

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business for not to extend beyond the hour of 10:30 a.m. with Senators permitted to speak therein for up to 10 minutes each. Under the previous order, the first half of the time shall be under the control of the majority leader or his designee. Under the previous order, the time until 10:30 a.m. shall be under the control of the Republican leader or his designee, with the first 15 minutes of this time to be under the control of the Senator from Pennsylvania, Mr. SPECTER.

The Senator from Florida.

PRESCRIPTION DRUGS

Mr. GRAHAM. Mr. President, since its creation in 1965, the Medicare Program has helped millions of the Nation's elderly and disabled when they were in desperate need, after they had become sick enough to require a physician's assistance or hospitalization. Thirty-seven years after its creation, it is time for change.

A prescription drug benefit is the most fundamental reform we can make to the Medicare Program. Why? If we want to truly reform Medicare, we must change its basic approach from one that is oriented toward intervention after sickness to one that focuses on maintaining wellness and the highest quality of life. This prevention approach will require in almost every instance a significant use of prescription drugs.

An example of how the use of prescription drugs has changed medicine was made by Dr. Howard Forman, a congressional fellow in my office, who is a doctor and professor at the Yale Medical School. Dr. Forman remarked to me that none of his students had ever seen ulcer surgery. Why? Because we now give patients prescription drugs to care for this ailment which previously was dealt with through surgery. This is just one of many examples of where modern medicine has fundamentally been altered by prescription drugs; notably, by improving the quality of people's lives, ending the need for many surgeries and long recovery periods.

A side benefit of this change would be that the cost to the Medicare Program could be lowered by utilizing these expensive but less expensive prescription procedures as opposed to traditional surgery.

The prescription drug legislation I am sponsoring, with my friends, Senator ZELL MILLER of Georgia and Senator TED KENNEDY of Massachusetts, would improve the Medicare Program

and give seniors a real, a meaningful, a sustainable drug benefit. With a \$25 monthly premium, no deductible, and a simple copayment of \$10 for generic drugs, \$40 for medically necessary, standard brand name drugs, and \$60 for other brand name drugs, and a maximum of \$4,000 in out-of-pocket expenses, our plan would give seniors the universal, affordable, accessible, and comprehensive drug coverage which they want and need.

Our plan would help 80-year-old Freda Moss of Tampa, FL. She has no prescription drug coverage. Today, she pays nearly \$8,000 a year for the drugs she needs to keep her healthy. This does not include a new prescription for Actos, an oral diabetes drug that costs \$143.68 every month. Freda has not had this prescription filled because it is so expensive.

Under the Graham-Miller-Kennedy plan, she would pay just over \$2,900—saving \$5,100 each year. Under the House Republican plan, Freda's drug costs would be at least \$4,220 a year. Why would the House plan cost Freda \$1,320 more per year?

There are many reasons, including a higher monthly premium and a \$250 deductible. But the single biggest reason is the "donut."

What is the donut, Mr. President? We are all familiar with donuts. They are round; they taste good; often, they have powdered sugar on them; they are tasty at the edges. But when you get into the middle, there is nothing there. That describes the benefit structure of the House Republican plan.

Let's look at how this plan would have affected Freda and her husband, Coleman. After having paid a \$250 annual deductible, Freda and her husband would pay 20 percent of the cost of each specific prescription up to \$1,000. From \$1,001 to \$2,000, she would pay 50 percent of each prescription. And then she hits the hole in the donut. Freda is on her own until she reaches the catastrophic limit of \$4,900 in total drug costs.

While she is struggling through this hole in the middle of the donut, she would be responsible for continuing to pay her monthly premiums of about \$34, for which she would receive nothing, no benefit.

Mr. President, there is no comparable donut in private health care plans. The kind of plan which probably covered Freda and Coleman before she came on to Medicare did not have this approach; it has, as we do, continuous protection. One of the things our older citizens want is certainty and security. Our plan gives them that.

The House Republican plan converts them into guinea pigs, experimenting with untested health care policies and a "gotcha" of an unexpected hole in the middle of their benefit—a hole which runs from \$2,001 all the way to \$4,900 of expenditures. We are not going to make 39 million senior Americans into laboratory experiments.

Under our plan, Freda would pay no deductible, receiving coverage from her

first prescription. She would pay a simple copay for each prescription. There are no donut holes. Instead of gaps, we give American seniors a plan that mirrors the copay system that they had in their working lives.

Mr. President, as my colleague, Senator MILLER, says with such conviction and passion: This is the year for action, not just talk, on prescription drugs.

I don't want to go back to Tampa, FL, and tell Freda we had a very strong debate about this issue. I want to tell Freda she can start going to the drugstore and from her first prescription begin to get real assistance. We all will come to the floor this week, and in the following weeks, to remind our colleagues about the importance of passing a prescription drug benefit before the August recess, and to have that benefit in law before the end of this session of Congress.

The ACTING PRESIDENT pro tempore. The Senator from Georgia is recognized.

Mr. MILLER. Mr. President, I, too, rise to talk about prescription drugs and the struggle our seniors face every day.

Since April, I have been coming down to this Chamber on a regular basis to speak about the urgency of passing a prescription drug benefit before the August recess. I have spoken about how we have kept our seniors waiting in line for years and how we have bumped them time and time again to debate other issues—other important issues but other issues.

Our majority leader, Senator DASCHLE, has said we will bring up prescription drugs on the Senate floor before the August recess. I and many others are very grateful.

As of today, we now have three bills in Congress to add a prescription drug benefit to Medicare—two in the House and one in the Senate—the one I am a cosponsor of, along with Senator GRAHAM of Florida, Senator KENNEDY, Senator DASCHLE, and about 28 other Senators.

This issue is now where it should be; it is front and center. It has more momentum today than it has had in all the years we have been talking about it. Our seniors have finally reached the front of the line. Now it is time to get down to business and have a real debate on the details of these proposals.

Make no mistake about it, there are real differences among them. Let's debate those differences. If we can, let's find some common ground. And then let's get something passed because if we fail to do something now, if we just criticize each other's bills for the sake of criticizing, and dig in our heels and refuse to compromise and work something out, our seniors are never going to let us forget it come November.

After years of wandering in the wilderness, our seniors are now inside of the promised land. Both political parties have brought them there and have given them a glimpse. We cannot send them away to wander in the desert for

another election cycle or who knows how many more years.

I urge my colleagues to let us have a healthy debate on these bills. Let us point out the strengths and weaknesses of each proposal, but never lose sight of the big picture, as Senator GRAHAM just said at the end of his remarks.

This should not be viewed as just an issue for the next election campaign. I urge my colleagues not to look at it in that way. Our goal should be to pass a prescription drug benefit. I will work hard to see that the bill we pass in the Senate offers real help for our seniors, especially for our neediest seniors.

As Senator KENNEDY said so eloquently last week: The state of a family's health should not be determined by the size of a family's wealth.

One way to help our seniors, including the neediest, with prescription drugs is to pass a bill that has no gap in coverage and that places a reasonable cap on out-of-pocket expenses.

The Graham-Miller-Kennedy bill offers just that. There is no gap in coverage, and the out-of-pocket maximum is set at \$4,000 a year. After \$4,000, Medicare would pick up 100 percent of the cost of prescriptions under our bill. But the House Republican bill provides no coverage from the time a senior's total drug costs reach \$2,000 to the time they reach \$4,900. That is that "hole in the donut" Senator GRAHAM was talking about that is so obvious.

Who will it hurt the most? The ones who can afford it the least—the low-income seniors. To add insult to injury, the House bill requires seniors to continue paying monthly premiums during this gap, even though they are not receiving a single penny of benefit. Even the neediest seniors would have to pay these premiums during this gap. That is not right; that is just plain unacceptable.

I look forward to debating this provision, and many others, when we take up prescription drugs in the next few weeks. I urge my colleagues in both Houses and in both parties to keep the big picture in mind. Our duty to seniors is not just to debate a bill, it is to pass a bill.

The final product won't be perfect. It won't include everything that I want, and it won't include everything that some of my colleagues may want. But it will be better than what our seniors have now. And what our seniors have now is nothing.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, first of all, I want to commend our colleagues, Senator MILLER and Senator GRAHAM, for their leadership in this area, which is of such enormous importance and consequence to people in my State of Massachusetts and across the country.

I hope the American people are going to pay close attention to these presentations that are made today by both of these leaders, as well as my friend from

Michigan, DEBBIE STABENOW, as they continue to help the American people understand what is really at stake.

Medicare is a solemn promise between the government and the American people and between the generations. It says "Play by the rules, contribute to the system during your working years, and you will be guaranteed health security in your retirement years." Because of Medicare, the elderly have long had insurance for their hospital bills and doctor bills. But the promise of health security at the core of Medicare is broken every day because Medicare does not cover the soaring price of prescription drugs.

Too many elderly citizens must choose between food on the table and the medicine their doctors prescribe. Too many elderly are taking half the drugs their doctors prescribe—or none at all—because they can't afford them. The average senior citizen has an income of \$15,000 and prescription drug costs of \$2,100. Some must pay much more.

I want to pick up on the issue of comparing the different bills. Hopefully, as we come to debate these issues and questions, we will begin to understand the importance of the differences in the Democratic and Republican bills. They are enormously different.

The administration's first bill did not even pass the laugh test, and the bill that is being considered now by the Republicans in the House of Representatives does not pass the truth-in-advertising test. The administration allocated \$190 billion. Senior citizens are going to spend \$1.8 trillion for prescription drugs. So they get about 10 cents on the dollar to assist them, and there are still a lot of gimmicks they have to go through to get even that.

Listen to the Republican proposal. The House Republicans have a proposal that says: If you have an income below 150 percent of poverty, you are not going to have to worry about your premiums, copayments, or deductibles. Doesn't that sound reasonable for low-income people? Except there is an assets test which the Miller-Graham proposal does not have.

This is basically a hoax on the low-income people. To qualify for low-income subsidies under the Republican plan a senior cannot have \$2,000 in savings. They cannot have \$2,000 in furniture or property, they cannot have a car that is worth \$4,500 or a burial plot that is worth \$1,500. Any one of these assets disqualifies one from the Republican plan. Do they mention that? No. Do you read about it? No. Is it there? Yes. Effectively this writes off, writes out millions of low-income seniors.

This group of seniors is seeing a fraud perpetrated on them. The Miller-Graham bill has rejected that concept. If we in the Senate are going to be true to our word, we will reject it, too. This will be an important battle.

The second group of seniors is those with moderate incomes who are going to pay the \$420 annual premium and

the additional \$250 deductible. We know they are going to get very little in return. They will pay up to \$670 in premiums and deductibles before they are going to get any assistance at all. Those with prescription drug spending of \$250 or less will pay \$670 and receive no benefit. Seniors who have drug costs between \$250 and \$1,000 annually will spend up to \$820 in annual costs but only receive up to \$600 in benefits. Those seniors with prescription drug costs falling between \$1,000 and \$2,000 a year will pay premiums, deductibles, and copayments totaling up to \$1,320 in return for benefits of up to only \$1,100. Seniors ought to know just what help the Republicans are offering in their proposal.

Finally there is the last group, individuals who still have a very modest income, but have prescription drug costs over \$2,000. They are going to fall into the hole, as Senator GRAHAM has pointed out. They will get no assistance for their drug costs once they reach \$2,000.

It is important to understand, as we begin this debate, who is going to be helped and who is not going to be helped. The Republican program fails to explain that either to their membership or to the American public.

In each of these areas, the Miller-Graham bill rejects those artificial barriers and assists each and every citizen all the way through. That is a major difference. This is one of the important differences we ought to recognize.

Here's another important difference. Rather than the safe, dependable Medicare system that senior citizens understand, the Republican plan is run through private insurance companies—pharmaceutical HMOs. They are allowed to set premiums at whatever the traffic will bear. And there is no guarantee that benefits will actually be available if private insurance companies decide they don't want to participate. Senior citizens have seen what has happened to HMOs in the regular Medicare program—cutbacks in benefits, withdrawal of services. They don't need that for lifesaving prescription drug coverage.

And to complete this dishonor roll of the Republican plan, it does not even start until 2005. The Republican prescription for senior citizens: take two aspirin and call the pharmacy in two and a half years.

Senior citizens and their children and their grandchildren understand that affordable, comprehensive prescription drug coverage under Medicare should be a priority. Let's listen to their voices instead of those of the powerful special interests. Let's pass a Medicare prescription drug benefit worthy of the name.

The ACTING PRESIDENT pro tempore. The Senator from Michigan.

Ms. STABENOW. Mr. President, I rise today to join my colleagues in supporting the Graham-Miller-Kennedy bill of which I am very pleased to be a

cosponsor, which will provide a voluntary comprehensive Medicare prescription drug benefit. This is long overdue.

I also rise today to express great concern about what is being done in the House of Representatives. We know that in the end we need to come together with a bipartisan bill. We welcome that and want to work with our colleagues, but it has to be something real, it has to be something that provides more than 20 percent of the cost of prescription drugs—only 20 percent help—leaving our seniors to pay 80 percent and, in some cases more, for their prescriptions. It is just not good enough.

I wish to share some portions of a letter I received yesterday from the Kroger Company of Michigan that was written to me concerning the legislation that is being drafted and passed by our Republican colleagues in the House. It says:

Dear Senator Stabenow: As president of the Michigan Kroger stores, I am writing to advise you that our stores oppose the Thomas-Tauzin Medicare bill.

The Republican bill in the House.

Passage of this bill will hurt Michigan senior citizens by confining their freedom in choosing generic over brand name medications and restricting their pharmacy choices. Furthermore, the viability of community pharmacies is of significant concern, especially in rural areas where inadequate reimbursement rates could force many community pharmacies out of business, further restricting seniors' choices.

There is great concern not only from the senior groups, those that represent consumers in our country. I appreciate the president of Kroger expressing great concern about this as well. We can do better. The question is, To whom are we going to listen?

I am asking, as are my colleagues, that we listen to not only seniors but businessowners and others who are experiencing an explosion in the prices of prescription drugs, and that we act and do so now. It is long overdue.

A few weeks ago, I invited people to come to my Web site. We have set up the prescription drug people's lobby in Michigan. We are tying it to a Web site that has been set up nationally, fairdrugprices.org, and I have been asking people to share their concerns, their experiences with the high prescription drug prices we are seeing across the country.

Once again, I wish to share a story from one of those citizens in Michigan who has signed up to be a part of our prescription drug people's lobby.

This is from Molly A. Moons, who is 44 years old in Pontiac, MI. She says:

Senior citizens are not the only people suffering from the high cost of prescription drugs. I am the sole employee of a small business and not eligible for any health care plans that cover the cost of prescription drugs. I have four prescriptions that need filling each month, and the cost is in excess of \$300 a month—a real financial burden. At the invitation of some senior citizen friends, I was invited to take a "drug run" to Canada.

Mr. President, a number of us have done this to demonstrate the differences in prices.

These ladies were all widows/retirees on fixed incomes that were having trouble paying for their medications, so I joined them to buy our prescriptions in Canada.

... I am able to get a 3-month supply of medication for what it costs me for a 1-month supply in the United States.

A 3-month supply in Canada for a 1-month supply in the United States.

I find that shameful.

While I believe that everyone has a right to make a profitable living, the gouging of the pharmaceutical companies is sickening. Additionally, the loopholes that these companies use to keep drugs from generic manufacturers are also criminal. Please help make this stop.

I thank Molly Moons for sharing her story as a small businessowner and sharing her concern about the senior citizens who were on that bus going to Canada. Shame on us. She is right, "I find it shameful," and it is shameful. We are saying we can do something about it. We can do something about it by passing the Graham-Miller-Kennedy bill that will provide a comprehensive Medicare prescription drug benefit, and we can further do it by passing other legislation to lower prices through expanded use of generics, opening the border to Canada and other policies that will lower prices. We can do that, and we need to do that.

Why has this not been done? Why has this not happened? We have been talking about it. I talked about it as a Member of the House of Representatives. We tried to pass something then. Colleagues of mine have talked about it. Presidential candidates have talked about it. As the Senator from Georgia said earlier, it is time to stop talking about it and get something done.

Why has that not happened? Unfortunately, we have seen too much influence and too many voices trying to stop this, and not enough of the people's voice in this process, which is what we are trying to do right now.

We have a Web site that I have invited people to go to that is called fairdrugprices.org. We are inviting people to sign a petition to urge Congress to act right now, to urge Congress to pass a comprehensive Medicare prescription drug benefit, and to pass other efforts to lower prices. We urge people to go to this Web site and share their story. We will share those stories on the floor of the Senate.

Why is that important? It is important because, according to our numbers, there are about six drug company lobbyists for every Member of the Senate. Their voice is being heard. This is about making the people's voice heard through their Representatives and their Senators.

Unfortunately, there are other ways in which voices are heard. I found it unfortunate that yesterday, while in the midst of debating a Medicare bill, which has been viewed by colleagues and quoted in the paper from House Republican staff as being a bill they are

very concerned about having reflect the needs of the drug companies, but at the same time we do not have the concerns of our seniors and our families being voiced as a part of that process, that last evening there was a major fundraiser. Our colleagues on the other side of the aisle and the House of Representatives had a major Republican fundraiser and we saw a number of pharmaceutical companies playing a major role.

We saw Glaxo Smith Klein, according to the newspaper, contributing about \$250,000 to that fundraising effort; PHRMA, which is the trade organization for the companies, contributing about \$250,000 to that fundraiser; Pfizer, about \$100,000, and other companies as well. So there are those that are not only here as lobbyists but contributing dollars to fundraisers, certainly wanting to make their voice heard.

The PRESIDING OFFICER (Mr. MILLER). The Senator's time has expired.

Ms. STABENOW. Mr. President, I ask unanimous consent for 2 additional minutes.

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

Ms. STABENOW. In conclusion, we know the lobbyists' voices are heard on this issue, the drug companies' voices are heard in a multitude of ways. Now is the time for the people's voice to be heard on this subject, and I urge those who are watching today to get involved through fairdrugprices.org, by showing support for a bill that will be brought up in July and will be voted on in this Senate to provide real help for seniors and those with disabilities in our country.

We will bring forward other legislation to lower prices for everyone, for the small businessowner, the manufacturer in Michigan, the farmer, those who are paying high prices through their insurance premium or at the pharmaceutical counter. The time has come to act. We know what to do. Now it is time to do it.

The PRESIDING OFFICER. The Senator from Pennsylvania.

ORDER OF PROCEDURE

Mr. SPECTER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his point.

Mr. SPECTER. Is it correct that there is now 30 minutes for the Republicans, with an allocation of 15 minutes to my control?

The PRESIDING OFFICER. There are 27 minutes, of which the Senator has 15.

Mr. MURKOWSKI. May I rise for a question relative to the allocation?

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. What is the allocation of time following the Senator from Pennsylvania? Does the Senator from Alaska have morning business reserved for 15 minutes?