

scheduled for 11:30 a.m. this morning occur at 11 a.m. this morning.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is closed.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to executive session and resume consideration of the following nomination, which the clerk will report.

The senior assistant legislative clerk read the nomination of Justin George Muzinich, of New York, to be Deputy Secretary of the Treasury.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

HEALTHCARE COSTS

Mr. ALEXANDER. Madam President, I ask unanimous consent to speak for up to 30 minutes.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. ALEXANDER. Madam President, today I am asking experts at the American Enterprise Institute and Brookings Institute, as well as other leading experts, for specific ideas about how Congress and the President can work together to reduce the cost of healthcare in the United States. Here is why.

Last July, at the Senate HELP Committee's second in a series of five hearings on reducing healthcare costs, Dr. Brent James, a member of the National Academy of Medicine, testified that 30 percent—and perhaps as much as 50 percent—of all the money spent in this country on healthcare is unnecessary. That startled me, and I hope it startles you.

So I asked another witness, Dr. David Lansky from the Pacific Business Group on Health, if he agreed with Dr. James' estimate that 50 percent of all the money spent on healthcare is unnecessary. Dr. Lansky said yes.

Then, in our next hearing on reducing healthcare costs, not one witness on our distinguished panel disagreed with Dr. James. That means we are spending as much as half of all we spend on healthcare on unnecessary treatment, tests, and administrative costs.

As a country, we spend a huge amount on healthcare—\$3.5 trillion in

2017, according to the Centers for Medicare and Medicaid Services. When we use Dr. James' estimates, that means we spent roughly \$1 to \$1.8 trillion on unnecessary healthcare in 2017. That is more money than the gross domestic product of every country in the world except nine. That is three times as much as the Federal Government spends on all of our national defense, 60 times as much as it spends on Pell grants for college students, and about 550 times as much as the Federal Government spends on national parks.

For the last 8 years, most of the debate about healthcare has not been about this extraordinary fact that we may be spending up to half of what we spend on healthcare unnecessarily. Instead, we have been arguing about health insurance. In fact, really, we have been arguing about 6 percent of the health insurance market—the individual insurance market.

The truth is, we will never have lower cost health insurance until we have lower cost healthcare. Instead of continuing to argue over a small percentage of the insurance market, what we should be discussing is the high cost of healthcare that affects virtually every American.

Here is something we ought to be able to agree on. We are spending too much on healthcare, and too much of what we spend is unnecessary. The five hearings we held reminded us of something else we should be able to agree on. One major reason for the unnecessarily high cost of healthcare is that the healthcare system does not operate with the discipline and cost saving benefits of a real market.

Too many barriers to innovation drive up costs, and most Americans have no earthly idea of the true price of healthcare services they buy, which also drives up costs. Let me repeat that. One major reason for the unnecessarily high cost of healthcare is, the healthcare system does not operate with the discipline and the cost-saving benefits of a real market.

Too many barriers to innovation drive up costs, and most Americans have no earthly idea of the price of the healthcare services they buy, so that also drives up costs. As a country—American families, American Federal and State governments, and private companies—we spent \$3.5 trillion on healthcare in 2017, according to CMS, almost as much as we spent on the entire Federal Government in 2017, according to the Congressional Budget Office.

High healthcare costs impact everyone; first, the taxpayer because the Federal Government spends about one-third of all Federal dollars on healthcare. According to the Congressional Budget Office, of the \$3.98 trillion the government spent in 2017, \$1.1 trillion of that was mandatory spending for Medicare, Medicaid, and other healthcare programs.

This Federal Government runaway spending is the principal cause of the

national debt. The principal cause of the national debt is not national defense, national parks, and the National Institutes of Health. The principle cause of the national debt is the runaway government spending on healthcare, which is squeezing the budget for national parks, national defense, and basic biomedical research.

Healthcare costs also impact States, all of which have to balance their budgets. When I was Governor of Tennessee a few years ago, Medicaid was about 8 percent of our State budget. That was in the 1980s. Today, it is 30 percent of Tennessee's State budget. That means States have less to spend on fixing roads, educating children, and helping adults and high school graduates get better job skills.

Second, healthcare spending adds to the cost of doing business in the United States. Warren Buffett has called the ballooning cost of healthcare "a hungry tapeworm on the American economy."

Third and most important, the rising cost of healthcare is squeezing the budgets of American families. According to the Gallup poll, 80 percent of registered voters before this midterm election rated healthcare as "extremely" or "very important" to their vote—a higher percentage than every other issue polled, including the economy, immigration, and taxes.

I imagine every Senator has heard stories from their constituents about struggling to stretch paychecks to afford prescriptions or to cover a surprise medical bill.

Any one of us who has received a medical bill in the mail has wondered, what am I actually paying for?

Here is a story I heard recently. Todd is a Knoxville father who recently took his son to the emergency room after a bicycle accident. His son was treated. Todd paid a \$150 copay because the emergency room was "in network" for his health insurance, and they headed home. So Todd was surprised when he received a bill in the mail for \$1,800 because, even though the emergency room was in network, the doctor who treated his son was not.

Todd wrote his Senator—me—trying to figure out why it is so hard to understand what healthcare prices really are. "If I am expected to be a conscientious consumer of my own healthcare needs," he wrote, "I need a little more help."

The issue of surprise billing is a widely recognized problem. It was highlighted in a report from the White House on healthcare costs just this last Monday.

We want Americans like Todd and his son to be able to access quality care they can afford. So earlier this year, our Senate committee set out, in a bipartisan way, to see what we could find out about lowering healthcare costs. We held five hearings over 6 months.

In June, at our first hearing, we set out to better understand how much healthcare actually costs in the United