invested into the existing Medicare infrastructure, covering all seniors with a voluntary prescription drug program and reducing the premiums and co-pays for our nation's seniors.

Most galling the bill expressly prohibits the federal government from negotiating prices with the drug industry. The government already permits such negotiation in prices by the Department of Veterans Affairs and the Department of Defense—if this is good enough for veterans and those serving on active duty in the armed forces, why not for seniors? This is a $139 billion gift to drug companies in windfall profits. If Republicans were serious about reducing costs, their bill would not block the Secretary of Health and Human Services from using Medicare's enormous purchasing power to bring drug prices down.

AARP, which claims to speak for seniors, but is in fact a big insurance company with over $200 million in commissions on health and life insurance policies and prescription drug plans, has hastily endorsed the bill. Like hundreds of rank and file AARP members in my district who have called my office to disavow the national group's decision, I am outraged that AARP renounced the anti-privatization principles it claimed were central to its support. For this reason, I have resigned my AARP membership.

As many have said, this bill is a Trojan Horse: a radical dismantling of Medicare masquerading as a prescription drug bill. We must not forget that only a handful of Republicans voted for Medicare when Democrats created the program nearly 40 years ago. And at every turn since 1965, the Republican Party has worked to weaken a popular and successful health care system that allows seniors and their personal doctors to manage their own care.

We must not now adopt a privatization scheme that will harm seniors and risk Medicare's future. Instead, Congress ought to add a simple, straightforward and voluntary drug benefit to Medicare, save the $82 billion in subsidies to private insurance companies and private plans, and apply that money to lessen seniors Medicare drug premiums and co-pays. And then we should engage in a real bipartisan discussion about the future of Medicare—out in the open and not in a secret congressional backroom.

Mr. COSTELLO. Mr. Speaker, I rise in strong opposition to H.R. 1, the Medicare Prescription Drug and Modernization Act of 2003 conference report. Since coming to Congress, I have consistently promised over 70,000 seniors in my district that I would not support legislation that would fundamentally change the nature of Medicare and provide a prescription drug benefit that relies solely on insurance companies. This legislation does just that and I cannot in good faith support it.

Medicare has been a success because it provides guaranteed coverage for all elderly and disabled Americans. This legislation would end Medicare as we know it and may particularly harm rural areas that depend on the traditional Medicare program. Beginning in 2010, up to 6.8 million people could be part of a demonstration program that forces the Medicare fee-for-service program for doctors and hospital visits to compete with private insurance plans. People who wanted to remain in traditional Medicare would find their premiums going up as other beneficiaries opted for private insurance coverage. Seniors and the disabled would essentially be forced out of the traditional fee-for-service program and into some form of managed care.

In addition, this approach does not guarantee the same benefits for all seniors. Seniors who live where hospitals and doctors negotiate lucrative contracts with managed care plans would have to pay more; seniors with higher incomes would have to pay more; seniors in rural areas would have fewer choices of doctors and pharmacies; and seniors with low incomes but with assets such as a savings account might get nothing at all. These provisions violate the central promise of Medicare: to provide a consistent, guaranteed benefit that allows everyone, no matter where they live, how much they have, or how sick they are, access to quality medical care.

Further, I support a voluntary prescription drug benefit paid for by Medicare. However, this ill-conceived plan before us today will result in as many as three million retirees losing their employer-sponsored drug coverage which is more comprehensive than this legislation. At present, employer-sponsored retiree health benefits are the greatest source of coverage for retirees, providing drug coverage for one in three Medicare beneficiaries. Yet, this conference agreement creates an incentive for employers to drop retiree coverage they currently provide, rather than encouraging them to maintain it. In addition, it fails to help retirees from state and local government, multiemployer groups, and non-profit organizations. The additional funding, under the premise of shoring up retiree coverage, is meaningless to those who retire from public service, such as teachers, firefighters, and police, or other organizations with no tax liability.

Finally, the conference agreement is flawed because it offers seniors an inadequate prescription drug benefit. I am committed to providing a comprehensive benefit that is affordable and dependable for all beneficiaries with no gaps or gimmicks in its coverage. However, this legislation provides a huge gap in coverage leaving half of seniors without prescription drug coverage for part of every year.

Further, the bill is sorely lacking in any provision that might restrict the skyrocketing costs of the drugs themselves. It does not include meaningful reimportation language, strong language ensuring access to generic drugs, or the ability to negotiate prices as is done currently by the Veterans Administration.

This legislation relies too heavily on the insurance industry to bring drug costs down and does not guarantee seniors access to the medicine prescribed by their doctor or that they can get prescriptions filled at their local pharmacy. Seniors deserve fair drug prices and a real, affordable prescription drug plan.

Mr. Speaker, for these reasons, I oppose the conference report. I ask my colleagues to join me and reject this bill and send it back to the committee with instructions to bring the bill back to the floor with a real prescription drug plan that guarantees seniors affordable and dependable coverage.

Ms. MCCOLLUM. Mr. Speaker, tonight, Republican leaders in Congress are poised to pass an overhaul of Medicare that provides a weak prescription drug benefit, fails to lower drug costs, and starts the process for the privatizing of Medicare—a program that seniors have depended upon and trusted for almost 40 years.

Seniors have been fighting for years for a Medicare prescription drug benefit that is affordable; available to all seniors and disabled Medicare beneficiaries by providing meaningful benefits within the Medicare program.

However, the legislation Republicans have produced does not make prescription drugs affordable, does not offer a guaranteed benefit under Medicare and does not sufficiently protect current retiree plans. Instead, this bill caters to the pharmaceutical industry, bribes the HMOs with $12 billion in subsidies, and allows the AARP to reap $1.56 billion in profits. This bill threatens the future of Medicare and the health of America's seniors.

Under this Republican Medicare bill: $88 billion in tax credits will be given to employers to retain coverage for their retirees, and; Despite this windfall, 2 to 3 million seniors will still lose benefits from their employer-based coverage; and millions of seniors will pay more in Medicare premiums if they refuse to join an HMO.

The prescription drug plan that Republicans have proposed is a sham. Seniors will pay more than 50 percent of their drug costs for coverage up to $2,250. Most troubling, the bill leaves a huge ''coverage gap.'' Seniors will have zero prescription drug coverage for medication costs that run between $2,250 and $5,100—and those beneficiaries will still have to pay the monthly premium! Over half of all Medicare beneficiaries would fall into this ''coverage gap.'' And this bill will scale back coverage for the poorest seniors. Up to 6.4 million low-income Medicare beneficiaries will get less drug coverage than they have now as a result of new low-income thresholds and stringent asset testing. Also, seniors will only be eligible for drug coverage through private insurance companies that will have wide latitude in setting premiums and deductibles. Private insurance companies will also be able to make decisions about which drugs are covered, as well as which pharmacies seniors can use.

Today, there are approximately 648,000 Medicare enrollees in Minnesota. According to the Minnesota Department of Health, about 46 percent have no prescription drug coverage. In Minnesota alone, this bill that may cause at least 39,480 Medicare beneficiaries to lose their coverage from their former employers and 89,800 Minnesotans will pay more for prescription drugs.

And the most outrageous part is that the Republican plan benefits the pharmaceutical industry by explicitly prohibiting the Secretary of Health and Human Services from negotiating lower drug prices on behalf of America's 40 million Medicare beneficiaries. It also blocks the re-importation of drugs from Canada at lower prices. Additionally, the plan will create health savings accounts, which are tax-free savings accounts for medical expenditures. This creates an unprecedented tax loophole that would undermine existing employer coverage and provide $6.7 billion in tax relief for the wealthy.

Earlier this year, I supported a bill that provides for a voluntary prescription drug benefit under Medicare. Medicare would pay 80 percent of drug costs after a $100 deductible and no senior will have to pay more than $2,000 in costs per year. This plan would cover all Medicare beneficiaries, regardless of previous health conditions, and guarantee people's choice of medication, pharmacy, doctor and hospital. The plan that I supported would also give the Secretary of Health and Human Services the authority to use the collective bargaining power of 40 million beneficiaries to secure lower costs for the most popularly prescribed medications to end price gouging by the big drug companies.

Minnesota seniors and persons with disabilities deserve better than the Republican bill that is before us tonight. I will only vote for a prescription drug benefit that is affordable and available to all seniors and disabled Medicare beneficiaries regardless of geographic location or health condition.

Mr. BISHOP of Georgia. Mr. Speaker, although the massive conference agreement over Medicare reform contains some of the provisions the country needs and that I support, the overall legislation is deeply flawed. Congress can do better. By voting against the agreement, I am calling on Congress to correct the flawed provisions that would deny many seniors any prescription drug benefit, increase health care costs for many lower income citizens, push many seniors into managed care, put employer-based prescription drug coverage at greater risk, and create an uncertain privatization process that could change the face of Medicare forever.

By voting down this proposal, we could fix the critical flaws and still have time to enact a sound Medicare reform bill that the country desperately needs before the end of the 2003 session. I am cosponsoring a bill introduced Friday (11/21) that would shore up rural providers and maintain the integrity of Medicare for rural communities, while putting aside the more rancorous issues until later. I urge its consideration.

Among the agreement's provisions that I strongly support are those that would provide realistic reimbursements to providers, including giving rural hospitals parity with urban hospitals. Many community hospitals have shut down, and many are struggling to survive. This puts the health of many of our rural citizens, and the vitality of many rural communities, at risk. Relief for at-risk hospitals is one of the positive things about the agreement, and it should be a part of any health care reform enacted by Congress.

But I cannot overlook the agreement's overwhelming downside.

Dr. Kenneth Thorpe, a noted health policy authority from Emory University, calculates that under this agreement 51,450 Georgians would lose employer retiree health benefits; 161,300 Georgians would pay more for prescriptions; 82,000 fewer Georgians would qualify for low-income benefits than under the Senate version; and 34,000 Georgians would pay more for Part B premiums for doctor and outpatient care.

There are other sections of this lengthy bill, released the same day debate began, that few outside the conference committee have had an opportunity to examine. But much of what we know is disturbing.

There are no measures in this bill to respond to the problem of skyrocketing of drug costs. Not only would the government be prevented from negotiating drug prices, the possibility of reimportation of less expensive medicine from Canada is effectively killed.

The actual prescription drug benefit is skimpy, with an enormous coverage gap and an asset test designed to limit access for thousands of truly needy Americans. Moreover, millions of retirees will see the superior coverage they now receive from their former employers weakened or eliminated. That's nearly 3 million individuals nationally and more than 50,000 in the state of Georgia alone.

One of the biggest concerns is the agreement's push to privatization. As drafted, it appears private insurers would tend to pull in the healthiest beneficiaries while those with medical problems would remain with Medicare, causing Medicare costs to sharply rise. This could create what some are calling a 'death spiral' of escalating costs in traditional Medicare. More and more seniors would be pushed into the less-expensive HMOs and PPOs simply because they could not afford the higher cost of Medicare.

From the enormous premium support ''demonstration projects'' to the weakened Federal fallback for areas without meaningful access to private prescription drug plans, this agreement reveals a poor understanding of the needs of rural providers and residents.

All of these flaws make this agreement unattractive in the short term. But if we look just a bit further down the line, the picture becomes even bleaker. In 2006, when the prescription drug benefit would actually begin, the benefit would be essentially worthless to the average citizen. And, when 45 percent of spending on Medicare comes from general revenues, extreme measures to curtail Medicare spending would be triggered. It's extremely cynical to include such a dramatic cost-containment mechanism while excluding responsible measures to control Medicare spending.

There is much that is wrong in this bill, and much less that is right.

Rarely will we consider any legislation that will have a greater impact on the well being of the American people.

Let's get it right!

Mr. OBERSTAR. Mr. Speaker, Medicare is the most successful health initiative in American history—improving the quality of life for America's senior citizens, extending their longevity, and relieving their anxiety about affording the health care they need.

For the past several years, Democrats in Congress have worked tirelessly for affordable, comprehensive, and guaranteed coverage for prescription drugs under Medicare.

This week, the Republican majority in Congress is poised to pass legislation that will require seniors to pay significant out-of-pocket costs for prescription drugs, will eliminate employer-provided health care coverage for 2.7 million retirees nationwide, and will ultimately undermine the entire Medicare program. Simply put, the Republicans brokered a deal that prioritizes the pharmaceutical and the insurance industries over providing a comprehensive benefit to seniors and the disabled.

I. EFFECTS ON MEDICARE BENEFICIARIES

I am particularly concerned with the inclusion of ''premium support,'' a misguided proposal that will undermine Medicare. Instead of providing a Medicare prescription drug benefit for seniors, congressional Republicans have embarked on a radical and untested social experiment that threatens the future of Medicare. The final Medicare bill clearly takes the first step toward privatizing Medicare by implementing a ''premium support demonstration project'' in six metropolitan areas.

The bill threatens traditional Medicare because it includes provisions designed to stack the deck in favor of the health insurance industry. The legislation allots $17 billion to HMOs to lure them into the market to provide senior citizens with taxpayer-financed health and drug benefits. As the Washington Post recently pointed out, if Medicare ''privatization is such a good idea, why do the private insurance companies need such big subsidies to enter the Medicare market? . . . That's not capitalism or competition. That's corporate welfare.'' Rather than divert $17 billion from Medicare to prop up private sector competition, it would be far better to invest that money in Medicare's future.

Seniors will essentially receive a voucher for services to cover the lowest-cost private insurance plan, if such plans are offered, which is not at all certain. If this plan does not pay for the services they need, seniors will have to cover the difference—which could be a big figure—out of their own meager income. Masquerading as increased efficiency, this concept disproportionately benefits healthier seniors and leaves seniors with more costly health care needs paying an estimated 25 percent more for traditional Medicare. Seniors living in different regions will also pay different prices for the exact same benefit. I believe America's seniors deserve a guaranteed drug plan that is available for all Medicare beneficiaries—regardless of where they live.

II. IMPROVED MEDICARE REIMBURSEMENT FOR RURAL HEALTH CARE PROVIDERS

I have strongly supported efforts to eliminate disparities in Medicare reimbursement for rural areas, and I am very pleased that the conference report contains significant improvements for rural health care providers. Health care is essential in greater Minnesota. The hospitals in many small communities throughout northern Minnesota are the major employer in town, and the health care they offer is critical for economic development and tourism.

It is encouraging news that 31 hospitals in my congressional district would receive $39 million over 10 years under this bill in improvements in Medicare reimbursement, including fourteen Medicaid Disproportionate Share Hospitals (DSH) and 12 Critical Access Hospitals (CAHs). Other notable changes in the policies for CAHs—albeit not attached to a dollar amount—would improve the delivery of mental health services in rural northeastern Minnesota by permitting 10 beds to be used for psychiatric or rehabilitative services. Physicians would see a payment increase of 1.5 percent rather than a 4.5 percent decrease. Teaching hospitals would each receive $183,000 spread out over 10 years in additional payments for Indirect Medicare Education, which would greatly assist the training of medical students at the University of Minnesota, Duluth, as they prepare to serve rural Minnesota.

III. PRESCRIPTION DRUG BENEFIT

Seniors will be eligible for drug coverage only through private insurance companies that will have wide latitude in setting premiums and deductibles. Private insurance companies will also be able to make decisions about which drugs are covered, as well as which pharmacies seniors can use.

The plan is difficult to explain, but let me try: it begins with uncertain private health insurance premiums, estimated to be $35 per month, but not specified in statute; then, seniors must pay a $250 deductible before they receive any assistance, after which they will pay a 25 percent co-insurance for up to $2,250 in drug costs. However, there is a large coverage gap where no assistance is provided between $2,250 and $5,100 in drug spending, the ''hole in the doughnut,'' where seniors will be paying premiums but receiving no assistance at all. Those seniors with $5,100 in drug costs annually will still pay $4,020 under this bill. This plan is as unfair as it is complicated and costly to older Americans living on fixed incomes.

IV. IMPORTATION/COST ISSUE

I firmly believe that in order to ensure the continued affordability of Medicare benefits for seniors, greater efforts must be made to address escalating health care costs, particularly the price of prescription drugs. Yet this bill does precious little to contain the cost of prescription drugs in the future. The legislation once again deceptively appears to permit drug importation from Canada, while including a poison pill that the Secretary of the Department of Health and Human Services must certify to the Congress that its implementation does not present a health risk. During the Clinton Administration, HHS Secretary Donna Shalala refused to make such a certification, as has the current Secretary, Tommy Thompson. When Americans are paying 30 to 300 percent more for prescription drugs than Canadians or people in other industrialized countries, there must be a concerted effort to fix the safety concerns in the legislation rather than jettison the entire effort with this poison pill.

Despite claims that this legislation introduces free market principles and competition, I am deeply troubled that the Republican Medicare plan prevents federal cost-saving efforts that would reduce prescription drug costs for seniors. At a time when many seniors must pinch their pennies to afford the basic necessities, this bill—incredibly—explicitly prohibits the Secretary of the Department of Health and Human Services from negotiating lower drug prices on behalf of America's seniors. Unlike the Department of Veterans Affairs, which does have such authority, the Secretary of HHS would not be allowed to leverage the market power of 40 million Medicare beneficiaries to reduce prices.

In my view, the big winners are the drug and insurance companies, at the expense of our nation's seniors. In addition to providing $17 billion to HMOs and prohibiting the Secretary of the Department of Health and Human Services from negotiating lower prices, the final Medicare bill will eventually undermine community pharmacies. Pharmacy benefit manages (PBMs), charged with administering the prescription drug benefit, will be able to contract out and establish an unequal playing field whereby mail order companies can sell larger quantities for lower co-pays than community pharmacies can. There is no transparency for PBMs—just a conflict of interest; PBMs are not held responsible to report rebates or kick-backs they might receive from the pharmaceutical industry for selling specific drugs—that provision was stripped from the conference report. I am continually dismayed that Republicans go to great lengths to serve special interests rather than the public good.

I have voted many times this year in support of a strong prescription drug program that would strengthen the Medicare program. However, I am not willing to cast a vote to undermine a program that seniors and the disabled have trusted for nearly 40 years, in exchange for an atrocious prescription drug benefit that directs formidable sums of money to special interests. Congress can do better; our seniors certainly deserve better.

Mr. DAVIS of Illinois. Mr. Speaker, it is said that the cruelest lies are often told in silence—in what you don't say. If that's the case, then the silence is deafening as the Medicare prescription drug legislation looms ever closer to final passage.

We promised the American people we would protect and strengthen traditional Medicare. This legislation does the opposite—it begins coercing millions of seniors out the common Medicare insurance pool into private HMOs.

It creates huge new tax shelters for the ultra wealthy with the ironic name of ''Health Savings Accounts.''

Meanwhile the very poorest seniors, those who also qualify for Medicare, will see their benefits slashed.

The bill places draconian new caps on future Medicare services and spiraling new tax burdens on middle income working families.

The bill inaugurates the process of means-testing and asset-testing seniors before providing them benefits—of checking their wallets before checking their health.

It would also add heavy new financial burdens to state budgets already strained to bursting by federal cutbacks.

All this in return for a pathetically inadequate prescription drug benefit and skyrocketing drug company prices and profits as far as the eye can see.

Fool me once, shame on you. Fool me twice, shame on me. Fooling our seniors shame on all of us.

Mr. Speaker, this Medicare prescription drug bill is not what it is advertised to be. It is a cruel hoax and a danger to the health and well-being of America's seniors.

As Representatives of the American people, we have a special moral responsibility to be honest with the people.

This legislation breaks that sacred trust. This bill deceives and dispossesses America's seniors.

I'm with Will Rogers: I'd rather be the man who bought the Brooklyn Bridge than the man who sold it.

Mr. VAN HOLLEN. Mr. Speaker, with regret, I rise in opposition to the Medicare conference report now before us. Rather than giving seniors the simple, comprehensive and affordable prescription drug benefit they deserve, this bill recklessly undermines the Medicare program, threatens many seniors' existing drug coverage and fails to bring down skyrocketing drug costs.

Let's be clear: This is not about whether we ought to add a prescription drug benefit to Medicare. Democrats—including myself—have been calling for a meaningful Medicare prescription drug benefit for years. Now that the Republican party has dropped its historic opposition to modernizing Medicare, there is broad consensus—at least rhetorically—on the importance of this goal.

Additionally, this is not about whether doctors should receive a positive payment update for services rendered under Medicare. I think everyone in this chamber understands we could pass a free-standing positive payment update for physicians today—and by a wide margin. Frankly, I would be first in line—because I don't think you can ask providers to participate in a program without adequate reimbursement. But if we were really interested in giving doctors a fair reimbursement rate, we would end this untenable ritual of dodging the next round of scheduled payment cuts with stop-gap, band-aid measures and finally get around to fixing the obviously flawed Medicare reimbursement formula once and for all. Unfortunately, that's not what we are doing here today.

Instead, after months of secretive negotiations and much highly publicized bickering, the majority is now presenting this House with a prescription drug bill that blatantly violates the first tenet of responsible medicine: Do No Harm.

If this conference report is enacted into law, as many as 7 million seniors will be forced to pay more for Medicare—unless they agree to give up their doctor and join an HMO, according to analysis done by the House Ways and Means and Energy and Commerce Committee minority staff. Additionally, over 2 million retirees who already have private prescription drug coverage stand to lose that coverage, according to the same report.

That is also the conclusion reached by the former Republican Majority Leader of the House Dick Armey, who called on Congress to reject this misguided bill in today's Wall Street Journal, saying in part: ''(T)his bill is going to cost millions of seniors their current prescription drug coverage.''

In my home state of Maryland, an estimated 60,000 Medicare beneficiaries could lose their existing private prescription drug benefits, according to analysis based on CBO data prepared by the Senate Health, Education, Labor and Pension Committee minority staff. Moreover, similar analysis from the Senate HELP Committee minority staff using CRS data projects that 75,000 Maryland Medicaid beneficiaries will pay more than they do now for the prescription drugs they need.

This legislation puts seniors with existing coverage—and the future of the entire Medicare program—at risk. And for what? A prescription drug benefit that—after all the premiums and deductibles and co-pays and coverage caps and out-of-pocket costs are accounted for—provides $1 of assistance for every $4 that seniors with significant drug costs will still have to pay themselves.

There are smarter, more efficient ways to spend $400 billion on a Medicare prescription drug plan. For starters, we should eliminate the $12 billion subsidy being offered the private insurance industry as an inducement to participate in the Medicare market. If PPOs and HMOs are really more efficient than traditional than traditional Medicare in delivering high quality care at a lower cost, they don't need a $12 billion taxpayer handout to do it. Additionally, we should scrap the Administration's ill-conceived and deceptively named ''Health Security Accounts'', which amount to little more than a $6 billion tax break for the wealthy. And finally, we should get serious about making drugs affordable for seniors and for all Americans—through such common sense steps as permitting re-importation from our industrialized trading partners and allowing the federal government to negotiate for lower drug prices on behalf of Medicare's 41 million beneficiaries—something the bill before us today actually forbids the government to do.

The ultimate value of allowing the Center for Medicare and Medicaid Services (CMS) to negotiate for lower prices will obviously turn on the outcome of those particular negotiations. But we know from the experience of the Veterans Administration—which does currently have the ability to negotiate for lower prices—that the savings can run upwards of 60 percent. In the absence of meaningful steps to curb the exorbitant cost of drugs, this bill does more for the pharmaceutical industry than it does for consumers.

I believe seniors deserve a real Medicare prescription drug benefit plan; one that is comprehensive, affordable and easy to understand; one that will strengthen Medicare rather weaken it; and one that will not reduce the benefits of seniors who already have prescription drug coverage.

Mr. Speaker, we should defeat this fatally flawed conference report, come together on a bipartisan basis and give seniors the meaningful prescription drug assistance they are asking for and need.

Mr. CUMMINGS. Mr. Speaker, I rise today to speak against the woefully inadequate Medicare prescription drug conference bill being considered today.

Mr. Speaker, this report is an insult to our seniors. Instead of a bill that helps our seniors, we have a bill that makes an untenable trade-off. A meaningless prescription drug benefit and the dismantling of the Medicare ''healthcare'' program for 40 million seniors and disabled Americans as we know it today. Quality healthcare coverage should come along with a prescription drug benefit, which Democrats have been fighting for over the past six years, not at the expense of it. But that is what this bill does. So today, what we have to consider is a bill that will do more harm than good—one that represents a giant first step in privatizing and the emasculation of Medicare—a program that our seniors and disabled know and love.

Under this disastrous plan:

Gone are retiree benefits. Because it gives employers no incentive to maintain prescription drug coverage for their retirees two or three million retirees will lose their current private drug coverage. In my home state of Maryland this includes 59,640 retirees.

Gone are wrap-around services. Six million low-income beneficiaries will pay more for their prescription drugs. Those who are dually eligible to receive both Medicare and Medicaid—seniors who are so poor that they need what we call wrap-around services to have healthcare coverage—will pay more for their prescription drugs under this plan. To add insult to injury this bill does not allow states to use their federal Medicaid monies to supplement them. This includes 75,800 seniors in Maryland.

Gone is the traditional Medicare Program as we know it. They say fee-for-service stays intact. Well if you as a beneficiary want to be nickeled and dimed to death—and pay almost 80 percent out of pocket for Medicare and prescription drug coverage up to $5,044, then it stays intact. Let me explain, that means that after a senior or disabled person has paid almost $4,000 out-of-pocket in premiums, deductibles and contributions, then the traditional Medicare coverage kicks back in.

Soon to be gone is traditional Medicare. Traditional Medicare is most threatened by what has been termed premium support. Beginning in 2010, about 7 million beneficiaries will be forced into a premium support demonstration that will make them pay more for Medicare if they don't give up their doctors and join an HMO. This also means that there will be tremendous premium variation from region to region even in the same state when this plan is fully rolled-out. While it may be just 7 million seniors in 2010, now make no mistake the goal is to end Medicare as a social compact, where eventually, Medicare will indeed ''wither on the vine'' and private insurance and pharmaceutical companies will rule the day. Unfortunately, passage of this legislation will mean that many of our seniors will wither right along with the Medicare program—which will no longer be seen as a guaranteed benefit—a concept our nation embraces.

Here to stay are vouchers for Medicare beneficiaries—to take to an HMO which will give these folks what they want them to have—there will be little real choice. Seniors want stability—knowing who their doctors will be, who will be able to fill their prescriptions, which drugs will be covered, and in which hospital they can receive services. I have not ever been told by a single senior that they want to be able to choose between profit-driven private insurer providers which may or may not want to have them as clients.

Here to stay is assets testing. What's good about this bill is that those beneficiaries who are 15 percent below the poverty level are able to forego paying the monthly premiums of $35 and the yearly deductible of $275, and to escape the donut hole in coverage from $2,200 to $5,044. But again our compassionate conservative friends give with one hand and take with the other.

In order to qualify as low-income, seniors have to go through the degradation of proving that they are poor enough to receive it—meaning all of their assets, not just incomes are tested. The one saving grace of this bill is poisoned by the lack of compassion. This means that low income seniors will be kicked out of receiving the low-income benefits of the plan depending on their assets—simply because they have been able to squirrel away a few thousand dollars into a savings account. This affects 53,000 seniors in Maryland, many in my district.

I ask, who is going to invade their privacy and check their assets—isn't it sufficient that

they're already living off of meager means 150 percent below the poverty level, should they too have to pay $4,000 to receive both Medicare and prescription drug coverage? What a trade-off. How despicable. I think my colleagues can agree that this is a very troubling proposition and a totally unfair result.

Here to stay is big money to the drug companies and HMOs. In fact, this bill overpays the private insurance plans by $1,920 per beneficiary at the expense of traditional Medicare by creating a $12 billion slush fund for these companies just to take on these beneficiaries. Mr. Speaker, our seniors do not need a handout, but a hand-up—use that $12 billion to give to our current providers and hospitals who already give outstanding care to our seniors, along with a meaningful prescription drug benefit.

Here to stay are HMOs that seniors will feel coerced into joining because they will not be able to pay for the traditional Medicare they enjoy today.

Additionally, with the establishment of the Voluntary Prescription Drug Benefit Program, beneficiaries again lose because of the lack of negotiated prices for the prescription drugs. Why not leverage the power of the 40 million Medicare beneficiaries? Why not mandate containment of drug costs in this bill? Why give seniors and the disabled a prescription discount card they cannot use until 2006 while the drug companies still get to determine the cost? Why enact health savings accounts that only the well-off can afford? Why include a poison-pill that kills any chance of reimportation of affordable medicines? Why include an artificial budget cap on general revenues funding for Medicare that triggers a fast-track legislation procedure that would allow immediate cuts in benefits, cut payments to nursing homes and home health care providers and increase cost-sharing? Why leave our seniors and disabled powerless?

I know the answers. It's because this bill is not a reform bill, but a rewards bill—and the pharmaceutical and the private insurance companies are the winners.

Mr. KIND. Mr. Speaker, I rise in reluctant opposition to the bill before us today. It was my hope that the conference committee would work in a bicameral, bipartisan manner and produce a bill focused on providing prescription drug coverage to seniors and improving Medicare. Instead, House Democrats were shut out of the discussion completely, and special interest groups were given more information than members of Congress. Even more troubling than the process, however, was the legislation that came out of this conference. This bill is a bad deal for American seniors and an even worse deal for our children and grandchildren. Estimated at $400 billion, this bill is not paid for and, without basic cost containment measures, like price negotiation or drug reimportation from Canada, will leave a legacy of debt for our children and grandchildren to inherit. The easiest thing to do in politics is pass a bill and don't pay for it.

Certainly, there are portions of this bill which I support—portions which generously and correctly bring aid and equity to hospitals, especially those in rural areas like western Wisconsin. For far too long, rural hospitals and critical access hospitals have been treated as second-best, and I have long been a champion of bringing equity to these hospitals which do such important work throughout our country. This bill will at last begin to equalize the base inpatient payment rate, increase the cap for Medicare disproportionate share hospitals, and bring the hospital update to full market basket. Providers also benefit a great deal from this bill, and I am pleased that instead of receiving a cut, Medicare providers would receive a 1.5% update for the next two years. Furthermore, the assistance to our providers is paid for with offsets in the budget, so it does not add to the historically large federal deficit. If these provisions were separate from the bill, I could support them in a heartbeat, and I am confident that such a bill would pass overwhelmingly in Congress. In fact, just today my colleagues and I have introduced a bill that is identical to the rural health care package included in the Medicare Conference Report. We could still pass such a bill if the Republican leadership wanted to, but they do not. Instead, they are holding the rural provisions hostage to all ill-advised and costly prescription drug program to be delivered to private insurance companies after we bribe them with billions to do it, even after they have told us they do not want to do this.

As important as it is to sustain our hospitals and our doctors, aspects of the bill which will hurt our seniors, our pharmacists, and our states make it impossible to support this bill. Too many seniors in my district in western Wisconsin have told me stories of skipping meals in order to afford prescription drugs or cutting their pills in half to make their expensive prescriptions last longer. I came to Washington to work towards a real solution to this problem, and I have championed the New Democratic Coalition's plan, which is simple, progressive, and affordable. I would be proud to stand on this floor today and support the Dooley prescription drug plan. I would have been able to compromise and support a bill that was close to the Senate's bipartisan bill. But I am unable to support a bill that will do relatively little to provide seniors with drug coverage, that bribes insurance companies, that threatens to destabilize existing coverage for retirees, that undermines Medicaid, and that has no reasonable measures to contain costs.

Sadly, for all the excitement over a prescription drug benefit, this bill would bring little relief to struggling seniors. The drug benefit does no start until 2006, leaving struggling seniors a few more years before they receive any help in paying for their prescription drugs. Once 2006 rolls around, many seniors will find a drug benefit far less generous than the one they expected. In fact, a senior who spends slightly over $5,000 per year on prescription drugs will have to spend over $4,000 of his or her own money, meaning the consumer still pays 80 percent of drug costs. This is hardly the relief from expensive prescription drugs that seniors have been promised and that they deserve.

Also of concern is the effect this bill will have on seniors who currently have drug coverage. Astoundingly, an estimated 58,170 Medicare beneficiaries in Wisconsin will lost their retiree health benefits because of this bill. And they are not the only seniors who will suffer. Wisconsin's Seniorcare program is a shining example of the great work that can be done to aid our nation's seniors when federal and state governments cooperate. The bill before us would punish Wisconsin's leadership on this issue; Wisconsin would most likely lose the matching funds it receives for Seniorcare and be forced to drastically scale back the program. Wisconsin's Seniorcare participants currently pay a nominal enrollment fee, low drug co-payments, and a modest deductible, with those seniors below 160 percent of the poverty level paying no deductible whatsoever.

The Wisconsin Medicaid program, as well as the 110,200 seniors who are dual eligibles, will see a significant risk in their drug costs as a result of this legislation. The bill purports to do good things for low-income seniors, but in my state, it will have exactly the opposite effect. For the 99 percent of seniors in my state who already have health insurance, the introduction of a new prescription drug plan means a confusing new benefit with higher costs to the state and beneficiaries and less coverage than many Wisconsin seniors already enjoy.

All of this speculation over a prescription drug plan assumes, of course, that drug-only plans will be around to offer this less than substantial coverage. Currently, there are no drug-only insurance plans, and representatives of the industry have maintained they do not want to start such plans. Because of this reluctance, the bill bribes private insurance companies, pouring billions into the industry in an attempt to entice the companies to create drug-only plans. Clearly, $400 billion is just a floor, costs will explode, and the insurance companies will return to Congress in the future to ask for more money or they will drop coverage of our seniors, just as many Medicare plus Choice plans are doing today.

The $400 billion price-tag is only the beginning of spiraling costs to the federal government; we have no idea what costs might be in the future for this benefit. Incredibly, even the original $400 billion is not paid for, and there are no attempts at cost control in this measure. The government, for both Medicaid and the Veterans Administration, negotiates drug prices. The 40 million Americans covered by Medicare constitute an immense and potentially powerful purchasing pool. Great savings could be realized by negotiation, yet this bill specifically prohibits the government from negotiating with drug companies. Another potential for savings is reimportation from Canada; once again, this cost-cutting measure is prohibited, as the Secretary of Health and Human Services would have to approve reimportation, and the agency has already indicated no such approval will be granted.

Finally, Mr. Speaker, I would like to speak of a group that has received little attention in a debate focused on seniors—our children and grandchildren. While I fully support providing seniors with a prescription drug benefit, I do not believe it is right to shift the costs of this benefit to future generations. We must devise a way to pay for these benefits now; we cannot and must not rely on future Congresses and future taxpayers to fix a problem of our creation. The party in power in Washington today wants tax cuts for the wealthy and pays no attention to fiscal responsibility. It is wrong to create a larger deficit than the one we already face. To protect seniors, to protect our children and grandchildren, I am opposing this bill, and I urge my colleagues to reject the flawed proposals contained in this bill. We can and must do better.

Mrs. DAVIS of California. Mr. Speaker, I support providing our seniors with prescription drug benefits under Medicare. It is one of the

most important efforts we have undertaken this session, and, I believe, one of the most attainable. This is why I rise, with regret, to oppose this Medicare Conference Report. The legislation before us fails our seniors and places them at the mercy of private plans and insurance companies.

There are some good items in this legislation. For example, the increased funding for hospitals and hard-working physicians is greatly needed in our communities. Unfortunately, the overall bill does not accomplish what our seniors need.

When I reviewed this legislation, I needed to answer the following questions: ''What are the benefits for our seniors?'' and ''What do the changes mean in the long run?''

In the very limited amount of time I had to review this legislation, I have concluded that, in reality, this Medicare bill will hurt seniors by making health care less reliable and more costly.

We needed a prescription drug bill. We received, instead, legislation that has been called a ''Medicare monstrosity.'' It mandates huge changes to Medicare, but evades the underlying issue of providing seniors with a comprehensive prescription drug benefit.

This legislation ends Medicare's guarantees to seniors. It gives billions for managed care, for tax shelters, and for many other special interests unrelated to prescription drugs. It significantly worsens current levels of coverage for millions of Medicare beneficiaries with increased Part B premiums and threats of disappearing employer benefits.

Are all of these changes worth a weak drug benefit that will disappoint millions of seniors? No.

Mr. Speaker, our seniors deserve better!

At townhall meetings and in thousands of letters, phone calls and emails, seniors have told me that they want a prescription drug benefit that is affordable, comprehensive, and guaranteed, and they would like the coverage provided in the current Medicare system. The bill before us meets none of these standards.

Instead this bill will make our seniors anxious—anxious about substantial cost increases; anxious about having to switch doctors; and anxious about losing he security that Medicare has provided for almost 40 years.

The Conference Report before us is a missed opportunity. I hope Congress does the right thing by going back to the drawing board, and giving seniors a reliable and affordable prescription drug benefit. We can do better or our seniors—and we must!

Join me in defeating this bill and working to pass legislation that truly addresses our seniors' needs.

Mr. RAMSTAD. Mr. Speaker, I rise in strong support of the Medicare Prescription Drug, Improvement and Modernization Act.

This is truly a historic day. After years of hard work, Congress is finally on the verge of delivering on our commitment to America's seniors. The bill before us will honor our promise to create a meaningful and long overdue prescription drug benefit for Medicare beneficiaries.

This legislation means seniors will no longer have to choose between purchasing life-saving drugs or the basic necessities of food and housing.

In addition to this important new prescription drug benefit, the bill modernizes and improves Medicare to give seniors better choices and greater access to state-of-the-art health care.

I am grateful for the many important provisions in this package from the bill I sponsored, the Medicare Innovation Responsiveness Act (H.R. 941), which will increase seniors' access to lifesaving medical technology. These provisions provide long needed reforms that will bring the Medicare program into the 21st Century.

As founded and co-chair of the Medical Technology Caucus, I have witnessed firsthand the remarkable advances that lifesaving and life-enhancing medical technology has made to treat and cure debilitating conditions. The current Medicare system is antiquated because of its failure to incorporate modern day advances in technology.

Currently, seniors face unconscionable delays of up to 5 years before Medicare grants access to new technology. This delay can literally be a matter of life or death for many seniors.

The legislation before us incorporates many of the reforms I proposed that will vastly improve medicare's coverage, coding and payment process. These reforms will remove barriers to FDA-approved, lifesaving technology for millions of seniors. The result will not only improve lives, but in many cases save lives as well.

Thanks to this legislation, we are finally eliminating the barriers that discourage innovation and deny America's seniors the medical technologies they desperately need. Seniors have waited too long for access to the same treatment options that other Americans routinely enjoy.

I am also pleased the bill includes legislation I introduced with Mr. Cardin to break down regulatory barriers facing specialized Medicare+Choice plans that serve the frail elderly.

I also worked diligently to ensure that seniors suffering from serious mental illness will have the necessary access, under the new drug benefit, to the psychotropic medication they desperately need. I am pleased that this legislation addresses this critical need.

Mr. Speaker, this package of reforms will improve the lives of today's seniors and seniors for generations to come. I urge my colleagues to support this landmark legislation and deliver on our promise to preserve, protect and strengthen Medicare.

Mr. CANTOR. Mr. Speaker, tonight is a truly historic night. Tonight we will reform and modernize the Medicare system to reflect the needs of seniors. This legislation will save Medicare for our children while allowing seniors access to affordable prescription drugs starting next year.

One important feature of this legislation that allows seniors to have more control of their health care is the inclusion of new Health Savings Accounts (HSAs). These tax-preferred savings accounts work like IRAs and allow individuals, not the government, to make choices that best suit their needs. HSAs, will put individuals back in the driver's seat when it comes to their own health care.

The success of 529 college-savings plans and Roth IRAs proves that HSAs will work. I am glad that we were able to add this conservative and common sense proposal to the bill.

Tonight for the first time in Medicare's history, we will provide nearly 1-million Virginians with access to affordable prescription drug coverage. I am proud to deliver this much-needed and past-due assistance to my fellow Virginians.

Mr. Speaker, I support the Medicare legislation before us. It is a critical step in the right direction, and I encourage my colleagues on both sides of the aisle to support this bill.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. TURNER OF TEXAS

Mr. TURNER of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. TURNER of Texas. Yes, I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. TURNER of Texas moves to recommit the conference report on the bill H.R. 1 to the committee of conference with the following instructions to the managers on the part of the House:

(1) Strike the provisions of section 1860D–11(i) of the Social Security Act, as added by section 101(a) of the conference substitute and relating to noninterference of the Secretary of Health and Human Services with the negotiations between drug manufacturers and pharmacies and PDP sponsors.

(2) Substitute the provisions of title I of the Senate amendment to the bill for title I of the conference substitute recommended by the committee of conference, but provide for medicare as primary payor for prescription drug coverage for low-income individuals (as contemplated by the House bill), and permit State medicaid programs to provide wrap-around coverage (as contemplated by the Senate amendment).

(3) Substitute the provisions of title II of the Senate amendment to the bill for title II of the conference substitute recommended by the committee of conference with the following changes:

(A) Omit the provisions of section 231 of the Senate amendment (relating to establishment of alternative payment system for preferred provider organizations in highly competitive regions).

(B) Omit the provisions of subtitle E (relating to the establishment of a National Bipartisan Commission on Medicare Reform).

(4) Within the scope of conference and to the maximum extent possible, take up and reconsider title VIII of the conference substitute.

(5) Strike section 1123 of the conference substitute (relating to a study and report on trade and pharmaceuticals).

(6) Within the scope of conference and to the maximum extent possible, take up and reconsider the issue of importation of prescription drugs.

(7) Within the scope of conference and to the maximum extent possible, take up and reconsider the issue of special rules for employer-sponsored programs, including qualified retiree prescription drug plans.

Mr. TURNER of Texas (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

POINT OF ORDER

Mr. THOMAS. Mr. Speaker, I make a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. THOMAS. Mr. Speaker, do we have the motion to recommit in written form?

The SPEAKER pro tempore. The Clerk is reading the motion now.

Mr. THOMAS. Mr. Speaker, are we allowed to have the motion?

The SPEAKER pro tempore. The gentleman submitted his motion to the desk.

The Clerk will read.

The Clerk concluded the reading of the motion to recommit.

The SPEAKER pro tempore. The motion to recommit is not debatable.

Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. TURNER of Texas. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 211, noes 222, not voting 2, as follows:

[Roll No. 668]

AYES—211

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boucher
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Burton (IN)
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clay
Clyburn
Conyers
Cooper
Costello
Cramer
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis (TN)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Dooley (CA)
Doyle
Edwards
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Ford
Frank (MA)
Frost
Gephardt
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Gutknecht
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Neal (MA)
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Smith (WA)
Snyder
Solis
Spratt
Stark
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOES—222

Aderholt
Akin
Bachus
Baker
Ballenger
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Coble
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
DeMint
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
English
Everett
Feeney
Ferguson
Flake
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gibbons
Gilchrest
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Moran (KS)
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Norwood
Nunes
Nussle
Osborne
Ose
Otter
Oxley
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Smith (TX)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (AK)
Young (FL)

NOT VOTING—2

Ehlers
Gillmor

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. HASTINGS of Washington) (during the vote). Members are advised 2 minutes remain in this vote.

□ 0301

Mr. SHADEGG, Mrs. BONO and Mrs. JO ANN DAVIS of Virginia changed their vote from ''aye'' to ''no.''

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

Stated against:

Mr. EHLERS. Mr. Speaker, on rollcall No. 668 I was delayed on the way to the floor to vote, and the vote ended just as I walked in the door. Had I been present, I would have voted ''no.''

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. DINGELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to rule XX, this 15-minute vote on adoption of the conference report will be followed by a 5-minute vote on the motion to suspend the rules on S. 877.

The vote was taken by electronic device, and there were—yeas 220, nays 215, not voting 0, as follows:

[Roll No. 669]

YEAS—220

Aderholt
Alexander
Bachus
Baker
Ballenger
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boucher
Boyd
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carson (OK)
Carter
Castle
Chocola
Coble
Cole
Collins
Cox
Cramer
Crane
Crenshaw
Cubin
Cunningham
Davis (TN)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Dooley (CA)
Doolittle
Dreier
Duncan
Dunn
Ehlers
English
Everett
Ferguson
Fletcher
Foley
Forbes
Fossella
Franks (AZ)
Frelinghuysen
Gallegly
Gerlach
Gibbons
Gilchrest
Gillmor
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Hall
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hefley
Hensarling
Herger
Hobson
Hoekstra
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
LaTourette
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
Marshall
Matheson
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (MI)
Miller, Gary
Murphy
Myrick
Nethercutt
Neugebauer
Ney
Northup
Nunes

Nussle
Osborne
Ose
Otter
Oxley
Pearce
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Saxton
Schrock
Scott (GA)
Sensenbrenner
Sessions
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (NJ)
Smith (TX)
Souder
Stearns
Stenholm
Sullivan
Sweeney
Tauzin
Taylor (NC)
Terry
Thomas
Thornberry
Tiahrt
Tiberi
Turner (OH)
Upton
Vitter
Walden (OR)
Walsh
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Wu
Young (AK)
Young (FL)

NAYS—215

Abercrombie
Ackerman
Akin
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Barrett (SC)
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Brady (PA)
Brown (OH)
Brown, Corrine
Burton (IN)
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Case
Chabot
Clay
Clyburn
Conyers
Cooper
Costello
Crowley
Culberson
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
DeMint
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Feeney
Filner
Flake
Ford
Frank (MA)
Frost
Garrett (NJ)
Gephardt
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Gutknecht
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hostettler
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson, E. B.
Jones (NC)
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (FL)
Miller (NC)
Miller, George
Mollohan
Moore
Moran (KS)
Moran (VA)
Murtha
Musgrave
Nadler
Napolitano
Neal (MA)
Norwood
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Ryun (KS)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Schakowsky
Schiff
Scott (VA)
Serrano
Shadegg
Sherman
Skelton
Slaughter
Smith (MI)
Smith (WA)
Snyder
Solis
Spratt
Stark
Strickland
Stupak
Tancredo
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Toomey
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Wamp
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wynn

Mr. MILLER of Florida and Mr. CULBERSON changed their vote from ''yea'' to ''nay.''

Messrs. ISTOOK, FRANKS of Arizona, OTTER, MARSHALL, DOOLEY of California, and SCOTT of Georgia changed their vote from ''nay'' to ''yea.''

□ 0553

So the conference report was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Without objection, the motion to reconsider is laid on the table.

Mr. FRANK of Massachusetts. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

Mr. FRANK of Massachusetts. Mr. Speaker, I move reconsideration. I move reconsideration, thanks to your arm-twisting.

The SPEAKER pro tempore. The gentleman will suspend.

Did the gentleman vote on the prevailing side?

Mr. FRANK of Massachusetts. I was until the game started.

The SPEAKER pro tempore. The motion to reconsider may be entered only by someone who voted on the prevailing side.

PARLIAMENTARY INQUIRY

Mr. FRANK of Massachusetts. Mr. Speaker, parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his inquiry.

Mr. FRANK of Massachusetts. After all the razzle-dazzle, exactly what was the prevailing side?

The SPEAKER pro tempore. The yeas have it. Without objection, the motion to reconsider is laid on the table.

Mr. HOYER. Mr. Speaker, reserving the right to object, and I am not going to object, I am not going to put people to the purpose of voting; but I will again say the democratic process is that we come to this floor. I will remind you that you said we had 17 minutes to vote. You made it very clear. You sent us a notice, and you said come with 15 minutes; we will give you 2 more minutes.

This vote has now been held open longer than any vote that I can remember. I have been here 23 years. Perhaps some of you have been here longer. The outrage that was discussed when Speaker Wright held the vote open for far less time than this was palpable on your side of the aisle. Democracy is about voting. But just as you cannot say on Tuesday of Election Day, we will keep the polls open for 15 more hours until we get the result we want, you ought not to be able to do it here, Mr. Speaker. We have prevailed on this vote. Arms have been twisted and votes changed. And I will continue to reserve.

The SPEAKER pro tempore. Is there objection to tabling the motion to reconsider?

Mr. FRANK of Massachusetts. Objection.

Mr. THOMAS. Mr. Speaker, I move to reconsider the vote just taken.

MOTION TO TABLE OFFERED BY MR. DELAY

Mr. DELAY. Mr. Speaker, I move to lay the motion on the table.

The SPEAKER pro tempore. The question is on the motion to table the motion to reconsider. That is not debatable.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. FRANK of Massachusetts. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The vote was taken by electronic device, and there were—yeas 210, nays 193, not voting 32, as follows:

[Roll No. 670]

YEAS—210

Aderholt
Akin
Bachus
Baker
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Bereuter
Biggert
Bilirakis
Bishop (UT)
Blackburn
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Bradley (NH)
Brady (TX)
Brown (SC)
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Carter
Castle
Chabot
Chocola
Cole
Collins
Cox
Crane
Crenshaw
Cubin
Culberson
Cunningham
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeLay
Diaz-Balart, L.
Diaz-Balart, M.
Doolittle
Dreier
Duncan
Dunn
Ehlers
English
Feeney
Ferguson
Flake
Foley
Forbes
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gilchrest
Gingrey
Goode
Goodlatte
Goss
Granger
Graves
Green (WI)
Greenwood
Gutknecht
Harris
Hart
Hastert
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hobson
Hoekstra
Hostettler
Houghton
Hulshof
Hunter
Hyde
Isakson
Issa
Istook
Janklow
Jenkins
Johnson (CT)
Johnson (IL)
Johnson, Sam
Keller
Kelly
Kennedy (MN)
King (IA)
King (NY)
Kingston
Kirk
Kline
Knollenberg
Kolbe
LaHood
Latham
Leach
Lewis (CA)
Lewis (KY)
Linder
LoBiondo
Lucas (OK)
Manzullo
McCotter
McCrery
McHugh
McInnis
McKeon
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Murphy
Musgrave
Myrick
Nethercutt
Neugebauer
Ney
Northup
Nunes
Nussle
Osborne
Ose
Otter
Pearce
Pence
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Porter
Portman
Pryce (OH)
Putnam
Quinn
Radanovich
Ramstad
Regula
Rehberg
Renzi
Reynolds
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Royce
Ryan (WI)
Ryun (KS)
Saxton
Schrock
Sensenbrenner
Sessions
Shadegg
Shaw
Shays
Sherwood
Shimkus
Shuster
Simmons
Simpson
Smith (MI)
Smith (NJ)
Souder
Stearns
Sullivan
Sweeney
Tancredo
Tauzin
Taylor (NC)
Terry
Thomas

Thornberry
Tiberi
Toomey
Turner (OH)
Upton
Vitter
Walden (OR)
Weldon (FL)
Weldon (PA)
Weller
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Young (FL)

NAYS—193

Abercrombie
Ackerman
Alexander
Allen
Andrews
Baca
Baird
Baldwin
Ballance
Becerra
Bell
Berkley
Berman
Berry
Bishop (GA)
Bishop (NY)
Blumenauer
Boswell
Boyd
Brady (PA)
Brown (OH)
Brown, Corrine
Capps
Capuano
Cardin
Cardoza
Carson (IN)
Carson (OK)
Case
Clyburn
Cooper
Costello
Crowley
Cummings
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Dicks
Dingell
Doggett
Doyle
Edwards
Emanuel
Emerson
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Filner
Frost
Gonzalez
Gordon
Green (TX)
Grijalva
Gutierrez
Hall
Harman
Hastings (FL)
Hill
Hinchey
Hinojosa
Hoeffel
Holden
Holt
Honda
Hooley (OR)
Hoyer
Inslee
Israel
Jackson (IL)
Jackson-Lee (TX)
Jefferson
John
Johnson, E. B.
Jones (OH)
Kanjorski
Kaptur
Kennedy (RI)
Kildee
Kilpatrick
Kind
Kleczka
Kucinich
Lampson
Langevin
Larsen (WA)
Larson (CT)
Lee
Levin
Lewis (GA)
Lipinski
Lofgren
Lowey
Lucas (KY)
Lynch
Majette
Maloney
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McDermott
McGovern
McIntyre
McNulty
Meek (FL)
Meeks (NY)
Menendez
Michaud
Millender-McDonald
Miller (NC)
Miller, George
Mollohan
Moore
Moran (VA)
Murtha
Nadler
Napolitano
Oberstar
Obey
Olver
Ortiz
Owens
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Peterson (MN)
Pomeroy
Price (NC)
Rahall
Rangel
Reyes
Rodriguez
Ross
Rothman
Roybal-Allard
Ruppersberger
Rush
Ryan (OH)
Sabo
Sanchez, Linda T.
Sanders
Sandlin
Schakowsky
Schiff
Scott (GA)
Scott (VA)
Serrano
Sherman
Skelton
Slaughter
Snyder
Solis
Spratt
Stenholm
Strickland
Stupak
Tanner
Tauscher
Taylor (MS)
Thompson (CA)
Thompson (MS)
Tierney
Towns
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Waters
Watson
Watt
Waxman
Weiner
Wexler
Woolsey
Wu
Wynn

NOT VOTING—32

Ballenger
Boucher
Clay
Coble
Conyers
Cramer
Davis (TN)
DeMint
Dooley (CA)
Everett
Fletcher
Ford
Gephardt
Gibbons
Gillmor
Hefley
Jones (NC)
Lantos
LaTourette
Meehan
Moran (KS)
Neal (MA)
Norwood
Oxley
Sanchez, Loretta
Smith (TX)
Smith (WA)
Stark
Tiahrt
Walsh
Wamp
Young (AK)

□ 0613

Mr. FRANK of Massachusetts changed his vote from ''nay'' to ''yea.''

So the motion to table was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid upon the table.

CONTROLLING THE ASSAULT OF NON-SOLICITED PORNOGRAPHY AND MARKETING ACT OF 2003

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that the motion to suspend the rules and pass the Senate bill S. 877, as amended, which is the spam bill that we have bipartisan agreement on, be modified by the amendment that is at the desk, which has been cleared with the other side.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). The Clerk will report the amendment.

The Clerk read as follows:

On page 17, line 8 strike ''misleading'' and insert ''falsified.''

On page 27, line 9 strike ''misleading'' and insert ''falsified.''

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the Senate bill, S. 877, as amended.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Louisiana (Mr. TAUZIN) that the House suspend the rules and pass the Senate bill, S. 877, as amended, on which the yeas and nays are ordered.

Without objection, this will be a 5-minute vote.

There was no objection.

The vote was taken by electronic device, and there were—yeas 392, nays 5, not voting 37, as follows:

[Roll No. 671]

YEAS—392

Abercrombie
Ackerman
Aderholt
Akin
Alexander
Allen
Andrews
Baca
Bachus
Baird
Baker
Baldwin
Ballance
Barrett (SC)
Bartlett (MD)
Barton (TX)
Bass
Beauprez
Becerra
Bell
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop (GA)
Bishop (NY)
Bishop (UT)
Blackburn
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonner
Bono
Boozman
Boswell
Boyd
Bradley (NH)
Brady (PA)
Brady (TX)
Brown (OH)
Brown (SC)
Brown, Corrine
Brown-Waite, Ginny
Burgess
Burns
Burr
Burton (IN)
Buyer
Calvert
Camp
Cannon
Cantor
Capito
Capps
Cardin
Cardoza
Carson (IN)
Carson (OK)
Carter
Case
Castle
Chabot
Chocola
Clyburn
Coble
Cole
Collins
Conyers
Cooper
Costello
Cox
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (AL)
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Davis, Tom
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Deutsch
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Emanuel
Emerson
Engel
English
Eshoo
Etheridge
Evans
Farr
Fattah
Feeney
Ferguson
Filner
Flake
Foley
Forbes
Fossella
Frank (MA)
Franks (AZ)
Frelinghuysen
Gallegly
Garrett (NJ)
Gerlach
Gingrey
Gonzalez
Goode
Goodlatte
Gordon
Goss
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grijalva
Gutierrez
Gutknecht
Hall
Harman
Harris
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hensarling
Herger
Hill
Hinchey
Hinojosa
Hobson
Hoeffel
Hoekstra
Holden
Holt
Hooley (OR)
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Janklow
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Keller
Kelly
Kennedy (MN)
Kennedy (RI)
Kildee
Kilpatrick
Kind
King (IA)
King (NY)
Kingston
Kirk
Kleczka
Kline
Knollenberg
Kolbe
LaHood
Lampson
Langevin
Larsen (WA)
Larson (CT)
Latham
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lowey
Lucas (KY)
Lucas (OK)
Lynch
Majette
Maloney
Manzullo
Markey
Marshall
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCotter
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McNulty
Meek (FL)
Meeks (NY)
Menendez
Mica
Michaud
Millender-McDonald
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Mollohan
Moore
Moran (VA)
Murphy
Murtha
Musgrave
Myrick
Nadler
Napolitano
Nethercutt
Neugebauer
Ney
Nunes
Nussle
Oberstar
Olver
Ortiz
Osborne
Ose
Otter
Owens
Pallone
Pascrell
Pastor
Payne
Pearce
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Platts
Pombo
Pomeroy
Porter
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Renzi
Reyes
Reynolds
Rodriguez
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Ryun (KS)
Sabo
Sanchez, Linda T.
Sanchez, Loretta
Sanders
Sandlin
Saxton
Schakowsky
Schiff
Schrock
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shuster
Simmons
Simpson
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Snyder
Solis
Souder
Spratt
Stearns
Stenholm
Strickland
Sullivan
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Tiberi
Tierney
Toomey
Towns
Turner (OH)
Turner (TX)
Udall (CO)
Udall (NM)
Van Hollen
Velazquez
Visclosky
Vitter
Walden (OR)
Waters
Watson
Watt
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson (NM)
Wilson (SC)
Wolf
Woolsey
Wu
Wynn
Young (FL)

NAYS—5

Honda
Jackson-Lee (TX)
Kucinich
Lofgren
Paul

NOT VOTING—37

Ballenger
Boucher
Capuano
Clay
Cramer
Davis (TN)