

go in his place and appear with the other seven or eight Presidential candidates. My date for that evening was none other than Nancy Reagan. She was so beautiful—she was such a beautiful person. It was such an honor to be able to speak for the President, for the then Governor Reagan. He meant so much to me and I am grateful that the distinguished Senator from Virginia has spoken for all of us on this subject. I hope and pray Mrs. Reagan has everything that will make life worthwhile, even though Ronald Reagan is now gone.

We love both of them. We revere the memories we have of both of them. Of course, we look forward to continuing to meet with Mrs. Reagan as time goes on.

#### HEALTH SAVINGS ACCOUNTS

Mr. HATCH. Mr. President, last week the President of the United States came to us with an ambitious domestic policy agenda for the next year. There were many noble goals outlined in that speech. But in my opinion, one of the most important and most necessary is his proposal to expand health savings accounts, or HSAs.

There is not a single person in this institution who fails to recognize the ever-growing problem of health care expenses for ordinary Americans. For at least a decade now, this debate has been front and center in American politics. The American people are fed up and are telling us they want solutions to this crisis.

In the last 30 years we have seen true revolutions in the way consumers do business in this country. Informed American consumers are increasingly involved in a direct way in making decisions on issues that affect their lives and that of their families. As an individual:

It is easier to invest today.

And it is easier to bank today.

There is more choice in education. And there are more opportunities in the workplace.

But almost uniquely in the American economy, our health care system is becoming more expensive and more difficult for individuals to make personal choices regarding their care. Because of the current structure of insurance plans, most consumers do not have the information they need with regard to the cost or the quality of health care that they receive. Information is readily available to make a value-driven decision on purchasing a television or a cell phone, but when it comes to health care, the consumer has little basis on which to make a rational quality and cost-based decision. What separates our increasingly complex and expensive health care system from other sectors of our economy that have become more user-friendly in the last 30 years is a lack of adequate information and a lack of direct consumer decision making.

I think that health savings accounts provide an incredible opportunity for

real progress toward health care reform.

Health savings accounts were established in the Medicare Modernization Act of 2003. These accounts allow Americans to save tax-free dollars to pay for their everyday health care expenses on their own terms. At the same time, these accounts are coupled with high-deductible comprehensive insurance policies to cover larger medical bills and also provide specific coverage for preventive care.

This makes sense. HSAs allow individuals to save tax free for everyday medical expenses, while preserving insurance for major health care needs. With HSAs, individuals have unprecedented choice in their health care and are still protected from the high costs of serious illness. The result is predictable. Insurance becomes less expensive if it is used only for major medical expenses, and consumers make value-based choices in their routine medical care.

And, as we all know, the high cost of health insurance is the real problem that we face in providing health care coverage to all Americans. The current low-deductible plans so common in the workplace are increasingly costly for businesses and result in lower wages for workers and reduced employment. More and more small businesses are opting not to offer a health care insurance benefit at all. For the unemployed and/or the uninsured, health insurance premiums are far too expensive.

Health savings accounts are proving themselves to be one important part of the solution to our health care crisis. Americans certainly think so. Since January 2004, over 3 million Americans have enrolled in HSAs.

As innovative and popular as HSAs are proving to be, however, they are far from perfect. By improving and expanding them, health savings accounts could be even more effective in helping us reach our objectives.

I believe we need to create more incentives for employers to offer these plans and for individuals to enroll in them. Incentives can be designed to assure adequate coverage and enrollment of those with chronic illnesses.

The President has made it clear that we need to make these plans fairer and available to a larger number of Americans. Individuals that purchase HSAs on their own should have the same tax advantages as those with employer-sponsored insurance. To achieve this, premiums for HSA-compatible insurance policies should be deductible from income taxes and an income tax credit provided to offset payroll taxes paid on premiums for HSA policies. All taxes on out of pocket spending through HSAs should be eliminated. HSA insurance policies should be portable between employers and across State lines. To allow for better individual healthcare decisions, information on price and quality of healthcare must be transparent and readily available. Acceleration of the implementation of an

integrated health information technology system will be critical to these efforts. The President's budget outlines several proposals designed to improve HSAs and to make them more attractive to employers and employees. The employer community also has developed a set of proposals designed to improve HSAs. The Senate should give serious consideration to all good ideas to make health savings accounts work better.

These are important goals.

Health savings accounts are a good thing for our citizens, and they are a good thing for the economy.

HSAs will make health insurance less expensive in the long run, which is the best thing we can do to tackle the problem of the uninsured in this country.

They will make the health care sector of our economy more user-friendly and more efficient.

They will give workers more choice and more flexibility in their choice of plans and in deciding where they want to work.

In short, they would help to bring our health care system into the new economy.

In 1980, most people in this country had rabbit ears on their televisions and a choice of three channels.

Today, we have the internet. We have cell phones. We have ATMs on every block.

Yet, in some ways, our system of employer-provided health care is a dinosaur. It dates back to a policy decision made to assist employers during World War II and it is not aging well. There are too many Americans without employer-provided health insurance, and those with it are routinely frustrated with the level of customer service.

The Bush administration estimates that under current law, the number of Americans with HSAs will grow to 14 million by 2010. By improving the program, however, we could see this number go as high as 21 million.

As a member of the Finance Committee, I am deeply interested in working with my colleagues to help improve HSAs in the coming months and years. The President's proposal represents a unique opportunity to make health care in this country more equitable, more affordable, and more cost-effective.

I urge my colleagues on both sides of the aisle to join me in these efforts.

I believe we would all be better off if we would do so.

#### HONORING OUR ARMED FORCES

FIRST LIEUTENANT GARRISON AVERY

Mr. HAGEL. Mr. President, I rise to express my sympathy over the loss of Army 1LT Garrison Avery, from Nebraska. Lieutenant Avery died of wounds he suffered when an improvised explosive device detonated near his military vehicle while on patrol in Baghdad, Iraq on February 1. He was 23 years old.

Lieutenant Avery grew up in Lincoln and graduated from Lincoln High School in 2000. He received his parents permission to enlist in the Army at age 17 and graduated from the U.S. Military Academy in 2004. During his junior year at the academy, Lieutenant Avery established an organization called, "Light by Morning," to aid Iraqi orphans. After graduating from West Point, he successfully completed the U.S. Army Ranger School and the Sapper Leaders Course and was assigned to the 1st Battalion, 502nd Infantry Regiment, 101st Airborne Division in Fort Campbell, KY. He was deployed to Iraq in October 2005. Lieutenant Avery will be remembered as a loyal soldier who had a strong sense of duty, honor, and love of country. Thousands of brave Americans like Lieutenant Avery are currently serving in Iraq.

Lieutenant Avery is survived by his wife, Kayla; parents, Susan and Gary Avery; brothers, Clinton and Johnathan; and sister, Elizabeth. Our thoughts and prayers are with them at this difficult time. America is proud of Lieutenant Avery's heroic service and mourns his loss.

I ask my colleagues to join me and all Americans in honoring 1LT Garrison Avery.

#### DEFICIT REDUCTION ACT OF 2005

Mr. GRASSLEY. Mr. President, I am pleased that the House of Representatives has passed S. 1932, the Deficit Reduction Act of 2005, DRA. This is a relatively modest deficit-reduction bill that represents just one-fourth of 1 percent of what Congress would otherwise spend during the next 5 years.

It has been 8 years since Congress last passed legislation to reduce mandatory spending. The kinds of Medicaid changes made in the conference report are a fraction of what Governors across the country—Republican and Democrat—asked Congress for to help State governments keep their Medicaid programs afloat for the millions of people who rely on Medicaid. Beneficiaries and taxpayers both deserve to get the highest value for every dollar that is spent on Medicaid, Medicare, and other safety-net programs.

It is especially rewarding to have included in this overall package a bill I first authored in 1999. The Family Opportunity Act, which I have pushed for year after year with Senator KENNEDY, was inspired by an Iowa family struggling to access health care services for a disabled child. Melissa Arnold, the mother, didn't give up, and today's legislative victory is a tribute to her kind of determination. The measure will let States create options for families that have children with multiple medical needs to buy into Medicaid while continuing to work. It is a pro-work initiative because it lets parents work without losing their children's health coverage. It is pro-family because it encourages parents to work and build a better life for their children, rather

than being forced to impoverish themselves to access health care. And it is pro-taxpayer because it means more parents continue to earn money, pay taxes and pay their own way for Medicaid coverage for their children.

In addition to this expansion of the Medicaid program, the comprehensive legislation includes \$400 million in child-support payments that will go directly to welfare families, along with grants to promote healthy marriages and responsible fatherhood, \$100 million to improve the handling of court cases involving foster care, a \$200 million increase for a Safe and Stable Families program to help keep troubled families together and support adoption, and \$1 billion to help parents pay for child care when they leave welfare and join the workforce.

On Medicaid, some partisan critics and their allies will probably continue to distort the bill's intent and effect. I am repeating this—the provisions on benefit flexibility and cost sharing are clear and unambiguous. The Congressional Budget Office and the Centers for Medicare and Medicaid Services agree. The conferees agreed to language that clearly provides early periodic screening, diagnosis and treatment as a guaranteed benefit to all children on Medicaid. The conferees also agreed to language that clearly exempts individuals with incomes of less than 100 percent of the Federal Poverty Limit from any increased cost-sharing. I fought hard for these provisions and I will take appropriate actions to prevent any misreading of them to occur down the road.

#### FAMILY OPPORTUNITY ACT AND WELFARE REFORM

Mr. GRASSLEY. Mr. President, on Wednesday, February 1, 2006, the House of Representatives passed the Deficit Reduction Act of 2005, DRA, clearing the way for the President to sign this bill into law. This legislation was the product of a great deal of work on the part of Members and our dedicated staff and the experts who work in the congressional support agencies.

I would like to highlight two provisions in the DRA: the Family Opportunity Act and the reauthorization of the Temporary Assistance for Needy Families and pay special tribute to the Members and staff who worked so hard on them over many years.

Mr. President, I am particularly pleased that after years and years, the Family Opportunity Act is about to become law. This legislation has been something of a crusade of mine. This legislation extends Medicaid eligibility to families with a severely disabled child that are faced with either staying poor in order to continue to qualify for Medicaid or, worse, relinquishing a child to the State so that the child can receive the services that the child needs.

The introduction of the Family Opportunity Act was motivated by the

circumstances of individual families, the Melissa Arnold Family and the Dylan Lee Family. I offer my heartfelt thanks to these families for sharing their struggles with me and for being the inspiration for this legislation.

I pay special tribute to my partner in this endeavor, Senator EDWARD KENNEDY, who is a tireless champion on behalf of children and those with disabilities. During the many years we worked side by side on this bill, Senator KENNEDY was most ably assisted by Connie Garner, of his staff.

On my own staff, I would like to single out the efforts of Hope Cooper who worked for many years on the Family Opportunity Act and whose knowledge and compassion were invaluable assets in developing the bill.

I also appreciate the work done by policy leads, Leah Kegler, Becky Shipp; health policy director, Mark Hayes; deputy staff director, Ted Totman, and staff director for the Finance Committee, Kolan Davis.

I am grateful for the work done by Jeanne De Sa and Eric Rollins at the Congressional Budget Office and Ruth Ernst at the Office of Legislative Counsel, especially for their patience in analyzing and drafting the many different versions of the legislation.

Mr. President, the reauthorization of the Temporary Assistance for Needy Families, TANF, has been a long and very difficult process, spanning three Congresses. Everyone who has worked on this reauthorization has been guided by a fundamental principle: helping those in deep and persistent poverty achieve the economic self sufficiency needed to overcome that poverty. We may disagree on some of the best ways to overcome poverty, but everyone who devoted their labor to this program did so out of the best of intentions.

I particularly thank my friend and partner on the Senate Finance Committee, Senator MAX BAUCUS, for his work on this program over the past 5 years. We didn't always agree, but we kept working together until we finally got to a compromise that satisfied us both. I hope at some point we can revisit some of the common themes we developed together in the PRIDE bill.

I thank Senator BAUCUS's staff who worked on this issue over the past 5 years, Doug Steiger, Kate Kahan, and Liz Fowler. They are passionate, knowledgeable, and care deeply about low-income programs and the individuals who rely upon them.

Other Members and their staff who contributed to the policy and the process include, the initial "Tripartisan" members: Senator John Breaux and his staff, Sara Triagle and Michelle Easton; Senator ORRIN HATCH and his staff, Becky Shipp; Senator JAY ROCKEFELLER and his staff, Barbara Pryor; Senator OLYMPIA SNOWE and her staff, Carolyn Holmes; Senator JAMES JEFFORDS and his staff, Justin King; Senator BLANCHE LINCOLN and her staff, Elizabeth MacDonald and Mike Anzick.

Other critical Members and staff include: Majority Leader BILL FRIST and