

or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

The PRESIDING OFFICER. A division has been requested.

Senators in favor of the ratification of this treaty, please raise their hand. (After a pause.) Those opposed will raise their hand.

With two-thirds of the Senators present having voted in the affirmative, the resolution of ratification is agreed to.

Mr. THOMAS. I thank the Presiding Officer, the Senator from West Virginia, and the clerk.

By the way, just for information, these treaties were all approved by the Foreign Relations Committee on October 4 and 5.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will resume legislative session.

Mr. THOMAS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ALLARD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. ALLARD. Mr. President, I ask unanimous consent to speak in morning business for 15 minutes for the purpose of introducing legislation.

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

Mr. ALLARD. I thank the Chair.

(The remarks of Mr. ALLARD pertaining to the introduction of S. 3213 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. ALLARD. Mr. President, I yield back the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. (Mr. CRAPO.) The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. BRYAN. Mr. President, may I inquire as to whether it would be appropriate at this point to request to speak as in morning business for a period of time not to exceed 8 minutes.

The PRESIDING OFFICER. That would be appropriate.

Mr. BRYAN. I make that request.

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

REFORM OF MEDICARE

Mr. BRYAN. Mr. President, I am now in my last days of serving the people of

the State of Nevada as a U.S. Senator. It is a role in which I am proud and privileged to have had an opportunity to serve. I am also very proud of the opportunity I have had to serve as a member of the Finance Committee, the committee with jurisdiction over the Medicare program.

Having said that, I am greatly troubled by this body's failure to take action on several fronts as it relates to Medicare. I am disappointed that we failed to act on Medicare coverage for prescription drugs as well as the proposed payment changes in the so-called BBA relief bill, a piece of legislation that deals with provider payment enhancements to those services and companies that provide service to Medicare patients.

The impact of Medicare over the past 35 years cannot be overemphasized. Prior to enactment of Medicare in 1965, fewer than half the seniors in America had any kind of health care coverage at all. Today, as a result of Medicare's enactment, 99 percent do. As a result, health care for the Nation's seniors has been improved and the burden of health care costs for them has been greatly ameliorated. But a Medicare program without prescription drug coverage does not meet the promise we made to seniors in 1965.

In 1965, the Medicare program roughly paralleled what was available in the private sector. Today, as all of us know, prescription drugs play such a vital role, a greatly enhanced role in terms of our own Medicare treatment. We had a historic opportunity this year to fulfill the promise of Medicare and to guarantee access to comprehensive prescription drug coverage for Medicare beneficiaries. Yet we have squandered it.

There is no legitimate reason for the Republican leadership to have pushed meaningful prescription drug reform off for another year. The Finance Committee has spent the last 2 years considering prescription drugs. We have heard from experts on all sides of the issue. We have talked to our constituents. Many of us have worked diligently to put together legislation to provide a meaningful, comprehensive, affordable benefit for all Medicare beneficiaries. Yet the Finance Committee did not even hold a markup of a prescription drug benefit bill. By that I mean, for those who are not familiar with legislative language, we did not have the opportunity to vote on a Medicare bill in the Finance Committee, move it from the committee, and debate it on the floor.

I consider it a great tragedy that could have made a difference in the lives of our seniors. Our inaction will consign some 227,000 Medicare beneficiaries in my own State of Nevada and 39 million beneficiaries nationally to yet another year of spending an ever-increasing share of their fixed in-

comes on medically necessary drugs or trying to stretch their prescriptions by taking them every other day instead of every day or sharing them with spouses and friends or, worse, even going without.

We will be voting on the conference report to accompany the Agriculture appropriations bill this afternoon. The prescription drug importation provision is included in the conference report. I was pleased to join Senators DORGAN and JEFFORDS in their amendment in July. I believe this amendment is an important measure that can be helpful. There is no credible reason, no defensible basis that only drug manufacturers should be allowed to reimport prescription drugs.

A well defined reimportation program could help to make drugs more affordable for American consumers. The majority of our seniors are often faced with the difficult choice of paying extremely high prices at retail outlets or forgoing medically necessary prescription drugs because they simply do not have the financial resources to pay for them. However, the best designed reimportation provision is not a sufficient answer to the millions of Medicare beneficiaries who lack prescription drug coverage.

I hope my colleagues will not hide behind this provision when they are asked by their constituents why the Senate didn't approve a Medicare prescription drug benefit this year.

Moreover, the important provision has been altered by the Republican leadership such that it is extremely questionable whether it will actually meet the goal Senators DORGAN and JEFFORDS and others desired—that of lowered prices.

One very basic problem with the provision is that a "sunset" date was added so that the importation system would end 5 years after it goes into effect. In order to assure the safety of the drugs being imported, laboratory testing facilities would be required. Distribution systems would also clearly be needed. I have serious doubts that the private sector investment to carry out this program will materialize if it is known that the program will only be in operation for 5 years. Why spend the money to develop the infrastructure for such a short-lived program? There is also a serious labeling problem that gives manufacturers the ability to shut down the program.

It is unquestionably and undeniably wrong that American citizens pay the highest prices for prescription drugs—particularly when many of these drugs are developed on American soil, by American companies who are receiving enormous tax breaks, patent protections and the benefit of billions of NIH research dollars.

I have been hoping to offer a germane amendment to the Foreign Sales Corporation (FSC) legislation that would

deny the export tax benefit to pharmaceutical manufacturers charging Americans at least 100 percent more than they charge foreign consumers for the same drug. This amendment, if I get the chance to offer it, and if approved, would have one of two positive effects for the American consumer and taxpayer: either, the price of prescription drugs would decrease, or if the manufacturer chooses to continue to exploit American consumers, at least the taxpayer would not be providing a tax benefit for doing so.

The prices of prescription drugs could also be lowered through the simple measure of providing more information to purchasers of prescription drugs. I introduced the Consumer Awareness of Market-Based Drug Prices Act of 2000 because purchasers today do not have any meaningful price information—and there is no way competition can work without information on prices. I believe in the free market, but we have to let it work. The availability of real market-based price information is critical to the ability of employers and insurers to negotiate lower prices for their employees and enrollees.

Under the current law, that information is denied to those who purchase prescription drugs on behalf of either their insureds or those who are part of their employee group.

Not only does the lack of price information keep prices artificially high, but it affects the Federal budget. Drug manufacturers have been able to manipulate the average wholesale price, which is a meaningless statistic, but it results in billions of dollars of Medicare overpayments.

My legislation would simply require the Secretary of HHS to make available to the public the market-based information on drug prices that she currently collects: the average manufacturer price for each drug, and the best price available in the market. These prices are already collected to implement the Medicaid prescription drug rebate system—so no new bureaucracy or administrative structures would be necessary. Legislation is necessary, however, because the Secretary is statutorily prohibited from disclosing this information.

Our legislation would simply lift that prohibition and make that information available.

A reimportation provision without the loopholes and the sunset provision could help to lower prices. There are also other ways to lower prices—by requiring manufacturers to treat American patients fairly if they want to receive generous tax benefits, and by disclosing prices—but we also must add an affordable, voluntary prescription drug benefit to the Medicare program. Anything less is an empty promise to our seniors who often go without much-needed drugs, or pay astronomical prices for them.

Earlier this year, I introduced the Medicare Outpatient Drug Act. Like the Vice President's proposal, this bill would provide prescription drugs as a defined, comprehensive and integral component of the Medicare program to ensure it is available and affordable for all beneficiaries.

The drug benefit must be a part of the Medicare program—if it is not, there is no guarantee to our seniors and those Medicare beneficiaries with disabilities that it will be available, no guarantee that it will be affordable, no guarantee that it will provide catastrophic protection, and no guarantee that it will be around the following year.

Only Medicare can ensure that it is guaranteed to be there, that it is affordable, that there is catastrophic protection, and that it will be there year after year.

The Democrats offer Medicare beneficiaries choices: the Medicare benefit is a voluntary one. If a person has drug coverage through an employer or some other source, he or she can keep that coverage. The beneficiary can choose to receive the drug benefit as a part of the traditional fee-for-service program, or through a managed care plan.

So there are three choices that are available here: either not to accept it, or to have either a fee-for-service program, or a managed care program.

The GOP proposal, in Congress, and as promoted by Governor Bush, gives the choices to the insurers. The insurer can choose whether or not to offer prescription drug coverage—there is no requirement. The insurer can choose the level of the deductible, and the amount of the coinsurance the beneficiary must pay for each prescription. The insurer can choose whether or not to offer catastrophic coverage. The insurer can choose to limit those drugs that are covered to a select few—either by limiting the diseases that qualify for treatment, or by limiting the number of prescriptions that may be filled each month. The insurer can choose to keep the benefit the same from year to year, or the insurer can choose to change the benefit each year or to discontinue coverage.

The Democrats have tried to pass a bill this year that would provide choices for beneficiaries, while our colleagues on the other side of the aisle have advocated a bill that would provide choices for insurers.

Given the cost of a prescription drug benefit, it is critical that we spend those federal dollars in a way that will ensure that the benefit and the choices are going to the Medicare beneficiaries—not to the insurers.

I am also deeply troubled by the way the majority leadership is allocating federal dollars in the “BBA-relief” bill. While members of the Finance Committee have not been allowed to participate in the development of this

package, I understand that about \$10 billion out of a total of \$28 billion is to go to Medicare HMOs over the first 5 years. That is over one-third of the money in this package, when only 16 percent of Medicare beneficiaries are enrolled in Medicare HMOs.

The HMOs tell us that they need this level of funding to “stabilize” the market, and that without it they will have to withdraw from the program, or reduce benefits. But we know from the General Accounting Office that we are already overpaying the HMOs—by nearly \$1,000 per enrollee.

And yet, our colleagues on the other side of the aisle are not requiring any accountability on the part of the managed care plans in exchange for this huge influx of funding. They don't require them to stay in the market, and they don't require them to commit to a benefit package.

Managed care plans should be provided a reasonable portion of the funds in this package. But the majority has provided funds for HMOs at the expense of reducing beneficiary cost-sharing for preventive benefits and outpatient visits, at the expense of expanding health options for legal immigrants, at the expense of patients with Lou Gehrig's disease, at the expense of uninsured children, and at the expense of persons with Alzheimer's disease.

This is too great an expense.

I have a letter signed by 23 senior groups opposing this large payment of funds to Medicare+Choice HMOs.

I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LEADERSHIP COUNCIL
OF AGING ORGANIZATIONS,
Washington, DC, October 18, 2000.

Hon. RICHARD H. BRYAN,
U.S. Senate,
Washington, DC.

DEAR SENATOR BRYAN: The undersigned organizations oppose the large payment of funds to Medicare+Choice HMOs rather than using these dollars to help Medicare beneficiaries in the proposed Medicare Balanced Budget Act (BBA). The pending leadership proposal reportedly spends about \$10 billion on HMOs and only a small fraction on America's seniors.

The proposed restoration of funds to HMOs is out of balance with the rest of the bill. Currently less than 16 percent of beneficiaries are enrolled in HMOs, yet one-third of the funds go to these entities. The increase in funds is of particular concern since HMOs are not being held accountable for their participation in Medicare. The plans have not committed to maintaining their benefits or to staying in the program for any length of time. Additionally, the proposed increase flies in the face of the fact that independent experts, such as the General Accounting Office, have found that these plans currently are paid too much.

Earlier in the year, Congress's budget resolution committed to spending \$40 billion on a new Medicare prescription drug benefit. This has not been done. And now rather than spend this \$40 billion on direct beneficiary

improvements, Republican leaders are proposing only a small fraction of the original amount promised for beneficiaries.

There are many other senior concerns that are being shortchanged by this legislation including those that relate to quality of care. The bill would not provide sufficient funding to address a number of serious problems Medicare beneficiaries and their families currently face. The priorities related to the balance of payments in this bill must be changed to assure that the group that Medicare is supposed to serve—America's seniors—receive their fair share of the funds.

Sincerely,

AFSCME Retirees.

American Association for International Aging.

American Federation of Teachers Program on Retirement and Retirees.

Association for Gerontology and Human Development in Historically Black Colleges and Universities.

Association of Jewish Aging Services.

Eldercare America.

Families USA.

Meals on Wheels Association of America.

National Academy of Elder Law Attorneys.

National Association of Area Agencies on Aging.

National Association of Foster Grandparent Program Directors.

National Association of Nutrition and Aging Services Programs.

National Association of Retired and Senior Volunteer Program Directors.

National Association of Retired Federal Employees.

National Association of Senior Companion Project Directors.

National Association of State Units on Aging.

National Caucus and Center on Black Aged.

National Committee to Preserve Social Security and Medicare.

National Council of Senior Citizens.

National Council on the Aging.

National Senior Citizens Law Center.

National Senior Service Corps Directors Associations.

OWL.

Mr. BRYAN. Mr. President, finally, let me conclude by saying that the administration has indicated the President may veto this legislation because of the heavy tilt toward managed care plans, the lack of accountability, and the lack of provisions that would directly help Medicare beneficiaries—our intended audience. I would support that veto.

I thank the Presiding Officer. I yield the floor.

AGRICULTURE, RURAL DEVELOPMENT, FOOD AND DRUG ADMINISTRATION, AND RELATED AGENCY PROGRAMS APPROPRIATIONS ACT, 2001—CONFERENCE REPORT—Continued

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I ask the Senator from Mississippi for 10 minutes or less on the bill.

Mr. COCHRAN. Mr. President, I am happy to yield to the distinguished Senator the time he requested.

Mr. LEAHY. Mr. President, I ask unanimous consent that following the comments of the distinguished Senator from Washington, I might be recognized under the normal division of time for about 6 minutes.

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

The Senator from Washington is recognized.

Mr. GORTON. Mr. President, it has taken a considerable period of time to reach the happy conclusion of the debate over the appropriations bill for the Department of Agriculture. None of that delay is due to the distinguished chairman or to his ranking member, the Senator from Wisconsin, who have worked with extraordinary diligence and I think immense success in bringing this bill before us.

I can't even begin the major portion of my remarks without thanking him for his thoughtfulness to the particular concerns of my own State—first, of course, the field of agricultural research. There is research money in this bill for wheat, apples, asparagus, animal diseases, small fruit, barley, and potatoes, to name a few. In each and every case, that money will help our farmers meet the demands of the market in the future—both here in the United States and overseas.

In addition, without precedent, there is a considerable and most indispensable relief for the tree fruit industry in my State and others—formerly a highly profitable occupation that has fallen on bad times. A bridge is provided in this bill until more successful times in the future. The cranberry industry falls into exactly the same situation. And, of course, with respect to low farm prices in many other commodities nationwide in scope, relief is included in this bill, again with the hope that we will soon have better times in the future for our agricultural products.

There are, however, two subject matter areas of this bill that are of particular importance. The first has to do with sanctions—the unilateral sanctions that the United States has imposed on itself barring the export of our agricultural commodities and for that matter medicines to a number of countries around the world for some form of foreign policy reasons.

Those sanctions by and large are canceled by this bill, and the President is deprived of the power in the future to impose them unilaterally without dealing with us in Congress. This may be very important in the immediate future with the threat that sanctions will be taken against even our good friend Japan with our agricultural products by reason of its whaling practices. I disagree vehemently with its whaling practices. But I don't think we should deal with them by punishing our farmers, ranchers, and agricultural producers. Personally, I would have

preferred the more sweeping language of the original Senate bill in this respect. There was vehement opposition to some of its provisions in the House of Representatives.

My colleague from the State of Washington, Congressman NETHERCUTT, worked diligently, and often in opposition to his own party's leadership, in crafting this compromise. This compromise, I guess, I would describe as being 80 percent of what we need. It includes what I think are some unwise provisions related to travel to Cuba. But, in my view, we should take this three-quarters, or 80 percent, of what we need, and we should begin to restore the opportunity to secure these markets to our farmers. And we should take care of the rest of the controversy next year.

Will we immediately begin to see huge sales of our wheat, for example, to Iran and to other former major customers? I am not at all sure we will. It may take years to repair the damage we have created by these unilateral sanctions. But this is a start. This gives our farm community, at a time of very low prices, once again the ability to compete in the world markets, and not just in some of those markets.

Finally, and most importantly, are the provisions of this bill dealing with the price of prescription drugs. My colleague from Nevada, who just concluded his remarks, had a number of points, with which I don't entirely agree, but I certainly do agree with him on that one. He was one of the cosponsors of the Jeffords-Dorgan proposal on the reimportation of drugs.

Simply stated, we face a situation in which American pharmaceutical manufacturers that are benefiting from huge tax subsidies through research and development tax cuts, and benefiting from the immense research that we do in the National Institutes of Health, nevertheless, sell their products outside of the United States in Canada, in Europe, and in Latin America for prices half or less the price they charge for those drugs in the United States. That is outrageous. It is a form of discrimination without any justification whatsoever.

Six months or so ago, I introduced a bill to directly ban price discrimination in prescription drugs in the same way it has been banned in almost every other commodity in the United States in interstate commerce for some 65 years.

A Congressman from New York, Congressman HINCHEY, made a similar proposal in the conference committee. Personally, I would prefer a more direct approach.

Once again, the perfect was the enemy of the good. We have the ability not only for individuals to go into Canada or Mexico and buy drugs that are manufactured in the United States, but under the same circumstances they are