economy. The task force needs to urgently refocus and bring its firepower to the battle to stop excessive speculation.

In closing, until we limit excessive speculation in commodity markets, the American economy will continue to be vulnerable to violent price swings and American consumers and businesses will continue to be whipsawed by oil prices unconnected to actual supply and demand. American families cannot afford the current price of oil and gas and neither can our economy, which, after 4 years, is beginning to turn a corner toward real growth. Today's prices—$110 for a barrel of oil and $4 for a gallon of gasoline—are a clarion call to action that Congress and the CFTC ignore at the Nation's peril.

Mr. President, I thank the Chair, and I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Indiana.

HEALTH CARE

Mr. COATS. Mr. President, this past Friday marked the 2-year anniversary of when the president's health care law, the affordable care act, otherwise known as ObamaCare, was signed in to law. I wasn't in the Senate at the time; I was actually in the State of Indiana campaigning to be in the Senate as a representative of that State. As such, I had spent a considerable amount of time crisscrossing the State and talking to Hoosiers about the health care plan. From diners and restaurants all across Indiana to small businesses, large businesses, medium-size businesses, big industrial giants, small mom-and-pop operations, medical providers, and ordinary citizens, we in Indiana join the nearly two-thirds—or perhaps even more than two-thirds—of the country that oppose this law.

Hoosiers didn't then, and they don't now, want to have a one-size-fits-all nationalized health care system. They want a healthier health care system. They want reforms to the current problems and excessive rising costs of health care. This is the first of many attempts I will make to discuss why we need to address this law, which is moving toward ever and ever greater implementation and particularly kicks in over the next two years. Hoosiers, as I said, did not want the plan then and they don't want it now. They don't want to have Federal bureaucrats making their health care decisions for them. They want less government intervention and higher quality of care, and they don't want a health care system that increases costs and premiums while hurting job creators with fines and penalties. They want affordable care and good job opportunities.

Two years after passage of that act, I continue to hear these messages from the people of Indiana and from others as we discover more and more information about what is contained in this massive 2,700-page bill that was passed in early 2010. I wish to discuss a few of the impacts of the ObamaCare law today. The first is the individual mandate, and of course that is one of the issues the Supreme Court is hearing right now and will be making a determination on.

ObamaCare is the biggest example of government intrusion in the everyday lives of Americans, whether by forcing individuals to buy health insurance, enacting onerous regulations on small businesses, or by raising taxes and imposing penalties. The health care law forces every American to purchase a health insurance plan or, if they choose not to do so, to pay the government a fine. This is unprecedented in American history. It is the first time the Federal Government is forcing citizens to purchase a product or a service they may or may not want or pay a fine for their decision to say no.

This administration basically is saying to Americans: We know what is better for you than you know for yourself. We know what is better for you than what your doctor suggests is needed, and if you don't get a government-approved health care plan, we are going to assess you a fine.

That is a basic, fundamental principle of constitutional law and the Supreme Court will be making that determination. But I suggest that this Congress needs to continue to debate this and be prepared to act depending on what the Supreme Court decision is, which will come down several months from now.

The second thing I wish to talk about briefly is the higher costs that emanate from this particular piece of legislation. In addition to mandating that all Americans have health insurance, ObamaCare hits individuals and families with increased costs at higher premiums. The Nation's nonpartisan budget experts at the Congressional Budget Office estimate that when fully implemented, this law will increase insurance premiums on a family policy by an average of $2,100 a year. Therefore, the affordable care act is hardly affordable and increases the already high premiums people have to pay for insurance.

The President's own Chief Actuary at the Center for Medicare Services reported that the law will increase national health care costs by $311 billion in the first 10 years alone—increase is the key word here. The goal of reforming the Nation's health care system initially was to reduce the skyrocketing costs for Americans, not increase them. Yet, we are now being told by the experts and the President's own people that Obamacare will increase costs.

I also wish to speak about the impact of this law on businesses. I talked to dozens if not hundreds of businesses across the State of Indiana, both in the campaign year of 2010 and then last year traveling as a Senator throughout the State. The President's health care prescription results in bad side effects for American businesses by hitting job creators with new taxes and new regulations that they desperately don't need at this point in our struggle to regain economic growth. Take the employer mandate. The law penalizes businesses that do not provide employees with government-approved health care plans. Beginning in 2014, American businesses with more than 50 employees will be fined $2,000 per employee if they do not offer a health insurance plan approved by the Federal Government.

I have talked to a number of business people who have gone through painful negotiations with their workers and with their laborers and with staff. They have put together a health care plan that is accepted by both management and by employees who recognize that if they cannot maintain some semblance of control over costs, the jobs might not be available in the future because the company cannot afford to keep people at work. So in recognition of all of this negotiation that goes on and the contractual obligations that both sides work to achieve, understanding that if the business is hit with too much tax and too many regulations the business may not survive, those plans now come under the scrutiny of the Federal Government, and the Federal Government will determine whether those plans are sufficient and adequate. If it determines they are not, then a fine is levied against the business.

I cannot tell my colleagues how many business people told me: Look, I would rather pay the fine than have the government impose all of these new regulations on us when we are working carefully with each employee to make sure they have their basic insurance needs covered. Yet, if we are forced into a set plan of set procedures for every employee, then I have two choices, the business people say: I can either refuse to do so and pay the penalty of about $2,000 per employee, or I can let people go. The bottom line is, if I can't make my bottom line, I cannot keep these people employed.

The arbitrarily fixed basis that small businesses under 50 employees will not be subject to this leaves manufacturers and business people who are slightly below that level—say at 45 or 40 or 35—a dilemma as they are seeking to expand their business. ''As soon as I hire No. 50, then my business is no longer exempt. So what do I do? I freeze out hiring more people and look to double up people's salaries or put people on overtime.'' At a time when we have over 12 million people looking for a job and millions of people underworked or working two and three part-time jobs to make ends meet, we are imposing this law on them. It could not have come at a worse time.

Then there is a medical device tax and several other taxes that are included in this bill that we continue to find as we read the fine print.

Indiana is a State that is home to a lot of medical device manufacturers. In

fact, there are over 300 registered medical device manufacturers that employ 20,000 Hoosiers in the State of Indiana and another 28,000 people who benefit from that employment. There are more than 400,000 workers employed nationwide by this industry.

So what did the ObamaCare plan propose? Well, we need some pay-fors. To pay for the law, the administration decided to impose a 2.3 percent tax on these medical device manufacturers.

The PRESIDING OFFICER (Mr. TESTER). The Senator's time has expired.

Mr. COATS. Mr. President, I sense I am approaching a deadline in time. I am wondering if I could, with the consent of my colleague, ask unanimous consent for 5 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. Thank you, Mr. President.

These medical device manufacturers are employing people at an average rate of about 41 percent greater than the average worker rate of pay in my State, so these are desired jobs. But, again, employers and manufacturers of medical devices are telling me they are being forced to go overseas because of the burden of regulation and a tax that has nothing to do with the essential program of the health care plan.

That is not the only tax that is imposed in this law. There are many hidden taxes here that we are just learning about. Let me name five: the excise tax on charitable hospitals; the drug industry tax, separate from medical devices; the health insurance industry tax; the insurer excise tax; and a Blue Cross-Blue Shield tax hike.

The Joint Committee on Taxation found that the health care law imposes more than $550 billion in new taxes and penalties, most of which will fall on the middle class.

Third, the impact on the State of Indiana.

ObamaCare forces States to expand Medicaid rolls so significantly that it will be imposed—and this has been talked about earlier today—upon the States in a way that can cripple their ability to try to find some balance in their budgets. In Indiana, where our budget is in far better shape than many other States, we still cannot afford the current Medicaid Program, let alone the projected new costs that will be required under the ObamaCare law.

An outside group has estimated that $3.1 billion in new costs over the next decade will be imposed on Indiana taxpayers if the 1.5 eligible Hoosiers enroll in Medicaid as a result of this health care law. This added expense does not include any payment relief to providers and, therefore, shifts costs to patients by driving up premiums for all Hoosiers.

In conclusion, we have to ask the question: What is the remedy for this fatal disease called ObamaCare? Well, the remedy may lie with the Supreme Court. They are hearing arguments on this today, and will for the next 2 days, and we will have a decision on the constitutionality of this law by the summer. But the health care debate also, most likely, will end up back here in Congress one way or another, and that leaves us the responsibility of addressing this.

From forcing individuals to purchase insurance, to taxing successful job creators and burdening State budgets, I believe the health care law is so deeply flawed that it must be scratched and replaced with real reform, reform that lowers the cost of care, allows the doctor—your doctor, not the government—to decide the kind of medical care you need, and provides flexibility to States.

Real health care reform lowers costs, it improves access to quality care, empowers individuals, and preserves personal liberties; and that is not what we have in the law that currently is on the books. So whether through congressional legislation or court action, ObamaCare needs to be overturned and replaced with commonsense provisions that put patients—not government, not bureaucrats—in charge of health care decisions.

ObamaCare has proven to be the wrong prescription, and it is time for a new treatment. Americans want reform that remedies our ailing health care system, not one that weakens it and drives it deeper and drives us deeper as a Nation into debt.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, since this is the 2-year anniversary of the passage of the health care reform law, the affordable care act, and since the Supreme Court, of course, is meeting across the street hearing various arguments attacking the legislation—they heard arguments this morning; they are going to hear arguments again tomorrow morning; and they are going to hear arguments again Wednesday morning—I believe it is a crucial time to remind all Americans why this law was needed, why it still is needed, and how it will benefit families across this country.

In my view, there is considerable confusion about what the health care reform legislation will accomplish. And I am not surprised. The opponents of the legislation have worked hard in the last couple of years trying to confuse many Americans into thinking the bill contains all kinds of nefarious provisions.

The Kaiser Family Foundation did a poll, however, that demonstrated when Americans are asked about the actual provisions that are contained in the law, there is strong bipartisan support for those reforms. So I wish to take a little time to straighten out what the provisions in the law are and how I see them impacting on our health care system.

Health care reform was needed when it was enacted 2 years ago for two important reasons. First, before reform—and even today—one in six Americans was uninsured. That number was growing, is still growing. In my home State of New Mexico, the situation was even worse. We had more than one in five people in my State uninsured. That is the second highest rate of any State in the Nation. The large majority of the uninsured are working people. They have low incomes. They cannot afford to pay the very high cost of health insurance.

The second important reason we enacted health care reform was that the cost of health care was continuing to grow at an unreasonable rate.

As you can see on this chart I have in the Chamber—this is based on data from the Centers for Medicare and Medicaid Services, Office of the Actuary—they estimate that national health expenditures per capita increased from 5 percent of gross domestic product in 1960 to 18 percent in 2010. So absent any intervention, this figure was projected to exceed 40 percent by 2080.

The affordable care act significantly improves the situation. It does not solve all the problems in our health care system, but it substantially improves the situation. Due to the affordable care act, over the next 10 years, the rate of uninsured will be reduced by more than half. That is according to the Congressional Budget Office estimate. Low-income families will be able to afford health insurance, so they will not have to worry about going broke because they get sick. The rest of America will not see their insurance premiums rise to absorb the cost of expensive hospital care when the uninsured have nowhere else to turn.

With full implementation of this law, Americans will get higher quality health care while at the same time we begin to rein in the growing costs of health care. The law does so while protecting key parts of the health care system, such as Medicare. It extends the solvency of Medicare from 2017—prior to the enactment of this legislation—to 2024. Despite claims to the contrary, these reforms are fiscally responsible. They decrease Federal health care spending by well over $1 trillion over the next two decades.

Stated simply, the law protects the aspects of our health care system that are working well and fixes many of those aspects that are broken, and it does so in a fiscally responsible way. It achieves this through provisions that are intended to support three main goals. Let me go through those briefly.

The first of those goals is to expand coverage and ensure health insurance is affordable. The second of those goals is to improve the quality of health care. The third is to begin reining in the rapidly rising costs of health care and create efficiencies in our health care system.

Let me start with this coverage expansion under the affordable care act. Under the law people who need health care can get health insurance coverage.

There is financial assistance to those who cannot afford it. According to the Congressional Budget Office's most recent projections, 93 percent of Americans will have affordable health insurance coverage by 2016 with full implementation of this act. That is 30 million more Americans who will be covered who are currently uninsured.

Some of these provisions have already taken effect and have had a significant impact. For example, young adults up to the age of 26 can now receive health insurance coverage under their parents' insurance regardless of their marital or school or employment situation. Since the implementation of this provision, 2.5 million uninsured young people across the country have gained health insurance coverage. This includes over 21,000 young people in my home State of New Mexico.

In addition, 20,000 seniors in my State who are in the so-called coverage gap for prescription drugs under Medicare are now saving on their prescription drugs because that so-called doughnut hole is decreasing in size as a result of this legislation. This is already benefiting 3.6 million seniors nationwide.

Children with preexisting conditions are no longer able to be discriminated against, and adults with preexisting conditions who cannot get insurance have the option for coverage in a high-risk pool. With full implementation of the law, those adults will be in the same circumstance as children with preexisting conditions in that they will not be able to be discriminated against.

What is more, the major coverage provisions are still to come. They begin in 2014. Medicaid will be expanded to cover more low-income Americans, those whose incomes go up to 133 percent of the Federal poverty level. This is a critical provision since experts tell us the expansion of Medicaid coverage is the most cost-effective way to provide insurance to low-income uninsured individuals and families.

Seventeen percent of the nonelderly population nationwide benefit from the Medicaid expansion and the tax credits in this legislation. In New Mexico, as well as the States of Texas and Louisiana and California, which have high rates of uninsured, the estimate is that 36 percent to 40 percent of residents could benefit.

Lower and middle-class income families will be eligible for health insurance tax credits to help purchase health insurance. While most Americans will still get health insurance through their employers, those who do not can purchase health insurance through the health insurance exchanges. These will be virtual insurance shopping malls in each State that will offer an easy-to-understand menu of options with which to compare insurance plans. So we will have informed and empowered consumers who can choose the plan that is right for them and their family. The intent of the health insurance exchange is to level the playing field, increase competition among insurers, and thereby keep rates competitive.

Contrary to much of the rhetoric we have heard, States will not shoulder the fiscal burden of this coverage expansion. Limiting costs to States was a priority when we drafted this health care reform legislation. In fact, the Federal Government commits to assume 100 percent of the cost of the Medicaid expansion for newly eligible individuals during the first 3 years, beginning in 2014. Federal contributions are going to phase down after that slightly over the following years, so that by 2020 the Federal Government will be responsible for 90 percent of the cost of those newly covered individuals.

For example, my State of New Mexico is expected to receive $4.5 billion in 2014, 2015, and 2016, as we expand coverage to more enrollees. This will allow access to Medicaid for about 180,000 newly eligible New Mexicans.

Let me refer to this chart that is beside me. This shows the Congressional Budget Office's estimate of the expansion impact on State spending on Medicaid. As we can see, contrary to a lot of the statements that are made on the Senate floor and elsewhere, this increase is less than 3 percent. This is additional spending on expansion. It is a small fraction, 2.8 percent, of State Medicaid spending. This is for the period 2014 through 2022.

While reform expands Medicaid, it also makes it possible for some current Medicaid enrollees to become eligible to participate in the health insurance exchanges and brings them into the private market. According to the Urban Institute analysis, the net effect of enactment of the affordable care act on State budgets, in the worst case scenario, will see States realizing net budgetary savings of at least $40 billion during the period 2014 to 2019. It is possible those gains could be as high as $131 billion.

With respect to affordability—and I know my colleague who was just on the floor was talking about affordability—the impact on New Mexico families is a good example. On average, families in my State will see a decrease in insurance premiums, perhaps as much as 60 percent. In addition, two-thirds of New Mexicans could potentially qualify for subsidies or Medicaid, and nearly one-quarter could qualify for near full subsidies or Medicaid.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. BINGAMAN. I see a colleague who wishes to speak. Therefore, I will ask unanimous consent that the balance of my statement be printed in the RECORD as if read.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. INHOFE. Does the Senator wish to continue?

Mr. BINGAMAN. Mr. President, my colleague has said I could proceed for a few more minutes. Let me just——

Mr. INHOFE. Mr. President, I ask unanimous consent that at the conclusion of the remarks of the Senator from New Mexico, I be recognized for up to 25 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BINGAMAN. I thank my colleague from Oklahoma for his courtesy. Let me talk a little about the second and the third goals I outlined earlier.

The second goal of the affordable care act is to improve the quality of care. There is not a lot of discussion about that, but that is a main thrust of this legislation. A strong, well-trained health care workforce is essential if we are going to have quality health care in this country.

Many provisions of the bill will strengthen the health care workforce. One obvious question is, What is the need we are trying to address? Let me point out that 25 percent of the counties in the United States are designated as health care professional shortage areas. In my State, 32 of the 33 counties are designated as health care professional shortage areas. We are absolutely last. New Mexico is absolutely last in all States with regard to both access to health care and the utilization of preventive medicine.

The affordable care act contains key provisions to improve access and delivery of health care services to these areas. We train a great many additional physicians, nurses, pediatric specialists, and other health care providers. There is a major push to improve the quality of care by focusing on outcomes and effectiveness of medical treatments. All this is very positive and should have been done many years ago in this country. I am glad we are finally doing it as part of this health care reform legislation.

The third and final goal of the legislation, as I mentioned earlier, is to begin to rein in costs and eliminate waste and inefficiency. Experts agree there is a tremendous amount of waste and inefficiency in our health care system. Anyone who has gone to a hospital can see that. Estimates indicate that as much as one-third of medical care does not, in fact, improve anyone's health. I think this bears repeating. A full one-third of all dollars spent on health care in this country does not contribute to the overall health of the population.

We are trying to deal with that in a variety of ways in this legislation, to get more cost-effective treatment and to get more efficiency in our health care system.

The law provides for savings by stopping investments in so-called Cadillac insurance plans. Second, there is new transparency and accountability for insurers to justify premium increases. Third, the law requires that insurers spend at least 80 percent of the premiums they collect on actually providing medical care rather than on CEO salaries and shareholder profits and administrative costs. Fourth, the

affordable care act increases competition and price transparency through these health insurance exchanges we established. Fifth, the law establishes an independent body to recommend policies to Congress to help Medicare lower costs while providing better care. I can go into quite a discussion of the advisory board we established to try to control growth in the cost of Medicare. I think it is a very meritorious provision and one about which a great deal of bad information has been provided.

In conclusion, the facts demonstrate clearly to me that these reforms will move us forward toward more affordable health care, with greater choice for American families. We will see less waste. We will see less inefficiency in our health care system. We will see higher quality of care. We will start to bring rising health care costs under control.

These are worthy goals. They are the goals of this health care reform legislation. I look forward to seeing them achieved in the coming months and years.

Again, I thank my colleague for his courtesy in allowing me to continue longer than was planned.

I yield the floor.

The PRESIDING OFFICER. The Senator from Oklahoma.

ENERGY

Mr. INHOFE. Mr. President, we are going to have a vote this afternoon. It is going to be a procedural vote. Some will be voting different ways. There is a substance behind the issue at large.

Last week, President Obama visited Cushing, OK. It may have been the first time he has ever been to Oklahoma. I do not know. He claimed that under his watch, he said, ''America is producing more oil today than at any time in the last 8 years.'' It seems that in the midst of $4- to $5-a-gallon gasoline, he is trying to convince the American people he is not one to blame. Clearly, he is the one to blame.

That is why I think it is important to set the record straight. After all, it was Obama's Energy Secretary Steven Chu—we cannot forget this—who said: ''Somehow we have to figure out how to boost the price of gasoline to the levels in Europe.'' That was his Energy Secretary who was speaking on behalf of President Obama.

So the motive is to raise the price of gas. Right now, we are almost over halfway there. We all remember the President's statement during the 2008 campaign when he said: ''Under my plan, electric rates will necessarily skyrocket.'' His policy agenda has been in lockstep with this goal.

President Obama has had a 4-year war on fossil fuels, and now we are paying for that at the pump. As to the oil and gas taxes, nowhere has the President been more resolute in stopping oil and gas development than in his tax proposals, every budget since he was sworn in. Now we are talking about four budgets this President has presided over. Keep in mind, when a budget is designed by a President, whether he is a Democrat or Republican, it is the President, not the Democrats, not the Republicans, not the House, not the Senate, it is the President who is responsible for that budget.

In every budget the President has called for the elimination of all tax provisions made available to the oil and gas industry. This year these tax increases totaled about $40 billion over 10 years. So while the President was going around the country last week trying to convince everyone he is actually pro oil and gas, he laid the groundwork for Senator MENENDEZ to push a bill through the Senate to raise taxes on the industry.

Senator MENENDEZ's bill, S. 2204, proposes to either modify or outright cancel the following tax provisions for major integrated oil and gas firms. First, the section 199 manufacturer's tax deduction; secondly, intangible drilling costs, sometimes referred to as IDC; third, the percentage depletion; and, four, the foreign tax credit for oil and gas firms.

Last time we actually had a vote in the Senate on these provisions was in June of 2010. I remember it very well because that was when the distinguished Senator from Vermont Mr. SANDERS offered an amendment that would have raised taxes on oil and gas producers by $35 billion over 10 years by repealing section 199—same thing he is trying to do—percentage depletion and IDC.

While the Menendez bill is a little different, it applies to the larger companies, those with substantial production levels. It is important to point out that the Sanders amendment—and I led the opposition to the Sanders amendment—was defeated almost 2 to 1, 35 to 61.

The President insists these tax and accounting provisions are actually subsidies, but nothing can be further from the truth. This has not been done yet, to my knowledge—been explained. It is so important people understand what these provisions are.

Section 199 is the manufacturer's tax deduction. Section 199 was added to the Tax Code as a part of President Bush's 2004 tax law. It was designed to support domestic manufacturing, and it did this by providing a 9-percent tax deduction for manufacturers, effectively lowering their tax rates from 35 to 32 percent.

The provision was phased in between 2005 and 2010. But, in 2008, something strange happened. The oil and gas industry was singled out so it could only claim a portion of that deduction. In other words, all other manufacturers of all other goods in America could claim that deduction, except oil and gas.

The Menendez proposal would repeal section 199 from major integrated oil companies. In the President's budget, a similar proposal was scored at $11.6 billion. I am going to add all these in a minute and let everyone know why we are paying so much at the pump. What is most interesting to me about the section 199 tax deduction is that it is available to any company in the United States that creates any kind of manufactured goods here at home.

Firms that build and sell refinery equipment, airplanes, washing machines can all claim the deduction. It may be surprising, however, that the deduction is also available for movie producers—not oil and gas producers but movie producers. That is right. The American film industry can claim a deduction for making movies. So President Obama and Senator MENENDEZ are putting their Hollywood friends and movie stars ahead of an industry that makes us less reliant upon oil imports from the Middle East. There is no surprise there.

The next thing is—that was section 199. That is a manufacturer's deduction, applies to all, and benefits all manufacturers to encourage domestic manufacturing.

The second thing is intangible drilling costs, IDC. This is a little bit more complicated. But the intangible drilling costs are expenses oil and gas firms incur when they drill and prepare new wells. These costs often total between 60 and 80 percent of a well's cost. They are generally not recoverable and include things such as site preparation, labor, design.

Intangible drilling costs are firmly grounded in sound accounting principles. Every basic accounting course discusses the principles of cost recovery. It is safe that businesses should be allowed to write off their expenses from the revenue they earn to account for the cost of doing business. That is logical. No one is going to disagree with that.

When purchasing substantial capital equipment, depreciation is often used to recover the costs of an investment over its useful life. But things such as wages are nearly always deducted immediately because once a company has paid an employee for work, it has no lasting value. To retain the value, they have to keep paying the employee. Hence, it is an immediate expense, and it is deducted from the revenue when determining the net profit.

The IDC deduction has been on the books since 1913. This is not anything new. We have lived with it for almost a century.

Most of the costs associated with the preparation of new wells should be classified as an immediate expense—things such as labor. The expenses of IDCs make sense. To claim it is a subsidy is totally dishonest. Every company, regardless of whether it is an oil or gas firm or any other company, is allowed to recover costs associated with their investments in business operations. If this is going to be labeled a subsidy for the entire economy, then we have big problems.

Current law allows most oil and gas firms to write off these expenses as an