in the world without an insurance system to cover everyone. In other words, we are paying at least half again as much—at least—as any other country in the world per person. Yet millions, tens of millions of Americans, do not have health insurance. Life expectancy, infant mortality, maternal mortality, immunization rates—we are not among the world leaders in any of those categories.

Interestingly, the only place we are a world leader is life expectancy at 65. If you get to be 65 in this country, the chance that you will live a longer, healthier life is greater than in almost any other country in the world.

In Ohio, $3.5 billion is spent each year by and on behalf of the uninsured for health care that meets about half their needs. For the first time, we are on the verge of meaningful health care reform that will make a difference in the lives of Americans who have, for too long, put up with less than they deserve when it comes to health care. Our health insurance system does some things very well, but we have let the industry, the health care industry, forget its own core central purpose.

The insurance industry is supposed to bear risks on behalf of its enrollees, not avoid risk at the expense of its enrollees.

The insurance industry is supposed to protect the sick, not throw them overboard.

The insurance industry is supposed to offer affordable coverage to every American, not expensive coverage to some Americans and no coverage to the rest.

The insurance industry is supposed to cover the reasonable and customary costs of health care, not a fraction of that.

The health insurance industry is supposed to cover the doctors you need, not the doctors the insurer chooses for you.

The insurance industry is supposed to pay claims on a timely basis, not as slowly as they possibly can.

Who can forget, when Senator Obama was talking about his mother in the last months of her life, how as she suffered and was dying from terminal cancer, she spent much of her time on the phone trying to figure out how to collect on insurance, how to pay, how to simply get by and not leave debt for her soon to be very famous son.

The health insurance industry does some things pretty well, but it gets away with too much. What do we do about it? First, we put stronger insurance rules in place. Second, we introduce some good old-fashioned competition into the insurance market. That is the purpose of a federally backed insurance option, one the Presiding Officer from New York has spoken out for, as has the other Senator from New York and a majority of people in this body. It is to set the bar high enough for private insurers that they can't slip back into their risk-avoiding ways without taking a hit in the marketplace. In other words, we need insurance company rules on preexisting conditions, on changing the way we do community rating, on a whole host of rules to make insurance companies behave better and serve the public better.

We also need this federally backed insurance option because all too often insurance companies are a step ahead of the sheriff. They always can figure out how to stay ahead of the rules that try to make them behave in a way that is more in the public interest.

The purpose of establishing a federally backed insurance option—it is an option—is to give Americans more choices and to give the private insurance industry an incentive to play fair with their enrollees, or their enrollees will look elsewhere, perhaps in the public plan.

Private insurers have helped to create a system of winners and losers—a system in which insured Americans can still be bankrupted by health expenses and uninsured Americans can still die far too young because they cannot get the health care they need.

Insurance companies have always been one step ahead of the sheriff. They have given us no reason to believe they will behave any differently. They have come to Congress this year and said: You can put some new rules on us. But when we have done that in the past, we know they have always found a way to avoid some of those rules that do not serve their bottom line. And it is their bottom line, and I do not even blame the insurance companies for acting the way they do. I just say we need a set of rules to make sure they act in the public interest.

Private insurance market reforms, coupled with the creation of a competitive, federally backed health insurance option—it is an option, just as it will be an option, once we pass health insurance, that anybody today can stay in the insurance plan they have. Nobody is going to be forced to do anything they do not want to do. Private insurance market reforms, coupled with the creation of a competitive, federally backed health insurance option represents our best hope at achieving the health reforms so vital to the health of our citizens and the future of our Nation.

Last week, President Obama sent a letter to Chairman KENNEDY of the Health, Education, Labor, and Pensions Committee, on which I sit, and to Chairman MAX BAUCUS, chairman of the Finance Committee, the other health care committee here, in which the President stated:

> I strongly believe that Americans should have the choice of a public health insurance option operating alongside private plans. This will give them—

Will give American citizens—

> a better range of choices, make the health care market more competitive and keep insurance companies honest.

A public health insurance option—not administered by a private for-profit insurance company but a public health insurance option—is one of the necessary components of health reform.

There is no better way to keep the private insurance industry honest than to make sure they are not the only game in town. Historically, public health insurance has outperformed private insurance in preserving access to stable and reliable health care, in reining in costs, in cutting down on bureaucracy, and in pioneering new payment and quality-improvement methods.

A public health insurance option will not neglect sparsely populated and rural areas, as insurers too often do. The Presiding Officer previously represented a rural congressional district in New York. She knows the problems of insurance availability in rural areas. It will not disappear.

A public health insurance option will not disappear when an American loses her job, when a marriage ends, or when a dependent becomes an adult. And the pages sitting here in front of me, when they finish school and go into the workplace, they would have an option. Once they are no longer dependent on their parents, they will have that public option, as other Americans will.

A public health insurance option will not deny claims first and ask questions later, as insurance companies too often do. It will not look for any and every loophole to insure the healthy and avoid the sick, as private insurance companies too often do.

These are the fundamental reasons why a public plan option is the key—is the key—to arriving at a health insurance system that better serves every American, insured and uninsured alike. What is the point of health care reform if we do not do it right and make sure every American citizen is better served than they are now in this health insurance market?

Madam President, I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2:15 p.m.

Thereupon, the Senate, at 12:34 p.m., recessed until 2:15 p.m. and reassembled when called to order by the Acting President pro tempore.

The ACTING PRESIDENT pro tempore. The Senate will come to order.

The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, I note there is nobody here who wishes to speak, so I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GREGG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

THE DEFICIT

Mr. GREGG. Mr. President, I rise today to speak briefly about two issues, and I know Senator BURR wants to continue his discussion of the FDA tobacco bill.

There are two issues which are very significant to the American taxpayer, especially to those of us who are concerned about how much debt this administration is running up on our children, and they need to be highlighted.

The first is good news. It looks as though a number of banks are going to repay a fair percentage of the TARP money that has been put out by the administration—potentially $65 billion. When TARP was originally structured, the understanding was that we would buy assets in banks or from banks, and at some point we would get that money back as taxpayers. In fact, we would get it back with interest. This is what is happening now. The money is coming back, as these banks have restored their fiscal strength, and it is actually coming back with interest. About $4.5 billion on top of the money we have put out, is my understanding, as to what will be paid back on the interest side relative to the preferred stock. So that is all good news.

First, the financial system was stabilized during a cataclysmic period in September and October, and the investments which remained in preferred stock, with taxpayers' money, is now being repaid.

The issue becomes, however, what are we going to do with this money that is coming back into the Treasury? Well, it ought to go to reduce the debt. This administration in recent days has been giving at least lipservice to the fact that the budget they put in place, with a $1 trillion deficit over the next 10 years on average every year—$1 trillion every year for the next 10 years, of doubling the debt in 5 years, of tripling it in 10 years—they have been giving lipservice that they understand that is not a sustainable situation. The Secretary of the Treasury, the Chief Economic Counsel, and even the President have said the budget they proposed is not sustainable because the debt that is being run up on the American public cannot be afforded by our children. It goes from what has historically been about 35 percent of the gross national product up to over 82 percent of the gross national product. The interest on the debt alone at the end of this budget which the President proposed will be $800 billion a year—$800 billion a year—just in interest payments that the American people will have to pay. That will actually exceed any other major item of discretionary spending in the budget. We will be spending less than that on the national defense. We will be spending more on interest, in other words, than we spend on national defense because of all of the debt that is being run up.

Well, if this administration is serious—and I am not sure they are; I think they are basically holding press conferences because they did something else today which implies that—if they are actually serious about trying to address this debt issue, then they should immediately take the $65 billion they are going to get back from the banks to which money was lent and that was put out by taxpayers and knew we would get back, they should immediately take that money and apply it to reducing the Federal debt. It should not be spent on other programs. It shouldn't even be recycled through the financial system.

It should be repaid to the taxpayer by reducing the debt of the United States. That is the only reasonable way to approach it. It would be a tremendously strong signal not only to the American taxpayers that this administration is serious about doing something on the debt side, but it would be a strong signal to the world markets that we were willing, as a nation, to take this money and pay down the debt. Ironically, it would also follow the proposal of the original TARP bill, which said that after the financial system was stabilized, any moneys coming in should be used to reduce the deficit and debt of the United States. It certainly should not be used to fund new ventures into the private sector, whether it is buying automobile companies or insurance companies or anything else such as that. It should be simply used to reduce the debt.

I hope the administration will do that because that would follow the law, and it would be a good sign to the world markets, which are becoming suspicious of our debt, as we have seen in a number of instances—for example, the cost of 10-year bills, 30-year bills, and also the fact that the Chinese leadership, in the financial area, expressed concern about the purchase of the long-term debt of the United States. It would also be a positive sign to Americans that we are going to do something about this debt we are passing on to our kids.

It is unfair to run up a trillion dollars a year of deficit, double the debt in 5 years, and triple it in 10 years, and send all those bills to our kids. These young students here today as pages, in 10 years, will find the household they are living in has a new $30,000 mortgage on it, and it is called the bill for the Federal debt. They will have a new $6,500 interest payment that they will have to make, which is called the interest they have to support on the Federal debt. It is not appropriate to do that to these younger Americans and to the next generation. Let's take the $65 billion and use it as it was originally agreed it would be used, which is when it came back into the Treasury, with interest, which is pretty good, it would be used to pay down the debt.

Why am I suspicious that this administration is giving us lip service on the issue of fiscal discipline? There is a second thing that happened today. The President today came out and held a big press conference about how he was for pay-go. I have not heard a Democratic candidate for Congress, and now the President of the United States, not claim they are going to exercise fiscal discipline here by being for pay-go, because the term has such motherhood implications, that you are going to pay for what you do here. It is total hypocrisy, inconsistent with everything that has happened from the other side of the aisle in the era of spending and budgeting. Not only do they not support pay-go, they punch holes in what we have for our pay-go law.

In the last 2½ years, this Congress—and now in the last 3, 4, or 5 months—and this Presidency have passed—democratically controlled—10 bills that have waived or gamed the pay-go rules that are already on the books to the tune of $882 billion. If you throw in the things they wanted to do that they weren't able to pass, because we on our side stood up and said, no, that is too much—and we did it on the rest, but we got rolled—it is over a trillion dollars of instances where this Congress and this President have asked for initiatives that would waive, punch holes in, go around the pay-go rules we already have. That is why I called it ''Swiss-cheese-go,'' not pay-go. Now we have this disingenuous statement from the administration that suddenly they are for pay-go. It already exists; we just don't enforce it around here. Not only do they claim they are for pay-go, even in their statement they claim they are for it, and they game their own pay-go proposal by saying it is not going to apply to the doc fix, the AMT fix, or even to the health care exercise. There should be a pay-go point of order against the first 5 years, and they waived that on health care reform.

It is a good precedent. It will be picked up by the mainstream media as an effort by this administration to try to discipline spending because, of course, they are not going to acknowledge that it has been gamed to such an extraordinary extent that over $882 billion has been spent that should have been subject to pay-go rules. So it is a touch inconsistent and disingenuous for them to suddenly now find the faith of pay-go when, in fact, they have been ignoring pay-go rules and gaming those rules so they could spend money.

Again, what happens there? They run up the debt on the American people in the United States, creating a system where our government will not be sustainable or affordable for our children.

If this administration wants to do something meaningful in the area of reducing the debt and controlling spending, take the $65 billion they are about to get in repayment of TARP money from the various banks and apply it to reduce the debt. That would be real action versus the precedent.

I yield the floor and appreciate the courtesy of the Senator from North Carolina.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina is recognized.