

this plan, molding the cuts with their own best interests in mind.

The question is, Do they have the interests of senior citizens at heart? The answer, Mr. Speaker, sadly, is no.

I have over 15,000 petitions from the senior citizens of my district opposed to the drastic cuts in Medicare. Every day I have dozens more calling my office asking me if they can sign a petition. "How can I help, can I circulate more petitions?" they ask. They tell me of hundreds of seniors who have not yet had a chance to have their voices heard, but who are very afraid and confused by the Republican Medicare proposal.

What started out as a need to shore up Medicare, so as to keep our sacred contract with seniors, has turned into a raid to fund a \$245 billion tax cut for America's wealthiest citizens. The Republicans wave a report by the Medicare trustees saying the system is headed toward bankruptcy. But nine times in the past, we have faced the threat of the trust fund going bankrupt and have dealt with it as it should be dealt with now—without fanfare and without partisan propagandizing. The report says only \$90 billion is needed to insure the solvency of the trust fund, but the Republicans insist on cutting \$270 billion to pay for their tax cut.

To pay for this tax cut, Medicare recipients will pay more, but they will get less in return. By the year 2002, \$1,700 less will be spent on each beneficiary. However, deductibles will be doubled and premiums will skyrocket. Seniors will pay an average of \$3,300 more over 7 years and will be herded into managed care, forced to give up their own doctors. Simply said, seniors will be paying more for less.

I recently sent a letter to the presidents of the various hospitals in my district, asking them to analyze the impact of the Republican proposals for Medicare. The president of MacNeal Hospital in Berwyn, IL writes, "The reductions, as proposed, if implemented, could force MacNeal Hospital to close. Over the 7 year period from fiscal years 1996 through 2002, Medicare reimbursements would decrease by \$92 million. As an employer, it would result in the direct loss of 3,000 jobs. Needed access for the people of your district to high-quality low-cost healthcare would obviously be dramatically and negatively affected."

The president of West Suburban Hospital in Oak Park, IL wrote an emotionally moving letter. "None of the news I have heard sounds encouraging. In fact, the question is not how will we serve patients in spite of funding shortfalls, but how will we serve them at all."

According to figures from the American Hospital Association, this plan will result in a reduction in reimbursement to hospitals in metropolitan Chicago totaling \$2,830,000,000 in fiscal years 1996 to 2002. Clearly, the Republicans Medicare proposal will hurt not only the elderly, but hospitals too,

which will cause cost shifting to the private payer.

A respected Chicago newspaper columnist recently noted the quiet silence of senior citizens on this proposal. Given the partisan rhetoric and the cynicism, it is no surprise that many are not vocally taking sides. But with these petitions, thousands have quietly sent me a message that this is too much change, much too fast.

968 pages of a bill to amend title 18 of Social Security Act to preserve and reform the Medicare Program, were delivered to me this morning. But these 968 pages are not intended to preserve and reform the Medicare Program. Rather, they are intended to destroy Medicare's security blanket for our seniors, and radically replace it with an untried system.

Mr. Speaker, Medicare was signed into law 30 years ago as a sacred commitment with the elderly of America. I will not break that commitment. I do not want to see the elderly have to choose between paying their doctor's bills and their utility or grocery bills. Republicans are big on contracts these days. Let's keep our contract with seniors and preserve the Medicare system. I urge my colleagues to oppose H.R. 2425.

□ 2145

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from Tennessee [Mr. DUNCAN] is recognized for 5 minutes.

[Mr. DUNCAN addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### GOP PLAN WILL SAVE, STRENGTHEN, AND SIMPLIFY MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Idaho [Mrs. CHENOWETH] is recognized for 5 minutes.

Mrs. CHENOWETH. Mr. Speaker, tomorrow the House of Representatives will take a giant step toward putting Medicare back on sound fiscal footing and giving our seniors the same choices enjoyed by Federal employees, including Members of Congress, and citizens in the private sector when it passes the Medicare Preservation Act of 1995 [MPA]. The goal of the MPA is to preserve Medicare for current beneficiaries, protect it for future generations, and strengthen it through reforms that have been tested and proven in the private sector.

On April 3, 1995, the Medicare trustees, including three members of President Clinton's cabinet, issued the following warning: Medicare begins going bankrupt next year and unless prompt and decisive action is taken, Medicare will be completely out of money by 2002.

There is no reason to doubt the accuracy of the report or its conclusion. I

urge you to obtain an official summary from my office (356-2010) and judge for yourself.

The bottomline is that if Medicare is not reformed, either seniors will be forced to accept sharply curtailed medical services or working Americans will be forced to pay sharply increased payroll taxes, estimated by the Heritage Foundation to cost the average Idaho household an additional \$1,200 per year.

Under the MPA, total Medicare spending will increase 54 percent, from \$161 billion in 1995 to \$274 billion in 2002. On an annual per beneficiary basis, average spending will increase from \$4,800 today to more than \$6,700 in 2002. Obviously, not only is Medicare not being cut but at an average of about 6.5 percent per year, it will grow faster than the current 3.2 percent rate of private sector medical inflation and more than fast enough to accommodate all new entrants into the system. Only in the bizarre and convoluted world of Washington bookkeeping and partisan bickering can such an indisputable spending increase be called a cut.

The MPA will give seniors the right to choose from these:

First, if they want to, seniors can stay with the current Medicare system—exactly as it is today. And if they choose another option and decide later that they want to return to traditional Medicare, they can do that, too. No senior citizen will be forced to give up his or her current Medicare coverage, switch doctors, or be forced into a plan they don't want.

Second, seniors can opt for managed care and join a health maintenance organization [HMO], in which beneficiaries agree to receive their medical care from a defined pool of providers in exchange for lower out-of-pocket expenses and broader coverage, which could include prescription drugs, dental care, and eyewear. Many seniors, particularly those whose private physicians are already associated with the HMO they choose, will find this an attractive alternative.

Third, seniors can opt for a medical savings account [MSA] plan, which uses the beneficiary's Medicare stipend to fund both catastrophic health insurance plus an MSA, out of which seniors would pay for routine medical needs. Seniors choosing this plan would have complete control over the money they spend on medical care and any money left over in the MSA at the end of the year would belong to the senior, not the insurance company or the Government.

Fourth, seniors can join provider service networks, similar to HMO's, that are organized by doctors and hospitals themselves.

The Medicare Preservation Act also aggressively attacks the waste, fraud, and abuse that has contributed so much to Medicare's rising costs. Incredibly, the Congressional Budget Office has estimated that as much as 20 percent of Medicare spending is fraudulent.

The MPA requires the Department of Health and Human Services to identify and eliminate these huge losses, including financially rewarding Medicare recipients who report abuses. It makes doctors and hospitals accountable for their actions and imposes stiff new penalties on anyone caught defrauding Medicare.

Another important point is that the portion of Medicare part B costs paid by seniors through premiums, currently 31.5 percent, will not change. Over the past 7 years, part B premiums have nearly doubled, rising from \$24.80 in 1988 to \$46.10 today. Current law, the MPA, and the president's plan all assume similar increases over the next 7 years.

Let me also emphasize that every additional premium paid by Medicare recipients will go directly to Medicare part B, not, as you may have heard, to pay for middle-class tax relief. It can't. It's impossible. It's illegal. Premiums and payroll taxes paid into the Medicare trust funds can only be used for the Medicare Program.

Finally, the wealthiest 2.9 percent of seniors, those single taxpayers with incomes above \$75,000 and couples with incomes above \$125,000, will be required to pay higher part B premiums.

That is the Republican plan. It is innovative, responsible, and cost-effective. Unfortunately, the congressional minority and the president have embarked on a partisan mediscare campaign meant to frighten and exploit seniors for political gain. It appears they have their sights set more on the next election than the next generation. Not only is that bad policy, it's also bad politics.

One of the major factors in last November's electoral sweep was that Americans want Representatives who aren't afraid to tackle the tough issues. With our Medicare preservation plan, we have shown that we are willing to do exactly that.

This plan ends a decade-long habit of applying only band-aid solutions to Medicare's fiscal woes. It uses common sense and market forces to save Medicare and bring the program into the 21st century, giving seniors more choices and better care at lower costs. But just as important, it is one more confirmation that the era of politics as usual is over.

#### A DEMOCRATIC VIEW OF REPUBLICAN MEDICARE PLAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Connecticut [Mr. GEJDENSON] is recognized for 5 minutes.

Mr. GEJDENSON. Mr. Speaker, they are back in the back room again. The last time the Republicans went in the back room, the AMA got a fat check and the seniors got left out in the cold.

I do not know how the previous speaker could define what was in the bill because it is my understanding that at this point there is no bill, that

the Republican leadership is somewhere in this institution huddled away in a back room of the Committee on Rules trying to write a new bill to buy enough votes to get it on the floor and pass it tomorrow.

What are they trying to achieve? Well, if you think that the Republicans, who have opposed Medicare from its inception, have been opposed to it at every step of the process, are really trying to save it, then you can agree that they are trying to save it. But if you listen to the majority leader of the House, the gentleman from Texas [Mr. ARMEY], you will find out what they really want to do. He says if he had his way, he would not have to be part of Medicare. If you are not part of Medicare, it means seniors get to go out and choose their own program.

My father is 84 years old. Last year he had a heart attack and a stroke and a hernia operation and we are going to give him a check not enough to buy any private health care plan after he has paid for decades into the program, and wish him good luck to buy a plan in the private sector. People in their mid 40's and 50's cannot buy health care on their own. The chances of senior citizens having that freedom means that they will not be covered by health care. Mr. DOLE, the majority leader, voted against health care when it came before him when he was in Congress the first time.

If this was an honest debate, most of the people on the other side of the aisle would say they do not believe government ought to be guaranteeing health care to anybody and not even seniors, and they would be for ending the program. But rather than that, they want to bankrupt and destroy the program through subversion.

Let us ask the fundamental question. They keep quoting that the trustees said there was a problem. Indeed, the trustees did say there was a problem, and if they would bother to listen to those trustees for the other half of the sentence, the trustees will tell you that it is an \$89 billion problem. How do you get from \$89 billion to \$270 billion in cuts? It is because you want a \$245 billion tax cut.

Let us take a look at how you manage a society, how you manage a business, how would you take care of your family? Because we remember the contract that was signed on the back side of the Capitol. The contract was they were going to protect family. We now know what family it is. It is the GOPAC contributor's family. If you make \$350,000, the Republican budget says that you need a \$20,000 tax cut. If you live on Social Security, they say you need to spend another \$1,000 and get less coverage in your Medicare.

Is that what government is supposed to be all about? Are we supposed to come here and make it more difficult for the people who fought World War II, who saved democracy for this country and the world, and as they come to the point where they need health care cov-

erage, which we guaranteed them, that you are going to pull the rug out from under them?

Oh, yes, you are going to give them choices. You can have a medical savings account. I know a lot of seniors that can save up \$26,000 to \$30,000 for a 1- or 2-day visit to the hospital. If you are in the \$350,000 category, yes, you can have a medical savings account. If you are living on Social Security and even a small pension, that savings account does not do anything for you. This is about taking from the needy to pay for the greedy. The honest debate here is where should this society go? This society needs to go by providing for senior citizens.

The debate here is very simple. Is this society going to take care of the needs of the greedy, those who can afford to contribute to GOPAC, those who make \$350,000 a year? Are we going to go back in the back rooms as the Republicans are back there tonight trying to buy a few more votes?

Last time it was the AMA at the cost of the seniors. My doctors do not want that deal. My hospitals do not want a deal that will leave seniors further out in the cold. They want to have a health care system that protects seniors and working men and women in this country.

□ 2200

The SPEAKER pro tempore (Mr. BUNN of Oregon). Under a previous order of the House, the gentleman from California [Mr. RIGGS] is recognized for 5 minutes.

[Mr. RIGGS addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

#### REQUEST FOR PERMISSION TO ADDRESS THE HOUSE

Mr. MILLER of Florida. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

Mr. GEJDENSON. Mr. Speaker, I object.

The SPEAKER pro tempore. Objection is heard.

#### ON MEDICARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas, Mr. GENE GREEN, is recognized for 5 minutes.

Mr. KINGSTON. Mr. Speaker, will the gentleman yield?

Mr. Speaker, if the gentleman will yield, I will yield back when my time comes to repay him.

Mr. GENE GREEN of Texas. Mr. Speaker, I know there was an objection for a Member, and I hope that we do not see that because there was an agreement earlier tonight. But I would hope we would be able to proceed with the order.

If the gentleman would like to have someone to stand up over there and ask to speak now, I will wait my turn.