a man of great honor and integrity. We've been enriched just by knowing Ron. He's been a stalwart and a steadying influence during some stormy times on the House floor.

Ron's leaving, for me personally, is overwhelming. I'm losing a great friend. He has always given me wise counsel. He's someone I could always count on to answer questions about the House schedule or floor procedure or some arcane legislative matter. In describing Ron, I'm reminded of that advertisement for one of the country's top brokerage firms: ''When Ron Lasch speaks, everyone listens.''

He's always been here and I can't imagine this place without him.

Ron, this is a sad day for this institution and for me personally. The pace of the legislative process and the peculiarities of the House floor can bring with them frustrating moments. You've made it a little more bearable around here, Ron.

I thank you for your untiring dedication to the House of Representatives, and I wish you godspeed as you leave and find a life outside Congress. We will miss you greatly.

HIGH PRICE OF PRESCRIPTION DRUGS PAID BY SENIOR CITIZENS

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 6, 1999, the gentleman from Texas (Mr. TURNER) is recognized for 60 minutes as the designee of the minority leader.

Mr. TURNER. Mr. Speaker, I yield to the gentleman from Michigan (Mr. CAMP).

RON LASCH

Mr. CAMP. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER) for yielding to me.

Mr. Speaker, I come to the floor to join my colleagues in recognizing the long service of Ron Lasch. He has been a very good friend to many of us in this House, and not just to new Members. I have been here a number of years and he has been friends and a good advisor to all of us. I think it is his judgment and friendship that most of us admire and respect.

As we rush to the floor to cast votes, he was somebody that you could always go to and count on for the judgment on what was happening on the floor and the real fine points of debate. But he was also a very good friend, and he was someone who you could seek advice from and certainly as a new Member that is important, but it is important every day of the year around here.

He was also somebody who really new how to keep the confidence but was not afraid to tell you when you needed some guidance or direction, and I think it was his plain-spokeness, his directness, his loyalty, his friendship, his high intellect. I think those are things that really drew all of us to him.

He will be sorely missed. I hope, in the next few days, we will all get a chance to talk to him personally and tell him how much we appreciate this service to this institution, to this House of Representatives, and I know that many Members on the other side of the aisle would come and seek his advice as well.

I know he will be missed greatly by all of us, and I just wanted to go on the record and state what a good friend Ron Lasch has been to me and to many Members of this House. He will be missed tremendously, and we wish him all the best in his retirement. And this will be opening a new chapter in his life, and I think that would be very exciting for him after 42 years of service to this House, it certainly is well deserved. I want to join my colleagues in wishing him all the very best.

Mr. TURNER. Mr. Speaker, I come to the floor tonight during this special order hour with my colleagues, the gentleman from Arkansas (Mr. BERRY), the gentleman from Texas (Mr. GREEN), the gentleman from New Jersey (Mr. PALLONE) and other leading Democrats to talk about an issue that we have worked on for at least 2 years now, and that is the problem of the high price of prescription drugs being paid by our senior citizens.

Mr. Speaker, I want to talk a little bit as we begin tonight about what I believe to be the coming crisis in health care for our senior citizens.

Just last week, most of us were in our districts over the July 4th holiday, and we had the chance to talk to our constituents. I had numerous senior citizens coming up to me and talking about the letter they had received from their HMO, from their insurance company telling them that as of the 1st of January, their Medicare choice policy, their HMO Medicare plan was going to be discontinued by their insurance company.

In fact, in East Texas, we have almost 5,000 seniors who are receiving these notices from their insurance companies, companies like Aetna, NYL Care, Humana are sending out notices to these seniors saying you are canceled, no longer can you have our Medicare choice HMO coverage.

Most of these seniors signed up for this option under Medicare, because an HMO lured them to sign up with the promise of some prescription drug coverage under Medicare, and these seniors are going to be greatly disappointed and very upset come January 1 when they find out no longer do they have access to prescription drug coverage under their Medicare+Choice program.

A good example of this came in a letter I received just yesterday. One constituent whose wife's name is Roxanne was dropped from NYL Care. Here is what this constituent's letter said to me, he wrote, our rights are being violated by the insurance companies and the politicians who are on the side of the insurance companies. My wife, Roxanne, he wrote, will end up in a wheelchair and possibly not able to walk again if she's denied the drug she needs. How many more Roxannes are out there, he writes, how many more Roxannes will suffer so the insurance companies and the politicians can get rich?

Mr. Speaker, well, it is a hard lesson to learn. Unfortunately, our senior citizens are learning the lesson and that is you just cannot trust the insurance companies and the HMOs. Our senior citizens are out there struggling trying to pay the costs of prescription drugs. They know the insurance companies are not taking care of them, and they know that the insurance companies simply want to make money, and they are not interested in what happens to them.

That is why over 5,000 seniors in my district are getting notices as we speak. When an insurance company decides to pull out of an area, a lot of people get hurt, a lot of people will be left without coverage all across this country come January 1.

Some of us here in this House on the Democratic side of the aisle do care about our senior citizens, the gentleman from New Jersey (Mr. PALLONE), the gentleman from Texas (Mr. GREEN), the gentleman from Arkansas (Mr. BERRY) and others have been working for almost 2 years trying to do something about the high cost of prescription drugs.

The sad fact is we know what works, and it is not the insurance companies' HMO plans. Just 2 weeks ago on the floor of this House, the Republican leadership passed a plan purportedly to help senior citizens with their prescription drug costs. It was a plan that said to the big insurance companies, you all offer insurance plans, prescription drug plans to our senior citizens and we will subsidize the costs for those who are at 125 percent of the poverty level and below.

Mr. Speaker, well, for starters we all understand that the problem of high price of prescription drugs does not just fall on those who are below the poverty level, it really depends not only what your income is, it depends on how sick you are.

I have an aunt who is a medical income person. She just got a new prescription from her doctor for a heart ailment that is going to cost her $400 a month. She is very upset. She let me know about it. She wants to know when this Congress is going to act. I told her I hope it was soon.

The Republican plan that was passed by this House by the narrow margin of 3 votes was an empty promise to our senior citizens. The Republican leadership let the private insurance companies control the prescription drug programs when the private insurance companies themselves were before this Congress for weeks before that vote telling us that they will not offer any prescription-only drug plans.

What really happened on the floor of this House is the big pharmaceutical manufacturers carried the day. After all, they had been running ads for weeks under a front group called Citizens for a Better Medicare, advertising

full page ads in the newspapers and ads on the television screens that said the answer to the problem of prescription drug coverage for our seniors is private insurance, private insurance, private insurance, and sure enough that is what the Republican leadership did, pass a plan saying that private insurance was going to solve the problem.

Mr. Speaker, well, we on the Democratic side of the aisle know that it is not going to solve the problem. In fact, even the insurance company knows that it is not going to solve the problem.

Listen to what the President of Blue Cross-Blue Shield had to say about the idea of prescription drug-only insurance policies for seniors. He testified it, referring to the prescription drug plan that was proposed by the Republican leadership, it provides false hope to America's seniors because it is neither workable nor affordable. That is what the insurance industry said about the plan that they are supposed to offer under the Republican bill.

The truth is, the Republican plan that was passed on this House floor by a margin of three votes is no plan at all. It might have made a nice press release over the July 4th holiday, but that is all it was, a press release. It is really interesting because my senior citizens in my district have already figured it out, and they were coming up to me over the July 4th holiday saying we know that bill that passed is never going to amount to anything for us.

The New York Times had an article in this weekend's paper about insurance companies rejecting the same proposal that we just passed that was passed a few months ago by the legislature in Nevada. The New York Times wrote about the insurance company spurning Nevada's invitation to provide coverage of prescription drug-only policies for their seniors.

□ 1845

When they advertised for bids by insurance companies under the legislation they passed, not one single insurance company was interested in the plan. The idea just does not work. It is just kind of like offering insurance for haircuts. It does not work because everybody needs one. Insurance companies understand that. It is not something that one insures.

Most all of our senior citizens need coverage for prescription drugs. That is why the insurance companies cannot offer one that is affordable. Frankly, it is an idea that simply will not work. Unfortunately, the Republican leadership in the House did not understand that.

So what does work? What does work is what the Democrats in this House proposed and were not even given the opportunity to present it on the floor and debate it, and that is to provide a prescription drug benefit under the Medicare program, a program that seniors have trusted since 1965 to help them cover the cost of their health care.

Our plan was affordable. It was voluntary. It was universal. It covered all people regardless of their income level. That is what our senior citizens deserve. I hope that when we celebrate the 35th anniversary of Medicare at the end of this month, we will be able to say that this Congress has acted responsibly and passed a real plan to help our senior citizens with their prescription drug costs.

It is time that we take that long-needed action. If Medicare were created today, there is no question we would have a prescription drug coverage. Back in 1965, only about 10 percent of our health care cost was taken up by purchase of prescription drugs. Today they tell us it is about 30 percent.

The truth is prescription drugs have done a lot of good things for us, but what good is the cure if one cannot afford the medicine? That is what my seniors are telling me, and they are right.

Citizens For Better Medicare advocated the plan that was passed. The big pharmaceuticals carried today. But our senior citizens today were big losers. I think it is time for us to stand up for our seniors and let the folks in this Congress who were on the side of the big pharmaceutical manufacturers understand that our senior citizens want better treatment than that.

After all, why should we give billions of dollars of taxpayers' money to insurance companies and big HMOs when they do not even want to offer those plans? Let us give the money back to our seniors in the form of lower drug prices, then we will have done something that helps those senior citizens.

I am very pleased tonight to be joined by the gentleman from Arkansas (Mr. BERRY). He serves along with the gentleman from Maine (Mr. ALLEN) and I on the Prescription Drug Task Force. We have worked for almost 2 years to try to bring some relief to senior citizens.

Mr. Speaker, I am pleased to yield to the gentleman from Arkansas (Mr. BERRY) and allow him to share his thoughts on this very important issue.

Mr. BERRY. Mr. Speaker, I thank the distinguished gentleman from east Texas (Mr. TURNER). It has been a pleasure to work with him all these years that we have worked on this issue. When we started, we did not think it would take this long, did we? But it has been amazing that it has been this difficult to get the right thing done.

I also appreciate the gentleman from New Jersey (Mr. PALLONE) and the gentleman from Texas (Mr. GREEN) for being here this evening and continuing to work on this issue.

As the gentleman from Texas (Mr. TURNER) spoke a few minutes ago so eloquently about this problem and about this scheme that the Republicans cooked up to try to make senior citizens think they cared, I was reminded of a story they tell in my part of the country about the fellow that raffled off a dead mule. The only people that got mad or the only person that got mad about that was the fellow that won it.

That is the way our senior citizens are going to be if we would be so unfortunate as to have this Republican scheme ever become law. They would be mad about it because they would find out that what they had was something worthless, a dead mule.

It is very disturbing to think that something like that could happen on the floor of this House. I do not think it will ever become law. But certainly we are going to do everything we can to prevent that from happening.

When Lyndon Johnson 35 years ago signed into law the Medicare bill, it was a great success. It has been a wonderful thing for our senior citizens. We had many senior citizens at that time that had no health care coverage. They just had to do without. When they got sick, they just got sick. They could not afford any health care. They did not get any. That is a shameful thing to allow to happen.

When President Johnson signed that bill into law, he made this comment, that we should never ignore those who suffer untended in a land bursting with abundance. I think that is a very powerful statement. I think he was sending a message to us today when he said that.

Prescription drugs are the basis of medical care for our senior citizens now. In the district that I am fortunate to represent, we have a large number of senior citizens that live only on Social Security. They do not have any retirement plans. They do not have any other income. Most of them have been able to provide for a decent place to live. They have a homestead.

They are able to make it just fine on their Social Security until they get sick and they have to start taking expensive prescription drugs, drugs that one can buy all over the rest of the world for a lot less money than what one can buy in the United States. This is a very disturbing thing that we have allowed the drug medicine makers in this country to take advantage of our senior citizens in such a way.

We have simply allowed these prescription drug makers to rob our senior citizens and throw them into abject poverty in many cases.

Our Founding Fathers, the last sentence of the Declaration of Independence, before they signed it, and many of those men thought they were signing their own death warrant, they said ''in support of this declaration, we pledge our lives, our fortunes, and our sacred honor.'' I think that, too, is a powerful statement. It led to this great Nation.

But as we have worked on this issue and done everything we know to do to get a good vote, to get this issue to the floor and get a good clean vote on it and do the right thing, I have thought many times what these Founding Fathers would think about this great Nation that they founded and this great

House of Representatives and this great Congress that they envisioned allowing this to continue to go on.

I have just got to believe that they would be ashamed of us. I have got to believe that if they were here tonight, they would keep us here day or night until we did something about this because it is an outrage that we continue to let the prescription medicine makers in this country rob the American people.

I think they would say, what is going on here? Why are you doing this? We talk about it on the floor as if it was a political issue. These are real people. They suffer real pain. It is not politics with the people that are affected, and we should realize that.

The prescription drug manufacturers in this country have hired some 300 lobbyists, that is over one lobbyist for every two Members of this House of Representatives, to do everything they can to not change their deal. They think they have got a great deal, and they want to keep it that way. The best information that we have is they will still make lots and lots of money. They will still be the most profitable businesses in this country.

But we have got to, as a Nation and as a Congress, allow our Americans to buy these medicines at the same prices that all the other countries get to buy them at. That is not fair to let everyone else get a much better deal than we do.

A few weeks ago, I was privileged to be on a mission to Cuba. As we visited with the representatives of the Cuban government about buying our food, about buying our agriculture products, and they were excited about that and they wanted to do that, and part of the discussion was food and medicine. We said, Well, you have expressed your desire to buy food. What about our medicine? They said, Oh, we do not want to buy your medicine. We can buy your medicine a lot cheaper than you can. We can buy it from Canada. We can buy it from Panama. We can buy it from Mexico. We can buy it from a lot of places a lot cheaper than you can.

Then they said something that made it really come home to me. They said, Why do you do that to your people? Why do you allow that to go on? Why do you allow these companies to rob your people? That is not right. They were absolutely right about that. I will never forget that moment when that was pointed out to us in a very powerful way.

We need a prescription drug medicine benefit for Medicare. We need to modernize Medicare and make it a great program that we know it can be and should be. To think that we are going to give the taxpayers' money to the insurance companies in the hopes that they would try to solve this problem when they have told us themselves we do not want any part of it, the gentleman from Texas (Mr. TURNER) mentioned this, it is like selling insurance for haircuts.

I have also heard it compared to selling insurance on the house one knows is going to burn down. Senior citizens are going to get sick. They are going to have to take medicines. That is the reason why this needs to be a Medicare benefit and not some insurance scheme that we have already found out over and over and over again it just does not work, as the gentleman has pointed out.

The HMO providers in Medicare are pulling out all over the country because it just simply does not work for them, and that is fine. But we have to recognize as a Nation if we are the great neighbors that we claim to be, we must take care of this problem, we must see that our seniors do not get robbed by the prescription makers in this country, and we have got to take care of this terrible situation that has been created.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Arkansas (Mr. BERRY) for his telling comments, particularly about his visit to Cuba. Even the Cubans understand that our senior citizens are getting ripped off and everybody in the world gets a better deal on prescription drugs than we do. That is really telling. I compliment the gentleman on his remarks.

I also want to mention the gentleman from Arkansas has been a leader, not only in our Prescription Drug Task Force, but in his sponsorship of the legislation that would allow senior citizens of this country, and all of us, to be able to buy drugs in Mexico or Canada, and we can do that legally. Obviously that is where we would all buy them because they get them for less than half the price that we are having to pay for them.

Mr. Speaker, I yield to the gentleman from Texas (Mr. GREEN). The gentleman from Texas and I served, not only here together, but in the State senate before. He is a leader on the Committee on Commerce on this issue, and he has worked long and hard to try to bring some fairness to prescription drug prices and to provide some benefit for our senior citizens of this area of great need.

Mr. GREEN of Texas. Mr. Speaker, I want to thank the gentleman from Texas (Mr. TURNER), my good friend and former Texas State representative, and I served with the gentleman from Texas (Mr. TURNER), Texas State senator, former mayor, and now Member of Congress, for putting together this Special Order tonight.

This is not a national security issue where everybody is only going to have to listen to folks from our part of the country tonight. We have the gentlewoman from Connecticut (Ms. DELAURO) and also the gentleman from New Jersey (Mr. PALLONE), so they will not have to hear Texas and Arkansas accents all this evening on this important issue. But it is a national issue. I know people just like to hear us because we talk a little slower. But no matter how we talk, I think we are united on this one issue because we know that, from Texas, we call it buying a pig in a poke.

I think what the House passed the week before the 4th of July was a travesty. It was something that the seniors can see through, and we said that on the floor. That is why I think it only passed by three votes as the gentleman from Texas said.

I am glad we are using this time to continue to explain the fallacy of that bill that was passed, that our Republicans colleagues had succeeded in passing a prescription drug benefit that provides more political cover than it provides for prescription coverage for our Nation's seniors. The legislation was designed to benefit the companies who make the prescription drugs and not necessarily our seniors.

Just like the Patients' Bill of Rights and education funding, my colleagues on the other side of the aisle are using their same old strategy. They water down legislation. They pass a caption that sounds good, but it does not have any benefit to our folks. Ultimately, it will be a failure because all they want to do is get them past the November election.

Congress, our own budget office, concluded that more than half of our Medicare beneficiaries who do not have drug coverage today would not be covered by the Republican private insurance plan. I cannot stress that too much. It is an insurance plan.

Like the gentleman from Texas said, it is like buying insurance against haircuts. Everyone of us needs one, although I have to admit some of us do not need as many as we did a few years ago, but we still get them even though we do not need them as much.

What is more frustrating is we did not even get the chance to offer an alternative plan. Again, not only is their plan bad, but they were so afraid to defend it that they thought maybe an alternative plan, and again we have a Democratic plan I will talk about in a minute, but any alternative they did not even want to have a vote on.

□ 1900

So not only do they pass a bill that I think is hurting seniors, but they are even subverting our process here in the House. All of us ought to have an opportunity to give choices.

In fact, it is interesting, I believe in free enterprise, just like my colleagues on the other side of the aisle, but I believe in competition. On the prescription drug benefit they did not want to have competition on their bill because it could not hold water to the alternative plan we had. The Democratic proposal provided both a universal and voluntary benefit to seniors. It was a cost effective and reliable benefit.

Under the Democratic plan premiums would be lower for seniors and coverage would be higher. That is why they did not want that competition they are always talking about. Instead, the House

of Representatives, by three votes, as the gentleman said, passed a flawed piece of legislation that will cost our seniors more each year and give them less. Some say the premiums could even double because it is a straight subsidy to the insurance industry who know that they cannot make money selling it, and it would be little benefit to our middle income seniors, seniors who just barely are above the poverty line and cannot afford the prescriptions that they have now.

It allows insurance companies to decide which drugs they would cover and how much they would charge. It would not be a guaranteed benefit and it would not be any standard benefit that our seniors could depend on. So our seniors would have to go back to their insurance company every time.

I have talked to lots of seniors over the last couple of years about this issue and they really want their prescriptions. They do not want an insurance policy. That is the frustration. I have met with seniors in my district, like the gentleman has in his district, and they have serious financial hardships due to the high cost of prescription drugs. They have been able to plan, as best they can, for their retirement, with Social Security as probably the biggest part of their income. They may have a little savings, a little pension, but they cannot afford $400 or $500 prescription medications. They have shown me their prescription drug bills at our town hall meetings, and I do not see how they survive.

These seniors have to choose between paying their bills, their utilities in the summer, and in Texas you cannot turn off the air conditioner or you will die of heat stroke. Just like those in the north, in the winter, would die of freezing. We do not want seniors to have to choose between turning off their air-conditioning or buying their prescriptions, or saying they will only take that blood pressure medicine every other day instead of every day, or even skimping on the food that they eat.

I know I will be meeting with these seniors again and again over the next few months, and it is frustrating because I will have to tell them, yes, they may have a benefit, but only if their insurance company decides they can have it. Again, it is going to depend on the insurance company. We should be putting benefits in the hands of senior citizens and not the pharmaceutical manufacturers. We should be providing a secure and stable and reliable benefit instead of creating a new bureaucratic nightmare.

The Republican plan created a new Federal bureaucracy. Not only insurance but it created a new Federal bureaucracy. Instead of using the current bureaucracy that we want to make more cost effective, we should be building up Medicare instead of tearing it down. Seniors deserve more than just a voucher. They need to have a real workable prescription drug benefit plan.

I hope this Congress ultimately will work across party lines and develop a bipartisan bill. We could not do it in the House. Maybe the U.S. Senate will take the leadership and provide a bill similar to the bill that we tried to offer. In the Senate they have more democratic rules than we do here in the House. That is with a little ''d'' not partisan ''d.'' Hopefully, the Senate will allow an alternative plan and it will have a meaningful Medicare prescription drug benefit for all our seniors.

Again, I could stand here all night, but we have our colleagues from New Jersey and from Connecticut here. Again, I appreciate the gentleman's leadership on providing this special order tonight. We need to keep beating that drum, because, frankly, that bill would not have been on the floor 2 weeks ago if it had not been for us talking about it over the last 2 years. We need to keep that up, because not only do we need the bill on the floor but we need real legislation that will help our seniors. I thank the gentleman for this time tonight.

Mr. TURNER. Mr. Speaker, I thank the gentleman from Texas. I share the gentleman's sentiments. I really do hope that we can get a plan that is meaningful passed in this session of the Congress. There is no reason we cannot.

I think what we went through the week before last on this floor was disappointing to all of us, seeing that Republican plan pushed through without any option to even debate our plan of putting it as a benefit under Medicare. It was a disappointment I think to all of us.

I know there is not much time left. And if this Congress wants to avoid the label of a ''do-nothing Congress,'' it needs to take some action on prescription drugs for our seniors. It is amazing. Before that bill passed on the floor of this House 2 weeks ago, the President said he was going to veto it. The time was to stop right there, get together, try to work together and work something out. People of this country are tired of this partisan approach to dealing with these issues. They want to see some real solutions and they expect us to get together and do that.

So I thank the gentleman for sharing his thoughts with us tonight.

The next speaker this evening is a gentleman who has probably been on this floor in the late evenings more than any other Member of this House, the gentleman from New Jersey (Mr. PALLONE). He believes passionately in the problems faced by our seniors, and he has been on this floor tirelessly working on their behalf.

It is a pleasure to yield to one of the leading spokesmen on behalf of our seniors on this issue, the gentleman from New Jersey (Mr. PALLONE).

Mr. PALLONE. I thank the gentleman from Texas. And contrary to what the gentleman from Texas (Mr. GREEN) said, I think he said we enjoyed listening to the two Congressmen from Texas and the gentleman from Arkansas, and that is true, but I think more importantly than the way the gentlemen spoke, it is what you were saying. Because substantively I think that the gentlemen are really speaking about what the truth is.

One of the concerns that I have during this whole debate that we went through a couple of weeks ago on Medicare and on the issue of prescription drugs is that the Republicans are trying to disguise what their intentions are with regard to a prescription drug plan. All they are really doing, as some of my colleagues have pointed out tonight, is trying to say to our senior citizens that they should go out and try to see if an insurance company will sell them a prescription drug-only plan. And if they will, fine; and if they will not, tough luck.

As the gentleman mentioned, so many of the insurance companies and their lobbyists have come into Congress before our congressional committees, before the Committee on Commerce that I serve on, and said that they are not going to sell those policies. The example the gentleman mentioned about the State of Nevada, which passed, I guess about 3 or 4 months ago, something very similar to the Republican proposal, is that the insurance companies simply will not sell these policies. That is why it is not working in Nevada and that is why it will never work here, even if the bill ultimately passes, which is not what I think the Republicans intend.

I wanted to state very simply from my perspective the reason why the Democrats tried to put forward a real Medicare drug benefit. Basically, what the Democrats were saying is that Medicare has worked. It was passed back in the 1960s by a Democratic Congress. Lyndon Johnson was the President then. And if we think of it from the point of view of the average senior, it makes sense. Right now they know that under part A of Medicare their hospitalization is covered. They know that if they voluntarily decide, which most people do, to opt for part B, which covers their doctors' care, that they pay a certain amount of premium per month and their doctors' bills are basically covered with some kind of a copayment.

Now, what the Democrats are saying is we want to establish another part of Medicare, part C or D or whatever we want to call it, that covers prescription drugs. And just like part B that covers the doctors' bills, if an individual pays so much a month, an honest premium, then that individual will have most or a significant part of their prescription drug benefit paid for through Medicare. We are simply building on the existing Medicare program that has worked for the last 30 to 35 years, and we want to expand it now to cover prescription drugs. That makes perfect sense.

Why go through all these hoops and bureaucratic niceties to say, okay, we

will try to get the insurance companies to sell a drug-only policy, which they do not want to sell anyway, when we could simply expand Medicare to prescription drugs in the logical way we have included part B for doctors' bills now?

The Democrats are also saying that the Medicare benefit provides the guarantee that individuals will have and will be able to obtain any prescription drugs that are medically necessary. The key again is medically necessary. If the doctor says that an individual needs that prescription, that that particular drug is needed, then it would be covered under the Democrats Medicare plan.

The Republicans not only are telling seniors that their option is to go out and try to get somebody who will sell them an insurance policy, but they are also not saying what that insurance policy has to be, even if they could buy it, which they cannot. They are not telling seniors how much the premium would be, they are not telling the elderly or the disabled what kind of drugs the insurance company would cover. Basically, that is up to the insurance company to decide. Why, again, are we reinventing the wheel when we know we have an existing Medicare program that works and could be simply expanded to include prescription drugs?

The other thing I wanted to mention tonight, and I think is just as important, is that the Republican plan leaves American seniors open to continued price discrimination. The gentleman from Texas (Mr. TURNER) said that as well. There is nothing in the Republican bill to prevent the drug companies from charging whatever they want.

Now, what we said in our Medicare bill is by expanding Medicare to include prescription drugs, we will have the government basically choose a benefit provider in each region that will negotiate the best price. All these Medicare recipients, all these seniors, are now going to be in one program. I think there is something like 30 to 40 million Americans that would be eligible under this program. If these benefit providers are out there negotiating for a better price because they have all these seniors, they can get a significant discount. I do not know whether it will be 10 percent, 20 percent, or whatever it will be, but they will get a significant discount. So at least we are trying through our Democratic proposal to address the price discrimination issue. The Republicans are not even dealing with that.

I just wanted to mention two things, and I think the gentleman actually already mentioned it, about this article that was in The New York Times on Saturday regarding the Nevada experience. I do not think I have ever seen an article where they compare what was being done in the States as compared to what is being done in the Federal Government. We usually pride ourselves in the fact that the States sort of serve as the laboratories and do things, and if they work out well then we adopt them at the Federal level. We did that in the gentleman's State of Texas with the Patients' Bill of Rights. Basically, the Federal bill that the Democrats have been pushing is very similar to what the gentleman has in his State on HMO reform.

Here we have a situation in Nevada where they adopt a drug plan, and then what do the Republicans do in the House of Representatives? They copy the example, which is failing. Not the example that worked, like in Texas with the HMO reform, but the example in Nevada, which is failing; where they cannot get any insurance company to provide an insurance policy, and they adopt it here and say this is going to work.

I do not like to quote from newspaper articles, but I just cannot help lift a few things from this New York Times article because it is so much on point in basically explaining how the Nevada plan is exactly the same as what the Republicans have proposed here in the Congress. If I could just go through a couple of things here.

It says, ''Nevada has adopted a prescription drug program for the elderly very similar to one approved last month by the Republicans in the House of Representatives, but it is off to a rocky start. Insurance companies have spurned Nevada's invitation to provide coverage. The risks and the costs are too high, they say, and the subsidies offered by the State are too low. Nevada's experience offers ominous lessons for Congress, especially Republicans, who want to subsidize insurance companies to entice them into providing drug benefits to elderly and disabled people on Medicare.''

They go into how in March, as I mentioned and the gentleman previously mentioned, this was adopted. And I guess they have a task force, the way I understand it. There is a task force set up within the Nevada legislature that basically monitors the use of the money and decides whether or not, if an insurance company applies to sell these policies, that they would pass muster under the Nevada legislation. Apparently there was only one insurance company that was even interested, and they actually were disqualified under Nevada law.

The assemblywoman, and it does not say what party she is on, but who was the cochairman of this task force monitoring the use of the money says, and I quote, ''I have my doubts that any insurance company will be able to offer meaningful drug benefits under this program. If an insurance company does bid on it, but the benefits are paltry, senior citizens will be up in arms.''

And then it goes on to say how even in Nevada the insurance companies came to the State legislature, just like we had the lobbyists from the insurance companies here in Washington, came to the legislature and said they did not want to sell these policies, and they passed the bill anyway. We have the same thing here. We had, as mentioned again in the article, the Health Insurance Association of America, which is the trade association for the health insurance industry, they came before the Committee on Commerce and they told us that they did not want to sell the policies. And they have a quote in here from the Health Insurance Association of America saying they are not interested in selling drug-only insurance to the elderly.

□ 1915

I do not know how more clear it could be when the insurance companies tell you they are not interested, they are not going to sell these policies.

I do not want to keep reading from this article, but it is amazing to me that so many times, and I was in the State legislature in New Jersey, how you pass something in the legislature and it works and then you come down here and you say, ''That's a good idea, let's adopt it nationally.'' Why in the world would the Republicans use a bad proposal that nobody wants to use and come here and say this is what we should adopt as the national example?

The other thing I wanted to mention, because I did get into the issue of cost, is that the cost of prescription drugs continues to rise. There are so many examples over the last 6 months or the last 6 weeks about the increased costs. There was a survey that was done just before we left, I guess it was actually the week we were here voting on the prescription drug program, and this is again in the New York Times, it was a study released by Express Scripts of St. Louis on June 26. It said spending on prescription drugs increased a record 17.4 percent last year and elderly people experienced the largest cost increases. This was about the same time that we voted on it. It said that the statistics show why elderly people feel a pressing need for the coverage and why many Members of Congress are worried about the costs. Spending on prescription drugs averaged $387 a person last year, up 17.4 percent from the average the year before. But for seniors, the cost rose even more. In 1 year, a 17 percent increase.

Where are we going with this? We have to do something about it. We have to provide comprehensive coverage under Medicare and we have to address the price discrimination issue as well. The gentleman has been doing such a great job this evening and at other times in bringing this to the attention of our constituents.

Mr. TURNER. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE). I really appreciate his remarks. I am glad he brought this New York Times article to our attention. I read it myself. Sometimes things are so unbelievable that you have to say them two or three times before it really sinks in. I am a pretty trusting person, but the truth is the Congress did

exactly what the State legislature in Nevada did that had been proven through their experience was not going to work. And the same insurance company executives, the same insurance companies that testified before our committees and told our Congress that the Republican plan was not going to work told the Nevada folks that their plan was not going to work. They went ahead and did it, anyway, and then they advertised for bids, according to the article, and nobody wanted to apply. Nobody wanted to offer this prescription drug coverage by private insurance companies. It is just almost incomprehensible that the Congress of the United States would propose the same plan with the same insurance companies saying we are not going to offer it and it would pass this House. It did not pass with my vote or your vote or the vote of the gentlewoman from Connecticut (Ms. DELAURO), the gentleman from Texas (Mr. GREEN), or the gentleman from Arkansas (Mr. BERRY). Our Democratic side of the aisle was united in opposition. But the truth is some things are almost beyond belief.

I really was proud of our colleague the gentlewoman from Nevada (Ms. BERKLEY), who is a good Democrat representing Las Vegas when she stood up, and she was quoted in this same article, saying she did not understand why Congress would try to copy a troubled State program from her State, and I want to read her quote from this article because I was so proud of her standing up on behalf of our seniors, taking on the Governor of Nevada and she said this: Why in the world when it is not yet functioning for low-income seniors in Nevada would we try to replicate it for the millions of seniors who are desperately in need of affordable prescription medications? It took a lot of courage. I admire her for standing up for seniors in spite of the fact that her own Governor still says, well, he thinks somehow it is going work, even though there is no insurance company stepping forward to offer the plan.

Our next colleague to share with us is the gentlewoman from Connecticut (Ms. DELAURO). There is not a more passionate voice in this Congress on behalf of senior citizens than the gentlewoman from Connecticut. She is assistant to the leader. She works day after day tirelessly on this and many other issues of importance to the people of this country. It is a pleasure to yield to her on this very important issue.

Ms. DELAURO. I thank my colleague from Texas so much for his kind words and for organizing this effort, and along with my colleague from New Jersey of really being the leaders in this effort of trying to genuinely craft a piece of legislation that addresses what the crying need in the country is on some relief from the cost of prescription drugs. I would like to just say that that is what to me is what the contrast is. I know folks will say, well, you know, you are being partisan about this, but I think if you take a look and you listen to where my colleague the gentleman from Texas (Mr. TURNER) has been these last 18 months and the gentleman from Arkansas (Mr. BERRY) and the gentleman from Texas (Mr. GREEN) and the gentleman from New Jersey (Mr. PALLONE) and others, they have been a consistent voice for trying to bring some sense to this issue of the rising cost of prescription drugs and the fact that senior citizens are making decisions about whether they pay their rent or buy their food or buy their medication. That has not been in the last 2 weeks, not in the last month but over the life of this Congress. They have been out there day after day after day trying to do something about this. This is where I think the public gets this. I think the public really understands this. We found a matter of about a month ago that a report was written to our Republican colleagues by some folks in an organization called Public Opinion Strategies, and the report to our Republican colleagues was, ''You guys better address the issue of prescription drugs because it's a serious issue, and you need to show the public that you care. It doesn't make any difference whether you really care but let them know that you care. And that you better talk about a plan even if you don't have a plan, because it's important.''

We did not need someone from Public Opinion Strategies or anywhere else to tell us about the serious plight of people in this country and particularly seniors around the cost of prescription drugs. Nobody had to force that mantra on us if you stand the way you do with your constituents and your meeting with them and talking to them. I do office hours at Stop N Shops, large grocery stores, every week. If you are out there the way that you have been and you are listening to what people are talking to you about, you do not need someone from Public Opinion Strategies telling you to scramble around, put together something so that you can say that you care about an issue when there are folks like yourselves who have been on this floor day in and day out for the last 2 years, almost 2 years, talking about this issue.

If you took a look at the newspapers or the TV news a couple of weeks ago, you might have thought that this Congress actually did something to help seniors with the crushing cost of prescription drugs. There were our colleagues on the other side of the aisle running around, slapping each other on the back, holding press conferences and taking credit for helping seniors with prescription drug costs. But, sadly, that activity 2 weeks ago had more to do with the press conferences and the taking of credit rather than passing some real Medicare prescription drug benefit that people so desperately need. Quite frankly what happened here 2 weeks ago was a sham. That was because a Republican pollster and a handler told them that if they did not look like they were at least doing something, that they were going to pay a price in the fall elections. But the public is savvy and the public is smart.

What is interesting to me is that at the very time when our colleagues on the other side of the aisle designed a program that was going to be run through the private insurance companies or through the HMOs, and as you both have said so eloquently, people who came up here to testify from the industry said, ''We don't want any part of this. This is doomed to failure. We don't want to take on the risk.'' At that very same time, though you would think that the private insurance companies and the HMOs would be trying to at least curry some favor with the public or to at least give an impression of their wanting to do what insurance companies have been in the business of trying to do, and that is to share risk, that is what insurance is about, they then announced the first part of July that, wow, we are going to pull the rug out from under seniors by jumping out of the Medicare Choice Plus, that HMOs were going to get out of the Medicare business.

In my State of Connecticut, 52,000 people are now going to scramble to figure out what they do about their insurance coverage. If you want to add insult to injury, we have got a group of folks here who say, whoa, let's entrust the prescription drug benefit through these entities that if their bottom line is less than the profit margin that they want to make, not that they are not making a profit, but it is less than what they want to make, they vamoose, they go away and say, ''You're on your own.'' It really is mind-boggling that they would in the midst of this incredibly important conversation about trying to provide a benefit. It just says to me loud and clear that they are not interested. They are not interested in providing a benefit because they do not want to take on the risk, and they are not interested in providing health care coverage if it does not meet that profit level that they anticipate to make.

I met yesterday in two meetings with close to 350 seniors. I did that and brought in some folks to talk to them because the HMO coverage does not end until December 31, so that they have got some time. I wanted to try to reassure the seniors in my community not to panic because we are going to try to get some answers, try to get them some information where they can go back to the original Medicare, they can get a MediGap supplement and so forth, so that they should not feel that they had to jump before they had any understanding about what premiums were going to be, what benefits were going to be, et cetera.

One wonderful woman, she just darted up, and she said, ''Congresswoman DELAURO, I know you're telling us not to panic, but we are in a panic. We are. We don't know what we're going to do. We don't know if we're going to get coverage. We don't know if our benefits

are going to be cut. We bargained for this. What is going to happen to my prescription drugs?'' I am standing there saying to this woman not to panic, but they have every reason to be concerned. I am still going to reiterate not to panic because we want to try to see what we can do, but people are very concerned, and that is compounded because they joined these programs, many of them, because it held out a prescription drug benefit.

One woman in another meeting got up and she said, ''They wined and dined us. They met with us. They took us out for lobster dinners. They talked with us about this and then they pulled back. And this is just 3 years ago. They have now pulled back.'' Lots of those folks joined up because it was a prescription drug benefit because they are being choked to death by the cost of prescription drugs.

To just enforce what you have said and to associate myself with you, that on this floor we could see that they produced a plan on the other side of the aisle that put the fate of our seniors in the hands of these institutions who will not wait around to see whether or not something works and that provides a benefit to seniors. But again if the profit motive is not there, they are gone.

□ 1930

And they are gone in a heartbeat. That says something loud and clear to me about the values of those institutions, as well as the values of the people in this House who decided that that was the way in which we ought to deal with prescription drugs in our society today, because that is what this issue bears on, is the issue of values, what we believe are the priorities and what are the things that are important.

When you get to looking at budgets, they are living documents. They are living documents. It is about who we are as a country. And we have laid out a prescription drug plan as Democrats that I am proud of. I really am proud to stand behind this. It says, Let's go through a system that we know has made one incredible difference in the health care of seniors in this country. Ninety-nine percent today of our seniors are covered by Medicare, and it may have its warts and it may have some difficulties, but it has worked. It is tried, it is true, it is reliable, it is trustworthy, and seniors have come to count on it.

Let us work through something that has roots and that people do understand and trust and says it is defined for you, it is voluntary, it covers all of the seniors, everywhere in the country, and it will make a difference in driving that price down, and it will bring you some relief, so that while you are ill, you know you can get and pay for the medication that will help to make sure that you are healthy and that you are safe.

I am proud to be here with my colleagues tonight to talk about it, and I know we will every single night, talk about this issue which plays such an enormous role in the lives of families today.

Mr. TURNER. Mr. Speaker, I thank the gentlewoman from Connecticut (Ms. DELAURO) for sharing her thoughts on this issue. You talk about those seniors that you visited with over the July 4th recess, and I always come back to a lady that is my constituent down in Orange, Texas, that came into a little gathering that I had over 2 years ago at a local pharmacy there in Orange in Southeast Texas, when I went around for the very first time in my district to talk about the problem of the high price of prescription drugs and what I thought we should try to do about it in Congress.

She heard I was coming by a little newspaper article, and she showed up, a lovely lady, Mrs. Francis Staley, 84 years old, blind. She takes 12 prescriptions. They cost her about what her Social Security check is, $400-some a month, and she just came by to tell me that she appreciated that we were trying to help.

Now, there are a lot of Ms. Staleys out there, and there are going to be a lot more, as the gentlewoman from Connecticut (Ms. DELAURO) said, when these seniors start getting the notices that most of them are getting in my district and yours and that of the gentleman from New Jersey (Mr. PALLONE), saying that their Medicare+Choice plans are being cancelled by their insurance company.

As was said, most of the seniors that signed up for those plans did so because they wanted the prescription drug coverage that those insurance companies used to entice them to sign up in the first place.

We are truly headed for a crisis in health care in this country, specifically a crisis relating to prescription drugs, because you must know that the people that signed up for those Medicare+Choice plans were the very seniors who really needed the prescription drug coverage.

Now, our country is very prosperous. We live in better economic times than we have ever known. We have had record surpluses reported to this Congress, and, if we are the compassionate people that I hope we are, we can see our way clear to pass a meaningful, genuine prescription drug benefit under the Medicare program for our seniors. I truly believe we can.

THE GREATEST PROBLEM FACING AMERICA—ILLITERACY AND FUNCTIONAL LITERACY

The SPEAKER pro tempore (Mr. TAYLOR of North Carolina). Under the Speaker's announced policy of January 6, 1999, the gentleman from Pennsylvania (Mr. GOODLING) is recognized for 60 minutes.

Mr. GOODLING. Mr. Speaker, I took this hour because I want to try to make sure that all the American people and all Members of Congress understand the greatest problem facing this Nation, and I repeat, the greatest problem facing this Nation. It is illiteracy and functional literacy. There are those in the chamber and out in the public who will say, Well, that is a local problem. There are others that will say, Well, that is a State problem. I want Members to understand it is neither a local problem nor a state problem, it is a national problem. Our survival as a great Nation will depend on whether we can attack the problem and whether we can solve the problem.

Let me just point out a few statistics from the National Adult Literacy Survey. This goes back to 1992, and therefore these figures are much higher even today. Forty to 44 million out of 190 million adults demonstrate the lowest basic literacy skills. Approximately 50 million adults have skills on the next higher level of proficiency. Forty-two percent of all adults who demonstrate the lowest basic literacy skills are living in poverty.

Does that not sound like a national problem? It surely does to me.

Adults in prison are far more likely than those in the general population to perform in the two lowest levels of literacy. Seventy percent of prisoners scored in the two lowest levels. This means they have some reading and writing skills. They are not adequately equipped to perform simple necessary tasks to survive in the 21st Century. Only 51 percent of prisoners have completed high school or its equivalent, compared to 76 percent of the general population.

I show the next chart simply to point out that many of those of us who serve in the Congress do not have the opportunity to serve large center city populations, and I show some of those large city populations: Los Angeles in 1997, 680,000 people; this city, Washington, D.C., 77,000; Miami, almost 346,000; Chicago, 477,000; New York, over 1 million; and on and on the list goes.

Now, even though we do not have the opportunity to represent some of these larger populations, we also realize that many in these larger populations are in those low levels of literacy, and so we should make every effort to understand the obstacles they face, such as unemployment, or the inability to be their child's first and most important teacher.

I want to repeat that: Inability to be their child's first and most important teacher. We found out a long time ago, unless some adult in that child's life can be that child's first and most important teacher, obviously you are not going to break the cycle of illiteracy. It will be too late by the time they get to first grade. Of course, their dependency on Federal assistance programs is well documented.

Now, the future of the great Nation depends on our ability to understand these problems facing illiterate adults, and then to find ways to correct the