

Sure, there are provisions in the budget I wish were not there. But that is the beauty of it. Nothing is excluded. Everyone will feel the squeeze. While Federal spending increases each year under the plan, it increases at a slower rate to allow revenues to catch up with spending, or, as William Safire wrote yesterday of the civil war general, who instructed a gunner to "elevate them sights a little lower."

Under the plan, power and money are shifted back to the States and local communities. In welfare, Medicaid, nutrition programs, and job training, there is consolidation, elimination of needless duplication, and block granting to the States.

The budget plan would save Medicare from bankruptcy. On April 3d of this year, the Medicare trustees, three of whom are Clinton administration appointees, sounded the alarm with their warning that Medicare part A would run out of money in 2001. This budget plan puts a tourniquet on Medicare to stop the hemorrhaging while a task force develops long-term solutions. Meanwhile, the President has been unwilling to assist in finding those solutions. Here again, expect the fear mongers and the scare tacticians to be out in force.

Under the Committee on the Budget assumption, spending on every Medicare beneficiary would actually increase, from an average of \$4,684 now to almost \$6,300 in the year 2002.

But I believe that the most important feature of this budget plan is the tax relief for the hard-pressed American family. This budget plan provides for the full \$500 per child tax credit. It provides for our correction of the marriage penalty. It allows the implementing of the adoption tax credit and the elder care credited. It allows for the raising of the earnings limit on Social Security recipients. These very meaningful pro-family policies will only be a reality if we pass the House GOP budget plan.

It was Alan Greenspan who, in pointing out some of the benefits that would happen if we balanced the budget, said if our economy was not constrained by Federal deficits, the balanced budget would mean a lower interest rate, higher productivity, improved purchasing power, reduced inflation, and accelerated long-term economic growth. Paul Johnson, the noted historian, asserts that the legitimization of envy is that which a stable society should fear the most. And there are going to be repeated efforts to legitimize envy by pitting one group of Americans against another group of Americans.

I think Thomas Jefferson, one of our Founding Fathers, said it best when he said, "To preserve our independence, we must not let our rulers load us with public debt. We must make our choice between economy and liberty, or confusion and servitude."

That is the choice that this Congress will face this week. I believe that most Americans know in their guts, most Americans know instinctively, that

balancing the budget is the right thing to do, and we must do it for our children and for our grandchildren.

#### PRESERVING MEDICARE

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from Pennsylvania [Mr. FOX] is recognized during morning business for 5 minutes.

Mr. FOX of Pennsylvania. Mr. Speaker, my colleague that just spoke certainly has eloquently expressed the importance of making sure we preserve, protect, and make sure we continue Medicare as we know it here in the United States.

Medicare provides an important source of health security for 32 million of our Nation's senior citizens and 4 million disabled persons. But Medicare spending has been rising 10 to 11 percent a year, and if costs continue to soar, everyone will have to pay more.

Medicare can be preserved, protected, and improved while increasing its spending, but at a slower rate of growth. Last year in its annual report, the Social Security and Medicare board of trustees projected that part A trust fund, the hospital insurance trust fund, starts going broke in 1996. Next year the Medicare part A trust fund will spend \$1 billion more than it takes in. The trustees who included Labor Secretary Robert Reich, Health and Human Services Secretary Donna Shalala, and then-Treasury Secretary Lloyd Bentsen, all members of the Clinton Cabinet, concluded that the Federal hospital insurance trust fund, which pays inpatient hospital expense, will be able to pay for only about 7 years, and is severely out of financial balance in the long range.

Again, Just last month, the trustees, including now-Treasury Secretary Robert Rubin, replacing Bentsen, issued an equally gloomy forecast, which indicated that the part A trust fund would be bankrupt by 2002.

The trustees have called for prompt, effective, and decisive action to save the fund from insolvency.

Despite recommendation of this Presidential commission and the disclosure by his own Cabinet officials, President Clinton has failed to act on Medicare. What is more, the financial pressure on Medicare will only grow when baby boomers start to retire.

Our efforts to protect Medicare from bankruptcy and to balance the budget by the year 2002 are taking place simultaneously. It is crucial that the American people understand that Medicare has to be reformed, irrespective of the budget deficit. Even if we had a zero deficit today, we would still have to take action that is prevention for Medicare's bankruptcy. It is a fact if Medicare goes bankrupt by law, no payments can be made for hospital care for Medicare beneficiaries or from any other trust fund paid services.

Just a few weeks ago it was not well known about this impending disaster because the Clinton administration had

swept it under the rug. As Medicare travels the road toward bankruptcy, President Clinton has been AWOL, absent without leadership. He has even refused to participate in a bipartisan effort to save Medicare. Not until the Republicans stepped forward to talk openly and honestly about the Medicare crisis was anybody aware of the extent of the problem.

Republicans believe we owe it to our senior citizens to save Medicare from bankruptcy. House Republicans have determined to save Medicare by using new approaches, new management, and new technologies, to improve it, preserve it, and protect it. Congress has an unprecedented opportunity to want to take a fundamental reform of the Medicare Program. Action on Medicare will run parallel to and occur during the same period as action on the budget.

One of the steps we will be taking is to create a Medicare preservation task force to look at the various proposals and determine what steps need to be taken to eliminate fraud and abuse in the system, and to make sure it is more efficient.

One of the other creative thoughts on the system is to make sure that we give our senior citizens incentive to cure the system by paying them 25 percent of any waste or fraud that they can find in their own bills. It would be one way to strengthen and empower our senior citizens in making sure a better system is improved.

House Republicans will increase Medicare spending, from \$4,700 per retiree today to \$6,300 per retiree by 2002. That is a 34-percent increase in Medicare spending per retiree. There is no proposed cut in Medicare. We will preserve the current Medicare system for seniors. No one will be forced into the system. But at the same time we need to develop a new series of choices so senior citizens can control their own destiny.

We want to enter into a dialog with the people and to make sure Medicare, that is important to all of our seniors, is, in fact, preserved.

We as a nation must undertake this effort to continue the dialog, to work together for change, and to make sure that both sides of the aisle are working to make sure that Medicare is preserved, protected, and, in fact, is even stronger in years ahead.

#### RECESS

The SPEAKER pro tempore. Pursuant to clause 12 of rule I, the Chair declares the House in recess until 10 a.m.

Accordingly (at 9 o'clock and 42 minutes a.m.), the House stood in recess until 10 o'clock a.m.

#### AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 10 o'clock a.m.