hospital program, is going to be out of money by 2024, and now, in fact, starting last year, more money was being paid out than taken in to support this program. The Medicare actuary predicts that without changes to the current law, something that was basically not looked at when the health care law was passed, in fact, it was assumed that these certain cuts to physicians would occur in the law. In fact, what we know is that without any changes to the law, physician reimbursements will fall from 80 percent of private rates to 57 percent of private rates in 2012.

What does that mean? That means that the situation for physician practices will get even worse, whereby they can't even meet the costs of their practice. Therefore, they're going to continue to limit their exposure to taking on new Medicare patients. That means access problems. That means Medicare patients cannot get access to physicians.

We need real solutions to this. We need fact-based solutions. We need answers to the problem and not political rhetoric. So far, that's all we've seen, largely coming from the other side and from the White House on this. In fact, we're on a path to see the bankruptcy of this Medicare program if we don't act.

Now let's take a step back and look at what happened in the health care bill. This health care bill, which passed without Republican support, cut over $500 billion from this Medicare program to expand coverage into a new entitlement, an extension of the Medicaid program. We're digging a deeper hole for ourselves without a way to pay for this. And now the plan calls for immediate 17 percent cuts in benefits for our current seniors. Current seniors, not people who are going to go on to Medicare in the future. Seniors who depend on this important program today.

Another thing that's in this bill, and it's not well-known, is a new bureaucratic entity that was created. There were many that were created in the health care bill, but there's one that really bothers me as a physician. It's called the Independent Payment Advisory Board. Okay. It sounds kind of innocuous, but what does it do? It's a 15-person board arbitrarily chosen that will make life-and-death decisions about what things will be paid for under the Medicare program.

Now, what is the recourse in all this? This is an arbitrary decision-making body, and you cannot dispute what this body is going to do. In fact, for Congress to override it, it would take three-fifths of the Senate to override it. This is going to damage the doctor-patient relationship. It's bad for Medicare patients.

I could tell you that Republicans have an idea about how we're going to fix this. I can't get into it now, and I'll do it in a subsequent speech.

DEBT CEILING

The SPEAKER pro tempore. The Chair recognizes the gentleman from Vermont (Mr. WELCH) for 5 minutes.

Mr. WELCH. I thank you, Mr. Speaker.

Members of the House, the default clock is ticking. We face a default on August 2 if we do not raise the debt ceiling. Raising the debt ceiling is always a difficult vote. It is difficult because we have to do something that's necessary but not popular.

Now, the question of the debt ceiling is about paying obligations already incurred. It's not about giving this House of Representatives permission to spend more money. But what has happened with this debt ceiling debate is that it is being used as leverage by both sides to try to get its way on a long-term budget resolution, and the reality is that this country needs both. It needs, number one, to have a long-term resolution on its fiscal situation, but, number two—this is the immediate need—it has to pay its bills.

America is a great country. It has always paid its bills, and the debt ceiling is about that and nothing more. Incidentally, those bills are ones that have been incurred by Congresses that many of us were never part of. And it's not a question of whether it's a bill that you would have supported incurring the expense for: the Iraq war, the Afghanistan war, the Medicare prescription part D, the two cuts in taxes during the Bush administration, all of which were on the credit card. I was against those, but those are obligations that we have and we must pay them.

The risk of default is enormous. Every increase in the interest rate of 1 percent will cost the American taxpayers $160 billion. The default clock is ticking.

Now, 2 weeks ago the majority brought to the floor a clean debt ceiling bill for the purpose of defeating it, and immediately upon bringing this bill to the floor and defeating it, with unanimous Republican opposition and many Democrats voting no, Members went back to their offices and called Wall Street and said, Just kidding. We will raise the debt ceiling but we wanted to send a signal.

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We are playing with fiscal fire here. You know, it's fine to negotiate, but negotiations cannot lead to default.

Mr. Speaker, if we in this Congress, with the Republican majority now leading the way, fail to honor the Nation's obligations by making good on our responsibility to pay our bills, the bond market will work its will and we will lose our AAA credit rating, and we will do enormous damage to this economy.

This is not about a Democrat or Republican speaking. Let me quote Chairman Bernanke and a few others who commented on the urgency of paying our bills. Chairman Bernanke just yesterday said that failure to raise the debt ceiling would create fundamental doubts about the creditworthiness of the United States and damage the special role that the dollar and the Treasury securities have in the global market. Now, I understand the desire to use the debt limit deadline to force some necessary and difficult fiscal policy adjustments, Mr. Bernanke said, but the debt limit is the wrong tool for that important job.

A few other people commenting on this:

JPMorgan CEO Jamie Dimon: A default would be a moral disaster. It will dwarf Lehman. Every single company with treasuries, every insurance fund, every requirement that—it will start snowballing, automatic, if you don't pay your debt. There will be default by rating agencies. All short-term financing will disappear. That's Jamie Dimon of JPMorgan.

The Chamber of Commerce: Failure to raise the debt ceiling would create uncertainty and fear and threaten the credit rating of the United States.

Moody's Rating Service on downgrading America's rating: Since the risk of continuing stalemate has grown, if progress in negotiations is not evident by the middle of July, such a rating action is likely.

Fitch Rating Service: Failure to raise the debt ceiling in a timely manner would imply a crisis of governance that could imperil the U.S.'s AAA status.

So we have two problems. We have a long-term problem that requires resolution, a long-term fiscal plan, but we have an immediate problem, and that is to protect the integrity of America's reputation for paying its bills.

If we have a downgrade in our rating, it's going to affect the interest rates that we pay, and that's going to hurt folks in Republican districts. It's going to hurt folks in Democratic districts who have no power to do anything.

We must raise our debt. We must pay our bills.

WE NEED TO GET PEOPLE BACK TO WORK

The SPEAKER pro tempore. The Chair recognizes the gentleman from Illinois (Mr. KINZINGER) for 5 minutes.

Mr. KINZINGER of Illinois. Mr. Speaker, last September President Obama referred to America's small businesses as the ''anchors of our Main Streets.'' Unfortunately, economic data released on Wednesday proved that the President's actions speak louder than words. The failed policies of the Obama administration have left small businesses struggling.

According to the National Federation of Independent Businesses, confidence in small business has dropped into recessionary levels. And the reason? Small businesses will tell you that their economic uncertainty is caused by low sales, high taxes, and burdensome government regulations.

Now, I hail from the State of Illinois. Let me tell you a little story about Illinois. Illinois just went and raised its