

sure it is appropriate for the disabled population as well; how do we make sure that by offering this we do not create a disincentive for employers to continue to provide the benefit; how would we do that, we grappled with all of those questions, as the gentleman knows, and we had to make decisions.

We put those decisions into a document and we said, now, can we get 218 votes out of 435 Members of the House to pass it. That meant we had to talk to various constituencies within the House to make sure that it worked in the Northeast, and that it worked in the Southwest, and it worked in the Southeast and the Northwest, and across the country. We had to do that. But when we did that, we had a document and, of course, no good deed going unpunished, we become subject to criticism. Because now people had an actual document instead of just words, and they could take that document, and they could look at it, and they could criticize this aspect or that aspect.

I think that that is what has happened, to a large extent; and I think that is unfortunate, that having put something together for the first time in history and getting it to pass the House, that we have become subject to some criticism about all of that. The hard part for us is that right now the President does not have a proposal. We do not have a bill from the President that says on paper, a document that thick, this is how I would answer all those questions about making sure that it is affordable and making sure that it meets all of these needs. We do not have that. So we have a real document against just rhetoric, and it is making for an unbalanced debate.

I think if we can get the Members at the other end of this building, as well as the gentleman at the other end of Pennsylvania Avenue in the White House, to in fact give us some documents, we would have the basis about which we could sit in a room and combine them and merge them and work out the differences, as we do regularly and is our job.

I yield to the gentleman from North Carolina.

Mr. BARR of North Carolina. As the gentleman from Pennsylvania knows, it is one thing to talk about catastrophic coverage, which is the ability to look at the senior population and say the one thing that we can do is put the Federal Government where it should have been in health care, the safety net, and assure our seniors that if they ever spend out of pocket a certain amount of money in a given year that they will never be exposed for any more than a fixed amount, catastrophic coverage, a limit. It is one thing to talk about it; it is another thing to put it on paper and to pass the test of the Congressional Budget Office or the Office of Management and Budget

and have that number scored. But we did it. We did it and we lived within the framework of the available money, and we provided a stop loss for seniors of \$6,000.

The President had a bunch of pieces of a plan, and he said he would like to incorporate stop loss or catastrophic loss, but the fact is that he could never do it in a way that he could put it on paper and have that paper scored because of the way he proposed designing the original plan, which was no choice, which got very little discount from the current price of pharmaceuticals in the marketplace.

The Congressional Budget Office looked at our approach and said that because we had competition, because we had provided seniors and the disabled choice in the plans that they could choose from, we will achieve at least a 25 percent discount across the board for things that are insurance-based purchased and for things that are purchased out of pocket, a 25 percent savings just by creating choice that the administration does not get with their proposal.

Mr. GREENWOOD. And if I may, that is before we even apply the Federal contribution to the actual price of the item. So that 75 is cut in half. And, of course, we pay 100 percent of the remainder for the low-income and for middle-class folks, a half. So now we are talking about going from paying 100 percent of retail price to paying 37½ percent of retail price. It is almost a two-thirds reduction in the cost of the pharmaceutical product to the average American.

Mr. BARR of North Carolina. If there existed truth in advertising on this we would have stars all across this plan because it provides at every level what seniors want.

Before the gentleman mentioned employers, I had written the word employers on a piece of paper up here because that was one of the biggest challenges that our whole task force had. There is a segment of America, a large percentage of America that are seniors today that are currently provided prescription drugs as a benefit of their retirement. As we see prices go up 11 or 12 percent a year, the question we have to look out and ask is how long will they continue to offer that benefit. Because they are not obligated to, it is just a commitment that they made when individuals retired.

We found a way to incorporate into our plan that those employers that provide that benefit, once those individuals reached that stop-loss amount, they would be covered under the Federal stop loss, a great incentive for employers to continue to provide that first dollar coverage for the millions of seniors that are currently under their health plans. We found the approach to keep the employer engaged.

We found a way to incorporate the catastrophic or the stop loss into their

plan without dislocating them, which made our plan totally voluntary to every eligible person regardless of where they currently had their coverage, if they did. They could stick with that and still utilize that stop-loss protection of the national plan.

Clearly, we spent a lot of time on that, making sure that we got it right. But the fact that it was voluntary, the fact that for those that chose to participate there was choice, the fact that everybody, whether they were in their employer plan or chose one of the accredited plans by that new entity that ran the prescription drug benefit, all of them benefited from an annual stop-loss amount that protected every senior and made sure that they could not lose everything that they had accumulated because they had run into a health care problem that required unusual pharmaceutical costs.

Mr. GREENWOOD. I believe our time has just about elapsed. I want to thank the gentleman from North Carolina for his participation, as well as my other colleagues from around the country.

This clearly is, if not the number one issue in America, certainly ought to be. There is still time to resolve this issue. All we need to do is to work with the House and the Senate and the President together and, in fact, we can all be proud of meeting a need that just cries out to be met; and we think we have made a good start.

ANNOUNCEMENT OF INTENTION TO OFFER MOTION TO INSTRUCT CONFEREES ON H.R. 4205, FLOYD D. SPENCE NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 2001

Mr. SCARBOROUGH (during the Special Order of Mr. GREENWOOD). Mr. Speaker, pursuant to clause 7 (c) of rule XXII, I hereby announce my intention to offer a motion to instruct conferees on H.R. 4205 tomorrow. The form of the motion is as follows:

I move that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the bill (H.R. 4205) be instructed to recede to the Senate language contained in section 701 of the Senate amendment to H.R. 4205.

The SPEAKER pro tempore (Mr. PEASE). The notice of the gentleman from Florida will appear at the appropriate place in the RECORD.

HEALTH CARE ISSUES

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

Mr. GANSKE. Mr. Speaker, I am going to speak on several issues related to health care this afternoon. As my colleagues know, before I came to Congress I was a physician practicing in