I am especially pleased to be joined by a number of my colleagues, including Senator MURKOWSKI and Senator KERRY, who have been leaders in the regulatory reform movement, and Senator COLLINS, who has truly been a champion for preserving access to home health care.

Without Senator COLLINS’ leadership on this issue, including the 1999 hearing that she held on the issue of regulatory burdens facing the home health care industry, this legislation would not be where it is today. Senator COLLINS’ legislation to repeal the 15 percent reduction in payments to home health care providers is also of the utmost importance, and is the other piece to the puzzle in terms of preserving access to home health care. It is my hope that the Senate Finance Committee will report out her legislation this year.

Scope of the problem: As many of my colleagues know, home health care provides compassionate, at-home care to seniors and people with disabilities in cities and towns throughout America. Without it, many patients have no choice but to go to a nursing home, or even an emergency room, to get the care they need. For too many home health patients in my home state of Wisconsin, that day has arrived.

Over the past few years, home health agencies around Wisconsin have closed their doors due to massive changes in Medicare, and seniors and the disabled have been forced to go elsewhere for care. In Wisconsin, over 40 Medicare home health providers have shut down since the implementation of the Interim Payment System. Still more have shrunken their service areas, stopped accepting Medicare patients, or refused high cost patients because the payments are simply too low. Over the past 3 years, nearly 30 of Wisconsin’s 72 counties have lost between one and fifteen home health care agencies.

Quite frankly, in many parts of Wisconsin, beneficiaries in certain areas or with certain diagnoses simply don’t have access to home health care.

While we have thankfully moved beyond the interim payment system, many home health agencies are facing another cloud in the horizon—an impending nursing shortage and a regulatory system that causes nurses to fill out paperwork instead of caring for patients. Burdensome and excessive paperwork often causes nurses to leave the home health care profession, and that can mean that patients stay in the hospital longer than necessary.

A 2000 national survey by the Hospital and Healthcare Compensation Service reported a 21-percent turnover rate for home health registered nurses, a 24-percent turnover rate for home health licensed practicing nurses, and a 28-percent turnover for home health aides.

The actual amount of time that a nurse provides medical care during an average “start of care” home health visit is approximately 45 minutes, only 30 percent of the average 2.5 hours of a nurse’s time during the admission visit. According to Linda Cooper, every hour of patient care time requires 48 minutes of paperwork time for hospital-owned home health agencies.

I would like to share with you colleagues this advertisement from Nursing Spectrum magazine. Let me read this line here in bold print: “No OASIS.”

As you can see the main selling point in the advertisement is the fact that the job will not force nurses to collect OASIS data. This is just one simple example of the administrative burden we have imposed on our nurses.

This legislation takes a common sense approach to developing Medicare home health regulatory policies that are pro-consumer, provider-friendly, and efficient for the Center for Medicare and Medicaid Services, CMS, to administer.

It would also help to ensure that the policies are successful, fair and effective because all parties would collaborate on recommendations to the Secretary of Health and Human Services, HHS, through joint task forces.

This legislation would significantly alleviate the burdens that the Outcomes Assessment and Information Set (OASIS), the claims process for patients who are enrolled in both Medicare and Medicaid, and certain audit and medical review processes have had on home health providers.

More importantly, the changes to OASIS and the claims review process would also reduce the stress often experienced by home health patients due to the complexity of both regulations.

It would also create a task force to analyze the appropriateness and efficacy of the OASIS patient assessment instrument on Medicare, Medicaid and non-government financed patients.

During the study, the OASIS process would be optional for the non-Medicare and non-Medicare patients and inapplicable to those patients receiving personal care services only.

Many beneficiaries are also concerned about arbitrary coverage decisions, that leaves beneficiaries in the lurch. That is why this legislation requires the Secretary to form a task force to develop a common sense approach for the handling of Medicare claims related to individuals also eligible for Medicaid coverage where the claim may not be covered under Medicare.

Finally, the Home Health Nurse and Patient Act would create a task force that would engage in a wholesale evaluation of the process used by Medicare to select and review home health services’ claims.

AMENDMENT NO. 921

At the request of Ms. COLLINS, the name of the Senator from Maine (Ms. FEINSTEIN) was added as a cosponsor of S. Con. Res. 53, concurrent resolution encouraging the development of strategies to reduce hunger and poverty, and to promote free market economies and democratic institutions, in sub-Saharan Africa.

AMENDMENT NO. 922

At the request of Ms. COLLINS, the names of the Senators from Ohio (Mr. JOHNSTON) and from South Dakota (Mr. DASCHLE), the Senator from Arkansas (Mrs. LINCOLN), the Senator from South Carolina (Mr. HOLINGS), and the Senator from South Dakota (Mr. JORDAN) were added as cosponsors of amendment No. 922 intended to be proposed to H.R. 2217, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

AMENDMENT NO. 923

At the request of Ms. COLLINS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of amendment No. 923 intended to be proposed to H.R. 2217, a bill making appropriations for the Department of the Interior and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. FEINGOLD (for himself, Mr. MURKOWSKI, Ms. COLLINS, and Mr. KERRY):

S. 1169. A bill to streamline the regulatory processes applicable to home health agencies under the Medicare program under title XVIII of the Social Security Act and the Medicaid program under title XIX of such Act, and for other purposes; to the Committee on Finance.

Mr. FEINGOLD. Mr. President, I rise today to introduce the Home Health Nurse and Patient Act of 2001. This legislation, addressing administrative burdens, requires a focused analysis of crucial claims processing concerns, and provides the opportunity for constructive reforms of current inefficiencies.
The task force would consider such changes as establishing time limits for claim determinations, the use of alternative procedures, the development of formal claims sampling protocols, allowing re-submission of corrected claims, and permitting physician assistants and nurse practitioners to establish care plans.

I hope to continue to work with both providers and beneficiaries to take a serious look at what refinements need to occur to ensure the home bound elderly and disabled can receive the services they need.

Without that fine-tuning, I am quite certain that more home health agencies in Wisconsin and across our country will close, leaving some of our frailest Medicare beneficiaries without the choice to receive care at home.

By Mr. MURKOWSKI:
S. 1170. A bill to make the United States' energy policy toward Iraq consistent with the national security policies of the United States; to the Committee on Finance.

Mr. MURKOWSKI. Mr. President, I take the opportunity at this time to introduce S. 1170. It is my intention to introduce the following bill to make the United States energy policy toward Iraq consistent with the national security policies of the United States.

I anticipate that several colleagues will be cosponsoring the bill with me. I will enter into that at a later time.

Mr. MURKOWSKI. Mr. President, for some time I have been coming to the floor to speak of a major inconsistency in our foreign and energy policies. I am referring, of course, to our growing dependence on imported petroleum from Iraq.

We import somewhere between 500,000 to 750,000 barrels of oil from Iraq every day. About six billion dollars worth last year. Since the end of the gulf war, we have also flown some 250,000 sorties to prevent Saddam Hussein from threatening our allies in the region. We spend billions every year to keep him in check.

We fill up our planes with Iraqi oil, send our pilots to fly over and get shot at by Iraqi artillery, and return to fill up on Iraqi oil again.

Saddam heats our homes in winter, gets our kids to school each day, gets our food from farm to dinner table, and we pay him well to do that.

What does he do with the money he gets from oil?

He pays his Republican Guards to keep him safe.

He supports international terrorist activities; he funds his military campaign against American servicemen and women and those of our allies; and he builds an arsenal of weapons of mass destruction to threaten Israel and our allies in the Persian Gulf.

Am I missing something? Is this good policy?

For a number of years the United States has worked closely with the United Nations on the “Oil-for-Food” Program.

This program allows Iraq to export petroleum in exchange for funds which can be used for food, medicine and other humanitarian products.

Despite more than $15 billion available for those purposes, Iraq has spent only a fraction of that amount on its people’s needs.

Instead, the Iraqi government spends that money on items of questionable, and often highly suspicious purposes. Why, when billions are available to care for the Iraqi people, who are malnourished, sick, and have inadequate medical care, would Saddam Hussein withhold the money available, and choose instead to blame the United States for the plight of his people?

Why is Iraq reducing the amount it spends on nutrition and pre-natal care, when millions of dollars are available? Why does $200 million of medicine from the UN sit undistributed in Iraqi warehouses?

Why, given the urgent state of humanitarian conditions in Iraq, does Saddam Hussein insist that the country’s highest priority is the development of sophisticated telecommunications and transportation infrastructure?

Why, if there are billions available, and his people are starving, is Iraq only buying $8 million of food from American farmers each year?

I have no quarrel with the Oil-for-Food program. It is a well-intentioned effort.

I do, however, have a problem with the means in which Saddam Hussein has manipulated our growing dependency on Iraqi oil.

Three years ago, since the beginning of the Oil-for-Food program, Saddam Hussein has threatened or actually halted oil production, disrupting energy markets and sending oil prices skyrocketing.

Why do this? Simply to send a message to the United States: “I have leverage over you.”

Every time he has done this, he has had his way. We have proven ourselves addicted to Iraqi oil. Saddam has been proven right: he does have leverage over us.

We have placed our energy security in the hands of a madman.

The Administration has attempted vauntingly to reconstruct a sensible multilateral policy toward Iraq. Those attempts have unfortunately not been successful.

I think that before we can construct a sensible US policy toward Iraq, we need to end the blatant inconsistency between our energy policy and our foreign policy.

We need to end our addiction to Iraqi oil. We need to go “cold turkey.”

To that end I have introduced legislation today which would prohibit imports from Iraq, whether or not under the Oil for Food Program, until it is no longer inconsistent with our national security requirement.

I hope that this will be an initial step towards a more rational and coherent policy toward Iraq.

By Mr. LEAHY (for himself, Mr. HATCH, and Mr. KENNEDY):
S. 1174. A bill to provide for safe incarceration of juvenile offenders; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, I rise today to introduce with Senator HATCH legislation that addresses the problems caused by housing juveniles who are prosecuted in the criminal justice system in adult correctional facilities. In addition, this legislation reauthorizes the Juvenile Justice and Delinquency Prevention Act, to maintain the core protections afforded to juveniles who are adjudicated delinquent and detained in the juvenile court system.

This two-pronged approach will help ensure that we treat offenders with appropriate severity, but also in a way that assists States in providing safe conditions for their confinement and appropriate access to educational, vocational, and health programs that address the needs of juveniles. Improving conditions for juveniles today will improve the public safety in the future, as juveniles who are not exposed to adult inmates have a lower likelihood of committing future crimes.

The Justice Department reported last fall that of the 50 States and the District of Columbia, 44 house juveniles in adult jails and prisons, and 26 of those do not maintain designated youthful offender housing units. As a nation, we are relying increasingly on adult facilities to house juveniles; for example, according to the Bureau of Justice Statistics’ survey of jails, there was a 35-percent increase in the number of juveniles held in adult jails between 1994 and 1997. I believe that there is a will in the States to improve conditions for these juveniles, but resources are often lacking. The Federal Government can play a useful role by providing funding to States that want to take account of the differences between juveniles and adults.

Although many juvenile offenders serving time in adult prisons have committed extraordinarily serious offenses, others are there because of relatively minor crimes and will be released at a young age. According to the 1999 report of the Office of Juvenile Justice and Delinquency Prevention, 22 percent of juveniles committed to State prisons were there because they had committed property crimes, 11 percent because they committed drug-related crimes, and those 25 percent because they had committed murder, kidnapping, sexual assault or assault. Certainly, many of those juveniles can be convinced not to commit further
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CRimes. The social and moral cost of not making that attempt is simply incalculable.

There is stunning statistical evidence that something is deeply wrong with our current approach to incarcerating juveniles. According to the Justice Department, the suicide rate for juveniles held in state jails is five times the rate in the general youth population and eight times the rate for adolescents in juvenile detention facilities. Juveniles in adult facilities are also more likely to be violently victimized. Sexual assault was five times more likely than in juvenile facilities, beatings by staff nearly twice as likely, and attacks with weapons almost 50 percent more common.

Moreover, many scholars have questioned whether housing juvenile offenders and adults in the same cell blocks and cages will work in the long-term interest in public safety. Multiple studies have shown that youth transferred to the adult system recidivate at higher rates and with more serious offenses than youth who have committed similar offenses but are retained in the juvenile justice system. Some would suggest that we should not be transferring youth to the adult system at all, and I am sympathetic to that view. But that is a decision our States must make, and for now most of our States have taken the contrary position. At the very least, then, we must ensure that juveniles are treated humanely in the criminal justice system to reduce the risks that upon release they will commit additional and more serious crimes. One of the ways we can do that is by helping States improve confinement conditions.

The problem this bill is intended to address cannot be described simply through statistics or academic studies. The compelling stories of young people who have been part of the corrections system should command our attention. For example, United Press International and numerous newspapers have reported the story of 15-year-old Robert, who was held in a Kentucky adult jail for the minor infraction of truancy and petty theft. One night during his time there, Robert wrapped one end of his shirt around his neck, and one over his eyes, then hung himself. The county has now agreed not to house juveniles and adults together.

The New York Times magazine last year told the story of Jessica, who at 14 was the youngest female in the Florida correctional system and, within her first few weeks in prison, tried to commit suicide. Jessica was then transferred to a rougher Miami prison where she does not receive psychological counseling or ordered to get her GED. Jessica has found an extensive surrogate prison family whom she turns to for advice. The woman she refers to as “Mommy” is serving a life sentence for murder. Jessica will be released at age 22 with no education beyond the sixth grade, no job skills, and no life experience beyond her prison term, she will be 22, with an entire adult life ahead of her. I believe it is critical for the public safety for her and others like her to have options besides a life of crime.

The Miami Herald reported the stories of Joseph Tejera and Rebekah Homerston. Tejera was sentenced as an adult after vandalizing the city’s recreation center. Upon her release from adult after vandalizing the city’s recreation center. Upon her release from

Title I: The first title of this bill creates a new incentive grant program for State and local governments and Indian tribes. These grants can be used for the following purposes related to juveniles under the jurisdiction of an adult criminal court: (a) alter existing correctional facilities, or develop separate facilities, to provide segregated facilities and punishment, and 4-point restraints. The use of such punishment is inconsistent with our commitments to treating juveniles humanely, and is at variance with the very purpose of this grant program. Every State that can meet the requirements of the grant program will receive funding under this title, and rural representation is guaranteed.

Title II: The second title of the bill authorizes States to use their Violent Offender Incarceration/Treatment (VOLTIS) grant money to improve the treatment of juveniles under the jurisdiction of the adult criminal justice system. It also offers States an
Mr. VOINOVICH. Mr. President, I am very pleased that Senator Pryor, Ranking Member of the Committee on Environment and Public Works, has introduced two additional bills today. S. 1176 is a bill to strengthen research and development in the field of Environmental Science and Technology, and S. 1177 is a bill to reauthorize the Family Unity Demonstration Project. I would like to support both of these efforts.

S. 1176, the Environmental Science and Technology Act, would establish a new agency to oversee the environmental research and development program at the EPA. This agency would be responsible for conducting research on a wide range of environmental issues, including air and water pollution, toxic substances, and climate change.

The bill would also authorize $1 billion per year for environmental research and development, which would be a significant increase over the current funding level. This increased funding would be essential to ensure that the EPA is able to conduct the necessary research to address our nation's most pressing environmental challenges.

S. 1177, the Family Unity Demonstration Project Act, would authorize additional funds to support programs that keep families together during the time that a child is detained for a crime. These programs are essential to ensure that children are not separated from their families for extended periods of time, which can have serious negative impacts on their development.

The bill would also authorize $75 million per year for the Family Unity Demonstration Project, which would allow for the expansion and improvement of these programs across the country.

In conclusion, I urge my colleagues to support both of these bills and ensure that our nation's environmental research and development programs are adequately funded and that families are not separated unnecessarily during the time that a child is detained for a crime.
science is the basis for regulatory deci-
sions. The new Deputy's focus on science could also change how environment-
mental decisions are made.

Additionally, the Assistant Adminis-
trator for Research and Development, currently the top science job at the EPA, will be appointed for 6 years versus the current 4 years political ap-
pointment term. Historically, this position is recognized to be one of the EPA's weakest and most transient administra-
tive positions according to NRC's report, even though in my view, the po-
sition addresses some of the Agency's more important topics. By lengthening
the term of this Assistant Administrator position and removing it from the
realm of politics, I believe there will be more continuity in the sci-
cientific work of the Agency across ad-
ministrations and allow the Assistant Administrator to focus on science con-
ducted at the Agency.

In 1997, we learned the problems that
can arise when science is not used
in making regulatory decisions. Follow-
ing EPA's ozone and particulate matter regulations there was great un-
certainty on the scientific side.

When initially releasing the Ozone/
PM regulations, the EPA greatly over
estimated the impacts for both ozone and PM, and they had to publicly change their figures later on. Addition-
ally, they selectively applied some
study results while ignoring others in
their calculations. For example, the
majority of the health benefits for ozone are based on one PM study by a
Dr. Moogarkar, even though the Agen-
cy ignored the PM results of that study because it contradicted their position on PM.

The legislation that Senator CARPER
and I are introducing will ensure that
science no longer takes a "back seat" at the Environmental Protection Agen-
cy in terms of policy making. I call on
my colleagues to join us in cospon-
soring this bill, and I urge speedy con-
sideration of this bill. I ask unanimous
consent that the text of the bill be
printed in the RECORD.

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

S. 1176

Be it enacted by the Senate and House of Re-
presentatives of the United States of America in Con-
gress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Environmental Re-
search Enhancement Act of 2001".

SEC. 2. ENVIRONMENTAL PROTECTION AGENCY RESEARCH ACTIVITIES.

(a) In GENERAL.—Section 6 of the Environ-
mental Research, Development, and Dem-
onstration Authorization Act of 1978 (42 U.S.C. 4365) is amended by adding at the end the fol-
lowing:

"(e) DEPUTY ADMINISTRATOR FOR SCIENCE AND TECHNOLOGY.—There is established in the Environmental Protection Agency (re-
ferred to in this section as the "Agency") the
position of Deputy Administrator for Science and Technology who shall:

"(2) APPOINTMENT.—

"(A) IN GENERAL.—The Deputy Adminis-
trator for Science and Technology shall be appointed by the President, by and with the advice and consent of the Senate.

"(B) CONSIDERATION OF RECOMMENDA-
TIONS.—In making an appointment under subparagraph (A), the President shall con-
sider recommendations submitted by:

"(i) the National Academy of Sciences;

"(ii) the National Academy of Engineering; and

"(iii) the Science Advisory Board established by section 8 of the Environmental Re-

"(3) RESPONSIBILITIES.—

"(A) OVERSIGHT.—The Deputy Adminis-
trator for Science and Technology shall co-
ordinate and oversee—

"(i) the Office of Research and Develop-
ment of the Agency; referred to in this sec-
tion as the 'Office';

"(ii) the Office of Environmental Informa-
tion of the Agency; and

"(iii) the Science Advisory Board.

"(B) OTHER RESPONSIBILITIES.—The Deputy
Administrator for Science and Technology shall—

"(i) ensure that the most important sci-
cientific issues facing the Agency are identi-
fied and defined, including those issues em-
bodied in major policy or regulatory pro-
posals;

"(ii) develop and oversee an Agency-wide strategy to acquire and disseminate nec-
necessary scientific information through intra-
mural efforts or through extramural pro-
grams involving academia, other govern-
ment agencies, and the private sector in the
United States and in foreign countries;

"(iii) ensure that the complex scientific outreach and communication needs of the
Agency are met, including the needs—

"(I) to reach throughout the Agency for
credible science in support of regulatory of-

cine, regional and Agency-wide policy delibera-
tions; and

"(II) to reach out to the broader United
States and international scientific commu-
nity for scientific knowledge that is relevant
to Agency policy or regulatory issues;

"(iv) coordinate and oversee scientific quality-assurance and peer-review activities
throughout the Agency, including activities in
support of the regulatory and regional of-
cine;

"(v) develop processes to ensure that ap-
propriate scientific information is used in
decisionmaking at all levels in the Agency; and

"(vi) ensure, and certify to the Adminis-
trator of the Agency, that the scientific and
technical information used in each Agency
regulatory decision and policy is—

"(I) valid;

"(II) appropriately characterized in terms of
scientific uncertainty and cross-media
issues; and

"(III) appropriately applied.

"(f) ASSISTANT ADMINISTRATORS FOR RE-
SEARCH AND DEVELOPMENT.—

"(1) TERM OF APPOINTMENT.—Notwith-
standing any other provision of law, the
Assistant Administrator for Research and De-
velopment of the Agency shall be appointed for a term of 6 years.

"(2) APPLICABILITY.—Paragraph (1) applies
to each appointment made on or after
the date of enactment of this subsection.

"(g) SENIOR RESEARCH APPOINTMENTS IN
OFFICE OF RESEARCH AND DEVELOPMENT LAB-
ORATORIES.—

"(1) ESTABLISHMENT.—The head of the Of-

ce, in consultation with the Science Advi-
sory Board and the Board of Scientific Coun-
selors of the Office, shall establish a program
to recruit and appoint to the laboratories of
the Office senior researchers who have made
distinguished achievements in environ-
mental research.

"(2) AWARDS.—

"(A) IN GENERAL.—The head of the Office
shall make awards to the senior researchers
appointed under paragraph (1)—

"(i) to support research in areas that are
rapidly advancing and are related to the mis-

sion of the Agency; and

"(ii) to train junior researchers who dem-

onstrate exceptional promise to conduct re-
search in such areas.

"(B) SELECTION PROCEDURES.—The head of
the Office shall establish a program for the
selection of the recipients of awards under
this paragraph, including procedures for
consultation with the Science Advisory Board
and the Board of Scientific Counselors of the Office.

"(C) DURATION OF AWARDS.—Awards under
this paragraph shall be made for a 5-year pe-
riod and may be renewed.

"(3) PLACEMENT OF RESEARCHERS.—Each
laboratory of the Office shall have not fewer
than 1 senior researcher appointed under the
program established under paragraph (1).

"(4) AUTHORIZATION OF APPROPRIATIONS.—
There are authorized to be appropriated such
sums as are necessary to carry out this sub-
section.

"(h) OTHER ACTIVITIES OF OFFICE OF RE-
SEARCH AND DEVELOPMENT.—

"(1) ACTIVITIES OF THE OFFICE.—The Office shall—

"(A) make concerted effort to give re-
search managers of the Office a high degree
of flexibility and accountability, including
empowering the research managers to make
decisions at the lowest appropriate manage-
ment level consistent with the policy of the
Agency and the strategic goals and budget
priorities of the Office;

"(B) maintain approximately an even bal-
ance between core research and problem-
driven research;

"(C) develop and implement a structured
strategy for encouraging, and acquiring and
applying the results of, research conducted
or sponsored by other Federal and State
agencies, universities, and industry, both in
the United States and in foreign countries;

"(D) substantially improve the documenta-
tion and transparency of the decisionmaking
processes of the Office for—

"(i) establishing research and technical-as-
sistance priorities;

"(ii) making intramural and extramural
assignments; and

"(iii) allocating funds.

"(2) ACTIVITIES OF THE ADMINISTRATOR.—
The Administrator of the Agency shall—

"(A) substantially increase the efforts of the
Agency—

"(i) to disseminate accurately the research
products and ongoing projects of the Office;

"(ii) to explain the significance of the re-
search products and projects; and

"(iii) to assist other persons and entities
inside and outside the Agency in applying the
results of the research products and projects;
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This bill sets forth findings that support the need and legitimacy of the Medicaid demonstration projects. It makes clear that any expenditures the state may make under the demonstration project will be treated as payments made under the state plan under Medicaid for covered outpatient drugs for purposes of a rebate agreement, regardless of whether these expenditures by the state are offset or reimbursed, in whole or in part, by rebates received under such an agreement.

It also makes clear that these projects are entirely consistent with the objectives of the Medicaid program. Finally, it states that the regular cost-sharing requirements under Medicaid do not have to apply in the instance of these programs.

Many of the objectives of the Medicaid program is to "to enable each State, as far as practicable under the conditions in such State, to provide medical assistance on behalf of families with dependent children and of aged, blind, or disabled individuals, whose income and resources are insufficient to meet the costs of necessary medical services." As part of carrying out this objective, every state has elected the option of providing prescription drugs as a benefit under the Medicaid program, thereby providing a meaningful means of increasing the access of low-income individuals to drugs prescribed by their doctors.

Furthermore, Section 1115 of the Social Security Act provides the Secretary of Health and Human Services with broad authority to approve demonstration projects that are likely to assist in promoting the objectives of the Medicaid program, and waive compliance with any of the state plan requirements of the program. The fact of the matter is, Medicaid demonstration projects help promote the objectives of the Medicaid program, including obtaining information about options for increasing access to prescription drugs for low-income individuals.

If indeed the States are truly laboratories of democracy—and I believe they are—these demonstration projects deserve the chance to work, to be examined, and to assist those that they are designed to assist. And there is no question of the need—in Maine, 50,000 people signed up within the first three weeks of the program.

Under the "Healthy Maine Prescriptions Program," Maine provides prescription drug discounts of up to 25 percent for all adults with incomes of up to 300 percent of the Federal Poverty Level. A second benefit offering discounts of 80 percent of the cost of prescription drugs is available for disabled individuals, whose income and resources are insufficient to meet the costs of necessary medical services, and for the elderly, whose income and resources are insufficient to meet the costs of necessary medical services. As part of the Medicaid program," Senators COLLINS, JEFFORDS and LEAHY:

Ms. SNOWE, Mr. President, I rise today to introduce a bill along with Senator COLLINS, JEFFORDS and LEAHY to provide the states of Maine and Vermont continued authority to expand access to discounted prescription drugs under Medicaid.

Maine has instituted an innovative demonstration program called the "Healthy Maine Prescriptions" program that is leading the way in providing affordable prescription drugs for qualifying Maine residents. This was made possible with innovative demonstration projects to expand access to prescription drugs under Medicaid. Thousands of individuals who are enrolled in the Medicaid insurance benefits are enrolled in those programs.

The sad truth is, many low-income individuals cannot afford to purchase the drugs prescribed by their doctors. The result is that these individuals either split the doses to make them last longer—in violation of doctors' orders; they cut back on other necessities like food or clothing; or they simply decide not to fill the prescription at all—surely a detriment to the health care system in general when you consider the number and expense of ailments that could have been prevented with the proper prescription drug.

The reason why we are introducing this legislation is that, unfortunately, last month, a three-judge panel of the U.S. Court of Appeals for the District of Columbia ruled against the Vermont program, finding that Vermont "lacked the authority to offer the same prescription rebates offered under federal Medicaid insurance" because Congress "imposed rebate requirements to reduce the cost of Medicaid." More recently, because of that ruling, a complaint has been brought by PHARMA against the Secretary of Health and Human Services to provide injunctive relief for the state program.

This bill sets forth findings that support the need and legitimacy of the demonstration projects and provides, in statute, specific authority for these prescription drug discounts for states whose waivers were approved before January 31, 2001.

Specifically, the bill amends Section 1115 of the Social Security Act—the portion of the act granting the Secretary of Health and Human Services the authority to approve demonstration projects. It makes clear that any expenditures the state may make under the demonstration project will be treated as payments made under the state plan under Medicaid for covered outpatient drugs for purposes of a rebate agreement, regardless of whether these expenditures by the state are offset or reimbursed, in whole or in part, by rebates received under such an agreement.

It also makes clear that these projects are entirely consistent with the objectives of the Medicaid program. Finally, it states that the regular cost-sharing requirements under Medicaid do not have to apply in the instance of these programs.
entirely in keeping with the spirit and intent of Medicaid and I hope my colleagues will recognize the value of these demonstration projects.

Ms. COLLINS. Mr. President, I am pleased to join with my colleagues from Vermont, Senator SNOWE, and my colleagues from Vermont, Senators JEFFORDS and LEAHY, in introducing legislation to ensure that States like Maine and Vermont, which have taken the initiative in developing innovative programs to make prescription drugs more affordable for their citizens, can proceed with these efforts.

The last 20 years have witnessed dramatic pharmaceutical breakthroughs that have helped reduce deaths and disability from heart disease, cancer, diabetes, and many other diseases. As a consequence, millions of people around the world and millions more in America, and more productive lives. These new medical miracles, however, often come with hefty price tags, and many people—particularly lower Americans without prescription drug coverage—are simply priced out of the market.

As so often happens, the States have been the laboratories for reform in this area and have come up with some creative ways to address this problem. In January of this year, the Department of Health and Human Services granted Maine a waiver under the Medicaid program through which States can offer drug discounts of up to 25 percent for individuals with incomes up to three times the Federal poverty level. Our new Healthy Maine Prescriptions Program includes both this new discount prescription drug benefit and a separate benefit, financed entirely with State funds, that offers discounts of up to 80 percent for low-income elderly and the disabled. Maine began providing savings under the Healthy Maine Prescription Program on June 1st of this year, and by June 26th the Department of Human Services had enrolled 50,460 individuals into the program. Ultimately, it is estimated that 225,000 Mainers qualify for the program.

Unfortunately, however, this important new program has run into a stumbling block. Last month, in a case brought by the Pharmaceutical Research and Manufacturers of America (PhRMA), a three-judge appeals panel ruled that a similar program developed by Vermont “lacked the authority to offer the same prescription rebates offered under federal Medicaid insurance” because Congress “imposed rebate requirements to reduce the cost of Medicaid.” The pharmaceutical trade group has subsequently sued the Department of Health and Human Services to block the Maine waiver, and the State of Maine has become a party to that case.

The Maine program is different enough from Vermont’s to provide a different result in court. However, we believe that innovative programs like these, which meet such a clear human need, should be able to proceed without having to fight endless legal battles. That is why we are introducing legislation today to give the Department of Health and Human Services clear authority to grant States these kinds of waivers, which will allow them to pursue innovative uses of Medicaid, such as the Health Maine Prescription program. Secretary of Health and Human Services Tommy Thompson made creative use of these kinds of Medicaid waivers when he was Governor of Wisconsin.

We believe that he should be able to continue to do so in his new role as Secretary without the chilling effect brought by lawsuits like PhRMA’s.

The legislation we are introducing today will allow States like Maine to proceed with the innovative programs they have developed to meet the prescription drug needs of their citizens, and I urge all of my colleagues to join us in cosponsoring the legislation.

SENATE RESOLUTION 129—ELECTING JERI THOMSON AS SECRETARY OF THE SENATE

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following resolution; which was considered and agreed to:

Resolved, That Jeri Thomson be, and she is hereby, elected Secretary of the Senate, effective July 12, 2001.

SENATE RESOLUTION 130—NOTIFYING THE HOUSE OF REPRESENTATIVES OF THE ELECTION OF A SECRETARY OF THE SENATE

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following resolution; which was considered and agreed to:

Resolved, That the House of Representatives be notified of the election of the Honorable Jeri Thomson as Secretary of the Senate.

SENATE RESOLUTION 131—NOTIFYING THE PRESIDENT OF THE UNITED STATES OF THE ELECTION OF A SECRETARY OF THE SENATE

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following resolution; which was considered and agreed to:

Resolved, That the President of the United States be notified of the election of the Honorable Jeri Thomson as Secretary of the Senate.