

think we are very moved and touched by his presentation.

#### NEW STUDY OF IMPACT OF MEDICARE CUTS

Mr. KENNEDY. Mr. President, a new study released today by the administration shows the impact of the proposed Republican Medicare cuts on seniors and health care providers in each State. The numbers are devastating. How could any Senator look at these numbers and support these proposals in good conscience?

This study is especially timely on the eve of the National Governors Association Conference in Vermont this weekend. All Governors must be asked what these proposed cuts will mean for seniors in their State and for the health care system as a whole. Here are just a few examples:

In my State of Massachusetts, over the next 7 years, seniors will be asked to pay an additional \$4,300 for the medical care they need. A senior couple will pay \$8,600.

In Florida, a couple will have to pay \$8,800.

In California, the figure is \$8,200.

In Nevada, the additional burden will be \$6,000.

The figures vary, but the message is clear: An unfair, unaffordable burden on senior citizens in every State to pay for the tax cuts for the wealthiest Americans.

And those who need health care the most will pay even more. Senior citizens needing home health services will have to pay an average of \$1,700 a year for this service alone, on top of the additional costs for all their other health needs. Seniors needing nursing home care will have to pay \$1,400 more.

The impact on the health care system as a whole is even greater. In Massachusetts, the Medicare cuts will mean \$9.5 billion less for health care over the next 7 years. Mr. President, that is an extraordinary figure, \$9.5 billion less to the seniors in my State over the next 7 years. In Florida, the figure is \$28.1 billion. In California, it is \$36.4 billion. In New York, the figure is \$18.1 billion. The deep Medicaid cuts in the budget will take even more from the health system and those in need.

These cuts will be passed on to elderly people, to those who are on Medicare—which is 97 percent of all of our seniors—with higher copayments, higher deductibles and higher premiums.

Mr. President, I will include in the RECORD the detailed State-by-State breakdown of these proposed Republican Medicare cuts. Senior citizens in every State will suffer, hospitals and nursing homes will close, and the health care system will be of lower quality.

These numbers speak for themselves, but the impact goes far beyond mere numbers. Who speaks for the elderly widow, struggling to survive on a fixed income, who must now try to find \$1,000 more a year to pay for the health care she needs?

Who speaks for the family who will now be forced to choose between medical care for their parents and a college education for their children?

Who speaks for the retired couple who finds that the savings of a lifetime must now be sacrificed to pay for the medical care that Medicare used to cover?

President Clinton speaks for them—and so do Democrats in the Congress. We will never let these cruel cuts become law. We will never let the Medicare trust fund become a slush fund for tax cuts for the wealthy. We will never let senior citizens be plundered for the benefits they have earned by a lifetime of hard work.

We do not have to redebate, hopefully, the reason for the development of the Medicare system. It is based and built upon a very simple and fundamental concept: that the men and women who have built this Nation, have made it the great country that it is, who fought in its wars and brought it out of the Depression, ought to be able to live their senior years in respect and in dignity.

It is recognized that a test of a civilization is how it regards its elders, what respect it pays them. To relieve our seniors from the anxiety and the pressures of seniors' health care needs, in the way that Medicare has done, is something which is of fundamental importance to all Americans. It is this program which will be, I believe, devastated, should these proposed cuts go into effect. Once again, we have to reiterate that the principal reasons for those cuts to go into effect is for the tax cuts that will be available primarily to the wealthy individuals in our country.

The fact is that there is \$270 billion proposed for the Medicare cuts and about \$245 billion for the tax cuts. So if you eliminated the tax cuts, you would be able to move ahead with the Medicare program in a way that would not present these kinds of burdens on our senior citizens.

Once again, Mr. President, I underline the obvious fact that all of us understand; and that is, when our citizens grow older and older, that their incomes generally decline and they are dependent upon Social Security and they are dependent upon Medicare. At a time when their incomes are declining is a time that their health care needs continue to grow. It is that fundamental concept that drove this country to adopt the health care and the Medicare systems: declining incomes, increasing health care requirements.

This chart reflects exactly who of our fellow citizens are really affected: 83 percent of the expenditures go to families with annual incomes of \$25,000 or less; 21 percent of it goes to those with annual incomes of \$15,000 to \$25,000; 62 percent goes to those with annual incomes of \$15,000 a year or under—men and women who are being asked, with the proposed Medicare cuts, to see a significant increase in out-of-pocket

expenditures, copays, deductibles, and premiums. There are \$9.5 billion for the close to 1 million of my fellow citizens in Massachusetts who benefit under the Medicare system.

I hope that when those Governors meet this weekend up in Vermont, someone will ask them how they are going to be able to explain these kinds of sizable cuts, and how they will explain them to the people who live in my State of Massachusetts, in the State of New York, the State of California, the State of Florida, and the State of Texas. We have seen that within Massachusetts the burden will be higher than the national average, as it will be in Rhode Island and Connecticut—the New England States. In these next several weeks as we are debating this issue, debating this proposal, those of us who believe and fought for this particular program are going to do everything that we can to resist.

I am sure that in my State of Massachusetts, there are the elderly widows who are wondering how they are going to be able to afford the additional out-of-pocket costs that will be required under the proposed Medicare cuts.

How are they going to be able to handle it? How are the American families going to handle it—the sons and daughters of those who are receiving Medicare today? These kinds of cuts are not only going to be devastating to the seniors, but to their sons and daughters that care and love their parents and have a great respect for the dignity of those parents. They are going to do everything they can, with scarce resources, to be able to make sure their parents are going to be able to live with some dignity.

These kinds of cuts are not only going to be evident on the seniors, but they are also going to be a heavy burden on the working families in this country, who have lost real income in terms of wages over the last 15 years. This is going to come at the same time when those families are worried about educating their children. We have seen that under the Republican proposals, the cost of student loans is going to increase some 30 percent, and the total number of Pell grants that will be available to well-qualified needy children who can gain admission into the finest colleges and universities across this country but need the Pell grants to be able to continue their education, their program is being deteriorated. Those working families are going to have to make judgments about how much they are going to have to make up the out-of-pocket expenses for their parents, or whether they are going to educate their children.

We know what is going to happen to the families. These couples are going to have to make a judgment about how much they are going to pay out of their life savings, which was going to be used for their retirement.

Mr. President, these are obscene choices left for our seniors, our families, and our children. I daresay this

debate is just beginning. It has not concluded. We will have an opportunity to get into greater detail on these measures on the floor of the Senate. But I hope, Mr. President, that the Governors of these United States—not only my State, but the other States—will be asked about the impact of the proposed Republican Medicare cuts on seniors in their States. This is going to be a matter of national debate and discussion. We can address in a responsible way the needs of the trust funds without seeing these dramatic cuts used for tax cuts for the wealthiest individuals and corporations. I say no to that. We will battle on the floor of the U.S. Senate, and we will battle with this President, who has said no to the proposed Republican Medicare cuts, and we will fight for our seniors because they have made this Nation the great Nation that it is, and we owe them no less. We owe them a great deal more.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

#### MEDICARE

Mr. DOMENICI. Mr. President, I am sorry I could not be on the floor during the remarks of Senator KENNEDY with reference to health care in the United States, and in particular Medicare. By coincidence, unbeknownst that he would speak, I had prepared for myself to deliver today—since we are at about the 30th anniversary date of the passage of Medicare—a speech that I am prepared to give to the Senate. I believe I heard enough of the Senator's remarks that, at some point, I will depart from the speech and answer a few of the comments made.

I will start right off by saying that it is unfair to the senior citizens of the United States to talk about what might be, or how things ought to be, and not tell them how things are.

The fact of the matter is that the cornerstone of hospital health care for our seniors—Medicare—is in big trouble. And to make a speech about the seniors and scare them about the future, without telling them the truth, does not seem to me to be the right way to treat our seniors, who are filled with wisdom, understanding, and truly think this is a great Nation and would like very much to do their share to try to fix some things that are going wrong.

So the No. 1 point is that there has been in existence a group of Americans who reviewed thoroughly the status, the financial status, and the delivery system called Medicare. Mr. President, that is not a Republican group. As a

matter of fact, one might call it, if you seek to partisanize it, a Democratic group, because three Cabinet members of this President and the appointee of this President who heads Social Security were four members of the Commission—the majority. There are only two more. And all six of them, including the four, wrote a report to the people of this country, the seniors, the President, and the Congress, and told us in no uncertain language that the Medicare Program was in trouble because it was costing too much. I just want to read their recommendation so that we put everything into perspective. Their final words of real recommendation were the following:

We strongly recommend that the crisis presented by the financial condition of Medicare trust funds be urgently addressed on a comprehensive basis, including a review of the program's financing methods, benefit programs, and delivery system.

Now, Mr. President, you would not have gathered from the comments of the distinguished Senator from Massachusetts that anything like this had even happened. Here sits a report—I wish I had a copy of it. If I am going to talk about it, I should bring it around. When I saw it, it was a little yellow notebook with a yellow cover, properly styled. I repeat, the Commissioners, four of whom work for this President, said the time is now—and I am going to repeat what they said we ought to be doing.

It is very, very simple. But Members would not have heard it from the speech of the Senator from Massachusetts. They said, "It is time to review the program's financing methods, benefit provisions, and delivery mechanism."

Now, why did they say that? Members would not have gathered this, either, from the remarks. They said there will be no money in 7 years to pay the bills. We would not have known that, either, from the remarks about all the evil and bad things that will happen to seniors.

The worst of all things is that there be no program, that they cannot pay their bills in 7 years. That is, really, something to call to the attention of the senior citizens of the United States.

Then say, "What is wrong with doing just what they said? Review the program's financing methods, benefit provisions, and delivery mechanisms."

Now, Mr. President, if we look at what was proposed in the budget resolution for this country, it is on all fours with the recommendations of the commission that reports on the financial condition of the system. If we take what they said and find out what we ought to do, we ought to save a given amount of money to the health care insurance over the next 7 years in order to make that system stay solvent and not be bankrupt.

The budget resolution says that is what we ought to do. Now, everybody ought to understand that Medicare is

growing at about 10 percent a year. They mention that too, in the report. It cannot continue to grow at that pace and there still be money in the trust fund in 7 years to pay the bill.

It falls on someone to take a look at how we might do it better, give the seniors options, and perhaps cost the trust fund less money.

Now, that is what all of this is about. No matter how we talk about it, the truth of the matter is that many people in the U.S. Congress felt it was time to look at this and fix it. In fixing it, we just might give the senior citizens a pretty good hospital program that will cost very little more to them, but will cost less, because it will be more efficient.

We will take the fraud and waste out of the program and cause the delivery system to be restructured so you still have choice of your own doctor, but there is choice of plans, and perhaps over time we would save substantial amounts of money.

Now, Mr. President, before I read my anniversary speech on Medicare, I want to make one other comment. Those who oppose fixing the Medicare Program now cannot miss a beat without saying the Republicans are going to cut the taxes for the rich, and that is why they are fixing Medicare.

Now, Mr. President, and anyone listening, that is not true. First of all, if we take the so-called tax cuts that are proposed off the table—just do not do them—and the Medicare system will be bankrupt in 7 years. Let me repeat: The so-called tax cuts—and we will talk about them in a minute—if we take them off the table, we would not have gathered from the remarks of the distinguished Senator from Massachusetts that the Medicare system will still be broke. They are completely different issues.

If we do not fix the Medicare system, it will be short of funds, and cutting people's taxes has nothing to do with that unless Members would like to raise taxes to pay for Medicare. I have not heard anybody say that. But if we want to raise taxes, then we could talk about the program not having to be reduced in terms of cost. Mr. President, that is the fact.

In addition, in the U.S. Senate, the sense of this Senate has been that if we ever get tax cuts, and when we do, that 90 percent of the tax cuts will go to people with income under \$100,000. Now, there is a difference of opinion in this body on how that tax package will look when it comes out, if it comes out.

Essentially, to continue to try to say, "Let's don't fix Medicare so it will be available 7 years from now," instead of dying on its 37th anniversary, go beyond the 37th, perhaps to 40 and beyond, instead of addressing that issue to talk about tax cuts for the rich does not help the senior citizens one single bit.

What it does help, it helps to make a political issue out of a situation that