

For the first time in the history of the Congress, we have had crime of health care fraud as an offense of the Federal Government, a 10-year maximum jail sentence. The provisions of the bill would in fact define the crime of illegal remuneration with respect to health care benefit programs. It would define the crime of willful obstruction of criminal investigations of health care offenses and would, for the first time, make sure that we get a coordinated effort of the Federal Government in stopping the fraud, abuse and waste.

If we can attack that particular problem, we will find that Medicare will be strong, it will be solvent, and it will be here for generations to come.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. BROWN] is recognized for 5 minutes.

[Mr. BROWN of Ohio addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMMONSENSE MEDICARE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. STUPAK] is recognized for 5 minutes.

Mr. STUPAK. Mr. Speaker, what I would like to do, I am on the Committee on Commerce and will be on the floor most of the day tomorrow arguing Medicare. I can go on all night about the inequities in the Republican plan, but what I would like to do tonight is submit my statement for the RECORD, and yield the balance of my time to the gentlewoman from Florida [Mrs. THURMAN].

Mr. Speaker, I include my statement for the RECORD as follows:

Mr. Speaker, a week ago, I introduced the Common Sense Medicare Reform. The new majority in Congress claims that it is necessary to cut \$270 billion in order to save the Medicare Program. This is simply ludicrous. The Medicare trustees say that the Federal Government must devote \$89 billion—not \$270 billion. What's really going on here is the majority is attempting to steal \$270 billion from the Medicare trust fund in order to keep its campaign promise by giving a \$245 billion tax cut to the wealthiest 1 percent of Americans.

Actually, the Medicare trustees say that the Federal Government must devote \$89 billion—not \$270 billion—to save Medicare from bankruptcy. There must be changes and adjustments to Medicare, but it's irresponsible to gut a program which 37 million senior citizens depend on for health care coverage. My legislation takes the best ideas from the Republican proposal and the Democratic plan to improve the Medicare Program in a bipartisan manner.

The first thing we must do to save Medicare is to aggressively fight waste, fraud, and abuse in the Medicare Program. Ten cents of every dollar spent on Medicare is consumed by fraud and waste. Some health care providers charge the Medicare Program many times more than what these goods and services would cost on the open market. For example,

Medicare rents, you can't buy it, but rent pressure reducing mattresses for approximately \$650.00 per month and comparable alternate pressure reducing mattresses can be purchased for \$168.95. Foam rubber egg shell mattresses can be purchased for \$19.95, yet Medicare pays \$29.95. The Medicare Program pays \$280 for oxygen concentrate, while the Veterans Administration, another Federal agency, pays only \$123 for the exact same product. Savings from the oxygen concentrate alone could save us \$4.2 billion over 5 years. These three examples alone demonstrate how billions of dollars are robbed from the Medicare trust fund.

We can find the money we need to save Medicare. In 1994, more than \$8 billion was recovered in fraud and waste by Medicare providers, and it is expected that \$10 billion will be recovered in 1995. We can save \$93.5 billion over the next 7 years by actively detecting and prosecuting waste, fraud, and abuse, and this amount is more than enough to save Medicare according to the trustees' report.

The Republican Medicare bill proposes to legalize fraud committed by health care providers by making it more difficult to prove fraud and to recover Medicare funds. Conversely, my bill provides more and better tools to fight Medicare fraud by increasing the powers available to law enforcement. It will strengthen civil penalties for kickbacks, provide grand jury investigations, and increase subpoena authority. Both the OIG and the Justice Department endorse the fraud-fighting tools that are contained in my bill.

Currently, any money saved from Medicare is returned to the U.S. Treasury. My legislation requires that any funds recovered through cuts or savings be automatically returned to the Medicare trust fund. Your Medicare money should not go to the U.S. Treasury to pay for tax cuts for the wealthiest Americans and large corporations—it should be used to save Medicare.

I firmly believe that before we gut Medicare and implement radical and untried managed care programs, we should test the feasibility of these new programs on a voluntary basis. I propose that we look at managed care programs and health care service networks on a 5-year trial basis. We must make sure that such pilot programs will save money, provide quality care, and prolong the life of Medicare while giving seniors greater health care benefits and choices. Programs such as provider sponsor organizations [PSO's] and provider sponsor networks [PSN's] may be particularly useful and effective in rural areas. In northern Michigan, we are on the cutting edge of providing maximum benefit for our health dollar through cooperative efforts. I won't gamble with your health care. Let's make sure that the proposed changes improve Medicare, rather than destroy it.

My legislation also directs that a Baby Boomer Commission be appointed to study alternatives for the best way to address the large influx of recipients who will be eligible for Medicare beginning in the year 2010. The Commission

will work with Medicare trustees to ensure there will be funds available to provide health care coverage for the baby boomer population. In addition, the Commission will hold public hearings all across the country so you will have input on any proposed Medicare changes.

Lastly, I advocate the use of a single-page Medicare claim form to increase administrative efficiency. We can simplify the Medicare system for beneficiaries and providers, while saving money from increased efficiency and cutting down on fraud.

People should not have to pay more money to receive less coverage and lose their choice of doctors. The Republican majority should not raid the Medicare trust fund to give tax cuts to the wealthiest Americans and multinational corporations. Instead of stealing money from the Medicare System, we need to put money back into the system to keep it solvent for current and future recipients. Let's not gamble with the health of our senior citizens.

You can see why the Republican majority refuses to make my bill in order because it is common sense.

Mrs. THURMAN. Mr. Speaker, I thank the gentleman from Michigan for yielding.

Mr. Speaker, I want to do this from a different standpoint of looking at what I think is going to happen to Florida residents. First of all, I want Florida residents to understand that they are looking at the \$38 billion cut between Medicaid and Medicare, and this is to pay for a tax cut for the very wealthy.

Mr. Speaker, Florida stands to lose more than \$38 billion in Federal funds under the Republican plan to cut Medicare and Medicaid to finance a tax cut for the wealthy.

Now, I would like to introduce you to a wonderful couple from my district who worked hard all their lives and looked forward to retirement.

But, like many elderly, they fell ill. While the wife struggles with illness herself, she has had to care for her sick husband.

Recently, she came to me for assistance. It seems no one could help her secure a place in a nursing home for her husband. Thankfully, we were able to do that for them. But I worry about how this family will be impacted by the cuts in Medicare and Medicaid.

First, under the Republican Medicare cuts, the ill wife will lose the security of her Medicare coverage. Yes, the Republicans are promising choice to my constituents.

But the truth is, should my constituent want to stay in her current fee-for-service plan with her trusted doctor, she will be forced to pay over \$1,000 a year in premiums by the year 2002.

How can a plan promising choice produce such terrible results? It is because of what the Republicans are not telling seniors.