

The conclusion of this editorial is that in the long run, if the Government is going to pay appreciably less, the program is likely to provide less, or the recipients will have to pay more.

Mr. President, let me just be clear about this in response to so much of what I heard this morning on the floor of the Senate about Medicare.

The Medicare Program, which passed in 1965, and the Medicaid Program, which passed in 1965, made the United States of America a better country. And this legislation, this public policy, was a response to the real pain of elderly people in our country. Half of the elderly population prior to Medicare had no health insurance. It is that simple. People are no longer working. They do not have their jobs. So they do not have their coverage. In addition, when people are not working their employment earnings drop precipitously.

Today 36 million elderly and disabled Americans, including more than 630,000 Minnesotans, are protected by Medicare.

Mr. President, I only have about 8 minutes. But I just want to kind of respond to some of what I heard said this morning in one, two, three, four fashion.

First, the concern of my colleagues about the Medicare trust fund and the need to finance Medicare would be more credible to me if we were not juxtaposing with the \$270 billion in cuts in Medicare the \$245 billion of tax cuts for wealthy people. It is a little bit suspicious, especially since the vast majority of the tax cuts—some 80 percent—go to families with incomes of over \$100,000 a year.

Mr. President, there is an important change being proposed here. As opposed to Medicare being a universal health insurance program—that is what it has been about for elderly people, senior citizens—now the proposal is to have a fixed amount of cash for each Medicare beneficiary that they can use to purchase coverage in the marketplace. And the difference between the value of that voucher and what happens with medical inflation, that needs to be made up by the recipient.

Mr. President, there is something profoundly wrong with the direction we are going in. First of all, understand that what has made this program so successful—and it has been a huge success—is that it is universal for all citizens 65 years of age and over.

Understand, second of all, that we are not talking about a high income profile. Elderly people pay four times as much out of pocket as those 65 years of age and less. Some 75 percent of the Medicare expenditures go to families or households with incomes of \$25,000 a year or less. And I am not even talking about the, roughly speaking, \$40,000 a year that have to be paid for nursing home expenditures which is the catastrophic expenses that so many elderly people have to phase in at the end of their lives which wiped out savings.

Mr. President, the other point that my colleagues did not want to make is

that while, on the one hand, we have the Medicare per person expenditure inflated to rise under 5 percent per year, the private health insurance expenditures are slated to go up over 7 percent a year. Who makes up the difference? Mr. President, there are some problems with this proposal that are really quite profound. And they ought to be laid out, and I have yet to hear anybody on the other side of the aisle respond adequately.

No. 1, if you are going to cut \$270 billion a year, then quite clearly beneficiaries are going to have to pay more, and many cannot afford to pay more. In addition, you are going to have, roughly speaking, 50 percent of those cuts go in the form of less reimbursement for the care givers or for the providers. But, Mr. President, No. 1, many elderly people cannot afford to pay more. And, No. 2, in greater Minnesota or greater Idaho where 70 or 80 percent of the patient mix are elderly people, those hospitals and clinics which have a tough time making a go of it right now will go under. That is the case in Minnesota. That is the case in rural America.

This policy will not work. This is slash and burn.

Third of all, Mr. President, what will happen is it is the same shell game. We have talked about this over and over again. I can assure you that when the providers can transfer the costs—and they can do that in some of the metropolitan areas—they will do so.

So if the doctors or clinics or hospitals get less in reimbursements than the cost of providing care, shifting it to private health insurance, premiums go up for employers, who then in turn drop employees, and we have more employees dropped from coverage—hardly a positive change, hardly a reform for health care.

Mr. President, we do not know how we are going to finance medical education since that right now, much of it, is out of Medicare. What happens to our hospitals, our teaching hospitals?

Mr. President, as a Senator from Minnesota, what happens to my State, which is a State which has already reduced much of the fat in the system, which has weeded out many of the inefficiencies? We are at rock bottom. This slash-and-burn approach will not work for rural Minnesota and it will not work for metropolitan Minnesota.

Mr. President, the fact is we are not talking about reform. If we want to talk about reform, I say to my colleagues, do not have the tax cuts, \$245 billion.

Second, why are we spending \$7 billion more on the Pentagon budget, but we are going to cut health care for the elderly people?

Third, why are we leaving all the subsidies for the oil companies, the pharmaceutical companies, the tobacco companies, but we are going to cut benefits for Medicare recipients?

And finally, if you want to have cost containment, do it systemwide. Why

not get back to health care reform. Why not move forward. This is not an effort to take us into the 21st century. This is an effort to move us back into the 19th century.

Systemwide cost containment? Yes. Universal health care coverage? Yes. Focus on home-based health care so elderly people and people with disabilities can live at home in as near normal circumstance as possible with dignity? Yes. Health care reform but with financing for medical education? Yes.

We can have health care reform, colleagues, but this is slash and burn. And no set of speeches will be able to ignore that reality.

And so, Mr. President, this morning was the beginning of the debate. I look forward to much more of that debate, but I wish to be crystal clear what is at stake here. This is a program which made a huge difference in our country. As a Senator from Minnesota, I am going to fight very hard to maintain the integrity of this program.

I yield the floor.

#### TRIBUTE TO LEWIS A. ENGMAN

Mr. HATCH. Mr. President, on July 12, I lost a friend.

And the country lost a man who had served with energy and integrity, in both the public and private sectors.

Lewis A. Engman, "Lew" to the many friends he leaves from 25 years in Washington, was taken suddenly by stroke.

He left life well before his time. Had he lived longer, I know Lew would have used it fighting for the strong principles that guided all his professional life.

Lew believed in competition and free markets.

An antitrust lawyer and economist by training, Lew saw competition and free markets as the consumer's most efficient and effective protection.

As Chairman of the Federal Trade Commission in the early 1970's, Lew was one of the first Government officials to observe that some Federal regulatory agencies had become servants of the industries they regulated, that they were more adept at propping up prices than protecting the consumer.

As much as anyone, Lew Engman was responsible for setting in motion the current movement against overregulation.

While a prophet of deregulation, Lew never took a doctrinaire, anti-Government stance. He liked to distinguish between regulations that improve competitive markets rather than those which substitute for the market—supporting the former, opposing the latter.

Another principle that guided Lew was his commitment to full disclosure, accuracy, and truthfulness. Information, in Lew's view, made markets function. Without full, dependable price and product information, consumers were defenseless, Lew often said. Lew never wavered—not at the Federal Trade Commission, nor later as

president of two pharmaceutical associations—in his defense of the consumer's right to know.

Lew and I became friends during the negotiations that led to enactment of the Drug Price Competition and Patent Term Restoration Act of 1984, a bill I was proud to author with Representative HENRY WAXMAN.

The 1984 law addressed two seemingly competing needs: The need for brand name pharmaceutical companies to regain the patent life they had lost awaiting FDA approval of their products; and the interests of the fledgling generic drug industry in speeding their products to market as soon as the innovator patent had expired.

We faced this challenge—how to balance the research-based drug industry's desire for patent lives adequate to encourage research against the generic industry's desire to put competing copies on the market as soon as possible—we faced this challenge head-on.

It was a complicated issue, and indeed a challenge. The public wants newer and better drugs, and that necessitates adequate research, which, quite simply, is costly. At the same time, consumers also want less expensive drugs.

Lew represented the research firms. It was not easy—they had varying interests. But his political acumen, and his personal belief in competition, got the job done.

In short, Lew had a fine line to walk, and he walked it with honor and courage.

In the end, Lew's refusal to break his promise to support a compromise, a compromise that had been worked out between the House, Senate, and industry, cost Lew his job. He left it head high, integrity intact.

It would take pages to list all Lew's achievements, from selection by Time magazine in 1974 as one of the country's young men to watch, through a career as a top Washington official. But Lew's was not a life to measure in jobs and titles, but rather by the thread that ran through it all.

It is a comfortable thing for a man to know who he is and what he believes. No one who knew Lew could believe he did anything but comfortable.

I will miss Lew Engman. My heart goes out to his wife, Pat, to whom he was devoted, and to his three boys.

They have lost a loving husband and father.

We all have lost a man of principle and a fine American.

I know that Lew will be missed by all of us.

#### IN RECOGNITION OF THOSE WHO SERVE

Mr. BYRD. Mr. President, in Chapter 9 of the Book of Ecclesiastes, we find the following portrait in verses 14 and 15: "There was a little city, and few men within it; and there came a great King against it, and besieged it, and built great bulwarks against it. Now

there was found in it a poor wise man, and he by his wisdom delivered the city; yet, no man remembered that same poor man."

This is a lesson that is often repeated, and, in fact, it is constantly being played and replayed all about us, if we but pause to observe it.

As a former welder in the shipyards on the east and gulf coasts, and as a Senator who has witnessed the christening of great oceangoing vessels, I have attended the splendid pageantry that accompanies the launching of a ship, as have many of my colleagues. The scene is one in which great crowds gather, bands fill the air with their martial music, the trumpets blare, the banners fly, dignitaries are assembled, orators declaim, the champagne sparkles and flows, and shouts and cheers ring out as the ship slowly glides into the channel. The program ends, "the tumult and the shouting dies, the Captains and the Kings depart", and in the pause that lingers in the human contemplation, one may perhaps reflect upon the hours of toil that were spent by the welders, the riveters, the pipefitters, the mechanics, the ironworkers, and the scores of other crafts that went into the building of the ship. The men who operated huge cranes, the carpenters who drove the nails, the workers who pulled the cables and lifted huge burdens and swept the decks—the sweat and labor of thousands of men and women, working with their hands and minds through long days and nights—all these made it possible. Yet, in the glittering pageantry of the launch, who remembered these unsung workers whose work made the dream become a reality?

As a politician, I have attended many banquets, many church suppers, many enjoyable evening repasts, as I am sure all of my colleagues have done. Often, I have reflected upon the words of Ecclesiastes on my way home after such a delightful event. Long after the program has ended, and the echoes of the speaker's voice have faded away, and the handshakes and the goodbyes have been overtaken by the darkness that falls from the sable-vested wings of night, there are those who are still working in the grimy kitchen, cleaning the silverware and the dishes and the pots and the pans, and putting away the linens, mopping the floors and disposing of the garbage so that the kitchen and the meeting hall will be polished and clean and ready for the next church supper. It was an enjoyable feast, the laughter and the pleasant conversations will long be recalled, but who will remember the calloused hands of toil that prepared the delectable dishes, that cooked the food, that washed and dried the dinnerware? Who will remember those men and women who gave up the pleasant hours of rest following the epicurean delights? Who will remember those who stayed and turned out the lights and locked the doors and saw to it that everything was

in order before returning to the humble cottage and a bed of hard-earned rest from the difficult chores?

Mr. President, these are the kinds of people who go about daily and do the hard work that makes the world go around. They are unobtrusive, they are unassuming, they quietly do their duty and earn, in the sweat of their brow, their daily bread. The farmer at the plow, the fisherman on the stormy deep, the miner toiling in the bowels of the Earth, the sweating ironworker at the blast furnace, the herdsman on the hills and plains, the lowly private at his station, the helmsman of the ship on the rolling waves, the policeman on his lonely beat, the mother who spends a sleepless night by the side of her fevered child, the housewife who mends and sews and keeps the home fires burning—these are the unsung heroes who make the world go around. They are not often remembered, but too often forgotten.

Many times, Mr. President, in my 43 years of working in this Capitol building, after a long day at the office, upon leaving the Capitol,

I heard the trailing garments of the Night,  
sweep through her marble halls,

I saw her sable skirts all fringed with light,  
from the celestial walls.

Yet, in our meditations seldom, perhaps, do we reflect upon those who sweat and toil to make these walls and halls beautiful—the charwomen, the janitors, the people who mop and wax and polish the floors of Minton tile. I have seen them in the wee hours of the morning polishing the brass rails that go up and down the marbled stairs. I have seen them dusting the artistic works of the great Brumidi. I have seen them carting the desks, moving the chairs, and carrying the dishes of food as dinners and luncheons are served. They make and keep these elegant surroundings clean and attractive for the tourists and for those of us who work here. Yet, how often do we remember them? How often do we pause to thank them, to give them a pat on the back, and to express words of appreciation for the services they perform? The contributions of these dedicated workers allow the essential work of this body and much of America to proceed. We are in their debt. I take these few moments to salute them here today.

Likewise, we seldom talk to acknowledge and appreciate the essential labor of the excellent staffers who serve us here in the Senate. During the course of my, as I say, nearly 43 years in this building, I have come to appreciate and respect the contributions and dedication that our staff bring to this institution. Behind much of the work that is conducted in committee hearings and on this floor there are many staff people who have toiled for hours and days and weeks to make it all possible. While we, as the elected officials, carry the ultimate responsibility for the legislation and policy that are set by the Senate, the input from our staffs is considerable and valuable.