

Mr. Speaker, the message is clear. The message from our fellow Americans is also clear. Americans throughout this country insist that the current Medicare plan that is in place be preserved as is. This is a message to each one of us as a Member of this body, disregarding party.

MEDICARE ALTERNATIVE HEARINGS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. SCOTT] is recognized for 5 minutes.

Mr. SCOTT. Mr. Speaker, all Americans should be concerned about the proposed massive cuts in the Medicare Program—not simply because they may affect current and future benefits under the program, but they will affect health care cost for all of us.

A large percentage of the \$270 billion reduction comes from cuts in payments to health care providers. All employers should be especially concerned about such massive reductions, because ultimately they will have to pay for them.

The problem is that the same number of people will get sick and require the same amount of care, regardless of how their care is paid for. Paying providers less for that care under the Medicare Program does nothing about costs other than to pass them on to Medicare beneficiaries and other paying patients. There is a big difference between controlling costs and simply not paying the bills.

Last year, we learned from our efforts to reform the health care delivery system in this country that it is like a balloon—if you squeeze it in one place, it pops out in another. Likewise when health care providers give care to patients who cannot or do not pay the full cost, those providers shift the cost of that care to patients who pay the going rate by charging them more to make up for the uncompensated care. We will see those higher costs in our insurance premiums and in higher copays, deductibles, and prices for medical procedures.

Higher health care costs will also mean more costly care as people avoid addressing minor problems to save money and those problems become emergencies or require acute care. Thus, we will all pay more and get less if the proposed Republican plan goes into effect.

Of course, there is one group who is not worried about the cost-shifting and the higher medical costs. That group is the upper 20 percent of high income taxpayers who will receive 80 percent of the \$250 billion dollar tax cut funded by the Republican plan to reduce Medicare.

While we all agree that we need a long-term fix of the Medicare financing plan, we do not have to put those dependent upon Medicare in jeopardy to do so, especially if the reason is to pay for a tax cut to benefit mostly wealthy individuals. We have made adjustments

in the program before to keep it viable; we can do that now for a lot less than \$270 billion if we do not have to make room in the budget for a \$250 billion tax cut.

The real solution to the Medicare financing issue is to fix it in the context of universal health care. Neither Medicare nor any other part of the health delivery system can be permanently fixed on a stand-alone basis. That is why hearings are needed to hear from experts, not just politicians, on what is needed and how long it will take to fix the program in a fiscally sound manner that does not impose unnecessary hardships on beneficiaries.

The current approach to fixing Medicare is a cure worse than the disease. Taking \$270 billion from beneficiaries to justify a \$250 billion tax cut to mostly benefit wealthy individuals is certainly not the way to do it.

WHY CUT \$270 BILLION FROM MEDICARE?

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina [Mr. CLYBURN] is recognized for 5 minutes.

Mr. CLYBURN. Mr. Speaker, we have heard quite a bit of debate in recent weeks over Medicare and then \$270 billion cut that we are proposing to make in Medicare.

Of course every time I begin discussion of this with various people, I am asked time and time again to give the difference in what we are talking about as we talk about part A and part B.

I want to take just a moment, Mr. Speaker, to talk about those two separate parts, to explain the difference so that people out there listening will get an idea of what we are talking about, because it is very important for them to understand that all of this debate that we are undertaking here sometimes has very little to do with what really ails them.

Medicare has two separate parts, Medicare part A and Medicare part B. Medicare part A is the Medicare hospital insurance program which mostly covers inpatient hospital stays. Medicare part A is financed through the Medicare trust fund. Like Social Security, employers and workers pay into the Medicare trust fund while an individual is working through a dedicated payroll tax, a 1.45-percent tax paid by employers and a 1.45-percent tax paid by workers.

Medicare part B is the Medicare medical insurance program which covers such other medical services as doctor services, hospital outpatient services, clinical, laboratories, and durable medical equipment. Medicare part B is financed in a completely different way than Medicare part A. Medicare part B is financed through a combination of premiums paid by Medicare beneficiaries and general revenue.

As we listen to all this debate about insolvency, the American public must understand that it is only the Medicare

part A trust fund that faces an insolvency problem in the year 2002. However, we recently heard from the administrator of this program that the insolvency problem could be solved with a modification or a correction or a reform, if you would like to call it that, of \$89 billion. That would keep this program solvent through the year 2002.

We must then ask the question, if the administrator says that that is all that is required, why then are we pushing \$270 billion in modifications to this program?

I say, Mr. Speaker, that we are doing that simply to cover the cost of this \$240 billion tax cut that we are proposing to give to those who do not need it. In fact, the bulk of that tax cut will go to people who make over \$100,000 a year, most of whom that I talk to as I visit my district tell me they are not asking for a tax cut, they do not need a tax cut, and they do not want a tax cut.

So, then, why are we doing it?

There are two things being lost in all of this. One, of course, is Medicaid, a \$182 billion cut in Medicaid, programs for the poor.

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What is going to happen when we undertake that cut? Well, it means that a lot of people who today find themselves using services like stays-in-homes are going to find themselves without the ability to do that, and that means that many young couples, young families, are going to find themselves hard-pressed to take care of the elderly when the Government gets out of that business.

Mr. Speaker, I appreciate this time offered me, and I want to say that I hope, as we go forward with this debate, that we will continue to educate the American people as to the difference between part A and part B.

THE FIGHT FOR A FAIR DEAL FOR FARM PRODUCERS

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from Georgia [Mr. BISHOP] is recognized for 5 minutes.

Mr. BISHOP. Mr. Speaker, when jurisdiction over farm commodity programs is transferred from the Agriculture Committee to the Budget and Rules Committees, it is an unprecedented attempt by the Republican leadership in this body to stifle the influence of Members who represent the interests of our farmers.

It is an abuse of power.

It is a slap in the face of America's farmers.

It should outrage everyone who is concerned about the future of rural communities.

There is one thing you can say about this development: It may be an abuse of power, and it is bipartisan abuse. It not only seeks to shut out the voice of