

Another woman from Scottsville, VA writes:

My husband's income consists of his Social Security and a small pension from his former employer. We spend over twice as much for prescriptions as we do for groceries, and it's getting harder and harder to stretch our income 'til our checks arrive.

These Virginians are not alone in their troubles. The average senior citizen will spend \$1,100 on prescription drugs this year. Most of them will not have adequate prescription drug coverage to help them cover these crushing costs. The numbers of those who do have coverage are dropping rapidly.

Despite the suggestions of some of my colleagues, this problem is not limited solely to the poor. One in four Medicare beneficiaries with a high income—defined as \$45,000 a year for a couple—has no coverage for prescription drugs. And while some seniors do have coverage, nearly half of them lack coverage for the entire year, making them extremely vulnerable to catastrophic drug costs.

Complicating this matter for the elderly is the "senior citizens' drug penalty" that seniors without drug coverage are forced to pay. Most working Americans who are insured through the private sector pay less than the full retail price for prescription drugs. This is because insurers generally contract with Pharmaceutical Benefit Managers—or PBMs—that negotiate better prices for drugs and pass on the power of group purchasing to their customers.

Seniors lack this option, however, and must still pay full price for their drugs. A study released earlier this week showed that seniors without drug coverage typically pay 15 percent more than people with coverage. And the percentage of Medicare beneficiaries without drug coverage who report not being able to afford a needed drug is about 5 times higher than those with coverage.

This "senior citizens' drug penalty," in my view, is unconscionable. Senior citizens rely more on drugs, and have higher drug costs, than any other segment of the population. They deserve to have the same bargaining power that benefits other Americans.

Last week the other side spoke against my amendment, claiming that there was already adequate language in the Republican budget resolution to ensure that we pass a prescription drug benefit this year. At the time, they pointed to the \$40 billion reserve fund which was included in the budget resolution the Committee reported, arguing that this would provide ample money to enact a prescription drug benefit and offer tax relief.

Republicans asked, in essence, that we trust them that the Senate will not squander the surplus on tax cuts before we have helped our nation's seniors. Let me say that I do trust my good friends on the other side of the aisle. To borrow a line from Ronald Reagan, I believe we should trust—but verify. That is what my amendment last week did. It required deeds as well as words.

Seeing what happened in the budget resolution conference committee, it has become clearer than ever why we need to verify the promises that the other side gives us. Because despite both chambers setting aside a \$40 billion reserve fund for a prescription drug benefit, one of the first things that the conferees did was cut this fund in half, to \$20 billion—a number far too low to enact any sort of universal benefit for our nation's seniors. The conferees then took this other \$20 billion, which is vitally needed to fund a universal prescription drug benefit, and said that it should be used for other Medicare reforms, such as another round of adjustments to the payment rates for Medicare providers that were hit hard by the cuts in the Balanced Budget Act of 1997. But after touting this reserve fund as the key to a prescription drug benefit, they have essentially neutered themselves.

Even worse, the conferees removed the one provision that would have helped push a prescription drug benefit forward. The Senate budget resolution set a date of September 1 for the Finance Committee to report out a prescription drug bill. This deadline would have guaranteed that the Senate would at least consider prescription drug legislation this year. But the conferees stripped this deadline out of the bill. They have basically said: it is not important for the Senate to pass a bill to eliminate the "senior citizens' drug penalty."

I am by no means opposed to taking another look at the decisions we made in the Balanced Budget Act of 1997. I worked very hard last year in the Finance Committee on the Balanced Budget Refinement Act. And there ought to be room, in the context of a balanced budget, to provide further relief to health care providers who were hit hard by the cuts in the Balanced Budget Act of 1997.

We ought not to be limiting our Medicare reform efforts to \$40 billion, however, simply to free up additional funds for tax cuts. With this new limit, Republicans have essentially pitted a prescription drug benefit for seniors against additional relief for doctors, hospitals, nursing homes, and other health care providers. Republicans have decided that two important priorities must square off, so that we can provide billions of dollars in so-called "marriage penalty" tax relief to individuals who do not even incur a marriage tax penalty on their taxes.

Our nation's seniors deserve better than this. Last week, at least fifty-one Senators felt the same way. I urge every one of them, as well as Senators who opposed my amendment last week because they thought the \$40 billion reserve fund would guarantee a prescription drug benefit, to support my motion to recommit this bill. With its passage, we will be able to eliminate both the true marriage tax penalty and the "senior citizens' drug penalty."

UNANIMOUS CONSENT REQUEST—  
H.R. 6

Mr. ROBB. Mr. President, I ask unanimous consent that we proceed to consideration of H.R. 6, the Marriage Tax Penalty Relief Act, so that I may offer a motion to recommit the bill to the Senate Finance Committee.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. Reserving the right to object, I see this as an effort to delay passing the marriage tax penalty relief bill. Offering or voting for this motion is saying that the Senate does not want to fix the marriage tax penalty. Recommitting the bill is an attempt, I think, to kill the bill.

We are going to deal with the prescription drug problem. As I said in my opening comments this morning, Republicans have already set aside \$40 billion in our budget to do so. We do not need to delay fixing the marriage tax penalty in order to fix the Medicare problem. We have the resources and the time to do both.

Again, I think this is a transparent effort to kill marriage tax penalty relief, and, consequently, I object.

The PRESIDING OFFICER. Objection is heard.

The Senator from Virginia.

Mr. ROBB. Mr. President, I accept the objection of my friend from Iowa. Under the conference agreement, the \$40 billion went in on the part of the Senate. Only \$20 billion came out; \$20 billion has already been diverted in the conference agreement. I recognize an objection has been offered. I will make my point.

The PRESIDING OFFICER. The time of the distinguished Senator has expired.

Mr. GRASSLEY. Mr. President, I yield 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. The distinguished Senator from Montana is recognized.

#### MARRIAGE TAX RELIEF

Mr. BURNS. Mr. President, I thank my friend from Iowa.

This has been an interesting debate on this part of the Tax Code, and I have been listening to this debate with a lot of interest. If there ever was something that needed fixing, it is unfairness in the tax code. I am not going to talk about a disincentive for folks to get married. I look at it from a standpoint of fairness.

Young couples who are starting out and trying to save a little money for the education of their children, or trying to pay for a home, these couples are penalized. They have dreams of participating in American opportunities, and they are kept from this by an unfair tax code. In Montana, 90,000 couples are penalized to the tune of \$51.5 million every year in extra taxes simply because they are Mr. and Mrs.

We made it pretty clear on this side of the aisle that tax reform is needed.