

now proceed to a period of morning business, with Senators allowed to speak for a period not to extend 10 minutes each; I further ask, as part of that consent, that the Senator from Michigan be recognized; that the Senator from Arkansas be recognize to speak for up to 30 minutes, and if I could get the attention of my friend from Iowa, does the Senator from Iowa wish time to speak?

Mr. GRASSLEY. No.

Mr. REID. There is time for others to come to speak, but I ask the Senator from Michigan now be recognized in morning business under the unanimous consent request, and that following that, the Senator from Arkansas be recognized.

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

### MORNING BUSINESS

#### MEDICARE PRESCRIPTION DRUG BENEFIT

Ms. STABENOW. Madam President, it is difficult to know where to begin at this point. I feel compelled to respond to my colleague and friend from Pennsylvania, who has spoken at some length. As I listened to him on a variety of subjects, I have changed what I was going to say a number of times.

Let me just start by addressing the last issue he raised about knowing the whole story because I believe it is incredibly important. We have been trying, now, since Friday—or certainly we have been trying since yesterday—to move to this legislation which is so critical to lower prices of prescription drugs for everyone and also provide a Medicare prescription drug benefit that is beneficial. As we finally move to the bill, it is important that we understand the whole story of how the industry operates today and our role as taxpayers.

I think we need to understand that we start with basic research. This year, we as taxpayers are spending \$23.5 billion that we give to the National Institutes of Health for basic research. I support that. I would support doing more. I think it is critical. But we do that, and companies take the information and then move it to the next level after we have subsidized or paid for the research.

They move to the next level and do research and development themselves, which is also very important. We subsidize that as well through tax write-offs on research and development as well as advertising and business costs and so on. So we participate through tax deductions and credits.

We then allow companies that bring a product to market to have up to a 20-year patent. That patent, then, allows them to have exclusive rights, without competition, so they can recover their costs, their research costs. It does cost a tremendous amount of money to bring new drugs to the market. We know that. We as Americans have built

in a system to make sure that that innovation is recognized. We allow companies to recoup their costs, and they are then able to bring these lifesaving drugs to market.

We then get to the end of that process, and then something else is supposed to happen. The formula is supposed to be available for generic companies to be able to, in turn, manufacture the drugs and reduce the prices.

What happens today? Unfortunately, this industry, that has been supported and subsidized and is making 18-percent to 20-percent profit a year, fights every possible venue for competition. They fight everything. They fight generics going on the market. Sometimes they buy up the companies. Sometimes they just sue them to keep them off the market. They fight opening the borders to Canada which would create more competition. They fight real Medicare prescription drug coverage that would allow 40 million seniors and those with disabilities to be under one insurance plan and be able to have the clout to get a group discount. They fight everything.

That is the real story: Why we are here, seeing delay after delay after delay, because we see the lobbyists in that industry looking for every opportunity to stop us from going forward.

My colleague also said we should have brought this up in the Finance Committee. One of the things I learned is that if you are wrong on substance, you bring up process arguments. So we had a lot of process arguments. Unfortunately, not one of those process arguments would buy one prescription for one senior.

We have heard arguments about the Finance Committee. I ask my colleagues: It is my understanding there has been a bill in the Finance Committee for 5 years. How long is long enough? How long is long enough? How long do seniors in the country have to wait for Medicare coverage? How long is long enough?

We debate on the floor skipping the Finance Committee. How about the senior who is skipping supper right now? Frankly, I am more concerned about that person right now. How long do people have to wait? How many Presidential debates and campaigns? How many congressional campaigns? How long?

Now is the time to stop talking about process and start talking about real Medicare coverage and lowering prices for everyone, so the next group of employees do not have to be told their pay is frozen so the employer can pay the health care benefit; so the next round of small businesses do not see their premiums jump 30 percent, 40 percent, and they have to consider dropping insurance coverage for their employees—predominantly because of the driving costs of prescription drugs; so the manufacturers in my State do not have to struggle with this issue.

How long? I would suggest too long. And now is the time to do it. Now is

the time to act. If we are operating as people of good will, we can work out the process, we can work out the details. There are philosophical differences—no question—about how to proceed. But if people of good will want to make something happen, I believe we can and we will.

I will have a lot more to say about the differences in the Medicare plans and other differences tomorrow, as we move through this debate. But this evening I would like to remind Senators, again, what we are supposed to be focusing on. I hope, anyway, with all due respect to colleagues, that we pay attention to what is really at stake. I have set up a prescription drugs people's lobby through my Web site and asked people to share with me their stories.

I close with two descriptions of real-life situations that are happening right now. One is from Rochelle Dodgson of Oak Park, MI. I want to thank her very much. I have shared this before, but I want to bring us back to what this is about. She writes:

My mother is currently insured under COBRA after losing her job in August of 2001. While she has her basic Medicare coverage, she will lose her supplemental medical coverage in January 2003. She has recently been diagnosed with multiple myeloma and will require treatment for this blood disorder the rest of her life. The medication she was taking before this new illness costs over \$500 retail on a monthly basis. I have not checked the prices of the 'chemo' she takes monthly nor the cost of the Procrit she takes weekly. I expect her monthly out of pocket expenses to be around \$700 a month. Her Social Security is just over \$800 a month.

Her monthly out of pocket expenses are \$700; her Social Security is around \$800.

I can't imagine having to budget food and housing expenses along with medication on that kind of income. My husband and I will try to find a way to budget some of her medical costs into our own expenses. . . .

Many families are doing this across America.

. . . but we also care for my husband's mother.

My mother is still a viable part of society. She doesn't deserve to struggle just because she has chronic illness.

That is what this is about. It is not about procedures, and 60 votes versus 51 votes, and all of the other processes, objecting to proceeding with bills. This is what this is about.

Let me just share one other story. This is actually from Austin, TX. Jackie Smith wrote through my e-mail. I am sure she shared it with other colleagues as well. I appreciate it. She says:

My prescriptions will cost \$3,850 a month beginning August 15 [of this year].

Madam President, \$3,850 a month for prescriptions.

That is when my COBRA benefits—which allowed me to continue my health care coverage through my employer—will run out. I will then qualify for Medicare with no prescription drug coverage.

Between my disability policy benefits and Social Security disability my fixed income is

\$2,000 a month. I have no idea where to turn for help.

Madam President, \$2,000 a month in income, \$3,850 a month in prescription drug costs. She describes her situation and ends by saying:

Thank you so much for working for a meaningful drug benefit.

That is what this is about. If we want to fix it, we will. We don't need another campaign issue. This is about getting it done. We can do that if we want to do that. We are here thanks to the leadership of our majority leader who understands that it needs to be done and allocated 2 weeks in a schedule with a lot that needs to happen. Because of the importance of this issue, he said we will take 2 full weeks on this and work through it. Instead of doing it on Monday or on Tuesday, it will be tomorrow—Wednesday—before we start. OK. But let us get started. Let us get it done. If we want to do it—we have bright people on both sides of the aisle—we can do it. If we want to just argue process, we can argue process. But this is a bill which for 5 years has been under consideration by the Finance Committee. If it is not possible to get a meaningful, real Medicare benefit, and we instead do it on the floor—I have only been here for 1½ years; I have seen an awful lot of bills not go through committee and go directly to the floor, an awful lot of them on both sides of the aisle with both leaders of different parties. The reality is that when you are not able to do what you believe needs to happen it frequently goes to the floor.

The issue is how we are going to get it done. Are we going to do what is long, long overdue? I believe the American people are getting tired of hearing us talk. They want us to get it done. I hope we will.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. HUTCHINSON. Madam President, I wish to take a moment to respond to some of the comments by my distinguished colleague from Michigan regarding the process. I agree that the process in many cases does not matter. Normally, the American people do not care about process. Instead, they care about results. They care about their pains and their families' pains, and they are concerned about the future.

But if you have a process that is a prescription for failure, then process matters. If you have a process that is set up to ensure there is no result, then process matters.

I say to my distinguished colleague from Michigan that it is easy to ridicule concerns about the process, but when the process results in 60 votes needed for passage instead of 51 votes—a process which is going to guarantee that we don't get a prescription drug benefit for our seniors, and that is exactly the situation—then process matters. If the fact that we didn't go through the Finance Committee, and the fact that we didn't have a markup

in the Finance Committee results in a point of order that sets the bar so high that we are not going to get a bill through, then it matters. If the process ensures that we are going to pass a bill with a pricetag that CBO has not even given us yet, perhaps in the range of \$300 billion, and we send it to conference with the House bill that is much, much smaller, and it assures we are not going to have a result, then process matters.

I would suggest that the process we have been given—for legislation that provides for an enormous change in policy and the most significant legislation that some of us will vote on and many of us will debate in our entire careers—is less than adequate because we are being given a bill that has not had the benefit of a markup in committee.

As an Arkansan, I have colleagues in this body who serve on the Finance committee who are being denied their right to have input into the product that comes out. It is my understanding that members of the Finance Committee are ready to vote on a prescription drug bill, and the votes are there; that we could send a product to the Senate floor right now that we could debate and use as our vehicle. But instead we are going to have a bill presented that no one on this side has had the opportunity to read and that has not yet been scored by the Congressional Budget Office. It is a moving target. That is no way for us to do significant and important legislation.

My colleague from Pennsylvania said he has the second highest per capita senior population in the Nation. He is accurate in that, I am sure. But I would point out to him that in my home State, unfortunately, we have one of the highest percentages of low-income seniors per capita. This is an issue that is very important to seniors in Arkansas. And it is important not so we have a political issue for the campaigns that are less than 4 months off. It is important because there are millions of seniors who are making do with a Medicare system that is out of date and that is headed towards obsolescence.

Medicare today was a wonderful system when it was developed in the 1960s. But health care has changed. Insurance has changed. It would be like going back to a 1960 model automobile. Prescription medicines today are an integral part of patient care. Medicare denies seniors those needed drugs. These are drugs to ease the symptoms of Parkinson's, Alzheimer's, and arthritis—drugs to control cholesterol, blood pressure, and to fight other life-threatening diseases such as cancer. Many seniors, even though they are prescribed these drugs, simply go without because they cannot afford them.

My colleague from Michigan is right about that. Seniors are what this debate is about. It is not whether or not at the end of next week, when all the dust has settled, we can campaign on an issue as we go into the election sea-

son. It is about whether or not millions of seniors are going to get the help they need.

Mary McDaniel from Crossett, AR, wrote and said:

I am in favor of a program that promises affordable medication to all senior citizens but not a Medicare pharmacy policy that may take away my rights to choose my pharmacy and one that offers false promises. I want to be able to get the medication my doctor prescribes and not something the Government says I can have.

The fact is that prescription drugs improve lives and in many cases they save lives. Coverage for prescription drugs needs to be a part of our Medicare system.

The 21st Century Medicare Act—called the tripartisan bill—creates a prescription drug benefit which is permanent, available to all seniors, and does not jeopardize the stability of Medicare for future generations. That is so important.

What benefit are we giving our seniors if we pass a prescription drug benefit that is so expensive that it is like a barnacle on the ship that is the Medicare system, dragging it down to bankruptcy? A responsible benefit must be one that does not jeopardize the stability of the system for future generations.

Seniors will be able, under the tripartisan bill, to voluntarily sign up for this prescription drug benefit, which has an affordable monthly premium of \$24, the lowest premium of any of the prescription drug bills introduced so far.

For low-income seniors, the bill provides additional support. Madam President, 11.7 million lower income beneficiaries with incomes below 150 percent of poverty will receive a generous subsidy for their prescription drug costs. Those below 135 percent of poverty will have 80 to 98 percent of their drug costs covered with no premium at all. For the State of Arkansas, that means for those beneficiaries under 135 percent of poverty—there are 179,378 such seniors in Arkansas out of 453,598 total Medicare beneficiaries—these seniors will have their entire premiums paid for and most of their drug costs covered as well.

This legislation also provides catastrophic coverage to protect seniors against extremely high out-of-pocket drug costs that exceed \$3,700 per year.

The 21st Century Medicare Act also seeks to modernize Medicare benefits by allowing seniors to choose a new, enhanced benefit called Medicare Part E. This new benefit eliminates copays for important preventative health benefits such as mammograms, prostate cancer screenings, bone mass measurements, and medical nutrition therapy. It also streamlines hospital benefits, eliminating per-day copays and other limits.

If seniors do not like this option, they can always stick with traditional Medicare. This bill does not weaken

traditional Medicare, but it makes it better and stronger. It does not make it more expensive. It does not make it less accessible.

To further ensure that seniors have choices, the 21st Century Medicare Act requires qualified providers of the prescription drug benefit to have “bricks and mortar” pharmacies in their network.

Let me pause here to tell you just how important our Nation’s pharmacies are to seniors and to all Americans. You can give seniors prescription drugs, but if they don’t know how to use them, they don’t get any benefit.

Pharmacists play a critical role in counseling seniors and other patients about drug interactions and medication use in general. During the debate on how to structure a Medicare prescription drug benefit, we cannot forget that pharmacists will play, and must play, a critical role in making this a quality benefit.

So I am very pleased to be one of the cosponsors of the 21st Century Medicare Act. I intend to work to enhance the bill in regard to the role of pharmacists in the future.

I have received, as I am sure we all have, many examples of those who have written to express their support for a Medicare prescription drug benefit. I have also heard this sentiment expressed in town meetings across the State of Arkansas. During the Fourth of July recess, there was no issue more on the minds of my constituents than the rising cost of prescription drugs and how Congress is going to deal with it.

Ruth Blair, from Rogers, AR, writes:

Please vote for help with prescription drugs for senior citizens. We either eat or take medicine. It’s a tradeoff.

That is the sad situation for millions of Americans and tens of thousands of Arkansans on Medicare.

In 2001, more than 15 million Medicare beneficiaries had no prescription drug coverage at all, according to the Kaiser Family Foundation. Almost 400 new drugs have been developed in the last decade alone to fight diseases such as cancer, arthritis, heart disease, and diabetes. While 98 percent of employer health plans offer coverage of these often lifesaving therapies, Medicare does not. That is the issue before us. That is what we must address.

Dorothy Adams from England, AR, writes:

Please support a prescription drug benefit. My husband and I have \$300 to \$400 drug bills every month.

That adds up to \$3,600 or \$4,800 per year. Under the tripartisan bill, the Adams family would have 90 percent of their drug costs covered after reaching \$3,700 in drug costs. That is the kind of help we can give.

We have this phantom bill that is going to be brought to the floor by the Senate Democrats. It has not been scored by the Congressional Budget Office. We do not know what the pricetag is going to be. And there are different

estimates out there as to what it is going to cost.

The original Graham-Miller-Daschle-Kennedy bill, the temporary benefit bill that was introduced, has a sunset provision. So you have a benefit that is truly an illusion. It starts late and ends early.

The Graham-Miller bill, which is the only bill we have to analyze right now, establishes a prescription drug benefit for seniors, and then it takes it away by terminating the benefit in 2010. That is the cruelest of all hoaxes. That is the ultimate use of a sensitive issue for vulnerable people for political purposes. And it is no way to fulfill our promise to America’s seniors. They do not need a benefit that will disappear a few years after they sign up.

This gimmick is intended for one reason, and that is to reduce the price tag of the Democrat proposal.

AARP has said that a prescription drug benefit should be “a permanent and stable part of Medicare.” The key word is “permanent.” The benefit created under Graham-Miller bill is neither permanent nor a stable part of Medicare.

The Graham-Miller bill supposedly costs \$450 billion over 7 years, according to the bill’s sponsors. But by others’ calculations, the bill could cost as much as \$600 billion or, without the sunset, easily \$1 trillion.

A benefit that costs \$600 billion over the next 10 years would require cutting 10 percent of all Government programs other than Medicare. That includes education, health care, and national security programs. That is not responsible.

If we want a bipartisan bill, if we want a bill that Republicans and Democrats have worked together on and have consulted on and cooperated on—then we have a tri-partisan bill that we can vote out, and we have the prospect of actually having a responsible, realistic, achievable prescription drug bill to give the President this year.

But if the House passes a partisan bill, and if the Senate leadership insists that we are going to bypass the Finance Committee and bring a purely partisan bill to the floor of the Senate, it is a prescription for doing nothing this year. I suggest that in fact—though it will never be admitted—such failure is exactly what some people want to happen.

The Graham-Miller bill is partisan and does not currently have the support of Finance Committee Chairman MAX BAUCUS. It is apparent that the Graham-Miller bill could not pass out of the Finance Committee, and I would suggest that may be why the Finance Committee was not allowed to mark up a bill.

If the majority leader were serious about getting a prescription drug bill enacted into law this year, I would suggest that he would not bypass the Finance Committee. Is it a real accomplishment, achievement, that we want,

or is it an election issue for November that is sought?

The majority leader has, I believe, turned a blind eye to the fact that there is in fact a bipartisan bill—a tripartisan bill as it is being called; it was introduced on Monday by Senators GRASSLEY, JEFFORDS, BREAU, SNOWE, and HATCH—which I have cosponsored. It could pass out of the Finance Committee today if the committee were allowed to bring it up.

If Democrats and Republicans are willing to work together, we could make meaningful progress for our seniors.

In 1999, Republicans supported legislation based on the bipartisan Breaux-Thomas proposal which would have spent \$60 billion over 10 years on a Medicare prescription drug benefit. That was 1999. But Democrats rejected this proposal and offered a \$111 billion proposal. That was in 1999.

In 2000, Republicans proposed a drug benefit that would have spent \$140 billion over 10 years on a Medicare prescription drug benefit, but Democrats again rejected this proposal as inadequate and offered a \$338 billion proposal. That was in the year 2000.

In 2001, Republicans and Democrats agreed on a budget resolution which provided \$300 billion for a Medicare prescription drug benefit. The House of Representatives has passed a \$350 billion proposal, and there is a bipartisan bill in the Senate which is a \$370 billion proposal. Yet the other side now says that is not enough.

I suggest that nothing will be enough because they do not want an accomplishment, they do not want an achievement, they do not want a prescription drug benefit this year. They want a campaign issue.

If we are serious about providing seniors with a Medicare prescription drug benefit, in the days ahead we should look at the only truly bipartisan bill that has a majority of support. Senator GRASSLEY, Senator BREAU, Senator JEFFORDS, and others, who I have now joined as a cosponsor, have crafted a responsible, achievable, doable prescription drug benefit that can be conferred, passed, and sent to the President.

So if we really mean it—when we say that the issue is not process, but our seniors—then the time to act, on a bipartisan basis, is now, instead of going down the road of a purely partisan political exercise.

I yield the floor and 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. GRASSLEY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

#### 21ST CENTURY MEDICARE ACT

Mr. GRASSLEY. Madam President, Medicare has not kept pace with the