

would be much smaller. It is a lot of words, and every word in it is important and necessary. Since yesterday evening, as I have indicated, this bill has been on the Internet. Everyone in the world can see this bill.

As the President asked us to do, this bill will not add a dime to the deficit—quite the opposite, in fact: It will cut it by \$130 billion in the first 10 years and by as much as \$¾ trillion in the first 20 years. We do this by keeping costs down. This critical reform will cost less than \$85 billion a year over the next decade, well under President Obama's goal.

We will make sure every American can afford quality health care. We will make sure more than 30 million Americans who do not have health care today will soon have it. We will not only protect Medicare, but we will make it stronger.

These numbers are as impressive as they are important for our Nation's future, and though we are proud of these numbers, these figures, we cannot afford to overlook what this is really all about. More accurately, we cannot afford to overlook whom this is about.

This is about a parent who cannot take a child to the doctor because insurance is too expensive, their employer canceled it, or they lost their job. That is why we are making sure every American can afford good coverage.

This is about the small business in Nevada or someplace else in the country that had to lay off an employee because it couldn't afford skyrocketing health care premiums. That is why we are cutting those small business taxes.

It is about the woman with high cholesterol or the man with heart disease or the child with hay fever who can't get help and can't get insurance. That is why we are stopping insurance companies from deciding they would rather not give health care to the sick.

This is about the family who has to make a terrible choice between their mortgage and their medications. When this bill passes, the only choice they will have to make is which insurance company offers them the best coverage. They will have the choice to make, and it is a good choice. The choice is, which best suits their family?

This is also about mothers and sisters and wives and daughters who cannot get the proper testing they need to detect breast cancer. It is inexcusable that women cannot get the tests they need. That is why we are making prevention and wellness a priority.

For these families and these businesses, for our economy's renewal, our children's future, and our Nation's promise, the finish line is in sight. I am confident we will cross it soon. Once again, I am inviting my Republican colleagues to join us on the right side of history.

RECOGNITION OF THE MINORITY LEADER

The ACTING PRESIDENT pro tempore. The Republican leader is recognized.

HEALTH CARE REFORM

Mr. MCCONNELL. Mr. President, for months we have been warning the American people of the Democrats' plans to raise premiums, raise taxes, and slash Medicare in order to fund more government. Americans know that is not reform, and unfortunately the majority has not been listening.

While two committees have publicly reported legislation, the bill we are being asked to consider was assembled behind closed doors, out of sight, and without input from the public for over the last 6 weeks. We are being told we must rush to pass this legislation, even though most of its provisions will not take effect for another 5 years, until 2014. That is a little bit like being asked to pay your mortgage 4 years before you are allowed to move into your house. Americans reasonably want to know: How much will it cost? Will their premiums go up? What is hidden in the fine print? Are favored interests or States getting sweetheart deals? The American people want to take the time to get this right.

Over here, we have the House bill and the Senate bill together, each of them roughly 2,000 pages. You see this massive bill to rewrite one-sixth of our economy, with stunning unintended consequences for ourselves and for our children and for our grandchildren.

The majority leader's bill is 2,074 pages long. When fully implemented—and the way to look at the true cost of this bill is how much it will cost over a 10-year period when it is fully implemented. What has been skillfully done in order to make it look less expensive, in this proposal, is phasing in benefits and taxes at different times. But when this 2,074-page bill is fully implemented, it will cost \$2.5 trillion.

According to CBO, Federal health care spending will actually go up, not down, as a result of this mammoth effort to rewrite one-sixth of our economy. It cuts Medicare by \$465 billion—nearly ½ trillion in cuts to a program that is so important to our seniors. Hospitals, Medicare Advantage, nursing homes, home health, hospice—all of those will be slashed in this \$465 billion cut to Medicare. It raises taxes \$493 billion. So you have here massive cuts in Medicare and massive tax increases.

Who gets hit? Who gets hit with the tax increases? You do. If you have insurance, you get taxed. If you do not have insurance, you get taxed. If you need a lifesaving medical device, you get taxed. If you need prescription medicines, you get taxed. There is also a new Medicare payroll tax.

What is the bottom line here? After weeks of drafting a bill behind closed doors, the majority has produced a bill

that increases premiums, raises taxes, and slashes Medicare by ½ trillion, to create a new government program. This is not what the American people want. I do not believe they think this is reform. This is not the direction to take.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will be a period of morning business for 1 hour, with Senators permitted to speak therein for up to 10 minutes each, with the time equally divided and controlled between the two leaders or their designees, with the majority controlling the first half and the Republicans controlling the final half.

The Senator from New Mexico is recognized.

Mr. UDALL of New Mexico. Mr. President, I ask unanimous consent, during the time we control for the next half hour, that we be able to engage in a colloquy with other Senators.

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

HEALTH CARE REFORM

Mr. UDALL of New Mexico. Mr. President, for months we have gathered in this Chamber to talk about why we need a public option as part of health care reform. Almost every week the insurance companies provide another example of why a public option is critical to ensuring all Americans have access to quality, affordable health insurance. Our most recent examples come courtesy of two of America's largest insurance companies—Humana and CIGNA. Wall Street just completed its third quarter earnings season, and Humana and CIGNA released their reports a couple weeks ago. Let's just say that both companies did very well last quarter. Humana profits in the third quarter were up 65 percent over the same time last year. CIGNA profits in the third quarter were up 92 percent.

Senator BROWN has focused on the insurance company issue and has seen what is happening to the American people. This is happening at a time when 47 million Americans are without access to affordable health care. I will ask him to speak a little bit about the insurance company issue and what is happening.

Before doing so, the Republican leader was here on the floor, and he was talking about the numbers that were given by CBO. These are number crunchers. They are by nonpartisan folks. These are people who work very hard late at night. They have been

working to get out their numbers on the bill that we will have on the floor in a short while. I can't believe we are now hearing they don't like the CBO numbers. Both sides live by CBO numbers. That is the important thing for people to understand.

I yield to Senator BROWN.

Mr. BROWN. Mr. President, we are also joined by Senator REED of Rhode Island and Senator MERKLEY. They helped write the bill in the HELP Committee.

We know Aetna's CEO last year made \$24 million. Of the top 10 insurance companies, the average CEO is paid \$11 million per year. We know their profits have gone up 400 percent over the last 7 years. It is not so much that CEOs are paid so much. It is not just their profits and their CEO and top executive salaries, it is the business model that gets them there. When you think about what has happened to insurance companies, you are a big insurance company, you hire a bunch of bureaucrats to keep people from buying insurance, to invoke preexisting condition so somebody can't get insurance or to put limits on coverage so people can't get insurance. Then they hire bureaucrats on the other end to deny claims. Thirty percent of claims that are filed when people get sick—they turn their claims in to their insurance company from hospitals, doctors, treatments, they turn them in to the insurance company—30 percent are denied, initially. They are appealed sometimes and then they get reimbursement customers, someone who files a claim. But the fact that they have to fight the insurance companies while they are sick anyway or while they are advocating for their parents or a sister or husband or wife, these huge profits and huge executive salaries are based in denying care on preexisting conditions, on squeezing profits from customers.

Think of all the small businesses in Rhode Island, Oregon, New Mexico, and Arkansas, all the businesses that say they can't afford insurance anymore. They may have had huge price spikes because 1 person in a company out of 30 employees gets sick.

I don't care all that much about profits and CEO salaries. I do think it is immoral. But what I care about is that those profits and salaries are based on hurting people who have insurance or keeping people from having insurance.

Mr. KAUFMAN. How can a business do this? There is a real reason why they can do it. It is because there is no competition. Other companies can't do that. They can't treat the people who are customers the way the insurance companies do. When you look at the list, you can see why they get away with it. There is no competition. In the top 39 States out of 50, over 53 percent of the market share is with 2 companies. There is no competition right now in health care. That is the big reason why we need the public option. The reason for the public option is it allows us to have competition in these States

where there is no competition at the present time. You can have gigantic profits. You can have CEOs making millions of dollars. You can have all these things. You can treat your customers poorly. You can do all these things because you don't have to worry about somebody coming into the business and offering them a good or better deal. That is what the public option does.

Mr. UDALL of New Mexico. I yield to Senator REED. I want to get him involved in this discussion.

Mr. REED. I thank Senator UDALL. Senator KAUFMAN has made an excellent point. What we have seen over the last several years, actually more than a decade, is increasing costs shifted to small business. Just this year, a 15-percent increase in small business premiums is anticipated, much higher than inflation. That is because there is no real competition. Rhode Island is on that map, where two companies control 8 percent of the market. There are forces, which have been illuminated, that drive up this constant increase in cost. One is profits. That is what private companies are organized to achieve. If we were directors of those companies, we would be trying to do that. But those profits drive two things: One, shareholder return, profitability of stock, and also compensation for executives. Those two phenomena will not be in place in a public option. It will be a not-for-profit cooperative arrangement. So the response will not be to shareholders or to self-aggrandizement of executives; it will be to delivering service. That is going to be a check.

What I find ironic in this discussion is the bold proponents of free markets who believe the free market can solve it are afraid of competition. They are afraid of a public option because they say: We can't compete with the Government. Their definition of competition is any competition. They are probably worried about 80 percent shared between two companies. This is a managed environment. Year in and year out, the insurance companies do great and small business does worse and worse.

I thank the Senator for yielding.

Mr. KAUFMAN. One final point. You can tell there is no competition when every year your premiums go up. The only other business I know similar to that—and I don't mean to hurt anybody's feelings—is the cable company and my TV bill. I know every year, no matter whether the inflation rate or the cost of living is down, I will get a notice in December—don't we all—basically saying my health care premiums are going up and my cable costs are going up. The reason is because both these are essentially operating as monopolies.

Mr. UDALL of New Mexico. I don't think the American people realize we have exempted the insurance companies from the antitrust laws. Those are laws you can move in, when there is a

lack of competition in the market, when there are too few players in the market, to try to inject additional competition in the market. With the public option, the first thing we are trying to accomplish is to inject competition into the market, to have insurance companies be competing. This public option is going to help drive that cost down in a dramatic way.

Senator MERKLEY, who has worked on this legislation in his committees, joins us today. I hope he can talk a little bit about this issue also.

Mr. MERKLEY. Mr. President, there was a time when our colleagues across the aisle were in favor of competition. Correct me if I am wrong, but in the past, we used to have a highly regulated, noncompetitive airline industry. Was it not our good friends across the aisle who said we need to create competition so consumers have real choice and this will drive the cost of airline tickets down? Am I mixed up on that or is that fairly accurate?

Mr. UDALL of New Mexico. That is an absolutely accurate rendition.

Mr. MERKLEY. We are in a very similar situation here, where we have a noncompetitive industry, costs going through the roof. There is a basic factor at work which is, if we introduce competition in health care, service will improve, costs will come down.

Choice is much more important in this area than just about any other. If you are not satisfied with the cost of your insurance or the service you are receiving, then you should have multiple places to go. That is the underlying point of creating a health care marketplace or exchange, as it is called, so citizens can say: Here are all the plans competing against each other. What are they going to offer? A year later, if you are not happy, you get to switch, which says to every single insurance company, if we don't do well, we are going to lose our customers. That is the marketplace. That is competition. That is what we need in America. It will be helped by having a public option.

Mr. UDALL of New Mexico. Absolutely. No doubt about that.

Mr. MERKLEY. I can tell you a couple stories from Oregon. There was an article in the Bend Bulletin in October about two families.

One individual, Dale Evans, went to his doctor because he was experiencing pain in his chest. His doctor recommended he have an MRI to find out what was going on. The request was made three times. The insurance company turned it down three times. Because he didn't have this test, there was no diagnosis made of the cancerous tumor he had. His tumor proceeded to damage the nerves in his spinal cord and left him unable to walk. Then it became too large to be operated on. Mr. Evans died the following year, in 2008. As a result of the choice made by the insurance company, a for-profit insurance company, the test was not conducted and the individual died.

Richard Paulus of Bend, OR, has a similar case being filed right now. He, fortunately, is still alive. He was denied repeated requests for back surgery. His doctor argued for a second opinion. The request was made, turned down again. One factor is, you want to have an insurance company that is making decisions related to healing, not related to profits. The second factor is, one of the best ways to drive that, if Mr. Evans and Mr. Paulus were not satisfied, if they had a choice, they would be much more likely to create accountability with the company they are with right now.

Mr. UDALL of New Mexico. I wish to ask the Senator about those circumstances because he knows more of the details, but when you have insurance companies, these for-profit insurance companies we have been talking about that are making incredible profits, when you have insurance companies denying these claims, which is what you alluded to, what people need to realize is, what they have done is they have created an entire administrative bureaucracy within the insurance industry. It has flowed over into our medical providers, where doctors now tell me what they have to do is have people calling the insurance company to push to reverse these denials. So they have created a whole system which tamps down the ability of people to get care. What we are talking about in the public option is, you create a nonprofit. They are not in the business of making a profit. They are going to be in the business of providing health care, of doing the very best they can to provide health care. Why it will make the market competitive is they will not have all this administrative run-around. They will not have this going on.

Is that the Senator's understanding? They will look at the situation you have right there that you have described and they are going to say: It is clear this gentleman needs an MRI because we need to find out what is going on. So they will do the MRI, and then they will move quickly to the care. To me, that is the difference between what the Senator described, where insurance companies are trying to find a way to not pay out, to meet their bottom line, and to raise profits; whereas, a public option would be doing the opposite, focusing on the health care, focusing on future needs, focusing on providing what people need in the health care arena.

Mr. MERKLEY. Your point is well taken. The overhead in the private health care industry is now 25 to 30 percent. That is a whole lot of folks sitting around desks operating with paper rather than nurses and nurse practitioners and doctors practicing the craft of medicine, the craft of healing. Whereas, if you look at Medicare, instead of 25 to 30 percent overhead, it is somewhere around 3 percent—much less and, therefore, a lot more dollars going into actually assisting folks in

getting well. Again, competition is going to drive down that overhead.

Mr. UDALL of New Mexico. I say to Senator MERKLEY, the thing the American people should know about the health care plan Senator REID was down here talking about earlier—that we have unveiled here in the Senate—is it has a public option in it. So the public option will be there to provide competition. It will be there to provide the very best care. And it will be there to make sure we keep these insurance companies honest. That is what we are trying to do here: to make sure there is competition in the market, to make sure the insurance companies are honest.

Mr. MERKLEY. Yes. The reason we have lost competition is twofold. One, in many markets, a single company dominates the market. Second, even if you have multiple companies, they are exempt from the antitrust laws and, therefore they can communicate with each other in a way that reduces or even eliminates real competition. That is why this is so important.

There is one feature of this public option that I think is important to recognize. It represents a huge compromise, and that compromise is that many of our Senators said: We are not sure our folks back home are quite sold on this idea, and we do not want to see it "forced on them." Quite frankly, I think it would be good to have competition everywhere in the country, everyone have more choices. But in deference to that Federalist tradition in America, in deference to the laboratory of State experimentation, a provision has been included in Senator REID's merged bill that says if a State does not want to participate, it can opt out.

So there is no Senator in this Chamber who should have any concern about saying my folks back home do not want this, and they are going to be forced to have it, because no State will be put in that position. Any State can choose to say: We do not wish to participate. I think that means we will have a situation where many States—most States, I believe—perhaps virtually all States will say: We do want to participate. But those States that are not so convinced will have a choice to watch this unfold to decide if they wish to join this movement for competition and choice later on.

Mr. UDALL of New Mexico. I say to Senator MERKLEY, I think that is a great example of how we all work here together to find a compromise that works for everyone. I realize there are Democratic Senators and Republican Senators—and the same for Governors—who may want to do things differently in their State. So what we have done here is give them the option of opting out in this public option we are providing.

I personally—looking at the facts, and looking at the situation—do not know why a State would want to opt out. But there is going to be the check and balance there of the legislature

having to pass a law, the Governor having to sign it, and say: We do not want to have anything to do with the public option.

But we realize with a public option you bring competition to the market, you expose these high administrative costs you talked about. One of the things people do not realize, on administrative costs, is, the Federal Government runs the Medicare Program. Here you have a program that when I go to town hall meetings, I say: Raise your hand if you are on Medicare. They will put their hand up. And I will say: Keep your hand up if you like Medicare. So they will raise their hand, and they will keep it up.

Ninety-five percent of the people like Medicare. Well, Medicare has a 3-percent—3-percent—administrative cost. As the Senator said earlier, the insurance companies we are dealing with have anywhere from 25 to 30 percent administrative costs. So if you put a public option out there, you are going to make there be competition.

Senator MERKLEY.

Mr. MERKLEY. I say to the Senator, let me give you an example of how that competition can work in a health insurance marketplace. In Oregon, we have a public option in workers compensation, which is health insurance for injuries that occur on the job. We have had this public option for 80 years. It did not work that well. It was not that well designed, and it was not that well managed.

About 20 years ago, a group of businesses got together, and the businesses said: We need a better insurance policy. We need a better competitive market for on-the-job health insurance. So in a deal that was called the Mahonia Hall deal, Mahonia Hall rewrote and improved the management of our public option. The result is, rates today in workers compensation in Oregon are half of what they were 20 years ago, because competition was introduced, efficiencies occurred, service improved. I can tell you, there is not a business in Oregon to be found campaigning to eliminate the State accident insurance fund, which is a public option in work-based health care.

Our colleague SHELDON WHITEHOUSE was involved in establishing a very similar program in Rhode Island. Their workers comp, he told me—and I think he has told this Chamber—introduced by Rhode Island adopting a work-based health care public option resulted in their rates dropping by half.

Wouldn't it be great if competition could reduce health care costs in America rather than having 10 to 15 percent increases every single year?

Mr. UDALL of New Mexico. Yes. I say to the Senator, you hit it on the head. I have been here on the floor with Senator WHITEHOUSE—I know Senator REID was just here—participating in a colloquy.

The point that both of them, I think, make is when you inject a public option into the insurance market—

whether it is health insurance, whether it is workers compensation—you inject competition. And by injecting that competition, you make the marketplace work a lot better. That is what we are striving for here today.

Senator MERKLEY.

Mr. MERKLEY. There are folks who have said: Well, now, hold on. Isn't this a government takeover of health care? Since that has been said so many times on this floor by those who oppose health care reform, I think we should address it directly. Introducing a competitor does not have the government taking over health care. It is an option citizens can choose—if they are not satisfied with the current performance—competing on a level playing field. This is exactly what you need when you have markets that have lost their competition.

It is important to note this phrase “government takeover” came out of a study that was contracted for by my colleagues across the aisle to say: How can we defeat health care? They polled folks in America and said: What are the scariest terms we can use—even though we do not know what the plan is; even though we do not know whether the plan is going to invest in prevention; we do not know if the plan is going to invest in disease management; we do not know if the plan is going to have healthy choice incentives that will help improve the quality of life of Americans and decrease health care costs; we do not know if we will have insurance reforms that will get rid of dumping, the practice of throwing people off their health care plan once they get sick; we do not know whether there will be reforms that say there will be guaranteed issue, you cannot be denied the opportunity to have health care because of preexisting conditions. We do not know any of that, but whatever it is, we are going to be against it. So let's do a study now. And they contracted to do the studies. Let's find out how to scare Americans. The result was: Let's call it a government takeover.

I have to tell you, this is too important an issue to the citizens of our Nation. Health care touches every individual, touches every small business trying to succeed. It touches every large business trying to compete around the world, with much more efficient—much more efficient—health care systems in other countries. It is too important than to do studies to try to find words to scare Americans.

How about we try to solve problems in this Chamber? I am going to tell you, I think this bill put forward last night by Majority Leader REID is about solving a problem absolutely critical to our economy, critical to our small businesses, critical to the quality of life of our families.

Mr. UDALL of New Mexico. I say to Senator MERKLEY, you are exactly right. Senator REID has put a merged proposal on the floor, and do you know what the response is we have seen? I

like your comments on this. The response we have seen I find amazing, I find absolutely amazing, because here is what we are facing.

The American people want health care reform, so we have announced we are going to put a bill on the floor to reform health care. We have been working on it for months. It is out of two committees. We have brought it together. So what do we have to do in the Senate to move forward? We file a motion to proceed. OK. That is just to proceed. You are not even on the bill.

Do you know what is going to happen? The Republicans are going to step forward, their leadership is going to step forward, and they are going to say: No, no, we are not going to agree to that. We are not going to agree to even proceed to the bill.

So we are going to have to file cloture. When we file a cloture motion today, it is going to take 2 days before that cloture motion ripens. Then we are going to have a cloture vote. Then 30 more hours are going to expire. They are going to require us to use all that time. Even though we may be in a quorum call and not doing any debate, they are going to require that. Then, believe it or not, they are going to require us—these wonderful clerks who work up here—they are going to require them to stand up for 50 hours and read that bill on the floor—50 hours. The normal thing we do to get to something is we waive the reading. But they are going to require it.

What does the Senator think of that approach? I cannot understand that.

Mr. MERKLEY. Many Americans are familiar with the tradition of a filibuster, and they envision it where Senators stand up and speak and speak on an issue of principle. That was used very rarely in the past. In fact, now all that is required is for one Senator to object to unanimous consent, and then you need to have a 60-vote test.

This 60-vote test is most often used at the end of a debate to say: Do we go to a final vote? Are we going to wrap up debate and go to a final vote? But in this case, as the Senator has described it, it is going to be used even to hold a debate on health care in this Chamber.

All my life—I first came to this Chamber when I was an intern for Senator Hatfield in 1976—all my life, I have heard the Senate described as “the world's greatest deliberative body.” Well, that is a pretty cool thing. But are you telling me that folks are going to try to block this Chamber from even debating health care?

Mr. UDALL of New Mexico. That is exactly what I am saying. We have worked hard. The majority has worked hard. We put together a bill. We have had hearings—Democrats and Republicans—in those committees. When we file a motion to proceed, we are not even on the bill, we cannot amend the bill. When we file that motion to proceed, they are going to require we take 2 full days, and then another 30 hours, and then demand we read the bill on the Senate floor.

I see Senator ALEXANDER in the Chamber. I know there are good friends of ours on the other side who do not want to see that kind of thing proceed. But a couple of Senators can muck up the whole works here and slow this thing down.

I think the American people want us to move forward with health care. I think they want us to get something done that provides health care for people, that provides choices, that keeps people's doctors, that puts competition in the market—all of those kinds of things.

Senator MERKLEY.

Mr. MERKLEY. I join the Senator in saying to all my colleagues, do not fear debate on health care. We are here, and it is our job to come and debate. It is our job to come and talk about how important it is to have insurance reforms so people are not barred because of pre-existing conditions, people are not dumped after a decade of being provided insurance because they get sick.

It is so important we have this debate, and I look forward to having it, and hope all colleagues will join in saying: Yes, no matter which side of this issue you are on, it is time to debate, as our citizens have sent us here to do.

Mr. UDALL of New Mexico. I say to Senator MERKLEY, thank you. Thank you for joining me in this colloquy today.

I thank the Acting President pro tempore and yield back any time at this point.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee.

Mr. ALEXANDER. Mr. President, I wonder if you could let me know when I have consumed 9 minutes.

The ACTING PRESIDENT pro tempore. The Senator will be so notified.

Mr. ALEXANDER. Thank you, Mr. President.

HEALTH CARE REFORM

Mr. ALEXANDER. Mr. President, I was listening to my friends on the Democratic side. I wish they could have been in the Senate 4 or 5 years ago. Actually that would have reduced our numbers, so as much as I like them, I would not have wished that. If they had been here, they might have been some help in arguing to the Democrats who blocked Miguel Estrada from even having an up-or-down vote, who blocked Judge Pryor of Alabama from having an up-or-down vote. The Democrats at that time seemed to argue a completely different point of view.

What we want on the Republican side is very simple.

You see this bill I am leaning against? This is the new bill. This is the Harry Reid—the distinguished majority leader's health bill. We want to make sure the American people have a chance to read it and they have a chance to know exactly what it costs and they have a chance to know exactly how it affects them. That is not