

is going to be a very large tax increase. It wasn't long ago that Representative JOHN DINGELL, who is a Democrat from Michigan—he said it right. He said: Cap and trade is “a tax, and a great big tax at that.”

So we have something we know we are going to be faced with. We know we are going to have hearings. The question has to be asked: If we know there are not votes to pass it in the Senate, why are we having our hearings now? I would suggest to my colleagues we are having them because there is a big party that is going to take place in Copenhagen. Every year, the United Nations throws this party. You might ask: The United Nations? Yes, that is where it all started, the IPCC. It is going to take place in Copenhagen during the middle of December. I thought it was interesting last night when President Obama announced he probably was not going to be going to this party in Copenhagen because it didn't look as if they had the votes to pass something in the Senate.

So I would only say to get ready. We are going to have more of the same. We went through it back during Kyoto, 10 years ago, and since then with four bills on the Senate floor and we are going to be talking about it more and more.

I just came from my office. This is kind of interesting. This is a hat signed by the Young Farmers and Ranchers, which is tied to the American Farm Bureau or the Oklahoma Farm Bureau, in this case. It says: “Don't Cap Our Future.”

When you stop and think about what would happen to the farmers—I hate to even single out farmers or any other groups because it is going to be just as punishing to the entire manufacturing base. It was interesting the other day, when we asked the question of the newly appointed Director of the Environmental Protection Agency, Lisa Jackson, as to what would happen if we were to pass the bill in the Senate and it would become law, as did the Waxman-Markey bill, how much would it reduce CO₂ emissions. She said: Well, it wouldn't reduce them. Because if we act unilaterally in the United States, then things happen where—this isn't where the problem is. In fact, we know we would have a massive exodus of our manufacturing base to such countries as China, Mexico, India, and others.

But nonetheless, here are the farmers who are concerned about this because, if you look at the cost of fertilizer, one of the major ingredients there is natural gas, and you look at the cost of diesel and everything else, it is very serious.

Bob Stallman, the president of the American Farm Bureau, just the other day said:

Increased input costs will put our farmers and ranchers at a competitive disadvantage with producers in other countries that do not have similar greenhouse gas restrictions. Any loss of international markets or resulting loss of production in the United States

will encourage production overseas in countries where production methods may be less effective than in the United States.

In other words, we can do it more efficiently in the United States, but if we don't have the energy, we will not be able to do it.

So I think the farmers, of all the people who should be concerned and are concerned, the wake-up call is out there. They better be ready when they come up with allocations. The allocations will not be available to us during the next 3 days of hearings. The allocations are something that are held back in secret so they can go to different elements of the society and say: Well, you are going to have an allocation where you can be a winner. They tried this with the Wheat Growers of America early on during the Warner-Lieberman bill, and they actually endorsed the bill until they realized it was a fraud and withdrew their endorsement.

I think Senator KIT BOND said it well. They did a study in the State of Missouri, and the study found that the proposed cap-and-trade legislation will cost the average Missouri farmer an additional \$11,000 a year in 2020 and more than \$30,000 a year by 2050.

So let me say to Tyler and to all my friends at the Oklahoma Farm Bureau: I have your hat, and I will wear it with dignity all the way to Copenhagen to make sure this thing doesn't pass.

I yield the floor.

The PRESIDING OFFICER (Mrs. HAGAN). The Republican leader is recognized.

HEALTH CARE WEEK XV, DAY I

Mr. MCCONNELL. Madam President, as the debate over health care continues, I think it is important, once again, to remind the American people that every lawmaker in Washington recognizes the need for reform. Health care costs are rising at an unsustainable rate, and if we don't get these costs under control, we can't expect to maintain the quality of care or the access to care most Americans currently enjoy. This is the primary problem with our system, and it is the primary reason our Nation is so engaged in this debate.

One of the proposed solutions for increasing access is the expansion of Medicaid. This afternoon, some of my Republican colleagues have been discussing why we, and many others from across the political spectrum, believe this is a very bad idea. The proposal that is being considered would expand Medicaid to about 14 million new people by 2019, including nearly 250,000 in my own State of Kentucky. On its face, this seems like a potentially effective way to increase the ranks of the insured. The reality is, however, it would make current problems much worse.

First of all, Medicaid is already in serious trouble. Leaving aside its exploding costs, the program is increasingly unable to match doctors with patients

because a growing number of doctors refuse to see Medicaid patients. This is a serious problem already. It would be a far worse problem if the program is expanded to include millions more without any expansion in the number of doctors willing to see Medicaid patients.

So while the need to expand coverage is real, Medicaid is exactly the wrong program to choose as a foundation for achieving that goal. Senator ENZI, the ranking member of the Health Committee, put it best when he said:

Instead of trapping poor Americans in a substandard health care plan, we should be giving everyone more options to find the care they need. Senators get to choose between competing private plans; so should low-income Americans.

Another reason we shouldn't be looking to Medicaid as a solution to our problem is the States, which run the program, are begging us—begging us—not to. There is a simple reason why: The States simply don't have the money. The recession is hitting the States particularly hard, and expanding Medicaid would make their problems far worse. That is because, unlike the Federal Government in Washington, every State except one is either constitutionally or statutorily required to balance its budget. In other words, while lawmakers in Washington continue to ring up everything on the government credit card, States actually have to pay their bills at the end of the year. So if Washington tells them they have to expand Medicaid by \$1 billion, that is \$1 billion less they have for something else. For States, expanding Medicaid would almost certainly mean shrinking services or raising taxes in the middle of a recession.

It is easy to see why the bill writers would propose Medicaid as a solution. It is a lot easier for Washington to push its problems onto the States, but in the context of reforming health care, this makes no sense at all. Expanding Medicaid would worsen the quality of care for those who already have Medicaid, and new enrollees would be entering a system with even fewer doctors per capita than there already are. Additionally, States could very well be bankrupted by the additional cost imposed by Washington, and even if they weren't, there is no doubt services would be reduced.

This is why Governors of both parties are insisting Washington not use Medicaid as a vehicle for expanding health care. Here is a sample of what we have heard. Governor Rendell, Democrat of Pennsylvania, put it this way:

We just don't have the wherewithal to absorb it without some new revenue source.

Gov. Bill Richardson, Democrat of New Mexico, said:

We can't afford [it] and [it's] not acceptable.

Bill Bredesen, a Democrat of Tennessee, called the plan:

The mother of all unfunded mandates.

Ted Strickland, the Democratic Governor of Ohio, summed it up like this:

The States, with our financial challenges right now, are not in a position to accept additional Medicaid responsibilities.

Senators who have worked in State government also recognize the problem. That is why so many of them from both parties are expressing serious misgivings about forcing States to expand Medicaid. Take one example. Senator NELSON of Nebraska, the former Governor, has explicitly said he would not support the new mandate. As he put it:

I will not support saddling the states with further obligations . . . you can take me out of the governor's office, but you can't take the governor out of me.

Even Senators who haven't said they oppose the idea are acknowledging the problem by working behind the scenes to have their States exempted from the mandate or to have it softened, a tacit admission of what the rest of us are saying; that expanding Medicaid is bad for States and bad if the goal is better health care.

Republicans tried to keep the idea out of the final health care bill, but those attempts were rejected. It is a shame, since there are a good many ways to increase access without expanding Medicaid—ways that would lead to better care and which wouldn't harm States financially. Increasing competition would lower costs and enable those who are currently uninsured to get good private coverage, private coverage that would provide them with far greater access to the care they need than Medicaid would and which would help lower overall costs for everyone. We should look to these ideas rather than looking to Medicaid as a solution to our problems, especially since so many people from both parties are massing against the idea of expanding Medicaid.

It is not too late to seek common-sense solutions to the problem of access. All of us acknowledge the problem. Now is the time to come up with a solution that all of us—Republicans and Democrats alike—support.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona.

HEALTH CARE REFORM

Mr. KYL. Madam President, first of all, let me associate myself with the remarks of the Republican leader just now. I came to the floor because I wanted to reflect a little bit on what the majority leader said a few moments ago at a press conference. He announced that as a result of the efforts of a couple weeks of discussions behind closed doors—namely, in his office—he and a few other Democrats in the Senate have decided on what will be in the health care reform legislation. That is the first matter I wished to discuss, briefly.

The American people were told by the President they would be a full participant in the development of the legislation. They would know what it says. They would all be on C-SPAN.

They would get to see everybody hash out all the details, and they would understand what the Senate was about to do. On the contrary, what has happened is, a small group of Senators on the Democratic side went behind closed doors in the Democratic leader's office, and they have been working now for many days to put together this piece of legislation. We still don't know exactly what it says, but the majority leader has described it very generally, and he has described one of the most contentious pieces. It will have government-run insurance, he assures us. Well, government-run insurance is a very controversial concept. Obviously, that is going to be the subject of a lot of debate. But the American people have a right to understand what this is all about, what it means.

I think the first thing I would like to do is to say that Republicans are going to stand for certain principles in the consideration of this legislation. The first thing is we are going to want to know what it says. The American people have a right to know what it says. So as we find out, little by little, as the majority leader trickles out details about what is in here—or maybe one of these days we will actually get a written copy and we can read it and understand what is in it—we will share that information with the American people.

They have a right to know what it says. They have a right to know what it costs. Obviously, one of the things that has to happen is that the Congressional Budget Office or CBO, which has this responsibility, needs to examine the legislation, do all of its cost estimates and revenue estimates, and tell us what they think it costs. The American people have a right to know because they are very concerned about passing on the costs of this legislation to the next generation—to our kids and grandkids.

That brings up the third thing: How much will this increase the deficit? Does anybody believe that a \$1 trillion health care bill is not going to increase the deficit? I don't know of anybody who doesn't believe that it is going to increase the deficit. But by how much? A week ago, we had the first vote on the health care debate, and it was on a bill to borrow \$247 billion in order to ensure that physicians fees would not be cut. I am all for paying physicians. We need to pay physicians. My personal view is we need to pay them more, not less. But this legislation should have been part of the health care reform debate, because it is part of the overall cost of Medicare—for example, how much we reimburse physicians to take care of Medicare patients. No, that was going to be inconvenient because it would actually result in creating a larger deficit and, therefore, adding to our national debt. So we take that piece out and try to run it through as a separate bill—and by "we" I mean the majority leader. And he got a rude surprise. All of the Republicans said, of course, no, we

should not do it that way, and 13 of his Democratic colleagues agreed. They cared about the deficit. They said: We don't want to add to the debt and, therefore, this is the wrong way to go about it. We need to find a better way.

Another question the American people need to have answered is not only how much will it cost but how much will it add to the deficit, and then how much will it add to the debt that our children and grandchildren will have to pay? Republicans believe that any legislation should provide protection to all patients, whether they be seniors on Medicare, folks relying on Medicaid, or people in the private sector. Nobody should interfere with their physician or get between them and their physician. That is a very sacred relationship—the doctor-patient relationship—and the government should not get in between that. But that is what government-run insurance is all about.

Republicans are going to insist on protection of the American people from a delay and denial of care. Why do we raise delay and denial of care? Throughout the legislation considered by the committee so far, there have been numerous provisions that will result in the delay and denial of care and, in the long run, rationing of health care. I have talked about that on the Senate floor. We will examine the legislation that has now come out from behind the majority leader's closed doors and see what kinds of protections they have built in. If it is not much different than the bills already considered, my guess is there won't be any protections. Republicans will have to again present better ideas, our alternatives, that include protections for patients from having their care delayed and denied to the point that it is even rationed.

Another thing Americans are going to want to insist on with this new spending is they are not going to pay for it indirectly in the form of higher taxes or premiums. I think No. 5 or 6 on my list is that Republicans will want to provide protections so that the increased costs of the legislation are not passed on to the American consumer in the form of higher taxes or in the form of higher premiums.

Why am I concerned about that? Because, again, the CBO, which examined the legislation before the committees already, has said that the costs imposed on the insurance companies and others in the form of higher taxes will be passed through to their customers, to the beneficiaries, in the form of higher premiums. It is inevitable that when you have these taxes imposed among competing companies, in order for them to stay in business, they are going to have to pass some of these taxes on, and they are going to pass some of the increased fees on, and they are going to pass on the premium increases that will be required for them to satisfy the various government mandates.

Another question is, exactly what are the government mandates here? What