

their organization; by a college or university, if they receive a grant; by an antipoverty agency, if they receive a grant; by a woman's group if they receive a grant. The list is endless. I believe there is a conspiracy to silence voices in America that some do not want to hear from.

However, Mr. Speaker, if the House wants to insist on going ahead with this ill-conceived plan and if we cannot strike the provision, then I intend to offer an amendment that will put more people on a level playing field. The bill seeks only to control lobbying or advocacy by groups which receive Federal grants. That ignores a whole host of other benefits which the Federal Government provides, all of which makes it possible for the recipients to spend more money on lobbying. All of these benefits are every bit as fungible as grant money, yet there is no attempt to address them.

We have newspaper accounts of tax-exempt organizations paying for flying politicians around the country, paying for their television ads or distributing materials promoting a certain political agenda. They are more than abundant. Meanwhile, the Federal Government is allowing it to go on tax-free. That is a benefit that is not only fungible, it is worth more than all of the grants that this bill tries to deal with.

Therefore, Mr. Speaker, if my amendment is passed, any politician that accepts tax-exempt dollars to promote his or her political agenda loses their Federal salary. The group that provides the money has to pay taxes on it. That is lobbying reform with real teeth. If the issue is fungibility of money, let us not give the high and mighty who have certain access to non-profit organizations an opportunity to have their voices heard, but have the voices of Americans across the country silenced.

THE MOST IMPORTANT CHALLENGE IN FIXING THE MEDICARE CRISIS: PREVENTING THE PART A TRUST FUND BANKRUPTCY

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

Mr. ENGLISH of Pennsylvania. Mr. Speaker, addressing the crisis in Medicare by preventing the Part A trust fund from going bankrupt may be the most important and the most difficult challenge for this Congress. Mr. Speaker, Medicare is part of a social compact we have with America's seniors. We in Congress serve as fiduciaries for this program, charged with the ultimate responsibility for its solvency.

This spring the Medicare board of trustees, including three members of the Clinton Cabinet, reported that Medicare will start running a deficit next year, and will be broke by the year 2002. Medicare will be broke in 7 years. Since then, we have been inun-

dated with speculation on why this crisis happened, whose fault it is, and even whether the crisis is for real. Frankly, Mr. Speaker, sometimes in this debate there has been more heat than light.

Mr. Speaker, as a Member of the Committee on Ways and Means, I have been seeking a legislative solution to the Medicare crisis which simplifies and strengthens the program, while preserving it for future generations. Congress must find this solution quickly and get it right, or we will leave the public to face draconian budget cuts for seniors, or punitive tax increases for working families.

With the extremely short period of time Congress has to formulate a solution, I think it is vitally important to follow a three-step approach: Item one, to clean up the fraud and abuse; item two, to legislate a solution which preserves and protects senior benefits; and three, make sure the crisis does not happen again.

With this in mind, I have introduced two separate pieces of legislation to address the most overlooked aspects of the process, cleaning up the fraud, and establishing a mechanism to allow for a faster and less political approach to the threat of bankruptcy, to ensure that we never get to this point again.

Mr. Speaker, the costs of fraud and abuse to the health care system in general are staggering, with as much as 10 percent of the U.S. health care spending being lost to fraud and abuse every year. Over the past 5 years, estimated losses from health care fraud totaled about \$418 billion, or as much as four times the cost of the entire savings and loan crisis to date.

Two of the most severely abused programs are Medicare and Medicaid. An extensive report compiled by one of our Senate colleagues states that for these two programs, the Federal Government pays out over \$27 billion every year in fraudulent claims. These figures are even more disturbing in light of the fact that only a tiny fraction of the bad boys who rip off the Federal health care programs are identified and prosecuted. Even when they are caught, they are often allowed to keep right on doing business with the Federal Government, and with other health care plans.

For example, an alarming number of allegations of fraud and abuse have been leveled against agencies that provide services to homebound elderly and disabled. In February of this year the HHS inspector general proposed that ABC Home Health Services, Inc., which provides home health care services in 22 States through 40 wholly-owned subsidiaries, should be excluded from Medicare and State health care programs for a period of 7 years for padding its cost reports with false and fraudulent entries that were unrelated to Medicare patient care. This is simply unacceptable.

Mr. Speaker, to combat this problem and to provide an initial fundamental

step in Medicare reform, today I introduced the House version of Senate legislation to expand criminal and civil monetary penalties for health care fraud, to ensure a stronger, better-coordinated effort in deterring fraud. Mr. Speaker, looking ahead to the future of Medicare, looking at ways to protect its solvency and provide a faster, fairer, nonpartisan process for controlling costs, today I introduced legislation to create an independent Commission on Medicare.

The Commission to Save Medicare Act of 1995 is designed to permanently protect the Medicare trust fund. The Commission proposed in my legislation would consist of seven members chosen in an entirely bipartisan manner, appointed by the President, and subject to Senate confirmation. The members would serve full time, and would consist of people who are nationally recognized for their expertise in health care policy. The Commission would report to Congress and to the President annually on the per capita value of services delivered of the Medicare benefits package and the projected growth in the program expenditures. In April of each year, Congress would set a target for Medicare spending for the upcoming year.

Mr. Speaker, I believe the combination of this Commission and the new sanctions against fraud and abuse will make the Medicare Program solvent in the long haul, and that has to be part of our solution.

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BUDGET PRIORITIES

The SPEAKER pro tempore (Mr. METCALF). Under a previous order of the House, the gentlewoman from Oregon [Ms. FURSE] is recognized for 5 minutes.

Ms. FURSE. Mr. Speaker, at the start of what I have to say, I am just really amazed by the analysis I have heard of the Medicare Board of Trustees' report. I read it and nowhere did I find that they recommended a \$270 billion cut in order to give a tax break to the privileged few.

Mr. Speaker, what I really want to talk about today is budget priorities. I want to remind you that this Congress has really only power over discretionary spending. That is about 54 percent of the budget, and that 54 percent is divided equally, 50-50, between military and nonmilitary spending. Well, that is, it was divided that way.

Mr. Speaker, we have all heard all this talk about how we are going to cut waste in this new Congress, we are going to balance the budget. But we may be surprised to hear that all of the cuts, all of them; I repeat, all the cuts, have come from nonmilitary spending. Did the military budget get a cut? No; it did not. In fact, it got a huge increase.

Now, poll after poll shows that the average American wants Pentagon

spending either kept the same or cut, but they do not want it increased. In the Republican plan, one star wars account, yes, we are still funding star wars, was actually increased 111 percent over last year's level. That is nearly \$400 million more than the administration requested. Mr. Speaker, I think this is wrong and I would submit that the American people might think this is a wrong use of their money.

Now, it is true that we have made enormous cuts. But I would like to talk about what those cuts are, and keeping in mind that those cuts are at the same time we are increasing Pentagon spending, while some of the cuts have been direct attacks on our children and our country's future. The Republicans have approved cuts that would deny Head Start, the most successful program, everybody agrees on that, deny it to 180,000 children nationwide by the year 2002. In addition, Pell grants, Pell grants that help our young people get to college, they will be denied to 360,000 students in 1996. In fact, in my district, 3,000 students in Oregon will not have a chance to go to college because of these cuts. Then they are also attacking the environment.

Mr. Speaker, let me tell you some of the cuts in the environment. There is an elimination of all funding for listing of endangered and threatened species. These are species on which the fishing industry depends. We need support for these endangered species, but we are cutting all of the funding. There is a 40-percent reduction in solar and renewable energy, a 33-percent reduction in the EPA budget, including a \$765 million cut in clean water funding. There is a 17-percent cut in all of the Environmental Protection Agency enforcement.

Well, what about the cuts to seniors? I talked about the \$270 billion cut in Medicare. We have eliminated the low-income energy assistance program. This new Congress has cut senior nutrition programs by \$24 million. The older worker programs, \$46 million in cuts. All at the same time that we are increasing the Pentagon, we are cutting from children, from the environment, and from seniors.

Mr. Speaker, I would wonder, and I would wonder if the American people would agree, that to cut away at these security protections, the security of good education, safer streets, healthy children and seniors, a safe and healthy environment, is the right priority. Is that the priority that we believe in in this country? I would say it is the wrong priority.

Mr. Speaker, it is also important to realize that all of these cuts will not reduce the deficit, because the Republicans have a budget which increases Pentagon spending, gives a tax break to the privileged few, so we are taking all of the cuts out of children, the environment, seniors, and we are not even reducing the deficit.

Shame—I think it is a shame—when we have such very skewed economic priorities. I would say that they are not, in my view, the priorities of my constituents. I hope that we will look for sane, commonsense economic priorities.

BOARD OF TRUSTEES' REPORT ON MEDICARE

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

Mr. KINGSTON. Mr. Speaker, I do want to say one thing to the gentleman from the opposite party. On Pell grants, the Labor-HHS bill increases Pell grants to the highest level that it has ever been increased to, and so perhaps we could provide some information to her constituents on that, or her office, so she can get it to those 3,000 students. But Pell grants are going up higher than ever before. Head Start is also funded at a very high level. It is increased 128 percent over 6 years. Ryan White's funding has actually increased. Special education funding is funded at \$3 billion, \$230 million more than President Clinton proposed.

Perhaps it is just a matter of not agreeing with what the educational priorities are. But I think that clearly, this bill does put a very high priority on education. We may not agree with all of the education programs that the Democratic Party does, but this bill is extremely proeducation, and I hope that the members of the opposite party will look at that, and maybe join in the process of balancing the budget, which I think is very important for us to do on a bipartisan level.

Maybe I am just out of it; maybe I do not know the ways of Washington, but I do think that it is very easy to sit there and say well, I would not have cut that, I would not have cut that. I mean, where is your balanced budget? I mean, do not nickel and dime things that you do not like unless you are going to come with a total package of where your balanced budget is.

Now, Mr. Speaker, if I could get those charts, I would like a little bit about the trustees' report on Medicare. This is one that Mr. HOKE has used. This time, it is not time to hide our heads in the sand on Medicare. The trustees clearly said, the Clinton-appointed trustees of the Medicare plan, said that Medicare is going broke by the year 2001. This is the plan, there is a report on it, we can get members of the public a report on the trustees' plan.

The trustees were appointed by President Clinton. Here is a Secretary of the Treasury Robert Rubin, Secretary of Labor, Robert Reich, Secretary of Human Services, Donna Shalala. They have said that Medicare is going broke. President Clinton said in his June 11 appearance in New Hampshire that it is going broke. NEWT

GINGRICH has said it on the same platform. So it is appropriate that we, on a bipartisan basis, deal with the reality, that it is going broke.

Mr. HOKE. Mr. Chairman, will the gentleman yield?

Mr. KINGSTON. I yield to the gentleman from Ohio.

Mr. HOKE. This is the report that we are talking about, right?

Mr. KINGSTON. That is the April 3, 1995 report.

Mr. HOKE. Mr. Speaker, this is a summary of the report by the trustees. It is like an annual report to the American people on the Medicare trust fund, Social Security trust fund and other trust funds, but Medicare trust fund. The President said it is going broke, the Speaker has said it is going broke.

Mr. KINGSTON. And the President's appointees.

Mr. HOKE. Mr. Speaker, would the gentleman explain to me then why the minority leader on Meet the Press Sunday morning said, this is a hoax? The Republicans are saying, because the report says the fund will have solvency problems in the year 2002, there is an emergency. This is a hoax. Where is the hoax? I do not understand. Is this a sham? Were they making this up?

Mr. KINGSTON. Mr. Speaker, this is the first I have heard of it. President Clinton has come forward and said that this is going broke. It is not a Democrat-Republican thing. Now, it may be in the Congress that certain Members of Congress prefer the old tactic. You know, when in doubt, run to the sand.

Mr. HOKE. Mr. Speaker, I do not want to delay the gentleman's special order, but I think the American people deserve to read this report themselves and make their own decision. I would urge every American to call 202-225-3121, ask your Representative at 202-225-3121, to send you, mail you a copy of this report. It is the annual report of the Medicare trustees to the president of the United States.

Mr. KINGSTON. Well, thank you for that. Here is the actual dollar figures. But just the bottom line, more will be going out than is coming in. On an NBC Nightline report the numbers were that the average couple's contribution to Medicare, \$69,000. The average amount going out per couple is \$186,000. So you do not have to be a mathematician to know that we have a problem. It is going broke. Let us accept that.

Now, let us in a bipartisan fashion fix it. Let us fix it in a fair way. Let us do it so that it is not just on the backs of the senior citizens, and let us do not do it on the backs of the future generations. Let us do it across the board. We need to simplify it. We need to save it, we need to strengthen it. There are a lot of options that are out there for us.

Mr. Speaker, just a couple of the things that we can do. No. 1, offer a choice, the same choice that you and I as Members of Congress have, the same choice that our friends have.