to worry about having a string of bad luck and layoffs because of the recession or job relocations. By passing health care reform today, we can give Jeremy and the millions like him the health care that they need to contribute to our great Nation.

Thank you, Mr. Speaker.

Mr. Speaker, I want to share with you a story that one of my constituents wrote from Colorado and asked that I share with you on the floor of the House of Representatives. She doesn't want her name to be used but wanted the power of her words to empower me to convince my colleagues of the urgent need to pass health care reform.

Her partner was recently diagnosed with stage 3 breast cancer. At that time she was working at Regis University, a private university which provided insurance but didn't offer it to domestic partners.

With the use of her flexible spending account, she was able to get her to a doctor. That doctor refused to diagnose her, not for some nefarious reason. He refused to diagnose her out of the goodness of his heart. How ironic. Why? Because he knew that she would get lost in the system and be refused treatment due to no insurance if she was labeled, labeled with the scarlet letter of a preexisting condition of breast cancer.

Fortunately, this woman's partner did survive and win the battle with cancer. She was given the opportunity to be diagnosed by a referral from this doctor to a clinic who helped women with breast cancer.

Now, I can't tell you whether what that doctor said or did was legal or illegal in not giving the right diagnosis, but I can tell you that that doctor did the right thing. I can tell you what the wrong thing is. It is putting a doctor in that situation where they have to deny and not give the very diagnosis that they know is medically accurate, because they know that the very diagnosis and the act of giving it could be a death sentence for their patient.

''Do no harm'' is the oath that doctors take, and the doctor that didn't diagnose this woman's partner upheld the highest and truest form of that oath in not making that diagnosis and allowing her partner to live.

Thank you, Mr. Speaker.

Mr. Speaker, I rise today to share with you stories of real people from Colorado and why we need to pass health care reform in this body. I had hundreds of constituents share their very personal stories with me. One of them, Mary Jo Schoolmaster from Colorado Springs. She and her husband are both retired teachers.

In 2004, he suffered a brain stem bleed that hospitalized him for 5 months: surgery, pneumonia, feeding tube, terrible, terrible ordeal. He came home and with stubborn determination he regained 95 percent of his functionality. He returned to work in 2005 as a dean of students and as a football coach.

After retiring in 2006, he had a second bleed. He spent a full year in and out of hospitals, acute long-term care, in-patient rehab. He couldn't walk, eat, sit up or use his left side. He was on oxygen, had a feeding tube. Mary Jo writes that she was among one of the lucky ones that had insurance. They said it's been a constant battle to receive the benefits that he was entitled to, and he required her to become an advocate every step of the way.

You know, I have had a series of town hall meetings, about 22 of them in the month of August across my district, and I would ask at those town hall meetings how many of you have had to fight denied claims of your insurance companies. It was an ideologically diverse crowd, maybe a third against any kind of health care reform, a third for single payer and a third somewhere in the middle. Eighty, ninety percent of the crowd, regardless of their ideology or their party, raised their hand and said I have been there, I have had to fight a denied claim of my insurance provider.

Well, Mary Jo had to do that on behalf of her husband, had to fight every day to ensure that those bills were paid. Mary Jo is hopeful that health care reform changes this scenario for her and millions of others. We need choices, Mary Jo writes, and competition to force insurance companies to be transparent, not against us, every step of the way.

Mary Jo is right. What this bill accomplishes is it provides competition among the insurance industry through the exchanges that are being created. With the public option, insurance companies in some markets for the first time ever will face real competition. Those who delay, who fight or who are bad at paying claims will quickly lose customers to leaner and more efficient insurance providers.

That, Mr. Speaker, is why we urgently need to pass health care reform in this body, to ensure that people like Mary Jo and millions of other Americans don't have to fight their insurance companies every day. Because when we have this kind of scenario, who gets the short end of the stick? It's those who are not empowered and able to fight their insurance companies on denied claims.

What about if Mary Jo hadn't graduated high school? What about if Mary Jo wasn't fluent in English? Mary Jo was a retired school teacher. She knew what she had to do to advocate forcefully on behalf of her husband to ensure that all of us who have policies get what we are paying for. We need to make insurance companies answerable, and that's why we need to pass comprehensive health care reform.

Mr. Speaker, I yield back.

COST OF HEALTH CARE REFORM

The SPEAKER pro tempore (Mr. PERRIELLO). Under the Speaker's announced policy of January 6, 2009, the gentleman from Iowa (Mr. KING) is recognized for the time remaining until midnight.

Mr. KING of Iowa. Mr. Speaker, I appreciate being recognized to be able to address you here on the floor of the House of Representatives and raise some of these issues that are so important and critical to the American people.

As I have listened to the last hour, I can't help but bring myself to comment a little bit on that delivery, and I would speak to the last 50 minutes or so of it specifically, that is, that we are a great Nation because we have understood the principles that motivate the American people to come forward and do the right thing and to take personal responsibility and be productive and to negotiate for a good value for their health insurance dollar and to manage their health in a way and set up a system so that they are rewarded for high responsibility and that there is a penalty there for a low level of responsibility.

□ 2310

Some of us, in fact a lot of us on this side of the aisle, have laid out data set after data set that shows what motivates the American people to do the right thing, and also provided the disincentives, described the disincentives when people don't do the right thing.

It never ceases to amaze me how the other side of the aisle seems to want to focus on anecdotes, not facts, and we can reflect back upon the immigration subcommittee where we had hearing after hearing, witness after witness, anecdote after anecdote.

Mr. Speaker, even in the perfect model of Utopia, there will always be an individual that slips through a crack, whether we can imagine what it was beforehand or not. We can always take that individual's story and use it and say, this illuminates the whole.

The gentleman from Colorado has now delivered about 50 or 55 minutes of individual case after individual case, and I am sure every one of us in our district have dozens and hundreds of those kinds of cases. But as I have listened to this last hour, I have heard not one statistic, not one piece of data, nothing based on empirical information that one should be able to take and establish a national policy off of.

Surely, as a nation, we are not the kind of people that listen to an anecdote and knee-jerk our way towards a national policy, believing somehow that if we can solve the problem of this individual, we can solve the problem of the whole. We do that with data, we do that with statistics, we do it with facts, and we do it with good, sound judgment that illuminates the facts that lie underneath those data points.

But as I mentioned, in that immigration subcommittee, it went on for weeks of hearings, introducing study after study, data after data, and always calling for, where are your studies on the other side? Show me the data.

Finally there was a report that was introduced into the record. And as the Chair asked unanimous consent to introduce the report into the record, I

thought, finally, finally I am going to get my hands on a report. I am going to understand how they do an analysis and how they look at the data and how they come to a conclusion, because we come to opposite conclusions quite often. On the critical issues we always come to opposite conclusions. So I want to see the data.

I got my hands on the data. This report that was introduced into the record as a response to my call for ''show me your report, show me your study, show me your data,'' when I got my hands on it, it wasn't a report at all. It was simply a critique that was written of a report that I had introduced into the record some weeks earlier. That was what substituted for facts.

Now, here we have 50 to 55 minutes of individual anecdotes, sad as they may be. But there may well be other solutions, and there may be more people hurt off of this, rather than less people hurt, if we adopt the policy that is advocated by the President of the United States and by the gentleman from Colorado.

So, Mr. Speaker, I do have some data, but I also first would like to lay a little backdrop of what we are talking about here, the health care reform debate.

This is a little bit of the history of the health care reform debate. This is lifted out of the archives of the New York Times from back in 1993–94. It is a replica of the chart that I had on my construction office wall for some years, by the way, and this is a chart that scared the living daylights out of me.

When I saw the government that was created by HillaryCare, we called it then, this is what scared the Senate and the House of Representatives off of a national health care act, creating all these new government programs. Just a look at the chart. You didn't have to study it, although I did study it, to understand how big of an impact it would have on our economy.

Now, this economy, maybe 14.5 percent of our GDP is spent on health care. It might be higher than that. But this black-and-white chart, Mr. Speaker, is relatively mild, although this black-and-white chart, HillaryCare, is a complete government takeover of our health care system.

This, Mr. Speaker, is a gradual complete takeover of our health care system in the United States. This lays out all of these new agencies and departments, all of those in color. Those in white are existing. Those in color are created by H.R. 3200, the House's version of the bill. It is scary in and of itself.

The focus I would bring on this, Mr. Speaker, is here to the private insurers. The President has said we need more competition, more competition for the 1,300 health insurance companies in the United States; more competition for the 100,000, and that is this box here, different varieties of policies one can purchase here in the United States.

Why would we need more competition if we had 1,300 companies and 100,000 policy varieties, unless you happened to just believe that the Federal Government should be running things? If that is the case, you would put them in the business to compete against them, and we would have in theory 1,301 health insurance companies and 100,000 and who knows how many policies.

But truthfully, these two white boxes, the insurance companies that exist, the health insurance policies that exist, they would have to qualify. They would have a 5-year period of time, according to the bill, in order to qualify for the new qualified health benefits plans that would be established. And the rules that would be written for an insurance company to qualify and for their policies to qualify, it would be written right here in this box, in the health choices administration by the health choices commissioner, who would set the new rules for all of these policies and companies.

And these policies and companies, all of them would not qualify. The companies wouldn't all qualify, the policies would not all qualify. If they did, there would be no reason to have the regulator write the new set of rules.

So we do have an individual who has really driven this issue of how we set up competition between the health insurance companies, and that is to allow the American people to buy health insurance across State lines. I just have to thank and congratulate JOHN SHADEGG for being the driver of that idea and that issue for several years here in the House of Representatives.

He is with us tonight, and I would be glad to yield to the leader of the Shadegg bill, I call it, to sell insurance across State lines and set up competition in that fashion, in the Federalist model of States competing against States from the private-sector perspective, the gentleman from Arizona, JOHN SHADEGG.

Mr. SHADEGG. I thank the gentleman for yielding and I appreciate that compliment. It is kind of exciting to know that more and more people here in America are discussing the idea of selling or making available insurance across State lines, because that would be competition, real competition, and would drive down the cost of health insurance for all Americans.

Indeed, we have a study that shows that literally millions of additional Americans could afford health insurance without the expenditure of a dime of public money if you allowed policies to be sold across State lines. Unfortunately, the current Congress doesn't seem to be interested in that idea, and we were not able to get it through when the Republicans were in power. But maybe that idea's time is coming.

I do note that the White House and the President have both talked about the lack of competition in the individual market. Indeed, in this very Chamber the President talked about how, I believe he said in Mississippi, 75 percent of the policies are sold by only five companies, and I think he said in Alabama, 95 percent of the health insurance policies, and I think that had to have been in the individual market, though the President didn't say it, are sold by just five companies. That kind of narrow competition does not bring down costs, and, as the gentleman indicated, allowing the sale of health insurance across State lines would do that.

My bill actually doesn't allow the sale of health insurance across State lines. What it says is, you can file a policy in one State, have it qualify with the laws of that State, then file it and sell it in all 49 other States. It means you could bring a policy to the market in all 50 States for a fraction of what it costs today, but it also means that you could pick a State with a modest level of so-called mandates or benefit mandates, perhaps a State that didn't mandate for a hair prosthesis or a State that didn't mandate aroma therapy or a State that didn't mandate some other esoteric type of treatment. And, of course, every mandate adds to the cost of the policy.

So I thank the gentleman for referring to that. I appreciate the charts he has put up in front of the people.

I really want to get a dialogue going about the shocking, and I mean shocking things that have developed on health care just in the last four or five days.

□ 2320

And let me just mention those three or four items briefly, and then maybe we can get a dialogue going and talk back and forth about them.

First, we had the CBO score of the Baucus bill. Wow. Our colleagues on the other side of the aisle, Democrats in the Senate were high-fiving each other. Oh, my gosh. They had a score of only $829 billion. I wonder if the gentleman realizes that the CBO scored that bill counting 10 years of revenue from the taxes but only 7 years of expenditures? Under the Baucus bill, taxes start in 2010; expenditures for the program costs don't begin till 2013. So when CBO scored, it scored it for 10 years, beginning in 2010, ending in 2020. They counted 10 years of revenues, 7 years of outlay. I went home to my wife and said, even the Shadegg family budget would look good, even the Shadegg family budget would look good if we could count 10 years of my salary and her salary or our income and only 7 years of our family outlays. That's scandal number one. They get better.

Scandal number two, we discovered that HARRY REID, HARRY REID, majority leader of the United States Senate, found out that under this bill, because the cost of Medicaid is going to be increased dramatically, the size of the Medicaid program's going to be increased dramatically, that the burden paid by the individual States would go up quite significantly, including on Nevada. As it turns out, HARRY REID's up

for reelection this year and he says, whoa, whoa, whoa. As your Senate leader, I can't be hurting the State of Nevada. So he got an exemption. Interestingly, not an exemption for all 50 States. No exemption, for example, for Iowa where the gentleman's from. No exemption for the State of Arizona where I'm from. He got an exemption for Nevada and three other States—Oregon, Rhode Island and Michigan—under which the Federal Government will pay the State's share of Medicaid, if this bill passes, for the next 5 years. Just a little perk for a powerful United States Senator like HARRY REID.

You know, it occurs to me, and I'll go through these other scandals very quickly, but what we're really getting here is we're not just getting single-payer care. We're getting full-on Russian gulag, Soviet-style gulag health care, because under these plans it won't matter so much that you live in America. It will matter whether you live in the State that's represented by a powerful Senator or perhaps a powerful Congressman, because we just learned HARRY REID has just protected the people of Nevada and three other States from having to pay their share of the Medicaid expenses.

But wait, as they say in the advertising world, there is more, because, as you know, the funding mechanism in the Baucus bill says we're going to impose a surcharge, a surcharge on very expensive gold-plated health care plans. Got to tax those expensive health care plans. Well, CHUCK SCHUMER, little CHUCKIE SCHUMER of New York, United States Senator, said, wait, that surcharge might apply to my constituents in New York. I can't have that.

So Senator SCHUMER, in the give-and-take of politics in America, if we're going to have political health care, by gosh we're going to have really political health care. He said, no, no, no. We'll allow that surcharge, which is a 40 percent tax on policies that cost over 21,000. We'll allow that to be the law in Kentucky or in Arizona or in Iowa, where the gentleman's from, but no, no, no, not in New York. In New York, we won't let the surcharge kick in until the policy costs $24,000. And in Massachusetts, it won't kick in until the policy costs $25,000. So, if you're lucky enough to live in the State where you have a powerful Senator, like CHUCK SCHUMER, you can get it so that your luxury tax won't kick in until your policy costs $24,000 or $25,000, unlike the poor sap who lives in Arizona or Iowa or Kentucky where the luxury tax kicks in at $21,000.

Ladies and gentlemen of America, you want political health care? You want politicians in charge of health care? By gosh, you're going to get it, because that is politics American style. It is as corrupt as it can get, where politicians like HARRY REID, powerful, can protect their State, CHUCK SCHUMER, powerful, can protect their constituents. But as they say in the marketing business, but wait, there is more, because our famous United States Senator from New Jersey, Senator BOB MENENDEZ, that wasn't good enough for him.

BOB MENENDEZ represents a State where there's a lot of health care, a lot of health care drug companies that manufacture pharmaceuticals. Senator MENENDEZ, they wanted his vote. He negotiated a deal. He got a $1 billion tax credit into this bill, into the Baucus bill, for investments in drug research and development. By all means, let's protect New Jersey because BOB MENENDEZ's vote is needed. But wait. There is more, because in the political world of political health care, if we're going to politicize health care, if we're going to give the politicians control of our health care from border to border, coast to shining coast, or sea to shining sea, by gosh, that isn't enough.

So DEBBIE STABENOW of Michigan and JOHN KERRY of Massachusetts said, you know, this health care could be really expensive and we have lots of union workers in our States, in Michigan and in Massachusetts. DEBBIE STABENOW, JOHN KERRY, they've got just a small little piece in the bill, you know, we're going to play a little politics with health care, why not play a little politics. They got—they make BOB MENENDEZ look like a piker. They got 5 billion, count them, $5 billion into the bill to defray the cost of medical care for union workers.

Now, if you happen to be a right-to-work State like Arizona where we don't have many union workers, well, that's just too bad. You don't get the benefit of that $5 billion. But if you're a union worker, DEBBIE STABENOW and JOHN KERRY are making sure that those poor saps in Iowa that aren't union members and those poor saps in Arizona who aren't union members get to chip in an extra $5 billion for the union members in Michigan and Massachusetts.

Not to be outdone, MARK UDALL of Colorado, he comes in and says, well, this may be round one where we negotiate amongst the members of the committee that the bill's going through right now, but trust me, if HARRY REID has gotten a provision in there saying that Nevada doesn't have to pay the State share of Medicaid, by God, I, MARK UDALL, am going to fight for the same provision for my State of Colorado.

So there you have it, ladies and gentlemen. Don't believe me. This, all of what I've just recited for you, comes from the Wall Street Journal, an article called States of Personal Privilege by Kimberly Strassel. It appeared in last Friday's Wall Street Journal. You can Google it. You can pick up the phone and call Kim Strassel. You can ask her about Soviet-style gulag health care in America, where powerful politicians protect their constituents. But if we're going to have socialized medicine, if we're going to have government-run—the Hillary Clinton was an overnight takeover of health care by the government. The current version, ObamaCare, is a gradual takeover.

Trust me, the minute you take power away from the people and give it to Washington politicians, you get real sweet deals. Powerful HARRY REID protects Nevada. Powerful CHUCK SCHUMER protects New York. Powerful BOB MENENDEZ protects New Jersey. Powerful DEBBIE STABENOW and JOHN KERRY protect Michigan and Massachusetts, and at least MARK UDALL, kind of a pup in all of this, little bit young, not seasoned and powerful yet, he's going to try to protect the people of Colorado.

Political health care, here we come. What you pay for health care in America once this bill is law won't depend so much on the bill as on whether or not you've got a powerful United States Senator or a poor sap United States Senator who can't pull the levers of power and get done what you want. And I guess I'm just interested in what the gentleman from Iowa thinks about these lovely little scandals that are going on.

And oh, by the way, these are the politics they're playing while there's sunshine. Imagine when this bill gets kind of behind the smoke screen rooms and the President's new health care czar is implementing the policies that make that chart possible. And I'd be interested in the gentleman's reaction.

□ 2330

Mr. KING of Iowa. Reclaiming my time, I am astonished to a significant degree here at the depth of this, and I didn't catch that article coming into it over the weekend, so this unfolds as new news to me, at least in the composite. Some of the pieces I picked up.

It is breathtaking in its scope when you add up the billion of dollars, the audacity. The President likes to use the term ''audacity'': The Audacity of Hope. How about the audacity of political health care, the patronage that comes with this?

Mr. SHADEGG. Hey, the audacity of power. HARRY REID can do it because he's HARRY REID. And if that's too bad for the people of 46 other States because they get to subsidize the people who live in HARRY REID's State, I guess HARRY REID's answer is, That's just too bad.

Mr. KING of Iowa. I pull this back and I look at item number one, the CBO scoring the bill in 7 years of expenses in 10 years of revenue in order to get it to turn out so it doesn't violate the President's pledge; and I am wondering if these carve-outs that come for these powerful Senators like HARRY REID and others when they're carved out from their Medicaid costs so that the Federal Government will have to pick up the tab for the Medicaid increases that come with the bill, and I am wondering if those increases are scored against this bill. I am going to suspect they're not because we're only scoring on concepts.

Mr. SHADEGG. I think maybe your suspicion is correct.

But I can tell you this much: If you and I started a small business and we decided we'd do a stock offering and we presented a portfolio to our potential investors and said, Here's a picture of what our company is going to look at financially, and we included 10 years of projected revenue, but only 7 years of what we thought would be our expenses, you know where we'd go? We'd go to prison. We'd go to prison if we did that.

But not MAX BAUCUS. He can score 10 years of revenue against 7 years of expenditure, and they're all high-fiving each other. I said in my press release it makes the Enron accounting look reasonable and prudent when you score something like that.

I've got to tell you, I don't know a business in America that wouldn't look pretty darn good if you scored—if you counted only 7 years of expenditures against 10 years of income. But that's what Mr. BAUCUS did.

And the American people—and only in Disneyland-on-the-Potomac, only here in this crazy city called Washington where what the government says is reality—notwithstanding its tea leaf reading—only here could you have a score that counted 10 years of revenue against 7 years of expenditures taken seriously. But by God, MAX BAUCUS is being taken seriously in that club they call the United States Senate across the way.

Mr. KING of Iowa. As I listen and I reflect back in those first years when I got to know who JOHN SHADEGG was—and I remember discussions here on the floor as I was watching on C–SPAN—and I believe one can go back and review the CONGRESSIONAL RECORD and be able to hear the criticism that you and others have made about Democrats declaring that a reduction in the anticipated increase was a cut.

And so the reduction in the anticipated increase was called a cut by Democrats, and that was exposed—at least to thinking people in America—and now we have a CBO, the revered, nonpartisan CBO scoring an $829 billion bill and scoring that bill over a 10-year period of time by totaling up 7 years of expenses and 10 years of revenue. It's the same kind of sleight of hand, only this isn't just political sleight of hand; this is a nonpartisan Congressional Budget Office sleight of hand.

And it has to be, I think, with the directions that come from the White House and MAX BAUCUS. And as I understand it, there still is not a bill. We've only amended the concept to the point where we have the amended concepts that were voted on today coming out of the Finance Committee in the Senate.

Mr. SHADEGG. You just made an interesting point.

I tell you, I have been here over 14 years, and when they started talking about the Baucus bill moving forward and it was getting close to being adopted and they were offering amendments to it, naive me, I work in the House where we actually have legislative language, I called my health care staff one day—I was in Arizona and they were out here—I called them from Arizona and I said, Hey, get me a copy of the Baucus bill. And they said, Well, um, uh, Congressman, um, uh, we can't get you the Baucus bill. We can only get you the chairman's mark. And here on the House side the chairman's mark is a copy of the bill.

I said, Fine. Get me the chairman's mark. I want to see what the bill says.

My staff said, Well, one little slight problem, Congressman. Over there in the Senate they do it different. The chairman's mark in the Senate, Mr. BAUCUS' chairman's mark is just a conceptual document. It's stunning.

But, oh, by the way, we talk about scoring 10 years of revenue and 7 years of expenses, the kind of Disneyland-on-the-Potomac world we live in says, for example, in that bill that we're going to save somewhere in the neighborhood of $400 billion from Medicare. Now, I heard the President stand in front of this room and say, By God, there will be no cuts to Medicare. But interestingly, they get I think about $170 billion of those cuts by saying they're going to cut the money that is provided to doctors and hospitals and labs.

Now, that's kind of interesting. We're going to cut how much money we give to doctors, hospitals, and labs under Medicare. As the gentleman from Iowa knows, we have been supposed to have done that every year since, I think, 1995 or 1996. We have never once actually done it. But in this bill, here in Disneyland-on-the-Potomac, they're counting as real savings—although we've never cut those reimbursements between 1995 and today—somehow, tomorrow, when this bill is put into effect and tomorrow for the scoring of the bill as only $829 billion, we're actually going to put those cuts into effect. They've never happened in the past, but suddenly they're saying they will happen in the future.

Mr. KING of Iowa. And when it comes to the Medicare as the proposal has been, as I understand the conceptual proposal in the Senate since there is no specific language to look at—and I've not looked at the line items that CBO is scoring, and there may not be any, actually—but the proposal here in the House was to cut Medicare about $500 billion over a period of 10 years. But there was going to be savings from waste, fraud, and abuse to the tune of some hundreds of billions of dollars.

And it's almost as if we can't fix the waste, fraud, and abuse unless we first pass a proposal that will take us to a national takeover of our health care industry. One would think if you're going to be a responsible government, you wouldn't hold responsibility hostage to passing a bill that America doesn't want.

Mr. SHADEGG. The gentleman isn't truly suggesting that we're not going to—having talked about cutting waste, fraud, and abuse for maybe the last 50–100 years—that we're not actually going to do it under this bill? Well, of course we are. Mr. BAUCUS says we are. The House Democrats say we are.

Well, if they say we're going to cut waste, fraud, and abuse, by all means we'll cut waste, fraud, and abuse; and we'll produce all of those savings that they need to pay for this bill.

Mr. KING of Iowa. Since we don't have any specific language and we don't have any specific approach. So cutting waste, fat, fraud, and abuse will happen even less effectively than it has in the past.

And the Medicare component of this, too, the reimbursement rates across the country unbalanced are only being reimbursed at about 80 percent of the cost of delivering those services.

Mr. SHADEGG. So they shift those costs to private care, but under this bill—of course they're going to wipe out private care—where are they going to shift the costs then?

Mr. KING of Iowa. It has to go to the taxpayers eventually; borrowed money is where it will end up. This bill—there's another component of this that is not going to be addressed.

Now, they are scoring the waste, fraud, and abuse component part of this to get this up to meet the President's pledge. There is nothing in the bill, not one penny in the bill, of a reduction of the worst waste, fraud, and abuse, and that is lawsuit abuse that takes place across this country.

The numbers that we have seen, the health insurance underwriters have put out a number—this is verbal, not in print—8½ percent of all of our health care costs are wrapped up in the costs of medical malpractice and defensive medicine, unnecessary tests, and also malpractice insurance premiums, 8½ percent. If you calculate 8½ percent across the cost of our health care, that comes to $203 billion a year, or CBO, if they were to score that revenue or expenses, I suppose—I don't know which—but let's say it's 10 years, that's $2 trillion that—that's on the way outside that could be saved if we address lawsuit abuse and reform it as we did in this House. And it failed in the Senate because the trial lawyers are able to block anything that comes through the Senate or the House today.

There is also a number that came out from Pricewaterhouse Coopers that 10 percent, slightly more than 10 percent actually, of the overall costs of health care were being wrapped up in medical malpractice premiums and the litigation that's associated with that and the defensive medicine.

□ 2340

So if we really wanted to fix some health care costs, we would go after tort reform.

Mr. SHADEGG. I'm glad the gentleman brought that up. I view this as a Paul Revere moment. The reality is America needs to know this legislation, without one word of tort reform, this bill, this massive government

takeover of health care, with the corruption I have just listed, HARRY REID protecting Nevada, CHUCK SCHUMER protecting New York, BOB MENENDEZ protecting New Jersey, DEBORAH STABENOW and JOHN KERRY protecting Michigan and Massachusetts, with all that political corruption coming into the health care system, it will pass without a word, not a word of tort reform, unless the American people speak out.

ANNOUNCEMENT BY THE CHAIR

The SPEAKER pro tempore (Mr. PERRIELLO). The Chair would remind Members to refrain from personal references to Members of the Senate.

PARLIAMENTARY INQUIRY

Mr. KING of Iowa. To the Speaker, a parliamentary inquiry. I believe that we had a rule change a few years ago that amended that language in the rules that allowed an individual to address Members of the Senate by their name. Could you verify that, Mr. Speaker?

The SPEAKER pro tempore. Members are free to debate policies of Members of the other body but must refrain from personal references.

The gentleman may proceed.

Mr. KING of Iowa. Mr. Speaker, further parliamentary inquiry. I would just like to put into the RECORD I'm referring to the Feeney rule, and I think the Feeney rule should be upheld. And I know we can carry on this dialogue without referencing people specifically, but I believe the rules have been amended unless they have since been amended afterwards. Could you verify that?

The SPEAKER pro tempore. Members may reference particular Senators, but may not engage in personalities toward them.

The gentleman may proceed.

Mr. KING of Iowa. Mr. Speaker, I yield to the gentleman from Arizona.

Mr. SHADEGG. I certainly don't think anything has been personal. They have been just factual about policies pursued.

I simply want to say that the gentleman is absolutely right about the desperate and crying need for tort reform in this legislation. The gentleman used various statistics about the cost of defensive medicine or lawsuit abuse. Now I will tell the gentleman that in my discussions with individuals in Arizona, I have been told that, indeed by insurance brokers, it's their belief that as much as 35 percent, as much as 35 percent of all health care bills in America can be traced back to the tort system, that meaning the cost of malpractice insurance for doctors, a very, very high number, climbing higher every year, and the cost of defensive medicine.

It is really important for people to understand what we mean when we talk about the cost of defensive medicine and what it really means for their health care. What it means is that your doctor is often compelled, indeed, probably every day, compelled to order tests or procedures or evaluations that he or she doesn't necessarily think you need, but if that doctor doesn't order them and gets second-guessed by a trial lawyer later, it could mean financial ruin for them.

I had a medical doctor come in to visit me yesterday afternoon. Even though it was Columbus Day, I scheduled some office hours. I happened to meet with him at 5:30 last night. He practices in Scottsdale, Arizona. He said that time after time after time after time, he will get a chart where they have ordered that certain procedures be conducted, for example an expensive CAT scan, when he thought an x-ray would do, and he must order what he has been told to order and spend the money, or there's the risk that the lawyer will come along later and sue him.

Interestingly, I often tell a story about growing up in Phoenix and being involved in a Boy Scout troop. One of the other young men in the Boy Scout troop, his father was a medical doctor. His father, the medical doctor, he explained to me years later, knew just about all of his patients personally. And if they called on a Tuesday night at quarter to 12 or on a Saturday afternoon at 2:30, he would take their call, because he knew those patients, and those patients came to him out of choice. They didn't come because their employer picked the plan, or some plan hired the doctor. They had an indemnity insurance plan, and they came to that doctor because they chose that doctor. But also if they called on a Tuesday night at quarter to 12 or a Saturday afternoon at 2:30 and said they had a problem, that doctor, his father, would often call in a prescription to try to help them with their problem.

What has happened to that aspect of health care in America today with the current tort system we have? It's gone. Your doctor won't even think about calling for a prescription for you based on a conversation over the phone because he or she, your doctor, knows if that turns out not to be the right answer, his or her socks will be sued off, to use a phrase, by some waiting trial lawyer.

But is there a word of tort reform to limit that cost in this bill, where it's 8 percent or 10 percent or 35 percent? Not one word in this legislation. We're going to throw the entire baby out with the bath water, completely throw away the health care Americans have come to trust and rely on out the window and replace it with a new government-run system because, after all, everybody knows the bureaucrats and the politicians in Washington have all the answers, and we're not going to put a word in there about tort reform.

In my committee, in the Commerce Committee, we offered amendments to put in a little bit of tort reform, rejected. In the Education and Labor Committee where the bill was considered, there was an amendment offered to limit damages or to put in some tort reform, rejected. In the Ways and Means Committee, an amendment was offered, rejected.

The current team is not about to allow tort reform to occur in this legislation. And so we will throw out the current health care system in America in the next few weeks. We will replace it with a whole new system, disrupt everybody's plan, and we won't even have gone after one of the biggest cost drivers, excessive lawsuits.

Mr. KING of Iowa. Reclaiming my time, we will go up through these numbers. I want to agree with the gentleman with numbers as high as 35 percent or even higher that go into the tort reform, the lawsuit abuse category. The lowest number I pick up is 5.5 percent of all medical costs, then the 8.5 percent from health insurance underwriters, then the 10 percent of PriceWaterhouseCoopers, and then there's an aggregate of providers out of Iowa that sat down and presented to me a 20 to 28 percent calculation that they had that was the cost of the lawsuit abuse and defensive medicine.

And then those numbers go on up, as the gentleman from Arizona said, 35 percent. I talked to an orthopedic surgeon a week or two ago who told me that 95 percent of the tests that he runs, MRIs I believe he said, are unnecessary. And he knows they are unnecessary, but he has to order them on everyone, every injury, in order to protect himself from that single trial lawyer that will come in and file a lawsuit. Over the course of his practice, it was $1 million a year that was unnecessarily spent on tests in one single practice that he described as a small practice, that I see it as quite a respectably sized practice.

But in throwing the baby out with the bath water, I'm going to see your doctor and raise you a nurse.

This is very close to the family anecdote that took place just last weekend. A little child was sick, and his mother called in. We live in a rural area so we have hospitals in our county seats. She called the county seat hospital and said, here are the conditions of my child. Should I bring this child into the hospital or should I treat him with some aspirin and maybe watch his temperature? And the nurse that was on call said, I can't advise you because—she didn't go on much further than that, but we all know why. She couldn't advise the mother because of the potential for a lawsuit.

Then the mother said to the nurse over the phone holding a sick child, who is the doctor that's on call? We don't always have doctors in great numbers, but we should know who the doctor is on call. And if that doctor is this baby's doctor, then the mother would have taken the baby in. The nurse was even prohibited from telling the mother who the doctor was that was on call at the hospital because I suppose of some imagined lawsuit abuse that is out there.

This country has been so shut down by the abusive lawsuits. And we have

lost our good judgment. We have the HIPAA Act now where we can't find out who is in the hospital so you can go visit them. You can go up to the visitors' center and ask and they can't tell you. And if a nurse can't tell a mother, bring the child in or not, what's its temperature, give the child an aspirin, call me back in 2 hours, tell me how you're doing, if a doctor can't even let his name go out that he's on call, you have to go to the hospital to find out where you walk into the confines of the hospital where apparently those confines then are more regulated, more controlled and more structured in order to prevent the lawsuit abuse.

□ 2350

This $200 billion, $203 billion a year, and that's at 8.5 percent. If you run this on up to Mr. SHADEGG's number of 35 percent, I don't have that number, but $200 at a little over 10 percent, so you would be somewhere around—could be as high as $1 trillion a year on the outside of the cost of litigation in this country. And it's being paid by people across this country, and not one dollar is being addressed by the Democrats.

I would just suggest that we have a lot of solutions. One of the solutions that Mr. SHADEGG has introduced about selling insurance across State lines, some of the data that came out of similar policies with different mandates in it, a young man, 25 years old, could buy a policy in New Jersey for $6,000 a year. A similar policy in Kentucky would cost him $1,000 a year. Where would you put your money if you had the choice? I would buy the policy in Kentucky.

I want to be able to preserve the catastrophic insurance component of this. I want to be able to expand health savings accounts. But my list of things we need to do to reconstruct this health care system recognizes that we have consumers. We need to maintain personal responsibility. We've talked about fixing the tort reform component of this which we did pass out of this House at a $250,000 cap on noneconomic damages modeled after California, modeled in Texas, I believe, modeled after that as well. They're doing well, especially in Texas.

Buying insurance across State lines. Portability, so you own your policy and you can take it with you and you're not tied and strapped to your job.

Full deductibility of health insurance premiums. How can it be that an employer, a large corporation, for example, can deduct 100 percent of the health insurance premiums even on the Cadillac policies—which I don't particularly object to—and ma and pa can't do that? If they're self-employed, if they're a sole proprietorship, if they're a partnership, if they don't have themselves set up on a wage and a benefit plan within a corporation, they can't fully deduct their health insurance premiums. If any entity can deduct a health insurance premium, every entity should be able to deduct a health insurance premium. And the numbers that I have seen on that is that it would increase our insured by about 1 million people a year.

And we need to expand association health care plans, expand the health savings accounts. And we ran some numbers on that a couple of years ago. If a young couple had started with HSAs when we passed them here in 2003, maxed out at $5,150 for the couple a year, spent $2,000 a year out in normal health care costs, in accruing at 4 percent a year—which will be logical by the time we get there; it may not be today—they would arrive at retirement with about $950,000 in their health savings account, almost $1 million. Well, why wouldn't we let them buy a Medicare replacement policy and give them the rest of it tax free for their own retirement or to will to their children? We need to tie this together, health savings accounts with retirement accounts, and get people off the entitlement rolls.

Transparency in our billings and electronic medical records.

Mr. SHADEGG. If the gentleman would yield?

Mr. KING of Iowa. I would yield.

Mr. SHADEGG. I made the point earlier about this bill being the imposition of politics or special power and privileges imposed on health care in America. And I guess there was some question of whether or not it was appropriate to criticize the politicization of this legislation, the so-called Baucus bill. I held up the article from which I drew those examples, and I just want to read them so that everybody will understand it's not a personal attack by me. These are just, as they say, the facts, like Sergeant Joe Friday used to say on ''Dragnet.''

Kim Strassel points out, first of all, a central feature of the Baucus bill is the vast expansion of State Medicaid programs—I am quoting from the article. ''The provision has angered Governors, since the Federal Government will cover only part of the expansion and stick fiscally strapped States with an additional $37 billion in costs.''

It then goes on to explain, that troubled Senate Majority Leader HARRY REID of Nevada, she says, ''who is worried about losing his seat next year, worked out a deal by which the Federal Government will pay all of''—and I am reading in quotes the article—''his home State's additional Medicaid expenses for the next 5 years. Under the majority leader's very special formula, only three other States—Oregon, Rhode Island and Michigan—qualify for this perk.'' So there is the first example of political health care, or of politically driven health care, special perks and privileges for four States.

It then goes on to say, ''Mr. BAUCUS's legislation would tax high-value insurance plans—a 40-percent tax on plans that cost more than $21,000 a year.'' The article proceeds, ''Senator Chuck Schumer didn't want a lot of angry overtaxed New Yorkers on his hands,'' and I am quoting, ''so he and other similarly situated Democrats carved out a deal''—not my word, the article's word—''a deal by which the threshold for this tax will be higher in their States. If you live in Kentucky,'' says the article, ''you get taxed at $21,000. If you live in Massachusetts, you don't get taxed until $25,000.'' There again, another special little perk, politicians protecting their own inserted into the bill—not my words, but the article.

''And Senator Bob Menendez, of the Garden State, seems concerned that his home-State employers are going to struggle to both pay their Federal liabilities and to continue to grow and innovate. Thus, Mr. MENENDEZ's quiet deal for $1 billion tax credits for companies investing in R&D.''

And last, she talks about Michigan Senator DEBBIE STABENOW and Massachusetts Senator JOHN KERRY including ''$5 billion in the bill for a reinsurance program to defray the medical costs of union members.'' All of those are the comments I made about the special political deals inserted in this bill. Don't believe me? Just Google the Wall Street Journal and Kim Strassel.

I want to thank the gentleman, by the way. I also mentioned that the Senator from Colorado said, ''If Colorado has a fair claim on being treated the same way Nevada has been, of course we're going to ask for that kind of treatment.''

So there you go, politics and health care in America. Health care won't be driven by care or by medical evidence. It will be driven by the most powerful Senator on the block.

Mr. KING of Iowa. I thank the gentleman from Arizona.

And talking about the politicization of health care for perks and privileges, the part that's left out is the patronage. Patronage goes with perks and privileges. And when you see that happen in government, then it slows down the operations and it shifts the balance. And we're wondering, why isn't government logical? It's because perks, privileges and patronage take government off kilter. That's why we're a free enterprise system. That's why we have been a free enterprise system. And that's why this Nation has been strong and powerful and successful and our economy has eclipsed that of the world is because we left the standards of Adam Smith in place for dozens and dozens of years, for generations and generations.

In this last year, we have given up to nationalization perhaps as much as one-third of our private sector. We are looking at 14.5 percent of our GDP being potentially nationalized in the sequence, all to reduce this.

This is, by the way, 100 percent of the population of the United States of America. And here in the blue, that represents 84 percent in the blue of all. This is 100 percent, the circle. These are the uninsured, those Americans without affordable options right here,

this little orange, less than 4 percent, about 12.1 million people. This is 47 million all together. And if you look at the color code on the chart, we have illegal immigrants there in the yellow. We have those that are yellow in the 5-year bar, no welfare for 5 years by law. That's another 5 or so million people. You have those that are earning more than $75,000 a year, Americans without affordable options. They can find a way to insure themselves. And then you've got those that are eligible for government programs, primarily Medicaid, that's 9.7 million. And then you have those eligible for employer offers that don't opt in or opt out of their employer's plan, that's about 6 million. And then we have the Americans without affordable options. So all of these folks here, there's another answer for that; less than 4 percent to change 100 percent of the entire insurance and health care delivery system.

I thank the gentleman from Arizona and the Speaker, and I yield back the balance of my time.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Ms. GINNY BROWN-WAITE of Florida (at the request of Mr. BOEHNER) for today on account of a family medical situation.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. QUIGLEY) to revise and extend their remarks and include extraneous material:)

Ms. WOOLSEY, for 5 minutes, today.

Mr. QUIGLEY, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

Ms. JACKSON-LEE of Texas, for 5 minutes, today.

(The following Members (at the request of Mr. POE of Texas) to revise and extend their remarks and include extraneous material:)

Mr. POE of Texas, for 5 minutes, October 16 and 20.

Mr. BURTON of Indiana, for 5 minutes, October 16.

Mr. GOHMERT, for 5 minutes, today, October 14, 15 and 16.

Ms. ROS-LEHTINEN, for 5 minutes, today and October 14.

Mr. JONES, for 5 minutes, October 16 and 20.

Mr. MCHENRY, for 5 minutes, today, October 14, 15 and 16.

Mr. SOUDER, for 5 minutes, today and October 14.

Mr. OLSON, for 5 minutes, today.

Mr. FRANKS of Arizona, for 5 minutes, October 14, 15 and 16.

ADJOURNMENT

Mr. KING of Iowa. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at midnight), the House adjourned until tomorrow, Wednesday, October 14, 2009, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

4074. A letter from the Congressional Review Coordinator, Department of Agriculture, transmitting the Department's final rule — Importation of Sweet Oranges and Grapefruit From Chile; Technical Amendment [Docket No.: APHIS-2007-0115] (RIN: 0579-AC83) received September 16, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4075. A letter from the Administrator; Cooperative State Research, Education, and Extension Service, Department of Agriculture, transmitting the Department's final rule — Competitive and Noncompetitive Non-Formula Federal Assistance Programs-Specific Administrative Provisions for the Beginning Farmer and Rancher Development (RIN: 0524-AA59) received September 22, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

4076. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; Federal Acquisition Circular 2005-36; Introduction [Docket FAR 2009-0001, Sequence 7] received August 25, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4077. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2008-038, Federal Technical Data Soluton (FedTeDS) [FAC 2005-36; FAR Case 2008-038; Item I; Docket 2009-0028, Sequence 1] (RIN: 9000-AL32) received August 25, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4078. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2007-021, Fair Labor Standards Act and Service Contract Act Price Adjustment Clauses [FAC 2005-36; FAR Case 2007-021; Item II Docket 2009-0004; Sequence 2] (RIN: 9000-AL14) received August 25, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4079. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2009-014, New Designated Country-Taiwan [FAC 2005-36; FAR Case 2009-014; Item III; Docket 2009-0027, Sequence 1] (RIN: 9000-AL34) received August 25, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4080. A letter from the Acting Senior Procurement Executive, General Services Administration, transmitting the Administration's final rule — Federal Acquisition Regulation; FAR Case 2008-004, Prohibition on Restricted Business Operations in Sudan and Imports from Burma [FAC 2005-36; FAR Case 2008-004; Item IV; Docket 2008-0001; Sequence 21] (RIN: 9000-AL) received August 25, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Oversight and Government Reform.

4081. A letter from the Assistant Secretary, Department of the Interior, transmitting the Department's final rule — Eagle Permits; Take Necessary To Protect Interests in Particular Localities [FWS-R9-MB-2008-0057; 91200-1231-9BPP-L2] (RIN: 1018-AV81) received September 23, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4082. A letter from the Deputy Assistant Administrator for Operations, NMFS, National Oceanic and Atmospheric Administration, transmitting the Administration's final rule — Fisheries of the Exclusive Economic Zone Off Alaska; Bering Sea and Aleutian Islands (Amendment 90) and Gulf of Alaska Groundfish (Amendment 78); Limited Access Privilege Programs [Docket No.: 0809031176-91213-03] (RIN: 0648-AX25) received September 16, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Natural Resources.

4083. A letter from the Attorney Advisor, Department of Homeland Security, transmitting the Department's final rule — Shipping; Transportation; Technical, Organizational, and Conforming Amendments [Docket No.: USCG-2009-0702] (RIN: 1625-ZA24) received September 22, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4084. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Airbus Model A330-200, A330-300, A340-200, and A340-300 Series Airplanes [Docket No.: FAA-2009-0211; Directorate Identifier 2008-NM-028-AD; Amendment 39-15980; AD 2009-15-17] (RIN: 2120-AA64) received September 21, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4085. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airwothiness Directives; Pratt & Whitney Canada (PWC) PW206A, PW206B, PW206B2, PW206C, PW206E, PW207C, PW207D, and PW207E Turboshaft Engines; Correction [Docket No.: FAA-2007-0219; Directorate Identifier 2007-NE-46-AD; Amendment 39-15806; AD 2009-03-05] (RIN: 2120-AA64) received September 21, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4086. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; BAE Systems (Operations) Limited Model BAe 146-100A and 146-200A Series Airplanes [Docket No.: FAA-2009-0432; Directorate Identifier 2008-NM-168-AD; Amendment 39-15982; AD 2009-15-19] (RIN: 2120-AA64) Recieved September 21, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4087. A letter from the Program Analyst, Department of Transportation, transmitting the Department's final rule — Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB-120, -120ER, -120FC, -120QC, and -120RT Airplanes [Docket No.: FAA-2008-1005; Directorate Identifer 2008-NM-119-AD; Amendment 39-15981; AD 2009-15-18] (RIN: 2120-AA64) received September 21, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

4088. A letter from the Director, Regulation Policy & Management, Department of Veterans Affairs, transmitting the Department's final rule — Loan Guaranty; Assistance to Eligible Individuals in Acquiring Specially Adapted Housing; Cost-of-Construction Index (RIN: 2900-AN26) received September 24, 2009, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Veterans' Affairs.

4089. A letter from the Chief, Trade and Commercial Regulations Branch, Department of Homeland Security, transmitting