

According to Congressional Research Service, as of January 2009, all Medicare beneficiaries across the country had access to Medicare Advantage plans along with traditional Medicare plans. The choice is particularly crucial in rural areas. Between 2003 and 2007, more than 600,000 beneficiaries in rural areas joined the Medicare Advantage Program, which is a 426-percent increase.

The Medicare Advantage cuts proposed in the Finance bill will force plans to cut benefits, increase premiums, or drop coverage altogether. In fact, CBO estimates that enrollment in Medicare Advantage will decrease by 2.7 million people by 2019, resulting from the changes in this proposed legislation.

This number represents not only people who would lose their plan but also those who would no longer be able to choose Medicare Advantage because of the decrease in benefits.

CBO estimates that the value of extra benefits offered by Medicare Advantage plans will drop from \$135 a month to \$42 a month. When we were in the Finance Committee markup, I asked CBO Director Elmendorf to confirm this point. I asked him:

So approximately half of the additional benefit would be lost to those current Medicare Advantage policyholders?

His response was:

For those who would be enrolled otherwise under current law, yes.

The point is, the Medicare Advantage cuts in the Finance Committee bill will clearly break the President's pledge that if you like the insurance you have, if you like the protection you have, you can keep it.

Even if some seniors on Medicare Advantage are able to keep their plans, they are not going to be able to enjoy the same level of benefits they enjoy today. During the Finance Committee markup, I offered an amendment that would have prohibited the implementation of the bill's Medicare Advantage provisions if their implementation would decrease choice and competition for seniors in Medicare—very simple and straightforward. The amendment was defeated on a straight party-line vote.

Many congressional Democrats argue that by defending Medicare Advantage you are actually defending overpayments to insurance companies. That is not true either. Medicare Advantage plans are paid 14 percent more, on average, than traditional Medicare fee-for-service. However, these overpayments—or alleged overpayments—don't go into the plans. They go to the seniors enrolled in the plans in the form of extra benefits. That is why Medicare Advantage is so popular among seniors. Seventy-five percent of the additional payments to Medicare Advantage are used to provide seniors with additional benefits—benefits such as dental coverage or vision coverage or preventive medicine or flu shots or hearing aids. The remaining 25 percent is returned to

the Federal Government. So the cuts to Medicare Advantage will reduce benefits and will deprive seniors of choice.

But that is not the only kind of cuts we have coming to Medicare. In addition to the cuts to the Medicare Advantage Program, the Finance Committee bill also contains massive cuts to other Medicare providers. It contains \$40 billion of cuts to home health agencies, there are nearly \$8 billion of cuts to hospice, and more than \$16 billion of cuts to skilled nursing facilities. These levels of cuts would be devastating for providers and will threaten access as well. As more and more providers will not take Medicare patients, it will be harder and harder for beneficiaries to find care.

I spoke to Gary Thietten, the president and owner of Idaho Home Health & Hospice, just last week about the impact of the Medicare cuts to home health and hospice. He described to me how bad the fiscal situation has become for home health, hospice, and other Medicare providers in Idaho. Idaho lost nearly 30 percent of its home care providers in 1998 and 1999, including the State's largest provider. The providers that are still in business in my home State are working under the same Medicare reimbursement levels they received in 2001—8 years ago. If the cuts from the Finance Committee bill go into effect, on top of the current reimbursement issues, the situation will get significantly worse for many providers, and the net result, again, would be a loss of providers, a loss of options, and a loss of services to our seniors.

Costs have gone up considerably due to the economic downturn, and rural Idaho is being hit the hardest. Gary compared the situation for home health and hospice providers to the farmers in Idaho. Most farmers don't grow just one crop. Similarly, home health agencies don't provide just one service. They provide hospice and private-duty care, along with medical supplies and equipment. All of these services are going to suffer because of the home health and hospice cuts.

These proposed cuts will not just affect providers in my home State, they will affect Medicare providers in every State around the country, particularly rural States, which already face significant provider access problems. At some point, providers will no longer be able to give the best care or any care, for that matter, to Medicare beneficiaries. As I indicated earlier, we have already seen the trend start with those medical service providers that simply can't afford to take Medicare patients.

I have long supported policies that increase access to high-quality affordable health care for all Americans and provide for fair reimbursements to providers of the medical services rendered. However, the types of blunt, across-the-board cuts we see in these proposed bills will result only in increased harm to providers and to Medicare beneficiaries around the country.

It is my hope that as we face these difficult times, and dealing with needed health care reform, we will not take the cuts out of the Medicare Program that are proposed in this legislation. Specifically, and importantly, it is critical that we not cut our Medicare beneficiary services in order to simply fund a new, massive government entitlement program.

With that, I yield the floor.

#### RECOGNITION OF THE MINORITY LEADER

The PRESIDING OFFICER (Mr. UDALL of New Mexico). The Senator's time has expired. The Republican leader is recognized.

Mr. MCCONNELL. Mr. President, I will proceed on my leader time.

The PRESIDING OFFICER. The Senator has that right.

#### HEALTH CARE REFORM

Mr. MCCONNELL. Mr. President, the American people are paying close attention to the ongoing debate over health care, and they have noticed a worrisome trend. The longer this debate goes on, the further Democrats in Congress seem to drift from the original purpose of reform.

At the outset of this debate, the American people were told reform would lower costs, a goal all of us supported. The administration is right when it says the rising cost of health care in this country is unsustainable. Costs must be reined in. But the proposals we have seen so far don't address that problem. In fact, they make it worse. Instead of reining in costs, the proposals they have advanced are expected to drive costs even higher, costs that will then be shifted onto families and small businesses.

Yesterday, I pointed out the absurdity of the situation we are in. Reform that was meant to lower costs is now independently confirmed to make health care more expensive. Reform that was meant to make life easier is now expected to make life harder for families, businesses, and seniors from one end of our country to the other.

Let's focus on Medicare a moment, a program tens of millions of America's seniors rely upon. How is this program doing financially? It is not a pretty picture. Medicare started running a deficit last year, and the Medicare trust fund is expected to run out of money in less than a decade. Looking a little further ahead, Medicare is slated to spend nearly \$38 trillion that it doesn't have. Simply put: Medicare is broke. For the sake of our seniors, we need to fix it.

But the advocates of this legislation look at Medicare and they see something else. They do not see a problem to be fixed, they see a giant piggy bank. Rather than fix it, they want to use it to fund an entirely new set of government-run health care programs.

Medicare was an attractive target for the people who wrote this bill. They