

third is, this bill should provide for the national security of the United States. Fourth is, to encourage free and fair elections in Cuba. Fifth is, to provide a policy framework for United States support to the Cuban people during a transition to democracy. Sixth is, to protect American nationals against confiscatory taking and unauthorized use of their confiscated property.

Mr. President, there has been a great deal of debate on title III of this bill, and, certainly, I have had my own concerns as well. However, I appreciate the efforts of the chairman. He has worked hard at offering this bill and clarifying the intent of the legislation to ensure that certified claimants have priority in all events to assets of the Cuban Government in settling property claims.

In closing, I just add that we must not lose sight of the overall intent of this legislation. Embracing Fidel Castro at this time is not going to lead to freedom and democracy in Cuba. Therefore, I hope my colleagues will support this very important piece of legislation that Chairman HELMS and the committee have labored long and hard at providing.

Would the Senator from North Carolina entertain a question?

Mr. HELMS. I would be glad to respond to the distinguished Senator from Idaho.

Mr. CRAIG. Some of my constituents have raised questions as to whether this legislation will unleash a wave of thousands of lawsuits tying up our courts and establishing, in effect, a new Cuban claims program for Cuban-Americans to the detriment of certified claimants. Are these fears, in any way, justified?

Mr. HELMS. I am very glad the Senator asked that question because it appears that there has been organized fearmongering regarding this legislation by a few who, are not content to wait until it is lawful for Americans to deal with a free and independent Cuba. Instead, these people seem intent on cutting their own early deal with the evil dictator, Castro, at the expense of the Cuban people. I have previously said that I am expecting to hear soon that the Libertad bill is the cause of the common cold.

There is nothing in this bill which disadvantages certified American claimants; on the contrary, there is much that enhances their status. And there is nothing in this bill that will result in a wave of lawsuits that will burden our courts.

In the first instance, this bill particularly recognizes and restricts the U.S. Government's espousal responsibilities to certified claimants. The Libertad bill also specifically ties the President's authority to provide foreign assistance or to support international credit to a new government in Cuba to that government's public commitment and initiation of a process to respond positively to the certified claimants' property claims.

The bill advantages certified claimants by restricting the right of action—the right to sue foreigners for compensation—to require that recoveries from traffickers will reduce the amount recovering claimants can otherwise obtain from the U.S. Government's espousal. And it is not a possible to obtain default judgments against the current government in Cuba under this bill, thus assuring that additional claims will not burden the new government.

Title III also protects the settlement amount of all certified claims by denying a claim to, participation in, or interest in any settlement proceeds by: First, those who were not eligible to file under the International Claims Settlement Act of 1949 but did not do so; second, those who were not eligible to file under the International Claims Settlement Act; or third, any Cuban national, including the Cuban Government. Such an exclusive provision does not now exist. The Libertad bill will make it clear, in a statute, who can receive the benefits of any settlement of certified property claims with the Cuban Government. In short, it is the bill's intent that certified claimants have priority to assets of the Cuban Government in settling property claims.

The President is authorized to suspend the right of action when a transition government comes to power, and he is already authorized under existing law to terminate any lawsuits then underway. Thus, this statute will not impede the President's authority to negotiate with a transition Cuban Government.

The right of action is itself an important weapon for certified claimants to assure their property will still be intact when freedom comes.

Let me point out some other reasons why the Libertad will not result in a flood of litigation. The bill provides a 180-day grace period, beginning on the bill's date of enactment, for traffickers to stop their violation of our citizen's property rights. There is an additional 30-day notice required before exemplary additional damages can be sought. Furthermore, the jurisdictional requirements mandate that the plaintiff must be a U.S. citizen with a claim to commercial property valued in excess of \$50,000 that is being unjustly exploited by a third party. The bill requires that the defendant must be properly found within the jurisdiction of U.S. courts. The bill denies the use of the right of action when a property claim has been traded or transferred into U.S. jurisdiction after the bill's enactment.

As I have previously stated, it also discourages suits against the present government in Cuba and requires that the defendant be proven to have knowingly and intentionally trafficked in the property after the 6-month period following the bill's enactment. The Congressional Budget Office has estimated that only a few cases would

qualify under these stringent requirements.

The point of these requirements is to ensure that only commercially significant cases are filed and adjudicated. I hope you will agree that we have accomplished our goal and that this will reassure your constituents that they have been falsely informed regarding what this bill does.

Mr. CRAIG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEDICARE CUTS IN THE RECONCILIATION BILL

Mr. LAUTENBERG. Mr. President, I rise today to begin some comments on the upcoming reconciliation bill. The Republican reconciliation bill simply, in my view, puts the question to this body: Whose side are you on? I think that is the basic question. Are you on the side of middle-class Americans? I think that is the defining precept. Or are you on the side of our senior citizens, middle-class families who are trying to send their children to college, and lower income working families? Or are you on the side of the wealthy and the special interests?

The Republican reconciliation bill is a bonanza for the well-off and the powerful, while senior citizens, students, and working-class families get stuck footing the bills.

In my view, this is plain wrong. While the Republicans lay down for the wealthy and the special interests, Democrats stand up for the middle-class, working Americans who are struggling to hang on and to build a better life for their children.

The Senate will soon consider the biggest reductions in the history of the Medicare program—reductions in services, that is. Regrettably, the Senate will not have much time to consider these severe cutbacks thoroughly or thoughtfully. The debate on the reconciliation bill is limited to a total of 20 hours. That is quite incredible when you think about it, because reconciliation bill language is kind of arcane for most of our citizens. So, simply put, it is how we balance the books, how we reconcile income with expense. It is a question that families deal with and a question that businesses deal with. And here we have virtually the whole budget for the fiscal year for the Federal Government, and we are going to deal with this in 20 hours—quite incredible. But those are the rules and we have to play by them.

Therefore, I want to take this chance to join with other colleagues on this day to talk about what we see as the faults in the reconciliation bill, before

we consider it under such strict time restrictions.

Mr. President, the Republican budget is built around a false premise. The Republicans argue that in order to save Medicare, we have to destroy its fundamental mission. This is simply not true. But our friends on the other side continue to perpetuate this myth. They have their propaganda machinery operating at full speed. They say they are saving Medicare, that they are throwing out a life raft. I have to ask the question: For whom? Who is the life raft for?

The answer comes back very clearly. It is for the well-heeled. It is primarily based on the House bill, and we are talking about a \$20,000 tax break for a \$350,000 income earner.

I think it is time to call our people and tell them the truth. The first unbelievable statement that Republicans are making is that we need \$270 billion to save Medicare. That is the life raft they pretend to throw out. It is simply untrue.

The Republicans are using this \$270 billion to finance their \$245 billion tax break for the rich folk. We see it here in graphic form on this chart. But we do not see it in the kind of graphics that the average family is going to see it in when they have to pay the bill. It is no coincidence that the Medicare cuts are \$270 billion and the tax breaks for the well-off are \$245 billion. These figures are remarkably similar because one is being used to finance the other. They are taking from our senior citizens, who paid the bills over the years, signed the contract with their country, weathered the storms in the post-World War II years, and they are giving it back to the wealthy and special interests.

Mr. President, the second Republican claim is that we need to cut \$270 billion to make Medicare solvent. That is not true. The chief Health and Human Services Medicare actuary has stated that we only need \$89 billion in savings to make Medicare solvent until the end of the year 2006.

The next chart simply lays out the arithmetic. Here \$270 billion in GOP-proposed cuts—cuts in growth, cuts, period; \$89 billion in savings needed for the trust fund, and that leaves a net sum of \$181 billion, a lot of money. Where does that money go? Well, it goes to finance the tax breaks for the upper-income people.

Mr. President, the third inaccuracy I want to discuss is the Republicans' fallacious portrayal of their \$135 billion in Medicare part B cuts. The \$135 billion in Medicare part B cuts include increased premiums and deductibles for our senior citizens. Those are taxes, in no uncertain terms. But these increases are not being used to save Medicare. I want to repeat that the Medicare part B cuts are not being used to make Medicare part A, the trust fund, solvent. They are two distinctly, separate pots of money.

Our friends, the Republicans, are going around the country claiming

that these increases in Medicare part B are being used to save the system. But, once again, it is very clear that that is not the mission. They are being used to finance the tax breaks for the rich.

Mr. President, Medicare is not just a health insurance program. Medicare is a commitment that we made to our citizens. It is 30 years old now. It is a promise for those that if they worked hard during their lives, paid the premium, that one's medical needs would be taken care of when retirement comes.

In the coming weeks, the American people need to hear the truth about Medicare, because the Republicans are going to try to ram through their Medicare cuts, the tax breaks for the wealthy, while they increase taxes on the elderly.

We are going to try and tell the truth. We will tell them their Medicare program is being used as a slush fund for tax breaks for those at the top of the income ladder.

When Americans understand the facts, Mr. President, I do not think they will like what they see.

In confirmation of my statement—I think it sits fairly in front of the American people—I refer today to a story that appeared in the New York Times. It says "Doctors' Group Says GOP Agreed to Deal on Medicare."

Well, if there is any doubt about whether it is the special and the powerful that are getting the better part of this deal at the expense of the elderly and the disabled and others who will have to find ways to pay for programs that they have already paid for, then one simply has to see or hear what is being said in this article:

Just hours after endorsing the House Republican plan to revamp Medicare, officers of the American Medical Association said today that they had received a commitment from the House Republicans not to reduce Medicare payments to doctors treating elderly patients.

I add what is not being said is they did agree to increase the costs for the senior citizens, to put a tax on the elderly so that they could find the funds not to reduce the Medicare payments.

And then Mr. Kirk Johnson, senior vice president, says: "It's wrong to suggest that the AMA endorsement was contingent upon billions of dollars."

"There isn't a precise figure. We don't know the amount." Well, we know what the mission is; we may not know the specific amount.

It goes on to say, "The House Ways and Means Committee approved the bill today by a party-line vote of 22-14." They identify Representative BILL THOMAS, a California Republican who is chairman of the Ways and Means Subcommittee on Health, who said the concession to doctors would cost no more than \$400 million over 7 years.

That is a nice, round figure. Still an awful lot of money. An aide to Speaker NEWT GINGRICH said, "If the doctors are for sale, they come real cheap." Four-hundred million dollars over 7 years, it

is not a lot of money; it is only a lot if your income is \$25,000 a year, like 75 percent of our senior citizens in this country, or \$10,000, like it is for 35 percent of our senior citizens, or it is for 25 percent of our senior citizens who live on nothing more than their Social Security.

I guarantee if they see \$400 million and ask where it is going that they will think twice about how they feel about being stuck with the bill as the programs are being cut in front of their faces.

The article goes on:

Lawmakers and lobbyists scramble today to explain events leading to the association's endorsement of the Republican plan . . . their accounts, though incomplete, open a revealing window on the normally secret negotiations.

Boy, the public has to hear that—secret negotiations between congressional leaders and the high-powered lobby.

Mr. GINGRICH met AMA leaders on Tuesday and beamed as they announced their support for his handiwork.

I am reading from the reporter's story.

"Mr. THOMAS," formally identified chairman of the Ways and Means Subcommittee on Health, "confirmed that the doctors would be protected against any reduction in Medicare fees in the next 7 years. Under current law, and under the House Republicans' original proposals, fees for many doctors would have declined."

I do not hear anybody saying that they are guaranteeing that fees for the elderly nor fees for the impoverished Medicaid will not go up. They are saying, let them pay. Let them pay. Let their fees increase over \$3,000 a person over the next 7 years for elderly people who qualify for Medicare. I assume that is true for the disabled as well.

Let the copayments increase. Let the deductibles increase. Charge them the taxes. Even though they paid the bill, even though the agreement was made, let them pay.

When the American people understand the facts, Mr. President, and that is the mission, I do not think they will like what they see. They will ask the right questions. I only hope that they get honest answers.

I ask unanimous consent that the article in the New York Times be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DOCTORS' GROUP SAYS G.O.P. AGREED TO DEAL ON MEDICARE
(By Robert Pear)

WASHINGTON, Oct. 11—Just hours after endorsing the House Republican plan to revamp Medicare, officers of the American Medical Association said today that they had received a commitment from House Republicans not to reduce Medicare payments to doctors treating elderly patients. But the organization said that it was not for sale and insisted that there was no quid pro quo.

"It's wrong to suggest that the A.M.A. endorsement was contingent on billions of dollars," said Kirk B. Johnson, senior vice

president of the association. "There isn't a precise figure. We don't know the amount."

In any event, he said, the money is less important than the overall policy embodied in the Republican bill, which would slow the growth of Medicare and open the program to all sorts of private health plans, including those organized by doctors. The House Ways and Means Committee approved the bill today by a party-line vote of 22 to 14. [Page A20.]

Representative Bill Thomas, a California Republican who is chairman of the Ways and Means Subcommittee on Health, said the concession to doctors would cost no more than \$400 million over seven years.

An aide to Speaker Newt Gingrich said, "If the doctors are for sale, they come real cheap."

Lawmakers and lobbyists scrambled today to explain events leading to the association's endorsement of the Republican plan, which is fiercely opposed by Democrats and some consumer groups. Their accounts, though incomplete, opened a revealing window on the normally secret negotiations between Congressional leaders and a high-powered lobby.

Mr. Gingrich met A.M.A. leaders on Tuesday and beamed as they announced their support for his handiwork.

Mr. Thomas, who attended the meeting, confirmed that the doctors would be protected against any reduction in Medicare fees in the next seven years. Under current law, and under the House Republicans' original proposals, fees for many doctors would have declined.

The association denied that it had sold its endorsement for monetary gain. In a telephone interview from his office in Chicago, Mr. Johnson said, "We got assurances that there would not be absolute rollbacks or reductions physician fees." But he said the endorsement was not predicated on those assurances.

The cost of the concessions was a subject of dispute. Mr. Thomas said: "How much is it going to cost us to make the adjustment? Two or three hundred million dollars. I don't know the exact amount."

But independent health policy experts and budget analysts said that the Republicans' assurance to the doctors, if taken literally, could increase Medicare spending by a few billion dollars, beyond the amounts that would be spent under current law in the next seven years. The experts said they could not easily reconcile the Republicans' promise to the doctors with the large savings the House Republicans still expect to achieve.

The Republicans plan to cut projected spending on Medicare by \$270 billion, or 14 percent, over the next seven years, and they still intend to get \$26 billion of that amount by limiting payments to doctors. The Senate version of the legislation would cut only \$22.6 billion from projected spending on doctors' services, and leaders of the A.M.A. said they thought they had received a commitment from some House Republicans to move toward the Senate position on this issue.

The A.M.A. apparently assumes that doctors will control the growth of physician services much better than the Congressional Budget Office expects. The budget office assumes that the volume of such services under Medicare will increase by an average of almost 10 percent a year through 2002.

Mr. Gingrich has been wooing other groups, like the American Hospital Association and the American Association of Retired Persons, in hope of winning their support for the Republican Medicare plan. But they are demanding more than the Republicans can afford to provide. Hospitals are hit much harder than the doctors and are responsible for more of the savings.

Democrats had a field day criticizing the agreement between Mr. Gingrich and the A.M.A.

President Clinton's press secretary, Michael D. McCurry, said, "It appears that the doctors have won at the expense of elderly patients." Representative Henry A. Waxman, Democrat of California, said, "The A.M.A. has taken an extremely narrow view of the interests of doctors."

But Mr. Gingrich dismissed the criticism as "tawdry nonsense" and called the Democrats hypocritical. "When the Democrats offer to spend more money on something, which by the way will go to doctors and hospitals, that's good" in their eyes, he said. "But if it's a Republican idea to send money to doctors and hospitals, then that's a bad idea."

On Medicare, Mr. Gingrich said, the Democrats "don't have a plan, they have no solution, they have no ideas, and all they do is complain."

Cathy Hurwit, legislative director of Citizen Action, a consumer group, said the Republicans "have sought to buy off special interests like the A.M.A. by including provisions that put the financial interests of doctors ahead of the medical needs of their patients."

Mr. Thomas vehemently denied that Republicans had bought the doctors' endorsement. He said leaders of the association were already in "philosophical agreement" with much of the bill, including new limits on medical malpractice lawsuits and changes in the law regarding fraud and abuse in the Medicare program. In addition, he said, doctors like the bill because it would allow them to "control their destiny" by forming their own health plans to serve Medicare patients.

But just last week the association expressed concern about the bill's stringent limits on Medicare payments to doctors. On Oct. 3, James H. Stacey, a spokesman for the association, said the House bill would reduce Medicare fees for some doctors, and as a result, he said, they might be less willing to participate in the program, which serves 37 million people.

The doctors' arithmetic was correct, but they violated a cardinal rule of political etiquette by going public with their concerns while House Republicans were trying to negotiate with them behind the scenes. Republican leaders chided them, but their faux pas might have paid off.

Medicare uses a fee schedule to pay doctors, and the fees are updated each year to reflect increased costs and other factors.

Mr. Thomas said: "The doctors came to us and demonstrated that within the medical profession and between specialties, there were certain instances of an actual negative factor between years, rather than just a slowing of the growth. We examined their materials and came to the conclusion that they were right."

Mr. Thomas described the latest changes as "a fine-tuning, a rather minor adjustment." As a result, he said, "there will be no year in which a medical specialty gets less money than the year before."

Under the Medicare fee schedule, every physician service, from a routine office visit to a coronary bypass operation, is assigned a numerical value, and this number is multiplied by a fixed amount of money, called a dollar conversion factor, to determine how much the doctor is paid for the service. Under current law and under the original House Republican bill, the conversion factor would have declined in the next seven years.

Mr. Johnson of the A.M.A. said today that House Republican leaders had promised to "work with us to prevent the conversion factor from declining." An increase in the con-

version factor increases total Medicare costs, and a reduction lowers the cost, assuming no change in the volume of doctors' services.

Mr. LAUTENBERG. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DASCHLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CUBAN LIBERTY AND DEMOCRATIC SOLIDARITY [LIBERTAD] ACT OF 1995

The Senate continued with the consideration of the bill.

Mr. DASCHLE. Mr. President, in a couple of hours, we will be called upon to vote on cloture on the pending measure. Let me say that I know colleagues on this side of the aisle have different views about the substance of the legislation, but I hope that our colleagues could be concerned about process as well as substance in this case. When legislation comes before this body, we usually have ample time to deliberate, ample time to offer amendments, ample time to consider all of the ramifications of the pending legislation.

That is certainly not the case here. I suppose if we had a significant list of legislative items to be considered—a backed up legislative schedule—and we needed to get on with a number of bills before the end of the week or the end of next week, I could understand perhaps expediting consideration of this particular bill in an effort to accommodate that agenda. But that is not the case either. So regardless of how one may feel about the importance of this issue, about the substantive provisions incorporated in the bill, I would urge my colleagues to think carefully about whether or not this is the procedure to which we should subscribe.

Frankly, I do not think it is. I do not think we ought to be rushed into passing this bill. I do not think we ought to be forced to come to closure on this legislation prior to the time we have had ample opportunity to consider some of the complicated issues involved. I personally think there is a lot of merit to some aspects of what the sponsors of the bill are attempting to do. Still, I have some very grave concerns about some of the provisions, especially title 3 as it is written. Of course, addressing such concerns is the whole purpose behind good debate and the opportunity Senators should have to offer amendments.

So I urge my colleagues to vote against cloture at this early stage in the deliberative process. It is important that we be given the opportunity to deliberate in a fair and open way to accommodate the rights of every Senator, whether he or she be Democrat or