

God bless you with health and happiness in all future endeavors. Although we now end our time together as Chairman and Chief, we will always remain friends.

Mr. Speaker, I greatly appreciate this very special opportunity to honor my friend, General Eric Shinseki—a model citizen and soldier.

MEDICARE REFORM

The SPEAKER pro tempore (Mr. PORTER). Under a previous order of the House, the gentleman from Puerto Rico (Mr. ACEVEDO-VILÁ) is recognized for 5 minutes.

Mr. ACEVEDO-VILÁ. Mr. Speaker, the Commonwealth of Puerto Rico like the majority of States is confronting a number of challenges as it strives to provide quality health care to its 4 million citizens. Our local government is committed to strengthening the health care system. In fact, the Commonwealth finances approximately 85 percent of the costs of Medicaid in Puerto Rico, a burden no other jurisdiction has and one that is becoming unbearable. For us to move forward, it is essential that the Federal Government be an active and strong partner in this endeavor. As Congress considers creating a prescription drug benefit as well as enacting fundamental Medicare reform, I urge my colleagues to ensure that any Medicare legislation approved by Congress addresses the needs of the U.S. citizens living in Puerto Rico.

Since its inception, Medicare has provided health care for seniors living in Puerto Rico. Mr. Speaker, we must not exclude now our 525,000 seniors from any new basic health care coverage. Therefore, it is essential that beneficiaries living in the island have access to the same level of prescription drug coverage under the same terms and conditions as is offered to all others throughout the country. In addition, any Medicare prescription drug program must provide appropriate subsidies for low-income beneficiaries in Puerto Rico as in other all jurisdictions.

Puerto Rico's workers and employers pay their full share of Social Security and Medicare payroll taxes to the Federal Government. Beneficiaries who live in the island are as much a part of Medicare as those living in Florida, California, or Nebraska. Limitations on the benefits of subsidies that have no foundation in health care policy but based on geographic location would undermine the social insurance nature of this vital programs and would fail the fundamental goal of providing uniform Medicare benefits to all.

The second issue that I expect Congress to address in the Medicare reform bill is the payment to hospitals in Puerto Rico. While all U.S. hospitals receive 100 percent Federal reimbursement, hospitals in Puerto Rico only receive 50 percent through a special formula. No other jurisdiction receives this type of treatment under the Medicare system. As a result of this dis-

parity, our hospitals operate under extreme financial constraints and some have even decided to withdraw from the program.

Again, U.S. citizens in Puerto Rico pay the same Federal payroll taxes as any other jurisdiction. They deserve equity. Therefore, Medicare reimbursement to Puerto Rico hospitals should be equitable with all other U.S. jurisdictions' hospitals.

Finally, I urge Congress to enact legislation to correct the great disparity that currently assists in Medicare payments to physicians in Puerto Rico. This is the same disparity that rural physicians across the country experience today. In fact, our physicians currently have the lowest geographic cost-of-practice index value in the entire United States despite the fact that the city of San Juan has the eighth highest cost of living in the United States. As a result, not only are our rural areas suffering; physicians in metropolitan areas such as San Juan are carrying a great burden when they treat Medicare patients.

Mr. Speaker, doctors in Puerto Rico provide the same time and skill to patients, and they must be paid appropriately for their great, noble work.

I would like to finish by thanking my colleagues in the House and Senate who have continuously supported us on resolving these critical issues to ensure that Medicare beneficiaries in Puerto Rico are afforded quality health care. They all realize that fairness is essential to quality health care, and that is as true in Puerto Rico as it is elsewhere in the United States.

THE HIGH COST OF PRESCRIPTION DRUGS

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

Mr. GUTKNECHT. Mr. Speaker, I rise again to speak to the House today about the cost of prescription drugs here in the United States, particularly relative to the rest of the world. Mark Twain once was talking about facts, and he said you can ignore the facts, you can deny the facts, you can even distort the facts, but in the end there they are.

I would like to talk today about the facts because there are people in this town who are attempting to both deny and distort the facts, but I think the facts more and more are indisputable. For example, we have been doing much of our own research. We purchased a number of the top-selling drugs in Munich, Germany, about a month ago. For example, we bought this package of Glucophage. Glucophage is a marvelous drug, particularly for those suffering from diabetes. We bought this drug in Munich, Germany, at a pharmacy for \$5. This same package of Glucophage sells here in the United States for \$29.95. We bought another drug, a very commonly prescribed drug that is a

blood thinner. In fact, my father takes this drug. It's called Coumadin. Coumadin here in the United States, this package of Coumadin sells for roughly \$84. We bought this drug in Germany for \$21. But I think the one that bothers me the most, and I have talked about this before and I still do not have a good answer and frankly some of the people in the FDA ought to help us get the answer, this is a drug called Tamoxifen, perhaps the real miracle drug as it relates to treating women's breast cancer. Tamoxifen. We bought this drug in Munich, Germany, for \$59.05 American. It sells here in the United States, the same box, same milligrams, it sells for \$360; \$60 in Germany, \$360 here.

The question we have to ask is why? Why the big disparities? And some people say it is price controls, but that is not exactly true in Germany. The Germans do not have what some people say they do in terms of price controls. What they do allow is for their pharmacists to be able to shop around to get the best price. Unfortunately, Americans are held hostage. If one goes to Tokyo, Japan, and buys a steak, that steak will cost over \$100. One can buy that same steak here in Washington even at inflated Washington, D.C. prices, for probably \$25. Back in my home district one can buy the best steak in town in many of the towns I represent for \$10 or \$15. But the difference is the Japanese are held captive. They do not allow American beef into their markets; so those captive Japanese are forced to pay those higher prices.

What we are saying in the legislation which I hope to introduce next week is let our people go. Allow the markets to work, open up markets. And that is why I have sponsored the Pharmaceutical Market Access bill. Facts are stubborn things, as John Adams said. I would invite Members and those who may be watching to get a copy of this book: The title is "The Big Fix, How the Pharmaceutical Industry Rips American Consumers Off." It is by Katharine Greider. I do not know that much about Katharine Greider, but she has got some very interesting things to say about what has been happening in the pharmaceutical industry.

Finally, let me say the big argument is safety, safety, safety, we cannot guarantee that if people buy their drugs from Munich, Germany, or Geneva, Switzerland, that those drugs will be safe. But I would invite the Members to look at some of the counterfeited technology that is available today. There are companies that make this technology so that we can guarantee that this is in fact Coumadin and not something else. We can do this safely. Americans deserve world-class drugs at world market prices. Americans are willing to subsidize sub-Saharan Africa. We are unwilling to continue to subsidize the starving Swiss. I hope Members will get the facts. I hope Members will look at this bill. I hope