the gentleman from Massachusetts (Mr. MARKEY), myself, and other Democratic members, especially from the Committee on Energy and Commerce, had no opportunity to discuss this important matter with our Republican counterparts.

□ 1445

For this reason alone, and in the name of a rational and deliberative process, I urge the Members of the House to accept this motion to instruct. Let us send a message that this bill is far too important to be discussed behind closed doors, without any input from the minority members of the conference committee.

Madam Speaker, I add that it is really shameful and harmful to the democratic process for the Democratic conferees to not be included in the full deliberations of the conference committee.

Mr. BARTON of Texas. Madam Speaker, I yield myself such time as I may consume, just to reiterate that we do not oppose the motion to instruct, and we support the gist of the gentleman's motion to instruct in terms of the policy. The House has already supported it twice, and the committee supported it twice. We just have to get the other body to support it, which, unfortunately, they have been unwilling to do in its totality.

Madam Speaker, I yield back the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. EMERSON). Members will refrain from characterizing action or inaction of the other body, including urging the Senate to take a specific action.

Mr. BARTON of Texas. Madam Speaker, I said ''the other body.'' What did I say wrong?

The SPEAKER pro tempore. Members will refrain from characterizing the other body.

Mr. MARKEY. Madam Speaker, I yield myself such time as I may consume in order to conclude this debate.

Madam Speaker, without question, back in 1787 when a deal was being cut on the construction of the Union and the small States demanded that, rather than equal representation for all States, that another body be created in order to represent them, that other body that was created at the time has developed peculiar characteristics that, unfortunately, are manifesting themselves here on the House floor today.

There are many who look back with regret that that deal was ever cut, the grand compromise in the Constitution, allowing for that disproportionate influence, and I see nodding bipartisan agreement on the Republican side on this subject.

Mr. BARTON of Texas. Madam Speaker, will the gentleman yield?

Mr. MARKEY. I yield to the gentleman from Texas.

Mr. BARTON of Texas. Madam Speaker, I think that agreement that the gentleman alluded to in the Constitution was one of the biggest mistakes in the Constitution.

Mr. MARKEY. Madam Speaker, reclaiming my time, I thank the gentleman very much. I regret that Texas was not part of the Union at the time. Perhaps they could have exercised some influence in that final decision making.

But the other body, as it likes to be called, and I understand why in many instances, this is a good example of where anonymity is something to be much desired and sought, that the other body here, according to the majority, is calling all the shots in terms of nuclear security, which is a premise which I doubt is actually accurate. I do believe that it was a bicameral Republican decision to take out the nuclear security issues, since we know that the Democrats in the Senate, like the Democrats in the House, are searching the corridors of this building trying to find where the meetings are taking place. We have no idea.

We do know this though, that reports are rampant that the bill, when it comes out on the House floor, is going to be loaded with billions of dollars of subsidies for the nuclear industry. I understand it is that time of the year where the oil, gas, coal and nuclear industries just really think that they deserve billions of dollars in subsidies for each one of their industries from the taxpaying public, even though they are the wealthiest industries in the United States.

But, it seems to me, the least that the nuclear industry should be willing to accept are antiterrorism provisions that are attached to the nuclear gifts which it appears the Republican House and Senate and White House is willing to, and I am sorry I said ''Senate,'' I meant the other body, that they appear willing to confer upon them.

They should accept those additional safety measures, because the public, without question, gave an additional measure of wholehearted support to the President in his campaign to eradicate the threat of Saddam Hussein to the world because of his nuclear mujahideen, because of the contention he was trying to reconstitute his nuclear weapons program.

Here, domestically, we know that nuclear power plants are similarly at the top of the terrorist target list for al Qaeda, and it seems to me the nuclear industry is acting in an irresponsible fashion in not accepting reasonable measures being adopted which guarantee that terrorists cannot be successful in using domestic nuclear materials to terrorize our country.

So I regret that that language has been removed, and at this point I urge an ''aye'' vote on this motion to instruct.

Madam Speaker, I yield back the balance of my time.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair would remind Members that it is not in order to characterize the actions or inactions of the Senate.

The Chair would clarify for all Members that referring to the Senate as ''the other body'' does not cure such an infraction in debate.

Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Massachusetts (Mr. MARKEY).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. MARKEY. Madam Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX and the Chair's prior announcement, further proceedings on this question will be postponed.

MOTION TO INSTRUCT CONFEREES ON H.R. 1, MEDICARE PRESCRIPTION DRUG AND MODERNIZATION ACT OF 2003

Mr. BROWN of Ohio. Madam Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. BROWN of Ohio moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the bill H.R. 1 be instructed to reject the provisions of subtitle C of title II of the House bill.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentleman from Ohio (Mr. BROWN) and the gentleman from Florida (Mr. BILIRAKIS) each will control 30 minutes.

The Chair recognizes the gentleman from Ohio (Mr. BROWN).

Mr. BROWN of Ohio. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, my motion instructs the conferees working on the Medicare prescription drug coverage bill to abandon provisions in the House bill that would privatize Medicare by turning it into a private insurance voucher program. The public has asked this Congress and President Bush to supplement Medicare by adding prescription drug coverage to the Medicare benefits package.

You may remember early this year, almost a year ago, President Bush proposed a prescription drug plan only if people left fee-for-service Medicare and went into a privatized plan. Clearly, the public rejected that. Even members of his own party said no to that. The American public has not asked this Congress, has not asked President Bush, to dissolve Medicare and replace it with a private insurance voucher program.

The voucher provisions in the bill have nothing to do with prescription drug coverage. The voucher provisions do not supplement Medicare, the

voucher provisions destroy Medicare. They choke off funding for the program and force enrollees back into the private insurance market to try their luck.

If you do not believe me, Madam Speaker, ask the bill's authors. Ask these questions:

First, under the voucher provisions of H.R. 1, will every senior be guaranteed access to the same reliable health coverage, regardless of geographical location, regardless of a senior's income, regardless of health status? If the authors are honest, they know the answer is no.

Two, will the Federal Government's financial commitment to Medicare automatically keep pace with the costs of the health care seniors need? If the authors of the bill are honest, the answer is no.

Three, will the private health medical organizations, private HMOs which accept Medicare vouchers, will they be required to provide ongoing, reliable coverage to Medicare beneficiaries? In other words, will HMO cost-sharing and benefit levels be predictable year after year, will beneficiaries even be able to rely on the same plan being available next year and the year after? Again, if the authors are honest in answering that question, they will admit the answer is no.

History also says that senior after senior in this country in State after State and district after district and plan after plan have seen their coverage drop as they are unceremoniously dumped from their Medicare HMO. Today, Medicare offers reliable medical coverage to seniors and disabled Americans, regardless of where they live, how much they earn, or their health status. Enrollees go to the doctor of their choice and the hospital of their choice.

The insurance voucher provisions in H.R. 1 simply throw all that away. Under these provisions, seniors will be given a voucher to cover part of the cost of their health coverage. They will then be required to shop in the private insurance market, what they had to do before 1965, before Medicare was available, shop in the private insurance market for whatever HMO happens to be in town that year.

Over the last 4 years, HMOs participating in Medicare+Choice enrolled and then unceremoniously dropped 2.4 million Medicare beneficiaries. That means 2.4 million of our senior constituents got notice in October or November that, come January, they would have to find another place to deliver their health care.

By undermining the existing Medicare program, by forcing seniors to pick and choose between and among private insurance plans, the voucher provisions in H.R. 1 would ensure that every Medicare beneficiary has an opportunity, an opportunity to be abandoned by their HMO.

The core Medicare program, the program that would be replaced if the voucher provisions in H.R. 1 make it into the final prescription drug bill, the core Medicare program does not drop anyone, period. In fact, over the last 4 years, one of its most important roles has been to pick up the pieces when HMOs abandoned seniors and left town, to clean up after privatized Medicare+Choice HMO plans abandoned seniors. The fee-for-service, traditional Medicare, has had to clean up afterwards.

Under the voucher provisions in H.R. 1, the core Medicare program would itself be abandoned. Proponents of the voucher provisions, proponents of Medicare privatization, say that seniors deserve more choice. That is what we are going to hear today. That is what we have heard for years from my friends on the other side of the aisle, that seniors deserve more choice. That is why vouchers are such a good thing.

But does anybody in this body really think retirees are clamoring for their choice of HMOs? Just like you and me, seniors want their choice of doctor, they want their choice of hospital. They do not want their choice of insurance companies. They do not want their choice of insurance agents. They do not want their choice of HMO brochures. They do not want their choice of enrolling in one fly-by-night HMO after another fly-by-night HMO has dropped them.

Proponents of the voucher provisions claim that private HMOs operate more efficiently than the core Medicare program, so they say first of all you get more choice with an HMO, so you can choose among insurance company brochures and agents. They say you have more choice in HMOs. Then they try the second myth, and that is the myth that HMOs operate more efficiently than core Medicare.

My Republican friends know that Medicare operates more efficiently than HMOs. HMO administrative costs, Madam Speaker, are actually five times higher than traditional Medicare. Private insurance premiums have consistently grown faster than the cost of providing Medicare, not just recently, but over the past 30 years since the time Medicare first existed.

H.R. 1 will not reduce Medicare spending unless, and this, I guess, is their third point, unless the Federal Government caps its contribution to Medicare.

So privatized Medicare HMOs are not more efficient, privatized Medicare HMOs do not give more choice, and privatized Medicare HMOs do not cost less, do not save the government more, unless government simply caps the money. In other words, unless seniors pay more out-of-pocket.

□ 1500

That is the cost control mechanism in H.R. 1, seniors picking up more of the cost. That is not efficiency; that is betrayal of our senior constituents.

The American public asked this Congress and this President to add a prescription drug benefit to Medicare, not to privatize and dismantle Medicare. This motion tells their conferees to keep their eye on the ball. The voucher provisions would undo 38 years of reliable cost-effective health care for our Nation's retirees.

I urge my colleagues, Madam Speaker, to take a stand on behalf of seniors, on behalf of disabled Americans, and on behalf of taxpayers who finance Medicare. If you want a Medicare program with a prescription drug benefit, you vote ''yes.'' If you want to privatize Medicare, if you want to cost-shift health care costs to seniors, if you want more HMOs and privatization of Medicare, then you vote ''no'' on this motion. It is an easy choice. Vote for the motion to instruct.

Madam Speaker, I reserve the balance of my time.

Mr. BILIRAKIS. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, a group of Members, both Republicans and Democrats, have been meeting for months in an attempt to reach a compromise on a very important and complicated subject, namely, Medicare reform or Medicare modernization.

There are Members who care deeply about Medicare who have very different views about how to best strengthen and improve Medicare for future generations, which is why there are some substantial differences between the House and the Senate-passed Medicare prescription drug bills. That is why it has taken so long for this bipartisan group of negotiators to reconcile the differences between the two bills.

However, Madam Speaker, I am pleased to report that this group is making substantial progress and that it is my sincere hope that we will get a conference report done this year and provide our seniors with a prescription drug benefit they need and deserve.

Motions to instruct like this are not helpful; and, in fact, they hinder our ability to reach a compromise on Medicare prescription drugs. I honestly, and I mean this sincerely, do not believe that that is the goal of the author of this motion. And it certainly is not mine. I want a bill.

The particular section the gentleman refers to is not without controversy. And that is why we are working through it in a bipartisan manner. However, the section that we are talking about, which would inject competition into the Medicare program and provide seniors with choices similar to those choices Members of Congress enjoy, is probably the most misunderstood provision in the House-passed bill, and the most mischaracterized, I might add.

Let me attempt to clarify some of the issues that are often misunderstood surrounding so-called FEHBP-style competition. First, H.R. 1 contains no changes, no changes to the basic entitlement to Medicare. The traditional Medicare program will continue to be

available to all seniors throughout the country and will continue to pay providers in the same way as today. However, it is an undisputed fact that we need to reform Medicare to ensure that it is around for future generations.

Social Security, Medicare, and Medicaid currently comprise more than 40 percent of the Federal budget. By 2030 the General Accounting Office estimates that these three programs could consume 75 percent of the Federal budget if no changes are made. In addition, the Medicare part A trust fund is scheduled to go insolvent in 2026 while the Medicare part B trust fund will require increases in Medicare part B premiums to remain solvent, increases that are much higher than the 13.5 percent increase Medicare beneficiaries will see in 2004.

So reforms must be made to ensure that Medicare continues to exist for future generations. As we add a $400 billion drug benefit to a program that already has $13 trillion in unfunded liabilities, we must also enact real reforms that will place the program in a sound financial footing for the future. The provision in the House-passed bill attempts to do that. Is it the best way to go? I do not know. I do not know. But that is why members of the conference committee are working on the provisions and the issue right now.

I would urge Members to allow the process to work its will and to not support the motion to instruct which, while nonbinding, would do more harm than good.

Mr. Speaker, I reserve the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield 5 minutes to the gentleman from Washington (Mr. MCDERMOTT), who has been a leader in health care in the Committee on Ways and Means.

Mr. MCDERMOTT. Mr. Speaker, in order to think about Medicare, you have to think about us all being in the same boat. Right now we made a decision a long time ago that all seniors will be in the same boat, we would get the same benefits, we would have the same amount we would put into it no matter where you lived, or how old you were, or whatever your medical condition was, what color you were, what State you lived in, how much money you had. It did not make any difference; we were all in the boat.

Now the Republicans have said we are going to blow the bottom out of the boat. They have done that with tax cuts, and they set up a situation in 2010 where it is going to be absolute chaos in this body over how we fund anything because of the bottom having been blown out of the boat when we made these tax cuts recently.

Their answer to the seniors of this country is, well, we are going to give you all the same life ring. You can just take this life ring and go out and do the best you can with it.

Now, I sat on the Medicare commission for a year and heard this issue debated. What we have today is a program where all senior citizens get the same guaranteed set of benefits, no matter who you are, where you are, or anything. And what is attempted to be done in this bill is to say that in 2010 we are going to take away those guaranteed benefits and we are just going to give you a life ring of a voucher for $5,500.

Now, I could just take my own example. I am 65. My mother is 93. So you are going to give us each the same life ring? Now, do you think for one moment, any Member of this Congress, do you think that my mother and I could go out and get a benefit package of the same size for the same cost? I mean, who has not bought any insurance? We all know from our government employees insurance thing that you have got to pay more if you are older, if you have got kids, or you have got some pre-existing condition or whatever. Well, to send me and my mother out with the same amount of money is basically what we are going to say to 40 million people on Medicare. You have got to go out there and find an insurance company that wants you.

Now, I do not know how many of you have dealt with somebody who is in their 90s. Some of them are doing pretty well, some are doing a little less well, some are in real trouble. But to say to them that on an individual basis we are going to throw you out of the life boat and here is your life ring and good luck, I hope you make it to good health, it simply does not make any humane sense.

Leaving people, they say, well, we are not going to do that until 2010. What are you worried about? People are going to wake up in 2010 and say what in the world was the legislature, the Congress, thinking in 2003 when they set this mess up? Many of us may not be here. And there will be a whole new bunch here trying to put back together what we destroyed today, what we take away from seniors, which is security of health care.

I have not spent a dime on my mother. Nobody in this room has spent a dime on their parents because the medical plan under Medicare has taken care of them. Now, I paid my taxes, of course, and we all paid our taxes. That is what the lifeboat is all about, is we all pay our taxes and those in it that need it. And what is being proposed in this bill that is now in conference is that in 2010 we take away the lifeboat.

This motion by the gentleman from Ohio (Mr. BROWN) simply says we do not want to take Medicare apart and destroy the life boat in which we all sit. We do not want to put every senior citizen out there on their own. Dealing with insurance companies, my God, we have all dealt with insurance companies. We have dealt with automobile insurance companies and casualty insurance companies and all these insurance companies. You know what they do to you individually. There is no individual market today. If you are under 65 and you try and buy insurance, you have an awful time because of the prices they charge you.

The value of Medicare is that we put everybody together, we share the risk. And most of us hope we never take a dime out of this program. It is an insurance program, surely, but it is also one that we do not want to take advantage of. And to say to people, well, why do you not go buy your own and see if you can make a little money on the side simply makes no sense.

I urge this entire House to vote for the gentleman from Ohio's (Mr. BROWN) resolution.

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, there is no intent, never has been any intent to take that life boat away in the year 2010. The programs that we are talking about are strictly voluntary. And that choice will be available in 2010 as it is today. And anybody who would say otherwise either does not know what is included in the legislation or else they are ignoring it.

Mr. Speaker, I yield such time as he might consume to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Speaker, we spoke before about the reforms in H.R. 1 which are similar to some provisions of the Federal Employee Health Benefits program. I want to address that for a moment. The FEHBP-style reforms in H.R. 1 seek to place the traditional Medicare program on a level playing field with private plans. Only by creating this type of competition within Medicare can we hope to bend the growth curve and place Medicare on a sound financial footing for the future.

These reforms make no changes to the basic entitlement to Medicare. The traditional Medicare program will continue to be available to all seniors throughout the country. These reforms simply provide incentives for seniors to choose the most cost-efficient form of care in areas in which a vibrant private plan market exists.

This type of competition can only be triggered in areas in which two or more private plans are in operation, where they have a certain level of enrollment and meet certain market penetration requirements. In areas where these conditions are not met, nothing changes after 2010. In areas in which these conditions are met, the traditional Medicare program is compared directly to private plans in the market, and seniors will have incentives to choose the most cost-efficient form of care in their area.

Reforms must be made to ensure that Medicare continues to exist for future generations. As we add a $400 billion drug benefit to a program that already has a $13 trillion unfunded liability, we must also enact real reforms that will place the program on a sound financial footing for the future.

Now, some of my colleagues on the other side of the aisle have had some concerns. They have continued to claim that traditional Medicare is

more efficient than private plans. And, if that is the case, then they have nothing to fear from the FEHBP-style reforms that are in H.R. 1. If Medicare truly is more efficient than private plans, then beneficiaries in competitive areas who remain in traditional fee-for-service will see their premiums decrease.

In these reforms we want to provide incentives for beneficiaries to choose the most cost-efficient form of care. If traditional Medicare is the most efficient form of care in the area, then beneficiaries will be given incentives to remain in traditional Medicare through premium decreases. If, however, private plans can deliver Medicare services more efficiently than the traditional program, then we want beneficiaries to have the incentives to join private plans.

These reforms are necessary to bring Medicare costs under control and ensure the long-term viability of the program.

And, now, before I just close and urge my colleagues to vote ''no'' on this motion to instruct because it is unnecessary, the sponsor of this motion, my friend, the gentleman from Ohio (Mr. BROWN), had asked some questions earlier. I just want to reassure him, because I know he is very concerned, and thus the reason he raised these questions.

□ 1515

The first question was, under H.R. 1 will the entitlement to Medicare continue? The answer to my friend from Ohio is yes. Traditional Medicare will continue to be available to all seniors in all parts of the country.

The second question the gentleman from Ohio (Mr. BROWN) raised was, will government contributions keep pace with the cost of health care? The answer to my friend is yes. Government payments to providers in the traditional program will continue the same way that they do today.

The third question my friend from Ohio raised was, will private plans be required to provide reliable benefits and cost sharing? The answer again to my friend is yes. Plans must be reviewed and approved by CMS. CMS, the very agency that runs Medicare today, will also be running these programs in the future. If you can trust them now, you can trust them in the future.

Mr. Speaker, I urge my colleagues to vote no on this motion.

Mr. BROWN of Ohio. Mr. Speaker, I yield 3 minutes to the gentleman from California (Mr. CARDOZA).

Mr. CARDOZA. Mr. Speaker, I rise today in support of the motion by my colleague from Ohio.

As a Representative of a rural area in California, I must voice strong opposition to any provision in the Medicare conference that would put my seniors at risk of higher premiums and reduced quality of care as this so-called premium support would do.

The House plan includes provisions that would for all intents and purposes, I believe, could spell the demise of Medicare system as we know it.

In the year 2010 Medicare beneficiaries would be given something similar to a voucher that they could use to purchase health care services in what the majority would have you believe would be better than the Medicare system provides.

The move creates a defined contribution system in one that for decades has been a defined benefit. Just trying to explain it to my constituents at home has been a trying experience. Medicare has always been a program that you are eligible to receive at age 65. In the current program, once you reach that golden age, you know exactly what you are going to receive and exactly what services you are going to be covered with.

Premium support creates a situation where seniors will receive a benefit determined by their health, by where they live, or by what they are willing to risk.

Why do we not put our resources, Mr. Speaker, into crafting a Medicare bill that will actually help those who need the assistance? Why do we not close the doughnut hole? Why do we not give our hospitals the basic funding levels that they need to survive? Why do we not give seniors a prescription drug benefit that they can understand?

I predict that if we pass this measure with the provisions that are in it currently, we will be acting upon a repeal within months. Privatizing Medicare is not the answer.

Mr. BILIRAKIS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would say to the gentleman that we learned of the doughnut hole from the Democratic plan in the last Congress. And I also would join the previous speaker in voicing strong opposition to any legislation which would adversely effect my senior constituents. I, obviously, do not feel that this legislation would do that. And I would again ask the Members to vote against the motion to instruct.

Mr. Speaker, I yield such time as he may consume to the gentleman from Texas (Mr. BURGESS).

Mr. BURGESS. Mr. Speaker, I wanted to speak for just a minute on why the Federal Employee Health Benefit Plan style reforms are needed in Medicare.

As the chairman as pointed out so eloquently, spending on Medicare is projected to nearly double over the next decade, just as the baby boomers begin to retire. Social Security, Medicare and Medicaid currently comprise more than 40 percent of the Federal budget; but by 2030, the Government Accounting Office estimates that these three programs could constitute 75 percent of the Federal budget if no changes are made. Truly, that would be blowing out the bottom of the boat, to borrow a metaphor from the gentleman from Seattle.

This level of entitlement spending is unsustainable and will crowd out other essential functions of government. Reforms must be made to ensure that Medicare continues to exist for future generations. And after all, that is what this debates is all about, ensuring that Medicare is going to be there for future generations. As we add a $400 billion drug benefit to a program that already has $13 trillion in unfunded liabilities, we must enact real reforms that will place the program on sound financial footing for the future.

To modernize Medicare and ensure its long-term fiscal viability, H.R. 1 includes incentives for beneficiaries to choose the health care system that provides services in the most efficient manner. Even with these competitive reforms, seniors retain complete freedom to choose a private plan or remain in the traditional fee-for-service program.

H.R. 1 contains no changes to the basic entitlement of Medicare. The traditional Medicare program will continue to be available to all seniors throughout the country and will continue to pay providers in the same way as today.

Again, I must correct the gentleman from Seattle in that this is not a voucher proposal; but these competitive reforms are needed to put Medicare on a sound financial footing for the future. Any changes to the premiums of the fee-for-service beneficiaries will also be phased in over a 5-year period.

Finally, I would close with just echoing what the chairman so eloquently stated in that motions to instruct are generally not helpful.

Mr. Speaker, I urge my colleagues to vote no on the motion to instruct.

Mr. BILIRAKIS. Mr. Speaker, I do not have any further requests for time, and I yield back the balance of my time.

Mr. BROWN of Ohio. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I have heard my friends on the other side of the aisle talk about, particularly the gentleman from New Jersey (Mr. FERGUSON) talk about that privatized HMOs are so efficient. And I hear that over and over and over. Just because they are private business, that they must be extraordinarily efficient, that they must do such better work than the government could do. But my friend from New Jersey also knows that, in fact, Medicare, traditional fee-for-service Medicare has one-fifth the administrative costs as a privatized HMO, as an insurance company, as a health care plan that he is talking about.

I would like to give one reason why and just read a couple of statistics and then ask for my colleagues' ''yes'' vote on this motion to instruct.

In the year 2000, the Inspector General documented that in a survey of Medicare+Choice, privatized Medicare, plans, that they tried to bill taxpayers for $116 million in inappropriate administrative costs. Now, this is one of the reasons that private insurance is so

much more administratively cumbersome and wasteful than is traditional Medicare. The private insurance industry tried to bill the government $250,000 for a meeting with foods, gifts and alcohol; $190,000 for a sales award meeting in Puerto Rico; $157,000 for a company's 150th anniversary party; $100,000 for sporting events and theater tickets; $69,000 for holiday parties; $37,000 for wine and gift tickets; $1 million in lobbying, they have got their monies worth there, that is for sure; $25,000 for a stadium luxury box. That was in 2000.

In 2001, the Inspector General again looked at $97 million and asked for billed charges from private insurance interests to the government: $284,000 in entertainment costs like stadium skyboxes, sporting events; $90,000 for golf club memberships; $30,000 for a Christmas party; $3,400 for cost of alcohol at various functions.

Mr. Speaker, the fact is that traditional Medicare works. It works because it gives full choice of physician, choice of provider, choice of hospital; not choice, as private insurance does, not the choice among insurance agents and insurance HMO brochures.

Traditional fee-for-service Medicare works because it is reliable. It will always be there. You will not find yourself unceremoniously dropped like 2.4 million seniors have been for Medicare HMOs. Ultimately, traditional Medicare is more efficient than these private insurance plans with huge salaries, huge bonuses, huge stock benefits and wasteful extraneous spending as I just outlined. I ask my colleagues to vote ''yes'' on the motion to instruct.

The SPEAKER pro tempore (Mr. CULBERSON). Without objection, the previous question is ordered on the motion to instruct.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to instruct offered by the gentleman from Ohio (Mr. BROWN).

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. BROWN of Ohio. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, and the Chair's prior announcement, further proceedings on this motion will be postponed.

MOTION TO INSTRUCT CONFEREES ON H.R. 1308, TAX RELIEF, SIMPLIFICATON, AND EQUITY ACT OF 2003

Ms. WOOLSEY. Mr. Speaker, I offer a motion to instruct.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Ms. WOOLSEY moves that the managers on the part of the House in the conference on the disagreeing votes of the two Houses on the House amendment to the Senate amendment to H.R. 1308 be instructed as follows:

1. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides immediate payments to taxpayers receiving an additional credit by reason of the bill in the same manner as other taxpayers were entitled to immediate payments under the Jobs and Growth Tax Relief Reconciliation Act of 2003.

2. The House conferees shall be instructed to include in the conference report the provision of the Senate amendment (not included in the House amendment) that provides families of military personnel serving in Iraq, Afghanistan, and other combat zones a child credit based on the earnings of the individuals serving in the combat zone.

3. The House conferees shall be instructed to include in the conference report all of the other provisions of the Senate amendment and shall not report back a conference report that includes additional tax benefits not offset by other provisions.

4. To the maximum extent possible within the scope of conference, the House conferees shall be instructed to include in the conference report other tax benefits for military personnel and the families of the astronauts who died in the Columbia disaster.

5. The House conferees shall, as soon as practicable after the adoption of this motion, meet in open session with the Senate conferees and the House conferees shall file a conference report consistent with the preceding provisions of this instruction, not later than the second legislative day after adoption of this motion.

The SPEAKER pro tempore. Pursuant to clause 7 of rule XXII, the gentlewoman from California (Ms. WOOLSEY) and the gentleman from Florida (Mr. SHAW) each will control 30 minutes.

The Chair recognizes the gentlewoman from California (Ms. WOOLSEY).

Ms. WOOLSEY. Mr. Speaker, I yield myself such time as I may consume.

I rise in support of the motion to instruct conferees on the child tax credit bill. It is time that this Congress proves to working families that we care about them and that we care about their children. We can do that by providing immediate payment to those families left out of the Jobs and Growth Tax Relief Reconciliation Act.

Mr. Speaker, you may wonder who exactly was left out of that bill. How about military families with personnel serving in Iraq, Afghanistan and other combat zones. What about more than half the children of janitors and maids, cooks and other kitchen workers; farmers and farm workers; child care workers; nurses and secretaries; sales workers; bus, truck and cab drivers. These are the very workers that need our support.

Now, let us look at those who this bill benefitted the most. The millionaires, the tax cut legislation enacted in May created an average child tax credit increase of $615 this year for those who are lucky enough to meet the income requirements. However, tax filers with incomes of more than $1 million will receive an average tax cut of $93,500 this year. That is $93,500 as compared to $615, or as compared to 12 million children who have been left behind because the Republican leadership failed to include them in the child tax credit, and they have yet to receive the $615 benefit.

Mr. Speaker, the families I am talking about are those with dedicated workers that have put in full-time hours at minimum pay, pay taxes and earn less than $26,000 a year.

□ 1530

It is unfortunate that Republicans believe these forgotten children and their families do not contribute enough to deserve a break. Actions like these leave me no doubt that the priorities are dead wrong on the other side of the aisle. We must correct this injustice.

While the House passed a child tax credit bill, we missed the chance to pass a clean bill that would immediately grant our Nation's hardworking families with an increased child tax credit. The Republican initiative was a squandered opportunity to invest in our children and their families.

This supposed party of compassionate conservatism has exploited the child tax credit issue to pass even more tax cuts for their wealthy friends. Instead of bringing up the other body's child tax credit bill, which would cost $3.5 billion with offsets to fully pay for it, they passed a bill that costs $80 billion with no offsets, at a time when America's Federal deficit will exceed $400 billion.

The other body has handed us a bill that would have increased tax credits for 6.5 million tax-paying families months ago, and I support their effort. That is why I have introduced this motion instructing the conferees to adopt the other body's language, to put money in the pockets of the working families that need it the most. Even the President has come out in strong support of this clean legislation.

Our priority should be putting money in the hands of working Americans. That is the way to create jobs and build a strong economy. If we do not help our children now, how can we expect to strengthen our Nation in the future?

Mr. Speaker, the House's Republican leadership failed our children and working families. I am disappointed that the leadership is refusing to address the real issue here. It is time to restore true compassion for our Nation's working families. Working families need to know that we have not forgotten them.

I urge my colleagues, support this motion so we can pass the child tax credit to those who need it most.

Mr. Speaker, I reserve the balance of my time.

Mr. SHAW. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, it is sort of an interesting omission of the history of this bill and how we got where we got. The gentlewoman from California is absolutely correct. This was a part of an $80 billion bill, but part of the $80 billion was made up of the tax break that we gave the low-income people that, in effect, took them off of the tax rolls. So