

Over the past several months I have received many letters from hospitals, consumer groups, employers, health and welfare funds, and health care journalists about the secrecy that the medical device industry is trying to impose around pricing for implantable medical devices, pacemakers, hip and knee replacements, which hospitals purchase. Hospitals are being told they can't share pricing information with any "third parties," that would include patients, physicians, auditors, and consultants. The hospitals are not the ultimate payers. The payers are patients and those who provide health insurance coverage, which includes small businesses, large employers, and local, State, and Federal Government programs. But the hospitals are the ones who have the role of negotiating fair pricing on behalf of the patients and other payers.

A New York hospital stated in a letter to me that many hospitals, patients, communities and Federal agencies are "prevented from participating in an open and fair marketplace—culminating in inflated pricing and less than optimal cost effective health care." This hospital said that it has an annual health care supplies spend of approximately \$300 million, and although the implantable items such as cardiac pacemakers and orthopedic implants represent only 3 percent of the total items the hospital buys, the expenditures are close to 40 percent of the total spend. Moreover, these devices are characterized by annual cost increases of from 8 percent to 15 percent. Since national sales of implantable devices are approximately \$65 billion annually, with an expected growth in utilization of close to 20 percent, the potential of adding 8 to 15 percent annual price increases to the expenditures clearly demands attention.

A smaller health system in Jackson, MS, reports savings in 2006 of more than \$10 million because it was able to get detailed objective and measurable information that neutralized the arguments from the vendors who were telling them that they were getting the best price. The National Partnership for Women and Families told me that consumers can learn more about the quality and price of a car than they can about these medical devices that are implanted in the body. The Pacific Business Group on Health, a collection of 50 of the Nation's largest purchasers of health care who spend billions of dollars annually to provide health care coverage to more than 3 million employees, retirees and dependents, also wrote to me that the critical strategy for improving the quality of our Nation's health care system is increasing its transparency.

The Transparency in Medical Device Pricing Act of 2007 would require medical device manufacturers, as a condition of receiving direct or indirect payments under Medicare, Medicaid, and SCHIP, to submit to the Secretary of Health and Human Services, on a quar-

terly basis, data on average and median sales prices for all implantable medical devices used in inpatient and outpatient procedures. Manufacturers would be subject to civil monetary penalties from \$10,000 to \$100,000 for failure to report or for misrepresentation of price data. The data would be available to the public on the website of the centers for Medicare and Medicaid Services.

Senator GRASSLEY and I believe this bill will improve the overall quality and efficiency of our health care system and will help ensure that health care programs administered or sponsored by the Federal Government, in particular, promote quality and efficient delivery of health care through 1. the use of health information technology; 2. transparency regarding health care quality and price; and 3. better incentives for those involved in these programs—physicians, hospitals, and beneficiaries. By making important information available in a readily useable manner and in collaboration with similar initiatives in the private sector and nonfederal public sector, we can help control government spending on health care. The rising cost of health care and health insurance is a problem for consumers, small business owners, large employers and union health and welfare funds. This bill says that if you want to do business with the Federal Government, you have got to show us your prices.

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 3449. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3404 proposed by Mr. SCHUMER (for himself and Mrs. HUTCHISON) to the amendment SA 3325 proposed by Mr. HARKIN (for himself and Mr. SPECTER) to the bill H.R. 3043, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes.

SA 3450. Mr. HARKIN (for Mr. DEMINT) proposed an amendment to amendment SA 3325 proposed by Mr. HARKIN (for himself and Mr. SPECTER) to the bill H.R. 3043, supra.

#### TEXT OF AMENDMENTS

SA 3449. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 3404 proposed by Mr. SCHUMER (for himself and Mrs. HUTCHISON) to the amendment SA 3325 proposed by Mr. HARKIN (for himself and Mr. SPECTER) to the bill H.R. 3043, making appropriations for the Departments of Labor, Health and Human Services, and Education, and related agencies for the fiscal year ending September 30, 2008, and for other purposes; as follows:

On page 2 of the amendment, after line 11, insert the following:

SEC. 522. (a) FEE FOR RECAPTURE OF UNUSED EMPLOYMENT-BASED IMMIGRANT VISAS.—Section 106(d) of the American Competitiveness in the Twenty-first Century Act of 2000 (Public Law 106-313; 8 U.S.C. 1153 note), as amend-

ed by section 521, is further amended by adding at the end the following:

"(5) FEE FOR RECAPTURE OF UNUSED EMPLOYMENT-BASED IMMIGRANT VISAS.—

"(A) IN GENERAL.—The Secretary of Homeland Security shall impose a fee upon each petitioning employer who uses a visa recaptured from fiscal years 1996 and 1997 under this subsection to provide employment for an alien as a professional nurse, provided that—

"(i) such fee shall be in the amount of \$1,500 for each such alien nurse (but not for dependents accompanying or following to join who are not professional nurses); and

"(ii) no fee shall be imposed for the use of such visas if the employer demonstrates to the Secretary that—

"(I) the employer is a health care facility that is located in a county or parish that received individual and public assistance pursuant to Major Disaster Declaration number 1603 or 1607; or

"(II) the employer is a health care facility that has been designated as a Health Professional Shortage Area facility by the Secretary of Health and Human Services as defined in section 332 of the Public Health Service Act (42 U.S.C. 254e).

"(B) FEE COLLECTION.—A fee imposed by the Secretary of Homeland Security pursuant to this paragraph shall be collected by the Secretary as a condition of approval of an application for adjustment of status by the beneficiary of a petition or by the Secretary of State as a condition of issuance of a visa to such beneficiary."

(b) CAPITATION GRANTS TO INCREASE THE NUMBER OF NURSING FACULTY AND STUDENTS; DOMESTIC NURSING ENHANCEMENT ACCOUNT.—Part D of title VIII of the Public Health Service Act (42 U.S.C. 296p et seq.) is amended by adding at the end the following:

"SEC. 832. CAPITATION GRANTS.

"(a) IN GENERAL.—For the purpose described in subsection (b), the Secretary, acting through the Health Resources and Services Administration, shall award a grant each fiscal year in an amount determined in accordance with subsection (c) to each eligible school of nursing that submits an application in accordance with this section.

"(b) PURPOSE.—A funding agreement for a grant under this section is that the eligible school of nursing involved will expend the grant to increase the number of nursing faculty and students at the school, including by hiring new faculty, retaining current faculty, purchasing educational equipment and audiovisual laboratories, enhancing clinical laboratories, repairing and expanding infrastructure, or recruiting students.

"(c) GRANT COMPUTATION.—

"(1) AMOUNT PER STUDENT.—Subject to paragraph (2), the amount of a grant to an eligible school of nursing under this section for a fiscal year shall be the total of the following:

"(A) \$1,800 for each full-time or part-time student who is enrolled at the school in a graduate program in nursing that—

"(i) leads to a master's degree, a doctoral degree, or an equivalent degree; and

"(ii) prepares individuals to serve as faculty through additional course work in education and ensuring competency in an advanced practice area.

"(B) \$1,405 for each full-time or part-time student who—

"(i) is enrolled at the school in a program in nursing leading to a bachelor of science degree, a bachelor of nursing degree, a graduate degree in nursing if such program does not meet the requirements of subparagraph (A), or an equivalent degree; and

"(ii) has not more than 3 years of academic credits remaining in the program.