

this, but they took statistics and they molded them in this presentation as a follow-up to the President's staged appearance in Colombia, and used them in a fashion which I think was deceiving and which violates the intent.

In fact, there is an article which says the administration may have violated the law by not properly reporting to the Congress as required by the law.

But what they did was they took the perceived drug use as harmful of 12th graders, and they took a 1996 baseline that we started out with, and showed that 59.9 percent in 1996 perceived drug use as harmful, these 12th graders. Each year that had decreased.

We wanted to find out if the \$1 billion we are spending is effective. They came out with a report, and what they did was they changed the baseline. They changed the baseline from 1996 to 1998 so that they could show it was a smaller baseline.

In this drug control strategy we require that they set a goal, so we know that we are getting something for our money, and we try to reach this goal. The goal they set was for 80 percent of the use, the 12th grade use to perceive this as harmful, drug use as harmful. What we have seen is actually a deterioration in this.

The administration cleverly took, and it was not discovered by our subcommittee but by a reporter, and changed the baseline to 1998, used the new baseline. They shifted from 12th grade, because they had slightly more favorable statistics for eighth-graders, and used those statistics. So what they did was they said they were getting closer to their goal, and eighth-graders were 73 percent more likely to perceive drug use as harmful, and said they were 7 percent from reaching their goal, when in fact they had actually deteriorated in the 12th-grade range, and researchers will tell us that 12th grade is a better measure of long-term drug use. Twelfth-graders usually set the stage for their lifetime action with the illegal narcotics.

□ 2045

So we have seen a clever and rather deceitful distortion of a law that we passed to try to gauge performance and find out if we are meeting our objectives, and I find that very disturbing. I do not know if time permits to bring folks in and to conduct a hearing; but we certainly will be, if necessary, subpoenaing records to find out how they could take the intent and law passed by this Congress to set meaningful goals, to set performance standards, and then evaluate and report back to the representatives of the people.

So I take this matter very seriously that the law, intent and spirit of the law may have not been measured up to by this administration in an attempt to make it look like they have done something to help us, when in fact, if

we start looking at statistics, we find that Ecstasy use is absolutely skyrocketing. This shows the Ecstasy use.

If we look at methamphetamine, almost no methamphetamine back at the beginning of this administration. These charts were given to me by another agency of this administration. We see from 1993 to 1999 the country, these colored parts here showing methamphetamine going at a rapid rate.

If we look at 12th grade drug use and the charts that again were provided and information by this administration, we still see serious increases, some leveling off. If we look at the prevalence of cocaine use, we see again dramatic increases under the watch of this administration.

So I do not particularly like to call this to the attention of the Congress and the American people, but I think it is a distortion of the intent of Congress to try to get measurable results and effective expenditure of our dollars and our antinarcotics effort.

So tonight, I appreciate the time and patience of my colleagues. I will try to return maybe again this week and finish the rest of this report. But we still face a very serious illegal narcotics problem that is taking a record number of lives, destroying families, and imposing great social devastation across our land.

Mr. Speaker, I appreciate again the attention of the House.

PRESCRIPTION DRUG BENEFIT FOR AMERICAN SENIORS

The SPEAKER pro tempore (Mr. TANCREDI). Under the Speaker's announced policy of January 6, 1999, the gentleman from New Jersey (Mr. PALLONE) is recognized for 60 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, I would like to discuss in a little depth tonight the issue of prescription drugs and trying to provide a prescription drug benefit to America's seniors.

In that context, I wanted to specifically, Mr. Speaker, make reference to the proposal that the Republican candidate for President, Mr. Bush, has made in the last few days, and draw the contrast between that and the plan that the Democrats have been putting forward in the House of Representatives and that is also supported by Vice President GORE. I know I am going to be joined tonight by some of my colleagues on the Democratic side of the aisle.

Mr. Speaker, my concern about what has been happening with the Bush Medicare plan, or I should say with the Bush prescription drug plan, it is just basically too little too late. The Democrats here in the House have been talking about expanding prescription drugs through Medicare. On the Republican side of the aisle, we have seen fig leaves go out about different proposals

to provide some sort of voucher or subsidy for seniors who might want to go out and buy a prescription drug plan.

But the Republican proposal really does not do anything, nor does Mr. Bush's proposal do anything to help the average senior. I think it is just a lot of rhetoric. It does not actually do anything to solve the problems that seniors face today. I just wanted to contrast because, in many ways, I think that what Mr. Bush has proposed is really no different. It is just another version of what the Republican leadership in the House has been talking about for the last 6 months.

On the other hand, the Democratic proposal which we have been putting forth and has been supported by Vice President GORE has very specific remedies for dealing with the problems that seniors face. So I would just like to run through some of the distinctions if I could.

All that the Republicans are doing, and that includes their presidential candidate, Mr. Bush, is throwing some money or proposing to throw some money at the insurance companies, hoping that they will sell a drug-only insurance policy; and the insurance companies admit that they are not going to be selling those kinds of policies, that basically a drug-only insurance policy will not be available.

What the Democrats have been saying is that we have a tried-and-true program, a Medicare program, that has been around for over 30 years now; and all we have to do is take that existing Medicare program and expand it through a new part D where one would pay a premium per month and one would get a prescription drug benefit in the same way that one gets one's part B benefit to pay for one's doctor's bills right now. One pays a modest premium, and the Government pays for a certain percentage of one's drug bills.

The Democrats, and here is one of the most important distinctions, the Democrats guarantee that the drug benefit one gets through Medicare covers all one's medicines that are medically necessary as determined by one's doctor, not the insurance company.

The Republicans and Mr. Bush tell one to go out and see if one can find an insurance policy to cover one's medicine; and if one cannot find it, well, that is just tough luck. Even if one does manage to find an insurance company through the voucher that the Government might give one under the Bush plan, there is no guarantee as to the cost of the monthly premium or what kind of medicine that one gets.

Now I find myself when I talk to seniors that they want certainty. They want to know that, if they pay a premium, as they do under part B, and now they would under the part D proposed by the Democrats and by the Vice President, that they are guaranteed certain prescription drug coverage

and it is going to be there for them whenever they need it.

Lastly, I think in contrasting these two plans, the Republican and the Democratic plans, and just as important, I see the gentleman from Maine (Mr. ALLEN) just came in, and he has been the biggest supporter of this issue, is that the Republicans and the Bush plan leave American seniors open to continued price discrimination. There is nothing in the Bush plan or in the Republican plan to prevent the drug companies from charging one whatever they want. The Democratic plan, on the other hand, says that the Government will choose a benefit provider who will negotiate for one the best price, just like the prices that are negotiated by the HMOs and other preferred providers.

The real difference, though, is that the Democrats are working with the existing Medicare program to basically expand Medicare to provide prescription drug coverage, and that would make a difference for the average senior. The first prescription drug, the first medicine that they need would be covered under the Democratic plan.

The Republican plan is just, in my opinion, nothing more than a cruel hoax on the seniors. It is the same type of thing that the Republicans in Congress have been proposing.

I wanted to just mention two more things, then I would like to yield to my colleagues who are joining me here tonight. There was an article in today's New York Times where the Republican candidate, Mr. Bush, was spelling out his prescription drug program. Interestingly enough, when asked about the issue of price discrimination, he actually criticized GORE's plan, the Democratic plan, by suggesting that, in the way that we set aside benefit providers and say they are going to negotiate a good price so that seniors do not get ripped off, and the price discrimination that currently exists disappears, what Mr. Bush says is that that would do nothing but ultimately lead to price controls.

I just wanted to use this quote if I could, Mr. Speaker. It says that Mr. Bush today, much like the drug industry, criticized Mr. GORE's plan as a step towards price controls. "By making government agents the largest purchasers of prescription drugs in America," Mr. Bush said, "by making Washington the Nation's pharmacist, the Gore plan puts us well on the way to price control for drugs."

Now, what that says to me is that what Mr. Bush wants, he wants to do something that is going to help the pharmaceutical companies, he wants to do something that is going to help the insurance agencies, the insurance companies; but he is not doing something that helps the average American.

We had time for the last month or so when we were all in our districts, and I

had a lot of forums and town meetings, many of which were with seniors. Whether they were seniors or not, everybody talked to me about the price, the cost of prescription drugs. Now do my colleagues mean to tell me that when we pass a prescription drug plan we are not going to address that issue? If we do not address that issue in some way by at least saying this the Government is going to try to have someone out there to negotiate a better price, then any prescription drug plan that is put into place is not going to really solve anybody's problem because the cost is going to be too high.

The other thing I wanted to point out, and this is something that I said before we had our August break, is that what Mr. Bush is proposing and what the Republicans proposed here in the House of Representatives when we were in session during the summer and the spring has already been tried in at least one State; and that is the State of Nevada.

In the State of Nevada, back in the springtime, they passed a prescription drug plan that was very similar to what Mr. Bush and the Republicans have proposed; and that is essentially giving a subsidy, giving a voucher to seniors so that they can go out and try to find their own prescription drug plan, their own prescription drug policy through some insurance company. In the State of Nevada, none of them were sold. People tried to find a plan, and there were no insurance companies that was willing to sell it.

The only thing that I can see happening with Mr. Bush's plan is that some of the HMOs will offer the coverage because if they can take that voucher and add it to whatever seniors now get under Medicare, that they may be willing in some cases through HMOs to take up the slack and perhaps provide some benefits for prescription drugs.

But the problem with that is that as we know over the last 6 months and over the last 2 years since more and more seniors have gotten into HMOs, a lot of those HMOs are now cutting back. They are simply getting out of the Medicare program. They are telling the seniors they have to have a higher deductible, more of a co-payment, basically telling the seniors that they have to pay more out of pocket.

So I do not think pushing seniors into HMOs is the answer. I think there is a serious problem with managed care, not that managed care is necessarily a bad thing. But if Mr. Bush thinks that we are going to solve the prescription drug prices for seniors by simply pushing them into HMOs, the experience of the last 2 years shows that is simply not the answer.

What we are facing here is a Republican plan under the Republican candidate for President that basically does not do anything for the average Amer-

ican senior. We have to realize now the only way we are going to get real coverage for seniors is if we add a prescription drug benefit to the Medicare program, which is exactly what the Vice President and the Democrats have been proposing for the last 2 years.

With that, I yield to the gentleman from Texas (Mr. TURNER), a gentleman who has been outspoken on this issue and who I know really cares a great deal about the seniors in his district and trying to solve this problem. I know he has had a number of forums over the last month or so in Texas, his home State. We talked a little bit and shared some thoughts today about how the response from seniors that we have again been getting over the last month has been really very similar. They are really crying out for reform. They have a problem. They cannot afford to pay prescription drugs out of pocket. They are crying out for relief, which is what the Vice President wants to achieve.

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

Mr. TURNER. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for yielding to me. It is good to be here and to share this hour with him and our colleagues on the Democratic side of the aisle who have worked for so long now trying to pass a prescription drug benefit for our senior citizens under the Medicare program.

Mr. Speaker, 2 months ago the Republicans tried to diffuse the issue by passing a bill on the floor of this House by a very narrow margin that was simply a plan that told the insurance companies to go out there and offer insurance policies for prescription drugs to our seniors. They did it in spite of the fact that, during the hearings on the very bill, the insurance companies came in and said that it was not going to work. In fact, the president of Blue Cross and Blue Shield said the idea of a private insurance drug benefit, and I am quoting, "provides false hope to America's seniors because it is neither workable nor affordable."

Now we see that Governor Bush has belatedly approached the same plan.

□ 2100

He simply says that we need to rely on private insurance companies to provide prescription drug coverage for our seniors. It is quite interesting to note that the Republicans and Governor Bush have said we can rely on private insurance companies to cover our seniors' prescription drug needs when at this very moment the private insurance companies are pulling out of providing Medicare+Choice plans for our seniors.

In early August, I had the opportunity to travel around my district. I visited about 40 communities and talked to hundreds of seniors who are struggling to pay their prescription

drug bills. I stopped in many pharmacies and talked to many seniors who brought in their prescription medicine bottles. In fact, I had urged them to bring in their empty medicine bottles to allow me to take them back to Washington. This is one of them from Kirbyville.

I urged my seniors to use these empty prescription medicine bottles as a way to send a message to the Congress that they are ready for this Congress to do something about the high cost of prescription drugs and to provide a Medicare benefit for prescription drugs. I have got at least four full boxes of these, and it shows that the seniors that I represent are tired of waiting for this Congress to do something. We have been working on this for over 2 years now, and the truth of the matter is it is time for this Congress to act.

When I talked to the seniors in my district, many of them had prescription medicine bills that run several hundreds of dollars a month. I met seniors who are trying to make do by taking their pills and breaking them in half; trying to get by and lower the cost that way. Others told me they just try to take a pill every other day instead of every day as prescribed. I met seniors who are having to make the difficult choice of whether to buy their groceries or to fill their prescription.

In the community of Navasota in my district I was there at a local pharmacy that is located in a grocery store, and a lady came up to me, she did not know I was going to be there to talk about this issue, and she just overheard me so she stopped in to listen. Afterwards, she came up to me and she said, I just brought my prescription in yesterday and I had come back today to pick it up. She said I was just back at the pharmacy counter and the pharmacist told me that it would be \$125. She said I told him he would just have to keep it. I asked the pharmacist later if that was a common problem and he said it was. He said many people come in and ask to have their prescriptions filled only to find that the price is too high for them to afford.

In a Nation as prosperous as this Nation is, and in a Nation that is as compassionate as we like to think and say we are, I believe it is time for us to recognize that we can do something for our seniors in helping them with the cost of prescription drugs.

I had a lady in a little town of Tenaha come up and hand me an envelope, and she said to me, "Would you please read this on your way to your next stop?" When I got in the car I began to read this letter, and I want to share it with my colleagues.

This lady that handed me the letter had been in the insurance business for 19 years and she relates a story about her deceased mother. She says, "Dear Congressman Turner: I am writing this

in memory of my mother, who passed away last November in Conroe at the age of 87. My mother had multiple health problems that resulted in her having to take many expensive prescription drugs for the last 20 years of her life. She was very active and able to live a full life in spite of her health problems, and was grateful for medication that could help her. She very meticulously followed her doctor's orders on medication and diet.

"Like most people her age who lived through the Great Depression and World War II, she possessed much pride in self-sufficiency. She did not ask anyone for handouts. She believed in paying her bills first and foremost and maintaining good credit. People of this era worked hard. And even though they worked hard and paid the maximum through Social Security, their retirement income is still not sufficient to meet the total cost of retirement living, especially if there is a prescription drug bill every month of \$300 or more.

"My mother's only income was her Social Security retirement income with a prescription drug cost of \$300 a month. After her death, I discovered that her major indebtedness was a credit card with over \$6,000 on it. I inquired and determined that it was practically all for prescription drugs. She used the card when she needed medicine and had no money left in the bank. She knew that the account could be paid off when her modest home was sold. Because of her pride and self-sufficiency, I did not know this until her death."

It is of quite a surprise, I am sure, to this lady, to know her mother had to charge her prescription drugs on her credit card and run up a \$6,000 bill just to be sure she could take her medicine.

These stories and many like it were repeated to me over and over again as I traveled around my district during our August work period. These people that I talked to are in desperate need of some help. We need sound policies and a meaningful prescription drug coverage plan, not empty promises, not press releases.

Today, the problems of the drug crisis has reached a new crisis. This is brought about by the fact that all across our country seniors who signed up for these so-called Medicare+Choice plans, offered by the big HMOs as a substitute for regular Medicare, have been canceling their coverage of our seniors. Hundreds of seniors told me that they personally received these notices of cancellation to be effective on December 31 of this year. In the 19 counties in my district, as of the end of December, 15 of those counties will have no Medicare+Choice HMO option offered to them.

All across this country seniors are receiving similar notices of cancellation. In fact, at last count there were over 900,000 seniors in this country that

are receiving notices from their insurance companies saying their Medicare+Choice HMO plans are canceled as of December 31. Many of those are in my State of Texas. One would think that Governor Bush would understand that private insurance HMO coverage for prescription drugs is not the answer, particularly in light of the fact that hundreds of thousands of seniors across this country are being told no by their HMO.

We have learned, I think, an important lesson, one that our Republican friends and Governor Bush also need to learn, and that is we cannot rely upon private insurance as a safety net for our seniors. Once again the Republicans propose that private insurance can solve the problem. Recently, when Governor Bush announced his new plan, he said he would begin to cover prescription drugs in year 5 of his proposal by reforming Medicare, and for the next 4 years he said he would give \$12 million a year to the States to allow them to do something about the problem of prescription drugs for seniors.

Now, the States tell us that they do not want to have this ball. The National Governors Association has already said, and I quote, "If Congress decides to expand prescription drug coverage to seniors, it should not shift the responsibility or its cost to the States." Why should we give money to our States to subsidize insurance companies instead of just using the money to provide meaningful prescription drug coverage under the traditional Medicare program that seniors understand and trust? The insurance companies are abandoning our seniors right and left, and yet our Republican friends continue to say that insurance, private insurance, can take care of the problem.

Medicare was signed into law by a great Texan, Lyndon Johnson, in 1965, in a day when prescription drug coverage was not nearly as important as it is today, because prescription drugs were a very small percentage of our total health care cost. Today it is a much larger percentage and a much more serious problem. After 35 years of protecting our seniors, we should be strengthening Medicare with a prescription drug benefit, not dissolving it in favor of private insurance companies out to earn a buck when we already know from our current experience that private insurance companies cannot be relied upon.

We only need to look back to see what has happened to seniors across this country in recent months. In rural east Texas, the area of the country that I represent, 65 percent of our seniors on Medicare do not have access to any of these Medicare+Choice plans that offer prescription drug coverage. What are we going to do for those when the Republican plan goes into effect?

Seniors in my district know what their Social Security check is down to the penny. They know how much rent they pay and they know their other bills almost to the penny. What they need is a specific defined prescription drug benefit.

The Republican plan, the Bush plan, does not give them that. The Bush Republican plan only gives them more questions. Seniors will not know how much that plan costs them, seniors will not know what it covers, and seniors certainly will not know how long it will be there for them.

The Democratic plan is very simple. We know how much it is going to cost. We have already talked about the cost of the Democratic plan. It begins about \$24 a month and rises slightly over the period of increased coverage. It covers 50 percent of the first \$5,000 of prescription drug cost and covers everything above that, and it is a part of Medicare, not some insurance company plan that may go away next year. That is the kind of security senior citizens want; that is the kind of security that senior citizens deserve.

The private insurance industry clearly has to try to make a profit. They are not in the business of providing a safety net for our seniors. That is the appropriate role of government. We cannot afford to abandon our seniors to those same HMOs that have been dropping them all across the Nation to date. Our prescription drug benefit plan is universal, it is affordable, it is understandable, and it is voluntary. If there be any senior who chooses not to sign up for the Medicare prescription drug benefit that we propose, they simply will not have to pay the premium.

So our plan, I think, is the one that seniors deserve, and I hope that we can continue to push until this goal is accomplished, hopefully in this Congress, but, if not, in the future I am confident that we will prevail.

Mr. Speaker, I yield back to the gentleman from New Jersey.

Mr. PALLONE. Mr. Speaker, I want to thank my colleague from Texas because he really lays out the differences between the Bush Republican plan and the Gore Democratic plan, but there were two things I just wanted to comment on because I thought they were so important.

First, the gentleman pointed out that when he talked about these private insurance-only policies that the Bush Republican plan is relying on, they are assuming that there is going to be a voucher of some sort that seniors are going to be able to take with them and go to buy this private insurance policy for prescription drugs. It is illusory. It is not going to happen. The reason is very simple, which is that insurance companies do not provide benefits, they insure against risk. We know that almost every senior is going to have to use prescription drugs, so it

makes sense to put it as a benefit under the existing Medicare program rather than look at it as some sort of risk. Insurance companies are not going to provide coverage when they know that every senior would actually benefit and take advantage of the plan. That is why these insurance policies were not sold in Nevada and why they will never be sold anywhere else.

The second thing is that the Bush Republican plan is sort of a cruel hoax. The gentleman laid out that during the month or so that we were back in our districts and Congress was not in session that he talked to real people, as did I, and they are suffering. They are making choices; dividing pills, having to make choices between food and prescription drugs. When the gentleman went to a lot of the towns in his district, he knew this was a real problem.

□ 2115

I feel that what Governor Bush has proposed is just something that is illusory and is there to give the impression that somehow he wants to address the problems that these real people have. And he has really only come up with it in the last few weeks because AL GORE has been out there talking about the Democratic machine and it has gotten a positive response. So all of a sudden Governor Bush had to come up with something, knowing full well that it is not going to work. And I think that is a real cruel hoax on these people that we have been seeing every day for the last month that are crying out for some relief.

I want to yield to my colleague, the gentleman from Maine (Mr. ALLEN). Again, I know that he has been out there talking about the problem of price discrimination because so many seniors now that do not have coverage and have to buy prescription drugs at the local pharmacy out of pocket pay significantly higher prices than those who are in HMOs or some kind of an employer plan that is able to buy the prescription drugs in bulk and negotiate a good price.

The thing that really bothered me was the fact that, in laying out his plan today, Governor Bush actually criticized the Democratic plan, the Gore plan, because it tried to address the issue of price discrimination that somehow even making this attempt was a bad thing, and yet that is the biggest problem that seniors face right now and everyone faces because of that price discrimination.

Mr. Speaker, I yield to the gentleman from Maine (Mr. ALLEN).

Mr. ALLEN. Mr. Speaker, I thank the gentleman from New Jersey (Mr. PALLONE) for all his good work on this issue and will begin by saying he is absolutely right, people know that the amount they are spending on prescription drugs is going up and up, that drugs themselves are getting more expensive.

As people get older, they use more and more prescription drugs. My colleague was talking a little earlier about how many people use prescription drugs. Well, for seniors it is 85 percent. Eighty-five percent of all seniors take at least one prescription drug; and many, as we know, take more than one.

My parents have their rows of pill bottles. And certainly the industry has done a great deal to extend people's lives and to improve the quality of people's lives. But the fact is that these medicines do no good for people who cannot afford to take them and there are millions and millions of Americans, at least 13 million seniors alone, who simply have no coverage at all for their prescription drugs.

It has got to be tough to be a Republican these days because watching Governor Bush try to thread the needle, as the House Republicans did before, we see the same kind of exercise. On the one hand, they want to sound like Democrats, they want to sound as if they are reforming Medicare, they are providing a Medicare prescription drug benefit. But because they do not really want to strengthen a government program, which is what, of course, Medicare is, they have to figure out some other way to do it.

It is so different from the private sector because people who are employed and have their insurance through Aetna or Cigna or United or a Blue Cross plan may very well, and probably do in many cases, have prescription drug coverage provided by the health care carrier.

But the Republicans are completely adverse to having Medicare provide a prescription drug benefit just as those private sector plans do; and so they go through all sorts of contortions to argue against the simplest, most cost-effective, fairest system possible, which is a Medicare prescription drug benefit.

I want to comment a little bit on the Bush plan because it is so much like what our friend on the Republican side threw up in this House some time ago.

The interesting thing about this plan, among many interesting things, is, first of all, he says we are going to provide a subsidy of 25 percent for people over the lowest income level, we are going to provide a subsidy of 25 percent of the premium. And so the logical question to ask is, Well, how much is the premium? Because then we will know how much the subsidy is. And the answer is, Well, there is no information on that because the premium will be offered and chosen and decided by a set of private insurance companies. And so then the question is, Well, how much will the deductible be? And there is no answer to that because the deductible will be decided by HMOs and other insurance companies.

Then there is the question of the copay and how much will the copay be.

Same thing. There is no answer to any of those questions. There are no details. And the reason is they cannot abide the thought of strengthening Medicare, they cannot abide the thought of really modernizing Medicare.

When the Republicans talk about modernizing Medicare, watch out. Because they are not modernizing it. They are basically saying, we are going to reform it by transforming it; we are going to turn Medicare over to HMOs and insurance companies and you will all be better off.

Now, of course, it is true that when you look at the experience of HMOs in Medicare now, they are leaving the program. Seniors are being dropped all across this country. And the coverage is very uneven. For about somewhere between 14 and 15 percent of seniors in this country, they get prescription drug coverage through a managed care plan. But the number who get their coverage that way are falling off.

In my home State of Maine, as of a month or two ago, there were a grand total of 1,700 seniors who got their prescription drugs through a Medicare managed care plan. As of January 1, there will be none. We will have no Medicare managed care in Maine; therefore, no way for seniors to get prescription drug coverage through a managed care company in my State. There simply will be no way.

Governor Bush, in presenting his plan, and the Republicans in the House, in presenting their comparable plan here some time ago, always said, We are going to leave it up to the consumer. It is their choice. Well, it is not their choice if there is no plan to chose from.

And whose choice is it really? What they are really talking about when it comes to choice is not the choice of the consumers; it is the choice of the insurance companies. Because they are the ones who will decide the premiums, the copays, the benefit levels. And those benefit levels, those premiums, those copays can change year after year after year.

I have talked to a lot of seniors in my district, and what they want and what they need is stability and continuity and predictability and equity. They need to know that what they had for a benefit last year will be there next year and the year after and the year after, and they want to know if there is a copay that it will be about the same year to year. And most of all, they want to know that the plan will be there.

That is what Medicare provides. Medicare provides a guaranteed benefit that will be there year after year after year.

All of my colleagues on the other side who attack Medicare over and over again as a bureaucracy are ignoring the fact that the HMOs and the other

insurance companies are bureaucracies in themselves, but they are much more expensive and much more unfair and much more unpredictable than Medicare.

Mr. PALLONE. Mr. Speaker, I yield to the gentlewoman from Florida (Mrs. THURMAN).

Mrs. THURMAN. Mr. Speaker, after what Maine has done, which is kind of the leader in the country right now and I think through the leadership that the gentleman from Maine (Mr. ALLEN) has provided here in the House, they came back in their legislature with a very strong bill based on many of the studies that we have done in our districts about the cost of what has happened in Canada and what has happened in Mexico.

But when we talk about these plans with the insurance companies, I will say to my colleague, and I think that many of us know this, is that in the Committee on Ways and Means, we actually had the chairman of the insurance industry and I asked him the question, I said, Mr. Kahn, I said, do you believe that insurance companies will offer a stand-alone drug benefit? And do my colleagues know what his answer was? No, absolutely not. They have no interest in going into any of our districts to cover any of the folks, whether they have been on HMOs or whether they are in a Medicare program stand-alone, a fee-for-service. They have no interest in this. The risk is too high for them to take. And we know that insurance companies work off of risk. And because the sickest would be the ones going into these programs, they cannot afford to offer a plan.

So what my colleague is saying here is exactly right. It does not matter how much money we offer as far as a tax deduction, and nobody has told me whether or not they have a liability or no liability on their deductions, we do not even know that part of it yet, even though it seems to be based just to those that are the very low-income seniors. So my guess is that it would only be for those who have tax liability; there is no plan out there.

And we are hitting the same thing in Florida. I mean, in one of the counties that I represent, in Hernando County, we had 9,000 seniors dropped from two Medicare Choice programs. Two. These people are afraid because there is nobody there to pick up this prescription drug benefit, and they do not know what they are going to do.

Mr. PALLONE. Mr. Speaker, reclaiming my time, what I said before in response to what the gentlewoman said, we had the example in Nevada that implemented the Republican plan almost exactly what Mr. Bush and the Republicans in the House have proposed 6 months ago, and not one insurance company has offered to sell that kind of a policy.

So we do not even have to take the word of Mr. Kahn. We have an example in a State where there is no policy offered.

Mrs. THURMAN. Mr. Speaker, if the gentleman will continue to yield, I think one of the things that is significant about the plan that is being offered by the Democrats is that it is a voluntary program. And, in fact, if people want to stay in their HMOs and those HMOs are not pulling out, we also provide about \$25 billion to them to make sure that we strengthen those HMO Medicare Choice programs that are available and that are left in this country. And I think that is an added advantage to what we are trying to do in this whole debate is to never take something away from something, only to add to those that have nothing.

Mr. PALLONE. Mr. Speaker, reclaiming my time, I yield now to my colleague, the gentleman from Arkansas (Mr. BERRY), who again has been one of the main proponents of increasing health care access and addressing the problem of prescription drugs and has been working on these health care issues for some time.

Mr. BERRY. Mr. Speaker, I thank my colleague, the gentleman from New Jersey (Mr. PALLONE), for yielding me the time. He has done a great job in the leadership of health care in this House, and we appreciate what he has done. He has been at this longer than I have.

It is also nice to join my colleague, the gentleman from Texas (Mr. TURNER), the gentleman from Maine (Mr. ALLEN), and the gentlewoman from Florida (Mrs. THURMAN). I appreciate their efforts on behalf of the American people to see that our senior citizens have a decent prescription drug benefit with Medicare.

We stand here this evening the greatest Nation that has ever been in the history of the world. There has never been another country that has the economic, the military, and the political power that this country does. And yet our senior citizens, many of them, millions of them, are going to go to bed tonight and not have enough to eat or not have the medicine they need because our prescription drug manufacturers are simply robbing them of that.

Medicare was even admitted to being a success by Governor Bush yesterday, even knowing that the former speaker, Mr. Gingrich, and his colleagues in the majority have vowed for years that they would see Medicare wither on the vine, I believe is the way they put it.

What we know, and we do not have to spend all of August in the First Congressional District of Arkansas to find this out, we can go to any congressional district in the country, this is a real problem for real people; and it is causing real pain, and it is time that we do something about it.

As Congress takes the next month or so to wrap up legislative business for

this year, there is simply no excuse for leaving seniors and the disabled without a reliable prescription drug benefit under Medicare.

The Republican leadership has reluctantly been forced to put forward what they call a plan because of the overwhelming public outcry created by rapidly escalating, outrageously profitable prescription drug prices charged by manufacturers.

Being forced to develop a plan, the best Republican leaders have been able to do is to listen to their friends in the pharmaceutical industry. If they had traveled with any of us over August and listened to the stories that we heard, every one of us heard, and they are heartbreaking, these are people that worked hard, played by the rules, and thought they had made the right decisions to provide for their senior years.

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They would know that we have got to do something about this problem, and it is time to have a prescription drug benefit for Medicare. The Democratic plan will use the purchasing power of our seniors covered by Medicare to negotiate large discounts from drug makers. I believe Governor Bush said yesterday that that would be a dangerous thing to do. It might actually reduce by a little bit the outrageous profits of these drug companies. They might actually even have to cut back on some of the tremendous salaries that they pay the people that run these companies, and that would be too bad to cut some of those folks back under maybe \$100 million a year.

The Republican plan is a cynical game being played with our seniors' health, a shameful attempt to deceive our seniors. They have proposed a large first step toward privatizing Medicare and forcing our seniors to deal with private insurance companies to get the care and the prescription drugs that they need. The insurance companies say they do not want it. They do not want anything to do with it. That is why we have to have Medicare. Medicare is a success.

You can ask the Republicans, "What does it cover?" And they will tell you, "Well, we don't know." Then you can say, "How much does it pay?" And they will say, "We don't know." Then you can say, "What are the premiums?" And they will say, "We don't know." They do not want to see drug companies' exorbitant profits damaged. That is what the interest is in the plan that Governor Bush put forward yesterday, that, and continuing to try to destroy Medicare as we know it.

Their plan only provides subsidies to their insurance companies, the donors and the pharmaceutical companies' profits rather than giving any direct assistance to our seniors. It does nothing to see that Americans can buy pre-

scription medicine at the same price as every other country in the world and we pay two to three times as much in this country. Their plan is based on the discredited theory that private insurers will offer affordable prescription insurance if they are given enough government subsidies. But the HMOs and the insurance companies just simply say this will not work.

It is also unlikely that the country will be able to pay for prescription drug coverage under Medicare because the Republicans are continuing their attempts to squander any available moneys on tax cuts that are disproportionately benefitting the wealthy. The American people want a prescription drug benefit for our seniors, and it is time for this Congress and the next President to recognize the tremendous need that our seniors have and do the right thing and pass a legitimate prescription drug benefit for Medicare.

Mr. PALLONE. I want to thank the gentleman. Certainly he speaks the truth about what we are facing and how the Bush Republican plan does not address the problems that we were hearing about during the August recess.

I yield to the gentleman from Maine.

Mr. ALLEN. I thank the gentleman for yielding. I do not think that anyone says it better than the gentleman from Arkansas (Mr. BERRY). He is a pharmacist himself. He knows what he is talking about when it comes to the things that people are going through.

I wanted to come back for a moment and talk about one part of the Bush plan that was announced yesterday or the day before and that strikes me as completely unrealistic. What he is saying is we are going to provide \$48 billion over 4 years in terms of grants to the States in order to provide immediate relief for seniors who need help.

There are several points to be made. The first point. The fact is that the people who are suffering the most are not necessarily those with the lowest income. They are the people with the highest prescription drug cost. I was talking to a man up in Waterville not so long ago, Waterville, Maine, who had owned his own garage, his own auto repair business, he and his wife were now retired but they were not quite 65 and they had a little bit of coverage for their prescription drugs that they would lose when they hit 65. His wife's expenses and his together were already running at \$1,000 a month. He was terrified as to what would happen to him when he hit 65, he lost his coverage, there is no coverage under Medicare and he knew he would be in great trouble. So there is one problem. People all up and down the senior income ladder have difficulty paying for their prescription drugs.

The second problem is this: There are only 16 plans, 16 States in the country which have functioning programs for

the low-income elderly. Now, five States have passed legislation to get them to that place and there are a couple of other States trying innovative things, but when you look at the number of people covered by these plans, you are talking about somewhere between, in most cases, with the exception of three States, somewhere between 5,000 and, oh, roughly 50,000 people in the entire State. These programs are not working. They are not available. They would have to be created. Certainly Texas does not have any form of low-income assistance for the elderly, prescription drug insurance. These plans are not able to pick up the slack any time soon and if they did, they would be misguided.

The fundamental problem is this: Medicare is a Federal health care plan. Republicans do not like that. They do not like the plan, but Medicare is a Federal health care plan. It works. It is cost efficient. Its administrative costs run about 3 percent a year. When you turn to the private insurance industry after all the administrative costs and the overhead and those executive salaries, you are talking about 30 percent a year. And they are picking and choosing among the people they want to cover. So the fundamental fact is that if we are going to have a cost effective system, it is going to be through Medicare. If we are going to have a fair system that covers everyone, it is going to be through Medicare. If we are going to have a system where people can predict their premiums, their copays, their deductible from year to year to year to year, it is going to be through Medicare. It is simply wrong to take this issue that is just really doing enormous damage to our seniors now, people who cannot afford their prescription drugs and their food and their rent and basically to say to them that we have got to wait until we can transform Medicare by turning it over to HMOs and insurance companies and then if we give them enough money, maybe they will give you prescription drug insurance. It is pathetic.

Mr. PALLONE. I agree. Just one minute and then I want to yield to the gentleman from Texas here because he has been waiting. When I had my senior forums in August in New Jersey, the people that came were the people that could not take advantage of the existing State program in New Jersey. Let us face it, if you are below a certain income, very low, then you have Medicaid and you have prescription drug coverage, not maybe as all inclusive as we would like but something.

In New Jersey, we have a program financed with casino revenue money from Atlantic City that pays for people just above that. But that program increasingly is running out of money because the revenues are not keeping up with the cost of all these drugs. But the people that came to my forums,

and my district is not an affluent district, it is about middle of the road, middle income, most of the people were not eligible for either of those programs. That is the rub. It is those people, it is the middle class that do not have the benefit.

What I wanted to say, what you were talking about specifically is that it is funny, I heard Governor Bush keep talking about choice, how the Republicans were going to give choice. There is no question there is more choice in our plan. It is a voluntary plan. You do not have to sign up for part D if you do not want to. If you want to keep your State prescription drug plan, you can if you are a certain income. If you have an employer-based retirement plan and you want to keep it, if you want to go to an HMO, you can keep it. The bottom line is everybody is guaranteed the coverage under Medicare. That is what is so beautiful about the Gore Democratic plan and so different from what Bush and the Republicans are proposing.

I yield to the gentleman from Texas.

Mr. TURNER. I just want to say when I heard the gentleman from Maine (Mr. ALLEN) talking about the issue that it is so very true that private insurance companies are not the answer, and I think our senior citizens understand that. I think they understand full well that Medicare works, it has served them well, and the seniors that I talked to in August who had received these notices of cancellation, seniors that had signed up for these Medicare+Choice plans simply because they offered them some prescription drug coverage in addition to the regular Medicare coverage, those seniors understand that you cannot count on private insurance, and it is just as the gentleman from Arkansas (Mr. BERRY) said a minute ago, the Republican plan offered by Governor Bush does not assure any senior what it is going to cost them, does not guarantee them what it is going to cover, does not tell them what the deductibles are, and it certainly does not promise them that it is going to be there because, as we have learned, these HMOs can pull out any time they want to. Our plan is understandable. We have already laid out the cost to seniors. It is going to be available to everybody on a volunteer basis. Seniors can get the prescription drug their doctor prescribes. And they are going to know that it will be there, not just today but tomorrow as well.

Now, that is what our seniors need. The choice that Governor Bush was talking about is a choice of confusion. He is saying that private insurance companies are going to be offering all kinds of plans and you can just choose the one you want. The truth is, that is a false promise. It has not worked in Medicare+Choice with over 900,000 seniors in this country receiving a notice that as of December 31 their

Medicare+Choice plan is going to be canceled.

Medicare is a good program. It has served us well since 1965 and there is absolutely no reason to abandon it. We need to pass the Democratic plan. It is the plan that seniors can understand and that they need.

Mr. PALLONE. We have about 4 minutes, so I would like to split the time between my colleague from Florida and my colleague from Arkansas.

I will start with my colleague from Florida.

Mrs. THURMAN. As we are in an era of when we are talking about surpluses and times of when things are fairly good, things may not always be this good. One of the things that we have to remember is that it is our job to protect Medicare and the solvency of that trust fund. Quite frankly, one of the things that I see in this debate that gets forgotten is that under Medicare today, we pay for prescription drugs as they are needed in the hospitals. When we bring somebody in to stabilize them, we provide them with those medicines. But when we let them out of the hospital and they walk into that pharmacy and all of a sudden they are told that what they had to have in the hospital now just costs them \$400 a month and they cannot pay that and they have to make that decision of what drug they take that month or that week or that day as versus whatever other expenses they might have, we are also costing this system millions of dollars every day because we let them out of the hospital after we have stabilized them and then we, 2 months later, find them back in the same situation as we left them before. And we are thinking to ourselves, we want to make the solvency of the Medicare program, we want to continue the program. The only thing we can do, contrary to whatever anybody else says is, this has got to be a Medicare program. It has got to be done under the Medicare program. It is good for the solvency and it is good for the patient.

I think we really have to take all of these things into account. I would love to talk to my pharmacist, the gentleman from Arkansas (Mr. BERRY), and thank all of us for being here tonight. This is a good debate and it needs to be had in this country.

Mr. PALLONE. I yield to the gentleman from Arkansas.

Mr. BERRY. Like many of you, I know that many of you have held public forums and senior meetings and all of those things over and over again, into the hundreds. I hear a lot of criticism about a lot of things, about the government. We all do. I have never had anyone tell me, "You ought to do away with Medicare." I do not understand. Our seniors like Medicare. It is a good program. It works. It is successful. It is what they need. They just

need a prescription drug benefit to go along with it. I just simply do not understand why Governor Bush and the Republicans are so determined to destroy it. Why would they want to do that to our seniors when we know this is the only way we can provide decent health care protection for our senior citizens, and it is absolutely a mystery to me why they would engage in this attempt, this shameful attempt, to destroy Medicare that has been such a wonderful thing, and will continue to be if we add a prescription drug benefit to it.

Mr. PALLONE. Mr. Speaker, I want to thank everyone for participating in this tonight and make the point that this is our first day back in session, but we are going to keep at this. We are going to keep demanding that the Republicans take action and that the Republican leadership allow the Democratic proposal to be considered and that we pass a prescription drug program under Medicare that really is meaningful because that is what the people need. It has to be addressed. It should be addressed between now and when we adjourn, not next year.

DEATH TAX

The SPEAKER pro tempore (Mr. SCARBOROUGH). Under the Speaker's announced policy of January 6, 1999, the gentleman from Colorado (Mr. MCINNIS) is recognized for 60 minutes.

Mr. MCINNIS. Mr. Speaker, good evening colleagues.

I note that I am kind of outnumbered here five to one. The gentlewoman from Florida (Mrs. THURMAN), whom we just heard, said we have had a good debate here. I wish that my colleagues would understand that we have only heard one side of the debate. In fact, what we have heard are five individuals who are highly, in my opinion, speaking the partisan tone and presenting one side of the case.

Now, my remarks tonight really are going to center on the death tax, but I cannot go without at least rebutting some of the comments that were made. I refer to the gentleman from Arkansas (Mr. BERRY), the pharmacist. This is a closest I have ever come, colleagues, to asking that the words be stricken from the RECORD after I listened to the gentleman from Arkansas over here.

This gentleman from Arkansas (Mr. BERRY), the pharmacist, in my opinion, has totally mislead the public when he says that the Republicans or the Democrats or any elected politician wants to do away with Medicare. It is exactly what the gentleman said, that the Republicans want to do away with Medicare.

Now, tell me, colleagues, tell me one elected official on this House floor, Democrat, Republican, eastern, western, northern, southern, show me one elected Congressman that wants to do