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House of Representatives

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. BONILLA].

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
May 25, 1995.

I hereby designate the Honorable HENRY BONILLA to act as Speaker pro tempore on this day.

NEWT GINGRICH,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We pray, O God, for Your gift of healing—healing of body, mind, and spirit. Our petitions are for estrangement to be replaced by reconciliation and alienation to be replaced by trust. We pray that Your spirit will touch people's lives, that illness will be displaced by strength, and anxiety be overcome with confidence. We place these petitions before You, O God, that Your power, that created the Heavens and the Earth and every living person, will live in our lives and nurture us along life's way. This is our earnest prayer. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Colorado [Mr. SKAGGS], please come forward and lead the House in the Pledge of Allegiance.

Mr. SKAGGS led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute requests today at the end of business.

REQUEST FOR PERMISSION TO LIMIT AMENDMENTS, OFFER AN AMENDMENT, AND EXPAND DEBATE TIME ON H.R. 1561, AMERICAN OVERSEAS INTERESTS ACT OF 1995

Mr. GILMAN. Mr. Speaker, I ask unanimous consent that, No. 1, during the further consideration in the Committee of the Whole of the bill H.R. 1561, pursuant to House Resolution 155, that other than pro forma amendments for the purpose of debate and amendments en bloc described in section 2 of House Resolution 155, no further amendment to the committee amendment in the nature of a substitute be in order except those printed in the amendments portion of the CONGRESSIONAL RECORD on or before May 24, 1995;

No. 2, the chairman of the Committee on International Relations, with the concurrence of the ranking minority member, is authorized to offer an amendment notwithstanding the preprinting-in-the-CONGRESSIONAL-RECORD requirement above or in House Resolution 155;

No. 3, consideration of the bill for amendment under the 5-minute rule may continue on the same terms as during the initial 10-hour period under House Resolution 155 for an additional period of 6 hours and may extend beyond 2:30 p.m. on Thursday, May 25, 1995; and

No. 4, no further amendment shall be in order after the additional 6-hour period.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

Mr. DOGGETT. Reserving the right to object, Mr. Speaker, what we need

on this whole international relations legislation is some bipartisanship consistent with the history of this Congress in providing some bipartisan support for Presidents, regardless of party, in the conduct of our international relations.

My concern is that what we have, instead, is a 352-page detailed bill micromanaging foreign policy. Mr. Speaker, I do not think 6 hours more of talk, if it is the kind of talk that we have had throughout the course of this debate so far, is going to get us any nearer a bipartisan foreign relations bill.

It is obvious, since this bill was supposed to be crammed through yesterday, that the votes are not there for this kind of micromanagement.

Mr. SOLOMON. Mr. Speaker, regular order.

Mr. DOGGETT. Mr. Speaker, in view of that, I object to the request, because it has already been decided.

The SPEAKER pro tempore. Objection is heard.

ANNOUNCEMENT REGARDING EMERGENCY MEETING OF THE COMMITTEE ON RULES

(Mr. SOLOMON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SOLOMON. Mr. Speaker, I will not go into the issue that the gentleman just brought up. I would call for an emergency meeting of the Committee on Rules right now up in room 314.

APPOINTMENT OF CONFEREES ON H.R. 483, MEDICARE SELECT EXPANSION

Mr. BLILEY. Mr. Speaker, I ask unanimous consent to take from the

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.



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Speaker's table the bill (H.R. 483) to amend title XVIII of the Social Security Act to permit medicare select policies to be offered in all States, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Virginia?

There was no objection.

MOTION TO INSTRUCT OFFERED BY MR. DOGGETT

Mr. DOGGETT. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. DOGGETT moves that the managers on the part of the House at the conference on the disagreeing votes of the two Houses on the Senate amendment to the House bill, H.R. 483, be instructed to resolve the difference between the House's 8½-year program and the Senate's 5-year program of medicare select policies, within the scope of the conference, in light of the changes in Medicare—the program that medicare select policies supplement—to increase beneficiary cost-sharing and to limit choice of provider as contemplated in this year's budget process.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DOGGETT] will be recognized for 30 minutes, and the gentleman from Virginia [Mr. BLILEY] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. DOGGETT].

Mr. DOGGETT. Mr. Speaker, this Medicare Select bill does not take into consideration the tremendous changes that are going to be made in Medicare under the budget resolution which was approved in this House, unfortunately, within the last week. This Medicare Select legislation does not take into consideration the fact that though no Member of the majority has come forward to tell the American people, they are proposing a doubling of the deductible for those on Medicare. They are proposing to increase, to add new charges if a senior citizen needs to go to a lab as a result of the doctor's orders. They are proposing new charges for home health care. They are proposing that even if one has the audacity as an American senior to say, "I want the doctor that I have always had, and I would like to stay with my own doctor, the doctor of my choice," that will be an extra \$20 a month.

All of these things need to be considered by the conferees. That is what this motion is designed to do.

Mr. Speaker, I would like to emphasize what the effect of this Medicare Select will be, unless we have these conferees instructed to consider this increase that has been proposed in the budget resolution increasing out-of-pocket costs to seniors, where we are going to end up. Many American seniors right now are just barely able to make a go of it. They have to make, in my district, from some of the people that I have talked with, individual seniors, they have to make a decision between whether or not they will have enough food on the table or whether

they will have to pay the prescription bill that is not covered by Medicare at present.

With regard to those seniors, to now load them up with additional out-of-pocket costs, charging them to see their own doctor, doubling their deductible, increasing their premiums year after year, those are the changes that have been proposed by one of the secret task forces. Those are the changes that, when it came to the floor of this Congress, after all the debate on the budget measure, not one Member was willing to come forward and fess up to the fact that those changes are there, that they are being made in the Medicare Program.

Of course, no consideration has been given in this Medicare Select bill, which is not a bad idea to have Medicare Select, it just does not solve the problem if we load onto American seniors all of those additional charges.

What we are trying to do, Mr. Speaker, through this instruction is to see that the conferees consider these really drastic changes. It increased out-of-pocket charges, which so many American seniors are going to have more of every year unless the conferees give adequate consideration to this.

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

Mr. DOGGETT. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. DINGELL], the distinguished ranking member of the Committee on Commerce, to add a word or two at this point.

Mr. DINGELL. Mr. Speaker, the Congress is considering legislation of great importance to the American people. The bill before us and the matter on which the conference will commence between the House and Senate is the so-called Medicare Select Program.

Mr. Speaker, the bills for which we are appointing conferees expand the Medicare Select Demonstration Program.

And although many support this program, I believe that because the Medicare cuts required by the Republican budget are so drastic and will require such fundamental reductions in the Medicare Program, it is irresponsible to pass any Medicare legislation, including extending Medicare Select, without taking these reductions into account.

Medicare Select is a preferred-provider managed care plan that pays cost sharing for Medicare beneficiaries if they go to a selected list of providers. It will not pay for cost sharing if beneficiaries go to providers outside the selected list.

Both the House and the Senate bills expand Medicare Select to all 50 States, the Senate bill makes it an 8½-year program, the House bill a 5-year program.

Therefore, I move that the managers on the part of the House at the conference on H.R. 483 be instructed to resolve the differences between the House and Senate bills—taking into account

the impact of the budget proposal, including Medicare Select cost increases that may result from increased beneficiary out-of-pocket costs and limitations on beneficiaries' choice of providers.

As Democrats, we should remain committed to protecting seniors from cuts that will drastically affect the Medicare Program and, more importantly, from increasing their out-of-pocket health care costs.

The Republican budget proposal adds \$3,500 to the out-of-pocket health care costs of each and every senior citizen over 7 years.

This translates to a back-door raid on Social Security. By 2002, nearly 50 percent of every senior citizen's cost-of-living adjustment in Social Security will go to pay for the increased cost in Medicare.

We cannot let that happen.

We should also preserve seniors' traditional right to choose their own health care and their own doctors.

The Republican's budget proposal will have serious consequences for every aspect of the Medicare Program, including Medicare Select. Therefore, we must act to protect all seniors and take these critical issues into account.

I urge all Members to support the motion to instruct.

Mr. BLILEY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in opposition to the motion to instruct conferees. Presently, we will be going to a conference with the other body on a bill which extends the Medicare Select Program in the Medicare Program. Medicare Select is a particular type of MediGap policy which allows seniors to choose a Medicare benefits package modeled on a preferred provider delivery system of health care. The Medicare Select policy allows seniors to buy a less expensive MediGap insurance policy which wraps around the traditional Medicare benefit. It represents the new wave of innovative managed care delivery options that the private sector is currently using to hold down the rise in health care costs. Let us remember that for those elderly who choose a MediGap policy it is one of 11 options currently available.

This conference needs only to resolve the difference between the two bills on two elements—the length of the extension of the program, and whether or not a GAO study will be done. Those are the only outstanding issues.

But this motion to instruct is attempting to tie the extension of the Medicare Select Program to the recently passed House budget resolution. The House budget resolution is only binding on authorizing committees in terms of meeting aggregate budget numbers in entitlements and other programs. In terms of Medicare, it is the authorizing committees which will determine the policies that will meet budget targets. That is a process that will occur months from now in budget reconciliation. Therefore, at this point

in time it is impossible to determine the effect of a future event on a current conference. Therefore, this motion to instruct seems to be based on a belief by my Democratic colleagues in their ability to use crystal balls and psychics to divine the future.

I urge my colleagues to use the conference to resolve our differences quickly so that medicare select can be extended before its June 30 sunset date. If we do not, the only losers will be the hundreds of thousands of Medicare recipients who are currently in this program.

Mr. Speaker, I reserve the balance of my time.

Mr. DOGGETT. Mr. Speaker, I yield myself 30 seconds to respond.

Mr. Speaker, it is easy to talk about billions and jillions and resolutions that are going to come. However, when we are talking about the future, I am concerned about the future of just one person like Henrietta Carter in Austin, TX, who writes me of a friend who she says just cannot afford health insurance now, "so she suffers a lot, because Medicare doesn't take care of her doctor visits and she has nothing to help with medication. She fell and cut a large gash in her leg but refused to go to the doctor because she was afraid she couldn't pay. There are days we know she is hurting, but she just keeps on." That is the kind of individual I am concerned about.

Mr. Speaker, I yield 2 minutes to the distinguished gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I, too, would raise the name of a constituent from my district, Martha Haircrow, from Charleston, who talked recently about the medical problems she is having and the great concern that she has about Medicare to meet that challenge. The argument here is that this is a narrow bill. It simply deals with medicare select. The irony of that is, let us take a look at the alphabet, 26 letters. However, if we take two letters out and fool around with them, we can greatly change the complexion of the alphabet. Therefore, we ought to be looking at Medicare and what is going to be happening to it in toto.

I understand why some do not want to do it. It has 300 billion dollars' worth of cuts that were mandated in the budget resolution that passed out of this House that many of the people on the other side of the aisle supported. It is \$3,500 more of out-of-pocket expenses. The part B premium, that is the monthly premium that seniors pay every month, will shoot up sharply as a result of these budget cuts, the Medicare cuts.

The irony to this, of course, is that at a time when Medicare part B premiums will be going up, the same budget resolution mandated a change in the cost-of-living adjustment so that the monthly cost-of-living adjustment that seniors receive will be going down; less

money coming in, more money being paid out of pocket. It is a sure prescription for real problems to every senior citizen.

There will be more copayments, there will be more deductibles paid out of pocket, more cost increases, no assurance that some of the programs that many of us pushed for last year in restructuring Medicare, such as outpatient prescription medications, the beginnings of long-term care, that they will be dealt with. Therefore, what is going to happen is that there will be a bit here done and a bit there done, but avoiding the entire picture.

Mr. Speaker, I do not see how we can legislate Medicare select in a vacuum. Indeed, if medicare select is going to be the wave of the future for Medicare, then we have to have all of the Medicare cuts that this body approved and that the Republican leadership supported and pushed through. They have to be on the table as well.

Mr. BLILEY. Mr. Speaker, I yield myself 30 seconds just to point out that this program is not a new program. It has been in 15 States. It serves 450,000 people. Last year, of all of those 450,000 people, there were but 9 complaints.

Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. THOMAS], chairman of the Subcommittee on Social Security of the Committee on Ways and Means.

Mr. THOMAS. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, if anybody tuned in and listened to the arguments on the other side of the aisle, they would think that this was a free for all debating here on any subject that any Member wanted to speak on. In fact, that is not the case. What is in front of us is a motion to instruct conferees. The House passed 408 to 14 a measure to extend Medicare Select. Medicare Select is a so-called MediGap. It is one of those insurance policies available to folk to create a whole package around part A and part B Medicare. There are currently 10 MediGap insurance type policies that have been approved by the Department of Health and Human Services. Medicare select is simply an 11th offering.

It says, instead of the traditional structure, you may go out into a network to get this wrap-around health care package. That is all it is. That is all it ever was. That is all it is ever going to be. It is simply the 11th, the addition to 10 other small programs.

What the minority is trying to do, Mr. Speaker, is argue the entire Medicare issue on their motion to instruct. What a bizarre motion to instruct. It says that "will be instructed to resolve the differences between the House 8½ year extension and the Senate 5-year extension of Medicare Select policies." Eight and one-half years, 5 years? The House bill that was passed said extend it for 5 years. The Senate bill that was passed said extend it for 18 months. Extension in the unabridged dictionary right over here says "An additional period of time from the current time;"

adding time, an extension. Where in the world the Democrats got 8½ years and 5 years as extensions is beyond me.

□ 1020

But that is what they say here.

In addition, to make this motion germane, they say the scope of the conference, but what they really want to do is talk about the large program of Medicare. They do not offer specific proposals to fix Medicare that the trustees of the trust fund said is going broke in 7 years. No. They do not offer constructive alternatives. They stand up and complain. What a whimpering group the Democrats have been reduced to in this House.

Where are your ideas? Where are your alternative proposals to what we are offering? This is a simple motion to instruct conferees about extending a program that is currently in 15 States, very high success rate, to allow any of the 50 States to participate in the program. For how long? 5 years.

And guess what? After that 5-year period, the Secretary of Health and Human Services has to come to the Congress and say that this program has not resulted in savings, that those enrolled in Medicare Select policies are not provided with comparable coverage, and if that is the case, we do away with it. But if they are provided with comparable coverage, if it does provide savings, then we are going to go ahead and continue the program.

That is what this debate is about. A bill that passed 408 to 14 and by unanimous vote in the Senate, are we going to extend this modest little program?

I want Members to listen to this side of the aisle during this debate on what is supposed to be a motion to instruct. They are going to throw all kinds of garbage to scare the seniors about what is going to happen to the Medicare Program. I will tell you what is going to happen. If we listen to them and do nothing, the Medicare Program is going to go bankrupt.

Mr. Speaker, Republicans as the majority are going to offer constructive alternatives which will not only make sure that the program does not go bankrupt but it creates real choice in today's health care market like a modest little program called Medicare Select.

When we listen to the stories over here, it is going to be about making political hay, not about the program that the House and the Senate are going to reconcile their differences over to give seniors one small additional choice in the arsenal of making sure they have adequate health care protection.

Mr. DOGGETT. Mr. Speaker, I yield myself 20 seconds.

Mr. Speaker, when we talk about whimpering, this is a picture of what Republicans have told us and told American seniors they are going to do on the floor of this House. It is a total blank. That is whimpering. Had it not been for reporters, had it not been for the American Association of Retired

Persons exploring these secret task force memos, we would not know a thing.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from California [Mr. WAXMAN].

(Mr. WAXMAN asked and was given permission to revise and extend his remarks.)

Mr. WAXMAN. Mr. Speaker, I am almost amused when I hear our colleagues on the other side of the aisle say, "Don't let the Democrats frighten the elderly." Then they go talk about how the trust fund is going to go bankrupt and they are going to save Medicare.

The fact of the matter is when you look at the extent of the budget cuts that they are proposing in Medicare, it is far beyond anything to deal with the trust fund. It is going to devastate the Medicare Program.

That relates to the issue that is before us today. We need to focus on why we have MediGap policies and the Medicare Select policies.

We need these for one simple reason. Medicare requires people to pay a lot of money out of pocket right now when they get sick and use services. Most Medicare beneficiaries are so frightened by the amounts they will have to pay if they get sick that they take out a supplemental insurance policy to protect themselves.

Yet in this budget resolution that was adopted by my Republican colleagues in the House last week, people on Medicare are going to have to pay a lot more money than they already do out of their own pockets. Their MediGap premiums are going to soar, whether they try to economize by using Medicare Select or not, or if they decide they cannot afford the premium for a supplemental policy any longer, they are going to run the liability of having to pay very high cost-sharing amounts.

Medicare is not a program giving a lot of wealthy people a free ride, contrary to what some of our Republican friends try to use as a characterization. Most Medicare beneficiaries have modest incomes of \$25,000 a year or less. They already pay a hefty deductible of \$716 if they have to go to a hospital. They pay a part B premium to get coverage for physician services which is already \$550 a year. They have a \$100 deductible and coinsurance on these services.

Mr. Speaker, if they really get sick, they can exhaust their coverage entirely. On top of that, they have no coverage for prescription drugs, and only Medicaid to rely on if they have to go into a nursing home. It is no wonder they end up paying on the average something like \$840 in premiums for MediGap coverage.

What is the answer of my Republican colleagues? To ask them to pay more. The AARP has estimated the average Medicare beneficiary will pay something like \$3,500 more out of pocket over the next 7 years if the changes in

the House budget, the requirements that the Republicans are looking at, go into effect.

Mr. Speaker, I want to insert my full statement in the RECORD, but I wanted to take this time to point out that what really is going on is what people are now paying is only a small portion of what they are going to have to pay if the Republican budget goes through.

Mr. Speaker, as the House goes to conference with the Senate to determine the period during which Medicare Select products can be marketed, it is important to focus on why we have MediGap policies, and Medicare Select policies.

We need these policies for one simple reason: Medicare requires people to pay a lot of money out-of-pocket when they get sick and use services. Most Medicare beneficiaries are so frightened by the amounts they will have to pay if they get sick that they take out a supplemental insurance policy to protect themselves.

And yet, in the budget resolution my Republican colleagues passed in the House last week, people on Medicare are going to have to pay a lot more.

Their MediGap premiums will soar—whether they try to economize by using Medicare Select or not—or, if they decide they cannot afford the premium for a supplemental policy any longer, they will risk liability for very high cost-sharing amounts.

Medicare is not a program giving a lot of wealthy people a free ride. Most Medicare beneficiaries have modest incomes of \$25,000 or less. They already pay a hefty deductible of \$716 if they have to go into the hospital. They pay a part B premium to get coverage for physician services which is nearly \$550 a year. They have a \$100 deductible and coinsurance on those services.

If they get really sick, they can exhaust their coverage entirely. And on top of all that, they have no coverage for prescription drugs, and only Medicaid to rely on if they have to go into a nursing home.

It is no wonder they end up paying on the average something like \$840 in premiums for MediGap coverage.

And what is the answer of my Republican colleagues? To ask them to pay more. The AARP has estimated that the average Medicare beneficiary will pay something like \$3,500 more out of pocket over these next 7 years if the changes this House budget requires go into effect.

People who try to protect themselves with MediGap insurance will find that their MediGap premiums are going to skyrocket. That is going to take money out of the pockets of Medicare beneficiaries just as surely as a tax increase.

And people who decide to get their coverage through a Medicare Select policy will find they are faced by very large cost-sharing obligations if they choose a physician that is not covered by their plan. Exercising their right to choose a physician is going to be an expensive one.

Every Medicare beneficiary is going to have to pay more cost-sharing or higher MediGap premiums, whatever their economic circumstances. Even if they are struggling along with just their Social Security check to support them.

And the poorest of our elderly will suffer the most. Today, Medicaid pays their premium for

Medicare, and helps them pay their cost-sharing. But once Medicaid is gone, and we have capped the Federal dollars we spend on that program, that help will not be there any longer.

And let me also note something else that will not be there once Medicaid becomes a block grant—the assurance of nursing home care for those who need it and cannot afford it. Once again, the middle-class American family is going to have to struggle with paying \$35,000 or \$40,000 a year for their elderly parent's nursing home care.

This budget is bad for you if you are old or you are sick. Medicare and Medicaid coverage will be less—and it is not enough today. A more expensive Medicare Select or other MediGap policy will not be an answer.

This bill on which the House goes into conference today is of minor significance in the light of the changes the budget resolution will mean for the Medicare Program. And that is the issue that should be on the minds of our House conferees as they meet with our colleagues in the Senate.

Mr. BLILEY. Mr. Speaker, might I inquire who has the right to close?

The SPEAKER pro tempore (Mr. SHAYS). The gentleman from Texas [Mr. DOGGETT] has the right to open and also the right to close.

Mr. BLILEY. Mr. Speaker, I yield 5 minutes to the gentleman from Florida [Mr. BILIRAKIS], the chairman of the Subcommittee on Health and Environment of the Committee on Commerce.

(Mr. BILIRAKIS asked and was given permission to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I rise in opposition to the motion to instruct the conferees with regard to the conference on the Medicare Select Program. The instruction is virtually incomprehensible. It states that the conferees must resolve the differences between the two bills in light of changes in Medicare contemplated in this year's budget process.

Medicare Select is a very simple program: It is simply a demonstration project for a preferred provider network under MediGap policies, the private insurance policies that are designed to fill in specific gaps in the Medicare benefits structure such as deductibles, copayments, and services not covered by the Medicare Program. It is just another MediGap option available to Medicare beneficiaries. The authority for the Medicare Select Program is due to expire at the end of June. The extension of this program has absolutely nothing to do with the budget process we are currently engaged in. In fact, the program is not designed to, nor has it, reduced Medicare costs to the Federal Government. It merely is of help to the seniors.

This motion to instruct is asking the conferees to consider the Medicare Select Programs in light of this year's budget process. This effort makes no sense since: First, it is imperative that the conference on Medicare Select be completed before the end of June when the authority for the program expires; second, the budget resolution which

just passed the House has a September reporting date for the committees of jurisdiction to act on Medicare; and third, the budget resolution must be conferenced with the Senate budget resolution, which has not yet been passed.

It seems that the real purpose of this motion to instruct is to once again try to steer us away from the seriousness of the task ahead of us: To ensure that the Medicare Program is preserved for current and future beneficiaries. I should not have to remind Members that the trustees for the Medicare hospital insurance and supplementary medical insurance trust funds are facing significant financial problems in both the short term and the long term.

Under the best estimates of the trustees, the hospital insurance trust fund will be exhausted by 2002. In short, the hospital insurance side of the program will not be able to pay its bills because of exploding part A expenditures. Part A is described by the trustees as a program "severely out of financial balance."

Not only is the HI trust fund financially out of balance, but spending growth by the supplementary medical insurance [SMI] trust fund is also a concern because the SMI rate of growth is unsustainable. SMI cost growth directly affects Medicare beneficiary part B premiums as well as general revenues from which the largest share of SMI costs are financed.

In 1995, premiums paid by enrollees will finance only about 28 percent of annual costs, according to the 1995 trustees' report. Over the next decade, the contribution from general revenues to the SMI trust fund will increase from \$46 billion in 1995 to \$151 billion in 2004, for an average annual growth rate of over 14 percent.

We are deeply concerned about the future of the Medicare Program. We strongly believe any solution to this crisis must be addressed in a bipartisan manner and we are disappointed by the administration's repeated refusal to join this effort. We are particularly alarmed that the President is ignoring the strongest possible warnings from the very individuals he appointed to safeguard the Medicare Program since 4 of 6 trustees are administration officials.

The end result of this instruction will be to put in jeopardy the MediGap policies of the 450,000 Medicare beneficiaries currently enrolled in Medicare Select plans. This program is very popular among senior citizens with good reason. In August 1994, Consumer Reports rated the top MediGap insurers nationwide. Eight out of ten of the top rated 15 MediGap plans were Medicare Select plans. During our Health Subcommittee hearing on Medicare Select, the National Association of Insurance Commissioners testified in favor of the program and stated that out of the 10 Medicare Select States that report into the NAIC's complaint data system,

there were only 9 Medicare Select complaints last year.

This instruction is simply a dilatory tactic and should be rejected. Members should think seriously before they cast a vote eliminating the Medicare Select Program.

Mr. DOGGETT. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. STARK], the ranking member of the Subcommittee on Health and Environment of the Committee on Ways and Means, a Member of this house who has worked long and hard to try to protect our Medicare beneficiaries.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Edwin Thomas, one of his secretaries.

APPOINTMENT OF CONFEREES ON H.R. 483, MEDICARE SELECT EXPANSION

Mr. STARK. Mr. Speaker, we have heard today about ideas and proposals being proposed. But these same proponents of these ideas have put forth a budget that destroys children in this country, destroys clean air, destroys safe water, reduces law enforcement, all in the name of providing tax cuts to the rich. All I can say is, please leave our seniors alone.

The gentleman who preceded me a few speakers ago in the well, who chairs the Subcommittee on Health and the Environment of the Committee on Commerce, has already cut \$84 billion out of the trust fund for Medicare just to give tax cuts to the very rich. Do not help us anymore, Mr. Chairman. You have done enough harm already.

Medicare Select is nothing but a political payoff to big insurance companies. Prudential Life Insurance Co. has already been convicted of stealing billions of dollars from seniors. Golden Rule Insurance Co. is under more litigation with State insurance commissioners than any other insurance company in the country. The staff who drafted this silly bill was paid hundreds of thousands of dollars by the insurance industry last year, and they are telling you they are here to help seniors?

Mr. Speaker, do not believe that. They have already cut \$3,000 out of seniors' pockets by changing the taxes that they will pay, to pay for their silly budget which is designed only to give tax cuts to the rich.

So, yes, let us balance the budget, let us help kids become healthy, let us have education and a clean environment, but do not louse up Medicare with silly ideas that are untried, that are just a payoff to the major insurance companies in this country, that will do nothing but deny medical benefits to the seniors who are already happy with their health care. This is

free enterprise to pay off Republican campaign contributions run amok.

Mr. BLILEY. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Connecticut [Mrs. JOHNSON], the prime author of this legislation.

Mrs. JOHNSON of Connecticut. Mr. Speaker, I rise in opposition to this motion to instruct conferees. We have 35 days left before this program expires. We have 20 legislative days left before this program expires.

The preceding speaker talked about this being a payoff to big insurance companies. It is absolutely true that insurance companies are in the business of providing insurance, and that people buy insurance voluntarily and because they value it, because it gives them some security in their lives.

My interests and my concern is not the insurance companies. My interests and my concern are the seniors of America, the people. And people who buy Medicare Select policies are getting more health care at a lower cost. That is why they buy Medicare Select policies rather than some other MediGap policy.

In some instances the premiums are 40 percent less. If you are living on a fixed income, Mr. Speaker, that matters. Not only are the premiums less, but they get coverage for annual medicals, sometimes for pharmaceuticals, prescription medications, for some vision, some dental.

People are buying these policies voluntarily, and because they offer them more at a cheaper price. Our job is not to steer seniors in this market. Our job is only to assure that there is a market that offers choice.

The Medicare Select policies are regulated exactly like every other MediGap policy. These policies are not out there in the market with any less government oversight than any other MediGap policy.

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So let us get on with this conference, let us make sure that this option for seniors in America that offers more health care for less dollars does not expire, let us try this time to meet our responsibilities, to renew the law without a gap.

Let me just add one other comment. My colleagues on the other side have said that we are cutting Medicare, and somehow we should not renew this program because we are cutting Medicare.

Now remember, it is the trustees, that is the Secretary of HHS, the Secretary of Labor, other members of the President's Cabinet who are saying Medicare is going bankrupt, it goes broke next year. That means it takes in less than it is going to pay out and it goes bankrupt, that means it eats all of its assets in 6 more years. So it is not the Republicans who are saying this. It is the Republicans who are saying we are going to do something about it, we are going to protect seniors in America, preserve Medicare. Under no,