commission that would look at the process in Texas that is being utilized in each of our communities throughout the State. I would ask that we look in terms of what is actually occurring and that in those capital cases that we make recommendations to make sure we streamline the process.

Again, I would ask that they look in terms of the legal representation that these individuals have received after the indications that have come out; secondly, in the new technology and the DNA; and thirdly, on the possibility of biases.

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THE PROBLEM OF HIGH PRESCRIPTION DRUG COSTS

The SPEAKER pro tempore (Mr. TOOMEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. TURNER) is recognized for half the remaining time until midnight, approximately 45 minutes, as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, tonight we come to the floor to talk about an issue that many of my Democratic colleagues have been talking about for over 2 years, the problem of high prices of prescription drugs for our senior citizens. We are here on the floor tonight at a very critical time, because at this very moment, in this late hour, the Committee on Ways and Means is meeting and debating the issue of legislation to provide prescription drug coverage for our senior citizens. Tonight I want to spend a little time talking about that debate and the forces that are at work that will determine what kind of prescription drug coverage and what kind of plan this Congress will endorse.

We are here tonight on behalf of our senior citizens, and over the last 2 years I have visited and heard from many of them. I remember very distinctly when we first introduced the Prescription Drug Fairness Act, almost 2 years ago, and I traveled around my district talking about the issue with senior citizens at our local pharmacies, and I met a lady who ended up as a surprise at one of my meetings in Orange, Texas, a lady who was 84 years old and blind, who said she just had heard I was coming to town to talk about my efforts to try to fight the high prices of prescription drugs, and she wanted to come down and thank me.

She was a lovely lady. She spent over half of her $700 Social Security check on her 14 prescription medicines that she had to take every day. She said this, and it is recorded in an article in the Houston Chronicle, November 22, 1998. She said, ''By the time I get through paying for my medicines, I have very little to live off of.''

This lady should not have to face a choice of paying for prescription medications or buying food. She says, ''As long as I get my utilities and bills paid, I do the best I can. What is left, I try to spend on food.''

Well, Ms. Daley, we have been fighting for almost 2 years now to try to help you pay for your prescription drugs, and we are going to find out in just a few hours what the Committee on Ways and Means does to help you. I am hopeful that the outcome will be good, but, based on what I will share with you tonight, I have serious doubts as to whether we can report to Ms. Daley that we have a good bill and a good plan.

One letter I got some months ago was from some constituents of mine by the name of Joe and Billie O'Leary. They live down in Silsbee, Texas. I know Joe. I have talked to him several times at town meetings. His wife Billie wrote me a letter. Joe and Billie spend more than $400 a month for their prescription medications. They wrote me a 3 page letter, and I want to share with you a little bit of what Ms. O'Leary said. It speaks, I think, volumes about the problems that our seniors face.

She wrote, ''Most of the elderly have several ailments that require several prescriptions per month. The best and the latest treatments for some ailments and diseases are priced out of range for many on Medicare. Some treatments are available only for those who can afford it. I have found,'' she says, ''the problem is not that older people want free medicine. They want medicine that is reasonably priced so they can afford to buy it. What good,'' Ms. O'Leary says, ''what good is research and finding cures for diseases if a larger part of our population cannot afford the medicine for the cure?''

She goes on to write, ''The people who are having to pay the high costs are the ones least able to pay. Let's be fair to all,'' she says. ''Please try to cap the price the pharmaceutical companies are allowed to charge. Then we all can afford to pay for our own medicine.''

This is the part that was most moving to me. Ms. O'Leary writes, ''Our generation worked hard. We, through our taxes and efforts, helped to pay for schools, public buildings, highways, bridges, and helped pave the way for those now young. In the prime of our lives we fought in the wars for this country to keep our country free. We believe our country is big enough with our resources to provide reasonable health care and affordable medicine for all.''

Ms. O'Leary, I agree, and I hope that the majority of this Congress will also agree.

The big drug companies have been engaged in a campaign to try to defeat our efforts to lower the price of prescription drugs and to provide some affordable prescription drug coverage. No one can dispute the fact that drugs are too expensive, and I think many of our senior citizens are asking the question, why are prescription drugs so high, and why does the price continue to go up?

One-third of all of our seniors on Medicare cannot afford any prescription drug coverage at all, and another one third has only unreliable, incomplete or very costly coverage. That means there are 15 million of our mothers, fathers, grandparents, neighbors and friends who must go without the prescription drugs they so desperately need, and the costs are continuing to rise.

In 1998 the prices of the 50 most popular prescription drugs among seniors rose by more than four times the rate of inflation. Every time I return to my district in Texas, I hear from seniors who must make the choice that Ms. Daley was talking about, the choice between food and filling their prescriptions. We all hear the stories from seniors who only take half of their daily dosage or seniors who take only every other dose in a sad attempt to try to manage those skyrocketing costs. The problem is particularly bad for seniors who live in rural areas. Rural seniors are 60 percent less likely to get the drugs they need, and, when they do, the drugs are 25 percent more expensive.

Study after study shows that seniors are paying too much for their drugs. In my district and in the district of those who are gathered here tonight to talk about this issue, seniors are paying 80 percent higher than their counterparts in Canada and about 80 percent higher than their counterparts in Mexico pay for the very same prescription medicines.

That means for some commonly used drugs, our senior citizens in our great country are paying as much as $1,000 a more year than their counterparts in Canada and Mexico. And you do not have to go across the border to find lower prices. The big drug companies cut a special deal for the big HMOs and the big hospital chains. In fact, those big HMOs, they are paying about half what our seniors have to pay when they walk in to their local pharmacies.

We did a study in the Committee on government reform that verified these numbers, and we also found out, to our dismay, that even cats and dogs get drugs cheaper than our senior citizens. The same drugs that both humans and animals take cost 150 percent more for humans. That is outrageous.

So why is this? Why are these drug prices out of control? Well, for one thing, the companies that manufacture these prescription medications are making exorbitant profits. The drug industry sets at the top of every single profit category in Fortune Magazine's list of industries for the year. As the chart shows, they earned over $26.2 billion in profits in the year 1998. Prescription drugs are the fastest growing component of our health care costs, and the CEOs of those big drug companies measure their annual salaries in the hundreds of millions of dollars, and their stock options they measure in the billions.

The 12 biggest drug makers paid their top executives over $545 million in 1998, and $2.1 billion in stock options. The drug companies pull in tens of billions

of dollars in profit, and they pay their CEOs hundreds of millions of dollars, and now they are complaining to this Congress that if we lower drug prices, it will cut into research and development.

It is a lie. It is simple greed. The big drug makers are not about to let these profits slip away, and that is why they are spending billions of dollars on marketing and lobbying in this Congress. In fact, nine out of the ten top drug makers spend more money on marketing than they do on research and development, and four of the top five have a marketing budget over twice as big as their research and development budget.

In 1998, the drug companies spent $1.3 billion in tax deductible product marketing to consumers. That is $1.3 billion in marketing, advertisement, to entice consumers to buy those prescription drugs at those high prices. They spent $7 billion more advertising directly to the health care professionals.

In 1999, the trade association for the drug manufacturers, called PHrMA, increased its marketing budget 54 percent higher than the previous year. But despite the soaring profits of the drug makers, their research and development increased by less than half of that.

Another very, very important issue for all of our seniors to understand when they ask the question why are drug prices so high is to understand that the drug manufacturers are spending just over $2 million a year lobbying this Congress. They spent $2 million in direct political contributions and almost $150 million in lobbying expenditures in the 105th Congress. That is a lot of money. They are one of the biggest spenders of any industry group on lobbying and in political contributions.

Should we ask why is it difficult for this Congress to deal with this issue in the best interests of our senior citizens? It is not hard to answer the question, when we see the amount of millions that the drug manufacturers are spending, trying to preserve their preferred position with regard to pricing.

Now, the drug companies we know in recent months have gone even further than the expenditures that we see here. They are using lies, deceptions and secret organizations to attack any plan that would dare to suggest we should lower drug prices. Just yesterday, a nonprofit group called Public Citizen released a new report that revealed a secret $65 million ad campaign funded by the drug makers under the deceptive name of Citizens for Better Medicare. I want to show you some of their materials.

This group, Citizens for Better Medicare, is really a secret interest group that uses tax loopholes to cover up the sources of their funding and their real purpose. They clearly want to keep drug prices high. They want to pass legislation in this Congress that will let them share the millions of dollars of taxpayer dollars with the insurance companies and the greedy HMOs, rather than giving the money back to our seniors in the form of lower drug prices.

Here is what the report revealed about the so-called Citizens for Better Medicare. Its director, it was revealed, a fellow named Tim Ryan, is the former marketing director for PHrMA, the industry trade group for the pharmaceutical manufacturers. The report also revealed that the Members of this Citizens for Better Medicare include other interest groups that have been denounced by Republicans and Democrats alike for their scare tactics to try to persuade seniors to oppose the efforts that are being made in this Congress to lower prescription drug prices.

It is their goal to avoid any kind of Medicare drug coverage that has the effect of reining in the skyrocketing drug costs. This campaign has targeted many Members of Congress, particularly those on the Democratic side of the aisle.

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In fact, this interest group has sent telegrams into my own district and called on my constituents with information that is clearly deceptive and urged them to call me to tell me to oppose the very legislation that would genuinely help lower prescription drug costs.

My colleagues can see here on the chart one of the telegrams that my constituents handed me when I was at Wal-Mart just a couple of weekends ago. He came up to me quite disturbed and he says, I want to give you this. They have written me this, sent me this telegram and they have urged me to call you, but now that I have seen you here at Wal-Mart, I will just give you the telegram. This telegram, and I quote from it, says, ''Government bureaucrats under the democratic plan could control which medicines you receive instead of you and your doctor.''

Clearly, an absolute lie. The plan that we propose is completely voluntary. Government bureaucrats would not control the prices, and specifically under our plan, it promises that any drug a doctor determined to be medically necessary will be covered under our plan.

The telegram attempts to confuse seniors by referring to the Gephardt-Daschle bill and urges seniors to call our offices and tell us to be against that bill. Well, interestingly, there is no such bill. There is no Gephardt-Daschle bill. Another effort simply to deceive and confuse our senior citizens.

Frankly, the truth is that the Republican leadership in this Congress is cooperating with this group, Citizens for Better Medicare. As we can see, this group has not only sent out telegrams, but they have run full-page ads in the major newspapers around the country suggesting that the way to lower prescription drug prices is to turn this effort over to private insurance companies because, as the ad depicts, they say, those who are enrolled in private insurance get lower prices. Well, why should not everybody get lower prices whether they have insurance or not? So Citizens for Better Medicare, a front group for the drug manufacturers, is willing to pay $65,000 for one ad in the Washington Post just to try to persuade this Congress to be against plans that would genuinely bring prices down for our senior citizens.

So what can we do? First of all, we have to have our senior citizens clearly understand who is on their side. We have to have them understand that these letters, these television ads that have been running for months in many districts that try to suggest that they should call their Congressman and tell them to be against some plan is, most likely, paid for by the pharmaceutical industry that is trying to preserve their ability to charge the outrageous prices that our seniors are currently paying.

Our democratic plan has been clear. It is part of Medicare, a plan that our seniors trust. It is a plan that is universal, completely voluntary, and most importantly, it is affordable.

Our democratic plan would be available to every senior, and every senior today has a problem when they get sick paying these high prices. One does not have to just be at the poverty level to have a problem with the price of prescription drugs. My aunt came to see me the other day, she is not at the poverty level, but she had been put on a new medication and she said it was going to cost her $400, and she was outraged.

All seniors want help with the price of prescription drugs. Our plan would do that. It does not give the money to private insurance companies as the Republican plan would, and it is very interesting, because the private insurance companies and the very hearings that are going on tonight have testified, some of their representatives, that the insurance companies really do not think they can offer this plan, because they cannot figure out how to make any money off of it. Even if we pour this money into them, they say, well, we would probably not be able to do it for the seniors.

What we need is a Medicare benefit for all of our seniors that is affordable, that is voluntary, so if our seniors say, well, I already have some other insurance coverage and I like it, then they do not have to pay the premium that is offered under the Medicare plan. But all of our seniors need this relief.

I am glad to have tonight with me 3 other Members of Congress who have fought very hard on the issue that I am talking about. One of them whom I want to recognize first is the gentleman from Arkansas (Mr. BERRY). The gentleman cochairs the Prescription Drug Task Force with me, along with the gentleman from Maine (Mr. ALLEN). The gentleman has fought long and hard on this issue for our seniors

and it is a pleasure to recognize him to speak on this issue.

Mr. BERRY. Mr. Speaker, I want to thank the gentleman from Texas. The gentleman has provided outstanding leadership on this matter and I think he has done one of the finest jobs of explaining this entire issue that I have ever heard, and I want to thank the gentleman for that. I want to thank the gentleman from New Jersey (Mr. PALLONE) for his leadership and all of the other members of the Prescription Drug Task Force for the effort that they have put into this.

As the gentleman has said, Americans pay outrageously high prices for prescription drugs. Over and over and over we hear it from our constituents. They must make the choice between food and medicine. There is no way that the greatest Nation in the history of the world should allow something like this to go on. It just simply is not fair that our senior citizens and all Americans pay more than any other country for medicine; they pay more than the big HMOs and the big hospitals pay for medicine, and even though it sounds ridiculous, they pay more than animals have to pay for medicine. Is it not a sad thing that we have allowed this to go on this long, only in the name of preserving the profits of the prescription drug manufacturers of this country. That is the only reason, is just for money, just for profits.

Mr. Speaker, the need for an optional, meaningful and defined Medicare prescription drug benefit that is available to all seniors if they want it is absolutely without question.

Under the Republican plan, Medicare would not provide a single dollar of premium assistance for middle class Medicare beneficiaries. Instead of offering the defined benefit under Medicare, Republicans want to force our seniors to have to go into HMOs, into private plans that make profits by restricting access to their prescription medicines. The unworkable Republican scheme would give money directly to participating HMOs and insurance companies for part of the cost of the most expensive enrollees, hoping that this will result in lower premiums. The plain and simple difference is that the Republicans want to take our tax dollars and give that money to the insurance companies and hope that something good is going to happen when, in fact, the insurance companies say they do not want it. They do not want any part of it. This is only a shameful attempt to trick our senior citizens and, once again, protect the outrageous profits of the prescription drug manufacturers of this country.

Mr. Speaker, it is very unlikely that private insurers will even offer these plans that the Republicans are talking about. Jim Cohn of the Health Insurance Association of America testified before the Committee on Ways and Means last week that it would be virtually impossible for insurers to offer coverage to seniors at an affordable premium.

We are going to find out in just a few weeks that we are in better shape than we ever imagined only a few years ago with our budget in this country. We are going to have a little money to do something with. Along with many of the other blue dogs, I have supported the idea of taking care of Medicare and Social Security first, paying down our debt, investing in education and infrastructure, and also doing some priority things that we need to do, and I think prescription drugs comes at the top of that list. It is time that we did something for our senior citizens that is meaningful, that gives them the ability to buy their medicine at a reasonable price and protects them from the economic disaster that the high cost of prescription medication brings on many of our seniors every day in this country. It is a terrible thing to see this happen, and it is unbelievable that the United States Congress has not done something about it.

Once again, I want to congratulate and thank my distinguished colleague from Texas (Mr. TURNER) for his leadership on this matter and applaud his effort and the efforts of the Democrats to continue to bring this issue forward and to end up before we adjourn this year with a meaningful prescription drug benefit for our senior citizens in this country and, hopefully, another benefit will be a reasonable price for medicine for all Americans.

Mr. TURNER. Mr. Speaker, I thank the gentleman. I want to thank the gentleman for his leadership. Many of us may not recognize that the gentleman from Arkansas has a background and training as a pharmacist, and he understands full well the issue that we are discussing tonight, and his leadership has been invaluable in helping us try to address this issue.

I now want to yield to another Member of this Congress who has worked tirelessly in her efforts to try to address the problems of senior citizens and paying for prescription drugs, the gentlewoman from Illinois (Ms. SCHAKOWSKY). I am pleased to have her here tonight, and I thank the gentlewoman for the leadership she has provided for all of us on this issue.

Ms. SCHAKOWSKY. Mr. Speaker, I thank my colleague from Texas, so much, for allowing me to participate tonight in this incredible discussion about a problem that faces the gentleman in his district. There is no doubt, I am sure, to any of the seniors in the gentleman's district that he is definitely on their side and fighting every day for them.

I am also happy to be here with my colleague from Arkansas (Mr. BERRY). We come from very different kinds of districts, but there is one important thing that we have in common, and that is that our senior citizens are struggling just the same every single day to try and pay for their prescription drugs.

Mr. Speaker, the next time anybody goes to the pharmacy to pick up a prescription, I would suggest that they look at the people who are waiting there to get their prescription and try and pick out the person who is paying the absolute top dollar for their prescription. One might think, well, it could be that well-dressed business executive who is going to be paying the most, or that kind of upscale-looking young working woman who is going to be paying the most. But the truth of the matter is, one has to pick out the oldest, the frailest, the poorest looking person in that line, probably a woman, and that is the person that is going to be paying the most for prescription drugs, and that is simply not fair. That is based on a very conscious decision by the wealthiest industry in the world, the pharmaceutical companies. To figure out how to boost their profits, they are going to go after the people who need those drugs the most, those medicines the most, and who are going to do everything they can to try and pay for them, those are the people they are going to try and squeeze out the most money from.

Seniors make up about 12 percent of the population, but they use about a third of the prescription medication, so it is, of course, a logical target group, the most logical prey for the pharmaceutical industry. Most of them have little or no insurance, or their insurance is inadequate. So that means they do not have anybody on their side to bargain for them for lower prices.

The gentleman referred to a study that was done under the auspices of the Committee on Government Reform on which I sit, and I did that study in my district.

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I found that uninsured, uninsured for prescription drugs, uninsured senior citizens were paying, on average, 116 percent more than the most favored customers of the pharmaceutical companies, the HMOs, the Veterans Administration. Those were paying 116 percent less than our senior citizens were.

Then we did another study. We looked at what about if they went to Canada or to Mexico, and just as the gentleman said earlier, in my district, just like in the gentleman's district or in Arkansas or in any district around the country, it was about 80 percent less for those same drugs that they need to save their lives, to enhance their lives, to extend their lives. If they went there they would pay 80 percent less.

Then my dog Bo and I did a press conference together. Bo sat down next to me. He is a good old dog. I said that a drug, one of the drugs actually that I take, Vasotec, for high blood pressure, that same drug for Bo, and it is a drug that is used on animals, would be about 58 percent less. If I could send Bo to the drugstore to get the drugs, I would be better off, too.

That is not right. I did the press conference at a senior citizen center, and

they were offended by that, and they should be offended by that. This is not because there is less research done on the drug for Bo, this is not because it is a different drug that is cheaper, it is because they charge what the market will bear, and they know that the seniors are going to have to pay more for those drugs if they do not want to have a stroke.

Mr. Speaker, the drug companies say to us, look, if we are not allowed to charge these prices, then we are just not going to be able to do the research and development and you are simply not going to have the drugs.

Again, as the gentleman pointed out, if that money is so scarce for research and development, then tell me why we can hardly turn on the TV anymore without seeing, one after another, an ad by the drug companies for a drug. They are spending far more on their advertising budget than they are on their research and development budget.

Let me just end with this. One of the ads that they have, they used to have, I do not know if she is on TV anymore, I have not seen her lately, is this nice-looking elderly woman called Flo. She looks very fit. Flo goes bowling. She ends up her ads, ''We want to keep government out of our medicine cabinet,'' is what Flo says. No, no government program to lower prices.

I would like to just tell the gentleman that I have worked with seniors for years and years. I was executive director of the State Council of Senior Citizens in my State before I ran for public office. I have been talking to senior groups ever since I have been a public official. I have never once heard a senior citizen tell me, keep government out of my medicine cabinet.

It is the opposite. They are saying, please, Representative, help me. Do something. Government has to be part of the solution here. I love my Medicare, but it is not helping me when it comes to prescription drugs. I need you now.

They need us now. We have to come up with an answer. The answer is having a prescription drug benefit under Medicare giving affordable, accessible prescription drugs for our senior citizens. I appreciate the gentleman's leadership in getting us there.

Mr. TURNER. Mr. Speaker, I thank the gentlewoman from Illinois. I appreciate the leadership the gentlewoman has given to this issue. She is a most effective spokesperson on behalf of senior citizens. I am sure that seniors in the gentlewoman's district fully recognize the battle that the gentlewoman is waging on their behalf.

Mr. Speaker, I yield to my dear friend, the gentleman from San Antonio, Texas (Mr. RODRIGUEZ), who has been a warrior fighting on behalf of seniors on this issue.

Mr. RODRIGUEZ. Mr. Speaker, I thank the gentleman from Texas. I think the gentleman has done a tremendous presentation with the data that the gentleman has before him.

There is no doubt, as I was listening to the gentlewoman talking about Flo, the woman out there advertising on behalf of the pharmaceutical companies, when she talks about keeping government out, she is talking because she is an individual apparently not on Medicare but on a private HMO, and receiving that 39 or 40 percent cut that is displayed, that the gentleman has that very vividly shows the disparity that we are talking about.

That particular advertisement says that if someone is in a HMO, or private, that the pharmaceutical companies will give a 40 percent credit on prescriptions, but if someone is on Medicare, tough luck. They are going to pay not only the 40, but also the profits that we have to make that they did not make on those other individuals. That is what is wrong. As the gentleman has indicated so clearly, why should not everybody get that opportunity to get that 40 percent cut?

When we did those studies, and I did them in my district, also, in my district, it showed that our senior citizens, and I went across with all my pharmacists and they reported to us. The pharmacies that are out there recognize the disparity. They have to charge 122 percent for my senior citizens on Medicare for the same prescriptions.

What we are talking about is if someone is on Medicare, they have to pay in my district 122 percent to 150 percent more for the same prescription than someone who is on an HMO. The only reason is that the pharmaceutical companies have chosen not to provide that.

Now they expended that money and are using people like Flo and talking about keeping government out, because, after all, they are making huge profits on our senior citizens. That should be a crime, to be going after those individuals who need the medication the most in our country, the individuals that are out there in need, and those are the ones who are having to pay more. It does not make any sense, I say to the gentleman.

I know he understands this fully, that in 1965 when we started Medicare, at that time we might not have needed prescriptions. But now if someone is under Medicaid for the indigent, they get prescription coverage. But if someone is on Medicare, our senior citizens, they do not get it.

That does not make any sense whatsoever. I think that it is time that we move forward and provide that access to our senior citizens so that they will be able to get access to that quality care that is needed.

When the gentleman provided that example out there, that hits us right in the forehead. My constituents are also getting those letters. I would ask them to look real carefully, because what we are really fighting for here is to make sure that our senior citizens get access to quality care. That includes prescription coverage and getting the appropriate cost in those areas, instead of having to pay not only what the others are paying, but they are actually paying a lot more for that same prescription, because the pharmaceutical companies are making the profit on them at the expense of our senior citizens. That is unfortunate.

So when the gentleman watches that advertisement, make sure he watches real closely in the bottom of that, to show who is paying for that advertisement. It is unfortunate that those pharmaceutical companies continue to provide huge amounts of money to the Congressmen in their lobbying efforts, in the campaigns of a lot of individuals that are running out here.

We need to make the changes that are needed in this country. One of those changes is to make sure that we provide the prescription coverage for our senior citizens. That is one thing that we need to do, an obligation that we have, because a lot of these senior citizens go without eating.

I have heard testimony after testimony where one of the spouses decides not to buy her prescriptions because she is getting it for her husband. That is unfortunate. Or they decide to buy one prescription, not the second or third one, because they do not have sufficient money. That is unfortunate. That should not be happening.

It is time that we can do that now. We have the resources to do that now. We have the surplus. If not now, when? I say that again: If not now, when? We cannot afford for us to continue to go on in this way.

I want to thank the gentleman from Texas (Mr. TURNER) for his efforts and for continuing this fight. We are not going to let up. We are going to continue this effort. If it does not happen this session, we are going to be back the next session.

I know the gentleman has been at it for the last two sessions, and we have been trying to make some things happen. Eventually we are going to do it, because it is the right thing to do, to make sure that, if nothing else, that people pay the right prices and are not gouged the way they are being gouged now at the expense of other senior citizens, and now using those senior citizens that have the private insurance against the senior citizens that are on plain Medicare. That is unfortunate that that is happening.

I appreciate the gentleman allowing me the time to be here.

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Mr. TURNER. Mr. Speaker, I want to thank the gentleman from Texas (Mr. RODRIGUEZ) and the gentlewoman from Illinois (Ms. SCHAKOWSKY) and the gentleman from Arkansas (Mr. BERRY) for joining in this effort tonight to talk about the problems of high prices of prescription drugs for our seniors.

I hope the effort this evening has shed some light on why prices of prescription medicines are so very high for our seniors. After all, when the big drug manufacturers can afford to spend

hundreds of millions of dollars in ad campaigns to try to preserve the status quo, which has resulted in our senior citizens, our most vulnerable portion of our population, paying the highest prices of anyone in our society and anyone in the world for prescription medications, I think and I know the gentleman from Texas (Mr. RODRIGUEZ) thinks that we need to talk about it on the floor of this House.

This ad campaign must be exposed, the hundreds of millions of dollars that the big drug companies are spending to try to be sure that they defeat our efforts to pass meaningful prescription drug coverage for our seniors as a part of the Medicare program. That effort that they are making is wrong, and I hope that our seniors will see through it when they get these telegrams, when they see these newspaper ads, when they watch the television screens with characters like Flo that the gentlewoman from Illinois (Ms. SCHAKOWSKY) mentioned, they will understand that they are seeing an ad that is designed to perpetuate a system that makes senior citizens of this country pay the highest prices in the world for prescription drugs that they need.

I thank all of my colleagues for joining with us tonight and being a part of this effort to talk about this important issue. I am looking forward to hearing from the gentleman from Iowa (Mr. GANSKE), our next speaker in the last portion of our Special Orders, who has been outspoken on this issue and has a unique insight as a medical doctor into the problem of prescription drugs for seniors.

PRESCRIPTION DRUG COVERAGE

The SPEAKER pro tempore (Mr. TOOMEY). Under the Speaker's announced policy of January 6, 1999, the gentleman from Iowa (Mr. GANSKE) is recognized until midnight as the designee of the majority leader.

Mr. GANSKE. Mr. Speaker, this is a photo of William Newton, age 74, of Altoona, Iowa, a constituent in my district whose savings vanished when his late wife Waneta, whose picture he is holding, needed prescription drugs that cost as much as $600 per month.

''She had to have them. There was no choice'', Mr. Newton said. ''It's a very serious situation and it isn't getting any better because drugs keep going up and up.''

When James Weinmann of Indianola, Iowa, and his wife, Maxine, make their annual trip to Texas, the two take a side trip as well. They cross the border to Mexico and load up on prescription drugs, which are not covered under their Medigap policies. Their prescription drugs cost less than half in Mexico than what they cost in Iowa.

Mr. Speaker, this problem is not localized to Iowa. It is everywhere. The problem that Dot Lamb, an 86-year-old Portland, Maine, woman who has hypertension, asthma, arthritis and osteoporosis has paying for her prescription drugs is all too common. She takes five prescription drug that cost over $200 total each month, over 20 percent of her monthly income. Medicare and her supplemental insurance do not cover prescription drugs.

Mr. Speaker, I recently received this letter from a computer savvy senior citizen who volunteers at a hospital that I worked at before coming to Congress.

''Dear Congressman GANSKE, after completing a University of Iowa study on Celebrex 200 milligrams for arthritis, I got a prescription from my M.D. and picked it up at the hospital pharmacy. My cost was $2.43 per pill with a volunteer discount.

''Later on the Internet I found the following:

''I can order through Pharmaworld in Geneva, Switzerland after paying either of two American doctors $70 for a phone consultation, these drugs, at a price of $1.05 per pill plus handling and shipping.

''I can order these drugs through a Canadian pharmacy if I use a doctor certified in Canada, or my doctor can order it on my behalf through his office for 96 cents per pill plus shipping.

''I can send $15 to a Texan and get a phone number at a Mexican pharmacy which will send it without a prescription at a price of 52 cents per pill.''

This constituent closes his letter to me by saying, ''I urge you, Dr. GANSKE, to pursue the reform of medical costs and stop the outlandish plundering by pharmaceutical companies.''

Well, Mr. Speaker, I want to be very clear, I am in favor of prescription drugs being more affordable, not just for senior citizens, but for all Americans.

Let us look at the facts of the problem and then discuss some of the solutions.

There is no question that prices of drugs are rising rapidly. A recent report found that the prices of the 50 top-selling drugs for seniors rose much faster than inflation. Thirty-three of the 50 drugs rose at least one and a half times inflation. Half of the drugs rose at least twice as fast as inflation. Sixteen drugs rose at least three times inflation. Twenty percent of the top 50 selling drug for seniors rose at least five times inflation.

The prices of some drugs are rising even faster. Furosemide, a generic diuretic, rose 50 percent just in 1999. Klorcon 10, a brand-name drug, rose 43.8 percent.

This was not a 1-year phenomena. Thirty-nine of these 50 drugs have been on the market for at least 6 years. The prices of three-fourths of this group rose at least 1.5 times inflation. Over half rose at twice inflation. More than 25 percent rose at three times inflation. Six drugs rose at over five times inflation. Lorazepam rose 27 times inflation and Furosemide 14 times inflation.

Prilosec is one of the two top-selling drugs prescribed for seniors. The annual cost for this 20-milligram gastrointestinal drug, unless one has some type of drug discount, is $1,455. For a widow at 150 percent of poverty, that means she is living on $12,525 a year, the annual cost of Prilosec for acid reflux disease alone will consume more than one in $9 of this senior's total budget.

What about a woman who has diabetes, hypertension and high cholesterol? She requires these drugs. Her drug costs would consume up to 18.3 percent of her income.

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My friend from Des Moines, the Iowa Lutheran Hospital volunteer senior citizen, knows, as do the Weinmans from Indianola, from their shopping trips in New Mexico for prescription drugs, that drug prices are much higher in the United States than they are in other countries. A story from USA Today comparing U.S. drug prices to prices in Canada, Great Britain, and Australia for the 10 best selling drugs verifies that drug prices are higher here in the U.S. than they are overseas.

For example, Prilosec is two to two-and-a-half times as expensive in the U.S. as it is in Canada, Britain or Australia. Prozac is two to two-and-three-quarter times as expensive in the United States, at $2.27 per pill, as compared to Canada at $1.07, Britain at $1.08, and Australia 82 cents. Lipitor was 50 to 92 percent more expensive. Prevasid was as much as four times as expensive in the United States, at $3.13 per pill, than it was in Canada, Britain or Australia. Look, the drug only costs 83 cents in Australia. Only one drug, Epogen, was cheaper in the U.S. than in the other countries.

Now, high drug prices have been a problem for the past decade. Two General Accounting Office studies from 1992 and 1994 showed the same results. Comparing prices for 121 drugs sold in the U.S. and Canada, prices for 98 were higher in the United States. Comparing 77 drugs sold in the U.S. and the United Kingdom, 86 percent of the drugs were priced higher in the United States. And three out of five were more than twice as high.

Now, drug companies claim that drug prices are so high because of research and development costs, and I do want to say that there is great need for research. For example, around the world we are seeing an explosion of antibiotic resistant bacteria, like tuberculosis, for which we will need research and development for new drugs. A new report by the World Health Organization outlines this concern about infectious diseases.

However, data from PhRMA, the pharmaceutical trade organization that I saw presented in Chicago about 1 month ago, showed little increase in research and development, especially in comparison to significant increases by the pharmaceutical companies in advertising and marketing. Since the 1997 FDA reform bill, advertising by drug companies has gotten so ubiquitous that the news line, Healthline,