

beg for forgiveness and say, "I did it to preserve or protect the life of the mother." But, my goodness, what are we doing here? Why are we so radical when we could craft a bill that would be sensible? I think it is all about ideology, about contracts with America; it is not about real people.

I say to my friends in the U.S. Senate, if your wife came home to you and you were facing losing her, you would say to that doctor, "Save my loving wife." You would not want that doctor to be hauled off to jail.

I hope this Senate can take a more moderate course. I will stand here and fight for that moderate course for as long as it takes, because I think this is a very important issue to real people.

Mr. President, I yield the floor.

MORNING BUSINESS

Mr. THOMAS. Mr. President, I ask unanimous consent that now there be a period for the transaction of routine morning business, with Senators permitted to speak therein for up to 5 minutes each.

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

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

THE RECONCILIATION BILL

Mr. KENNEDY. Mr. President, in the reconciliation bill, the Republicans have extended an open hand to powerful special interests and the back of their hand to the American people. Senior citizens, students, children, and working families will suffer so that the privileged can profit.

Republicans are engaged in an unseemly scheme to hide what they are doing from the American people. Their proposals are too harsh and too extreme. They cannot stand the light of day—and they know it.

The fundamental injustice of the Republican plan is plain. Mr. President, \$270 billion in Medicare cuts that hurt senior citizens are being used to pay for \$245 billion in tax cuts that help the wealthiest individuals and corporations in America.

The Republican bills are also loaded with sweetheart deals for special interests, whose money and clout are being used behind closed doors to subvert the public interest and obtain special favors. The sections of the legislation dealing with health care are packed with payola for the powerful.

The dishonor roll of those who will benefit from the giveaways in this Republican plan reads like a "Who's Who" of special interests in the health care industry.

The pharmaceutical industry—the most profitable industry in America—benefits lavishly from the Republican program. The House bill repeals the requirement that the pharmaceutical industry must give discounts to Medicaid nursing home patients and to public hospitals and other institutions serv-

ing the poor. The total cost to the taxpayers from these giveaways is \$1.2 billion a year—close to \$10 billion over the life of the legislation.

The Democrats in the Finance Committee forced the elimination of this giveaway in the Senate bill, and the amendment, which I intend to offer as instructions to the conference, is designed to ensure that it is not included in the conference report.

The American Medical Association also receives lavish benefits in the Republican bill in return for its support of these excessive cuts in Medicare. The weakening of the physicians anti-fraud and physicians conflict-of-interest rules in the Republican program has been estimated by the Congressional Budget Office to cost taxpayers \$1.5 billion over the next 7 years.

Even more harmful to the Medicare patients is the elimination of restrictions on billing, so that doctors will be able to charge more than Medicare will pay, and collect the difference from senior citizens.

Under current law, such billing is prohibited for Medicare patients enrolling in private HMOs or competitive medical plans—the only private plans currently allowed to contract to provide Medicare benefits. The Republican Senate bill eliminates this prohibition for HMOs, and for every private plan. When the plan is fully implemented, senior citizens could pay as much as \$5 billion more for medical care a year as a result of the elimination of these protections.

We had this as an amendment during the time of reconciliation. We received some assurance that the billing provisions had been addressed, the double-billing provisions would be addressed, then under review of the language of the reconciliation we find that no place in those over-1,000 pages could you find the kinds of protections that exist there under the Social Security Act.

Our amendment directs the conferees to restore the limits on such billing and maintain strong protections against fraud and abuse.

Another extreme provision of the House bill is its elimination of all the Federal nursing home standards, a pay-off to unscrupulous nursing home operators who seek to profit from the misery of senior citizens and the disabled.

The Senate amendment adopted last Friday pretends to restore nursing home standards to the Senate bill but, in fact, it leaves a loophole wide enough to permit continued abuse of tens of thousands of patients.

It allows State waivers that could weaken Federal standards and avoid Federal oversight and enforcement. Weakening current Federal standards is a giveaway to unscrupulous nursing home operators. This amendment instructs the conferees to maintain the current strict standards.

One of the cruel aspects of the Republican proposal is its failure to protect nursing home patients and their relatives from financial abuse.

Mr. REID. Would the Senator yield for a question?

Mr. KENNEDY. Sure.

Mr. REID. Would my friend—

The PRESIDING OFFICER. The time is expired.

Mr. REID. I ask unanimous consent that I be allowed to speak as in morning business for 5 minutes.

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

Mr. REID. And I extend my time to the Senator from Massachusetts.

How would it work around the country if we had 50 different sets of standards, I say to the Senator from Massachusetts, for how you would manage the standards set for rest homes?

Mr. KENNEDY. The Senator has put his finger on something which is basic to the Republican proposal because you would have 50 different standards for nursing homes in the 50 different States, as you probably would with regard to children and children's coverage, as well as the disabled in various States.

Rather than having a national commitment to our seniors that is implicit in the Medicare concept, Medicare is basically an understanding that as seniors get older their incomes go down and their health needs go up. That happens to seniors all over this country. Medicare recognizes that. What we are doing with the nursing home standards is carving out an area where the Republicans fail to give current protections to those senior citizens, but instead, gives protections to the nursing homes—they will be protected.

For example, in my State of Massachusetts it costs \$39,000 for nursing home care. If a senior qualifies for Medicaid—which effectively means they have no real further assets other than perhaps a very marginal protection for the spouse which was addressed under a different provision—and that individual is in a nursing home, the Medicaid payment is a payment in full.

Effectively under the Republican program, States may provide only about two-thirds of the Medicaid money to nursing homes. The Republicans are cutting out \$180 billion out of Medicaid. We now spend \$90 billion a year on Medicaid. They are cutting out \$180 billion out of the program, which is the equivalent of 2 years of the 7, giving that much less money to the States.

In my State I can understand the State saying we can only pay, instead of the \$39,000, maybe \$25,000. What this legislation will say is, all right, the nursing home can try to sue that family for additional money—not just the \$39,000 but maybe \$42,000 or \$45,000—and at the same time, the Republicans refuse to put in place the nursing home standards. The kind of standards which were developed in order to address the kinds of abuses that were so evidenced in the hearings which our good friend from Arkansas, Senator PRYOR, and others were involved in, in a bipartisan way, in 1987.

Mr. REID. I ask one additional question of my friend.

Is the Senator aware that in 1980, just a few years ago, 40 percent of the people who were in convalescent homes were restrained—that is, strapped down with some type of narcotic, or they could not move; is the Senator aware of that?

Mr. KENNEDY. I am aware that it was a practice that was used far more often than was necessary. Both the physical restraints and also the sedation, as well as the failure of adequate personal hygiene care for seniors.

Mr. REID. Is the Senator aware since the national standards were established, that figure has dropped dramatically?

Mr. KENNEDY. That is my understanding.

The indications are that since the enactment of the 1987 standards, the overall health evaluation of seniors—basically we are talking about parents and grandparents—in nursing homes has substantially—substantially—improved.

That has been referenced during the course of this debate. It has never really been challenged.

I think not only have the improvements been affirmed by various studies, but one thing that you cannot evaluate in terms of dollars and cents is relieving the families of the anxiety and the concern that they have for their parents. When they visit and see how, in many instances, the parents were treated prior to the 1987 provisions it gave them anxieties. At the same time they had those anxieties they were out working, trying to provide for their children all the time while also worried about their parents.

They had some relief from that type of anxiety as a result of those standards, and under the Republican bill those standards have been altered or changed.

Mr. REID. Mr. President, I ask unanimous consent because of my interruption that the Senator from Massachusetts be allowed to finish his statement.

The PRESIDING OFFICER. The time of the Senator from Nevada has expired.

Mr. KENNEDY. I ask unanimous consent for 4 additional minutes.

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

Mr. KENNEDY. Mr. President, the Republican bill also wipes out the protections that have been in Medicaid since 1965 that prevent States from forcing adult children to pay the cost of their parents' nursing home bill.

The Republican bill even lets States put liens on the houses of nursing home patients, even if the spouse or children are still living there. Obviously, Republican family values stop at the nursing home door.

The amendment instruction which I will offer with others will eliminate these indefensible proposals from the bill.

What a travesty it is for the Republicans to call this a reconciliation bill.

The only reconciliation involved is between the Republican majority and their special interest lobbyist friends for whom this bill has become one large feeding trough.

Who knows what additional giveaways will be cooked up behind the closed doors of the conference committee? Adoption of the sense of the Senate which I will propose at the appropriate time is a needed step to expose those sweetheart deals and eliminate them from the bill. I will urge the Senate to adopt it. I wish we had the opportunity to debate this over the course of the week, but we have effectively been denied that opportunity.

Mr. President, finally, last week, when I raised the issue of balance billing on the Senate floor, the chairman of the Budget Committee contended that the Senate finance bill preserved this protection in Medicare.

Let me cite the facts. Section 1876 of the Social Security Act clearly prohibits physicians who are part of HMOs or competitive medical plan networks from making any additional charge to enrollees of that organization. This is in the first part of an instruction I will offer.

It further prohibits charges beyond what Medicare would normally allow even for services provided by physicians not part of the network.

What does the Republican bill do? First, it establishes a whole new category of private plans that can contract with Medicare, the Medicare Choice plans. The limitations in section 1876 do not apply to these new plans. Then it repeals section 1876 effective January 1, 1997, so the existing limitations do not apply to HMOs currently contracting with Medicare.

You can read all 65 pages of the subtitle of the bill establishing Medicare Choice. In fact, you can read all 2,000 pages of the Senate bill, and you will not find the applications that are there in section 1876(j).

You will not find them because they are not there. In fact, just to make the intentions of the authors of this program crystal clear, section 189f(c)(2)(B) of the new Medicare Choice program requires that enrollees be notified of their "liability for payment amounts billed in excess of the plan's fee schedule."

The Republicans trumpeted their achievement when they passed this bill, but they seem reluctant to go to conference. Do they want to divert public attention from the contents of the bill? What do they want to hide? I can understand their concern. There is much to be ashamed of in it and nothing to be proud of. It is a cruel and unfair bill, it hurts families, senior citizens, and helps only the wealthy and the powerful.

I hope we will have an opportunity to debate this sense of the Senate at an appropriate time so the Senate itself can make a judgment as to whether to endorse and support this sense of the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

THE RECONCILIATION BILL

Mr. WELLSTONE. Mr. President, first of all, let me just join with the Senator from Massachusetts, and I am sure the Senator from Arkansas. We are ready for the debate. We have some amendments with some instructions to conferees. I do not really understand what the majority party is afraid of. I think we ought to have the debate now.

The more I analyze what happened with this reconciliation bill, the more I begin to think about the importance of reform and making this a political process that is responsive to people in the country. I do not mean just the people who are the heavy hitters and the players and the big givers.

It is pretty amazing. The pharmaceutical companies come out great, the doctors come out great—though I want to make it clear there are many doctors in my State, I am very proud to say, who do not go along at all with these draconian cuts in health care. They know the pain it is going to inflict across a broad segment of our population in Minnesota.

But at the same time as we have some special interests that come out of this just doing great, we have a whole lot of people that get hurt. I just want to focus on one other part of this amendment, the language that will read that provisions providing greater or lesser Medicaid spending in States based upon the votes needed for the passage of legislation rather than the needs of the people of those States, that, in fact, this will be eliminated.

I, again, refer to the dark of the night, back-room deal sometime between 6 p.m. and 9 p.m. on Friday evening, where there was wheeling and dealing and Senators in Republican caucus did something like leverage votes for money for States, some kind of process like that. Because all of a sudden we saw a dramatic change in the formula of this amendment. My State of Minnesota wound up with \$520 million less between now and 2002 for medical assistance recipients.

In my State of Minnesota, and in every State across the land, when we talk about medical assistance we are talking about senior citizens. Two-thirds of the senior citizens in nursing homes in Minnesota rely on medical assistance. And I would far prefer we get serious about real health care reform, and having had a dad with Parkinson's and a mother who struggled with that as well, I am all for home-based care. I want people to be able to live at home in as near normal circumstances as possible, with dignity. But sometimes, for people, it happens. It happened with my parents, and we did everything we could to keep them in their homes, and we did for many