

Two young people become infected with HIV in this country every hour, and there are 11 new infections worldwide every minute. The figures that the gentleman from Illinois (Mr. DAVIS) used were that around 450,000 people have died in the U.S. of AIDS, 22 million worldwide. We must do more to protect this new generation from suffering. That is all too familiar to previous generations.

Mr. Speaker, I call on my colleagues to work with us to increase the funding, to improve the quality of life, to end the scourge of AIDS.

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

(Mr. DEFAZIO addressed the House. His remarks will appear hereafter in the Extensions of Remarks.)

HEALTH CARE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, once again this evening, as we are back from the Memorial Day break, I would like to take up the issue of health care. As my colleagues know, I have been down here with many of my Democratic colleagues many times over the last few months since the session began and since this new administration began in January, basically speaking out on three major health care issues that have not been addressed, in my opinion, by the President and the Republican leadership in the Congress, and that is the need to reform HMOs and the need to pass a Patients' Bill of Rights that would reform HMOs.

There are so many problems that people now have with their HMO or their managed care organization in not having proper access to care, not being able to go to the hospital of their choice, not being able to, if they have a grievance, have an independent review of the decision by the HMO to deny them care; and I will get into this more this evening.

The second issue is the need for a Medicare prescription drug benefit. When I go home, and I was home for the last 10 days in New Jersey, my seniors and my constituents complained more about the high cost of drugs and how they cannot pay for prescription drugs and that it should be included in Medicare. I agree, and that needs to be addressed.

The third issue is access for the uninsured. More Americans every day have no health insurance. Most of those are working people, and we need to find ways to address those concerns and have them insured and covered for their health care.

My point tonight, and I would like to yield now to some of my colleagues,

but my point tonight is that we really face, I hope, a different situation tomorrow here in the Congress, here in Washington, because of the change in the other body, in the Senate. I have watched over the last 4 or 5 months, and during the course of the campaign, President Bush mentioned many times that he was going to pass a Patients' Bill of Rights and reform HMOs, that he was going to have a prescription drug benefit, that he was going to address the problem of people who do not have health insurance. Yet over the last 4 or 5 months of this administration, these issues have not come to the floor, they have not been moved in committee in either House. The Republican leadership, in conjunction with the Republican President, have simply dropped the ball on these issues.

I was heartened to find that during the break with the changeover in the Senate to Democratic control tomorrow, that the leaders in that body, the Democratic leaders in that body have said that the first order of business when they come back next week most likely, next week is going to be to move the Patients' Bill of Rights in the other body, and that that will be followed soon with these other health care issues.

So finally now we may have an opportunity to get legislation passed, at least in the other body, on some of these issues by the Democrats that will come over here and force the hand, I hope, of the Republican leadership here and the Republican President.

With that, Mr. Speaker, I would like to yield to the gentleman from Rhode Island (Mr. LANGEVIN).

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Mr. LANGEVIN. Mr. Speaker, I am pleased to rise and join my colleague, the gentleman from New Jersey (Mr. PALLONE) on this important topic.

Mr. Speaker, I rise to address in particular the skyrocketing price of prescription drugs, which is making this essential component of our Nation's health care system inaccessible to those who need it most.

Older Americans, who make up 13 percent of the U.S. population, account for 34 percent of all prescriptions dispensed and 42 cents of every dollar spent on prescription drugs. The average Medicare beneficiary fills 18 different prescriptions per year.

Obtaining prescription drugs is a clear necessity for our senior citizens. Yet, the annual spending per capita in the Medicare population for prescription drugs has jumped from \$674 in 1996 to \$1,539 in the year 2000, and is expected to climb to over \$3,700 in 2010.

Overall, prescription drug prices rose 306 percent between 1981 and 1999, while the Consumer Price Index rose just 99 percent during that same period. In the year 2000, total spending in the U.S. for prescription drugs was \$116 billion, more than twice the \$51 billion spent in 1993. That amount is expected to triple to \$366 billion by 2010. These escalating prices can and must cease.

For every dollar that a consumer pays for a prescription drug at the pharmacy, 74 cents goes to the drug manufacturer, 3 cents goes to the wholesale distributor, and 23 cents goes to the pharmacy. In 2000, pharmaceutical companies had after-tax median profits of 19 percent, compared with 5 percent for all other Fortune 500 companies combined.

While I recognize the importance of researching and developing technological advancements that have helped numerous Americans, and of course we all want to see this continue, I know drug manufacturers do not need such astronomical profits to ensure continued research.

Mr. Speaker, let us face facts: most core research for prescription drugs is funded through NIH. In addition, pharmaceutical companies dedicate more than 18 percent of revenues to profits and 30 percent to marketing and administration, compared with just 12 percent to research and development. In fact, the 12 drug companies with the highest revenues spent three times as much on marketing as on R&D in 2000.

Mr. Speaker, access to prescription drugs is critical to the survival and maintenance of an accessible quality of life for millions of our senior citizens. As we know, Medicare does not offer any prescription drug program, and most seniors have found that the Medicare+Choice program has not provided the kind of opportunities Congress thought it would.

As a result, today at least one in three people in the Medicare population have no drug coverage at all in the course of a year, and nearly half have no coverage for at least part of an entire year. These Medicare beneficiaries spend on average 83 percent more for their medications than those with drug coverage. Moreover, almost half of Medicare beneficiaries without any form of prescription drug coverage have incomes less than 175 percent of the poverty level. That means they had incomes of \$15,000 in 2001.

That, Mr. Speaker, is why we need to require drug companies to give local pharmacies the best price they give their most favored customers, or the average foreign price, and reinstate the requirement for reasonable pricing on products that were researched and developed using taxpayer money via NIH.

Moreover, we need to authorize the Federal government to buy drugs in bulk and at a discount for Medicare beneficiaries.

And most of all, we must provide a Medicare prescription drug plan. While the administration's budget includes \$153 billion over 10 years to provide for prescription drug coverage and Medicare reforms, this plan falls far short of a comprehensive drug coverage program.

The 4-year Immediate Helping Hand proposal provides block grants to the States to help low-income seniors purchase prescription drugs, and then an unspecified Medicare prescription drug