

Arkansas. It is a shame when you have an organization with a lot of fine people in it that do abide by the law, that do want to instill in people a respect for guns and to teach them how to use them legitimately, responsibly, and to have an organization, then, taken over by the likes of Wayne LaPierre, and to really take what could otherwise be a decent organization which could instill in young people a healthy respect for firearms and hunting, and to move that organization, as he has done with this kind of letter, into almost an organization that would be disrespectful of our Constitution and disrespectful of the United States of America, I know he does not speak for the members of the NRA that live in Iowa.

Mr. PRYOR. If I might say, I appreciate the Senator's remarks.

The PRESIDING OFFICER. Under the previous order, the Senator from Iowa [Mr. HARKIN] is recognized to speak for up to 10 minutes.

(The remarks of Mr. HARKIN pertaining to the introduction of legislation are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. FRIST. Mr. President, I ask unanimous consent that I be permitted to speak as in morning business for a period of not more than 10 minutes.

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

#### MEDICARE TICKING TIME BOMB

Mr. FRIST. Mr. President, yesterday I began discussions on the pending insolvency of Medicare, predicted to occur in the year 2002, just 7 years from today.

I called Medicare a ticking time bomb. I expressed my concern that this body has not addressed that ticking time bomb. We must act now to preserve Medicare, to protect it, to save it, to disarm that ticking time bomb.

I will continue those discussions this morning.

Congress and all Americans must realize that it is the Federal Government, through the Medicare program, that is the purchaser of health care for this country's seniors and people with disabilities. The same Government that brought you \$100 hammers is also shopping for scalpels and stethoscopes. The Federal Government spends more money on health care than individuals, and more than employers. But, it's not our money. If it were, we would likely be more prudent consumers. We would likely react more quickly and more responsibly to skyrocketing costs.

So whose money do we spend? For the answer, we should revisit the creation of the program and remind ourselves of its intended role in our health care system when it was created in 1965. Also it is time to understand the shortfalls of the program.

Because the program was created to increase seniors' access to acute care, Congress mandated participation for hospital services, called Medicare part

A. After seniors pay for a relatively low deductible—\$716 in 1995, Medicare fully covers expenses for 60 hospital days. If a senior's hospitalization exceeds the 60 days in 1 year, he or she is responsible for a co-insurance fee—\$179 per day for the 61st through 90th days, and \$358 per day beyond that.

Medicare part A comprises 63 percent of all Medicare spending. It is funded by the Medicare portion of the Social Security payroll tax—a tax of 2.9 percent of all income—split evenly between employer and employee. Taxes collected from today's workers go directly to pay for services delivered to today's beneficiaries. It is important to understand that contributions to Medicare do not actually sit in the hospital insurance [HI] trust fund and wait for you. Rather, they are paid out immediately to meet the needs of today's seniors and people with disabilities. Beginning in 1997, the part A expenditures will exceed total income annually.

Medicare's part B goes to pay doctor bills and is voluntary. It is funded 30 percent from beneficiary premiums and 70 percent by automatic withdrawals from Treasury general revenues. Today, a senior opting for Medicare part B pays \$46.10 each month and is responsible for a \$100 annual deductible and 20 percent co-insurance for most services. General revenues provide a 70 to 75 percent premium subsidy and cover 80 percent of most services.

Theoretically, the funding arrangement for part A—the hospital insurance—would work fine if the demographics of the population were constant, if medical technology were constant, and if the growth of overall expenditures were constant. But, as we all know, this is not the case.

First—and most importantly—the elderly population is growing much faster than the overall population. In 1990, 2.1 million Americans qualified for Medicare. But in the year 2020, 3.9 million new enrollees will qualify—almost twice as many new enrollees will be qualifying that year. And who pays the bill? The working generation, which is not growing nearly as fast. When Medicare was created, two workers would cover the costs of the Medicare beneficiary. By the time I qualify for the program, it will take four workers to cover the same cost.

Consider the consequences of delaying Medicare reform. I have three sons: Bryan is 7 years old, Jonathan is 9, and Harrison is 11. In the year 2020, they will be 32, 34, and 36 years old. I will be 68 and eligible for Medicare benefits. My sons and their generation will pay for the services for my generation. It will take the taxes of all my three sons plus another individual just to pay for my own Medicare benefits. It is intolerable to punish our children, the next generation, with this inequity.

Second, medical breakthroughs are allowing people to live healthier and longer lives. Take my own field of heart disease as an example. Thirty

years ago, there were few heart intensive care units in the country. Coronary artery bypass surgery had never been performed. Cardiovascular drugs were in their infancy. Heart transplants were but a dream for the future. Today, because of advances in medical science and technology, people who used to die of their heart disease are living 10, 20, or 30 years longer, and those new technologies are expensive.

Back to my earlier question, "Whose money is this?" Medicare is paid for by three vehicles: a 2.9 percent payroll tax, split by employers and employees; general revenue tax dollars; and beneficiary premiums, copayments, and deductibles.

I think it is safe to say that tax-paying workers are more watchful of the money coming out of their pockets than is the Federal Government. I know the employers are. We have recently seen their impact on the health care system as they have struggled with increasing costs. I have witnessed through my own parents that seniors are prudent purchasers of health care services. Since Medicare was not designed as a comprehensive insurance program, seniors already shop for additional health care coverage. Most seniors today live within a fixed budget. They are careful to judge the value of their health care dollar.

By failing to mend this program, we are failing all of these groups who will suffer from our inattention in the years to come. Yet, there is an ongoing premise that the Federal Government should not attempt to manage its spending of the Medicare dollar. Every other purchaser has to manage his or her money. Why should the Federal Government be exempt?

And, how does this country pay for our failure to manage the Medicare Program? First, employers pay in the form of higher health care costs. For the last 10 years, Congress has chosen to repeatedly cut payments to physicians and hospitals for services delivered. This reduces program costs incrementally, but does little to reduce the overall rate of growth of expenditures. Lower Medicare payments, especially when coupled with even lower Medicaid payments, simply lead providers to shift costs and to charge self-pay and privately insured patients more. This increases everyone's insurance premiums. In east Tennessee, a recent survey of physician fees found that the private sector is paying physicians, on average, 220 percent above Medicare rates. Depending on the specific procedure, these private plans are paying anywhere from 43 to 461 percent above Medicare rates. Without Medicare reform, private health insurance will continue to climb even further out of reach and all Americans will suffer reduced access and thus reduced overall quality.

Second, the working generation pays for our mismanagement of Medicare through increased taxes. Over the last

30 years, Congress has dramatically expanded both the tax base and the tax rate supporting the Medicare trust fund. Initially, Medicare relief on a 0.6-percent payroll tax on the first \$6,600 earned. Today, the program relies on nearly a 3-percent payroll tax on all income earned. Next year for the first time in its history, the trust fund will begin spending more money than it is taking in. Without reform, a tax increase is around the corner. And at best, this tax increase would only prolong the program a few years.

Third, beneficiaries pay for Medicare's failures. Skyrocketing costs of the program force the same rate of growth on the direct expenditures by our seniors and disabled. Their out-of-pocket costs are directly related to overall program costs. Medicare does provide a generous subsidy, making it a better deal than anything else out there. But not all services are covered, the coinsurance and deductibles are substantial, and premiums are calculated to cover a defined amount of program costs. Only 1 out of 10 or 11 percent of seniors rely solely on Medicare for their health care insurance. Most seniors still purchase private supplemental medical coverage or have access to additional employer-sponsored coverage. Beneficiary costs will continue to climb as the overall program spending spins out of control.

Medicare is an entitlement. I do not suggest we take away that concept. However, I do ask us to remember what it entitles us to. Quite simply, the entitlement was intended to provide access to the private system. Our predecessors did not create a system which limited beneficiaries to public hospitals or Government-employed physicians. Rather, it provided financial access to private physicians and hospitals, the same providers Americans used before they turned 65.

If we viewed the Medicare subsidy today as it was originally intended—allowing beneficiaries to use it to access private coverage—seniors would then be able to choose health care plans that better meet their needs. Today they do not have that choice. We should provide that choice to our seniors.

Mr. President, I will continue this discussion over the next several days as we look forward to better ways to save, to preserve our Medicare Program.

I yield the floor.

#### EXTENSION OF MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that I be permitted to speak for 15 minutes, and that a period for morning business be extended accordingly.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

#### LETTER FROM THE NATIONAL RIFLE ASSOCIATION

Mr. DODD. Mr. President, earlier today my colleague from Arkansas, Senator PRYOR, spoke about a very disturbing letter circulated by the National Rifle Association [NRA]. I commend him for his remarks. I do not want to get into a lengthy discussion of this issue, but I urge all of my colleagues, regardless of where you stand on the issue of gun control, to read this letter, which was sent out by the NRA under the signature of Mr. Wayne LaPierre, the executive vice president.

I do not know of anyone here, no matter how strongly they feel about the legitimate issue of what we do about gun control, that would not be offended by this letter and the language in it.

Again, I am not going to spend a great deal of time here this morning, but there is language in the letter which talks about:

... jack-booted government thugs [given] more power to take away our Constitutional rights, break in our doors, seize our guns, destroy our property, and even injure or kill us;

That is how the letter refers to our Government and the hard-working members of our Federal law-enforcement agencies. And the letter goes on, in reference to the Clinton administration:

... if you have a badge, you have the Government's go ahead to harass, intimidate, even murder law-abiding citizens;

And there is even more:

Waco and the Branch Davidians ... Not too long ago it was unthinkable for Federal agents wearing Nazi bucket helmets and black storm trooper uniforms to attack law-abiding citizens.

Law-abiding citizens? People who shot Federal agents, who burned their own buildings, and killed their own families and friends? I mean this is incredible.

And this is not a letter from some fringe organization. It is a letter from the NRA—a national organization that usually has credibility. Quite simply, the NRA ought to know better.

Please read this letter. It is five or six pages. And if you are not as offended as I have been by reading it, I will be surprised.

Someone needs to ask for a retraction of this letter. Put aside the tragic events in Oklahoma for a moment, I do not want to suggest that this letter is linked to that terrible tragedy. I do not want to cloud the issue. But someone needs to apologize for this letter. It goes way beyond the kind of rhetoric that is appropriate on these issues.

Remember this letter went, apparently, to millions of homes. I have no problem with people sending out fundraising letters and even using strong language in those solicitations. But the NRA's letter goes way beyond the pale. At first, I was so shocked, I thought it might be a hoax. But apparently it was not. I understand the NRA has confirmed that it sent the letter.

Again, I urge my colleagues to read the letter and I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

#### NATIONAL RIFLE ASSOCIATION.

DEAR FELLOW AMERICANS: I've worn out a lot of shoe leather walking the halls of Congress. I've met key leaders, I've talked with old allies, I've met with the new Congressmen and many staff members.

What I'm hearing and seeing concerns me.

Many of our new Congressmen are ignoring America's 80 million gun owners. Some have forgotten what we did to elect them. Others say our demands to restore our Constitutional freedoms are "politically out of line."

Don't get me wrong, not all of them are like this. Senator Phil Gramm, House Speaker Newt Gingrich, and Congressmen Bill McCollum, Bill Brewster and Harold Volkmer are all coming to our aid. But too many others are not.

And without a major show of force by America's 80 million gun owners, America will resume its long march down the road to gun bans, destruction of the Constitution and loss of every sacred freedom.

I want you to know I'm not looking for a fight.

But when you consider the facts of our current situation, you too, will see we have no other choice.

Fact No. 1: The Congress' leading anti-gunners, Senators Dianne Feinstein, Ted Kennedy and Congressmen Charles Schumer and Major Owens all survived their last elections.

They've pledged to fight us to the bitter end for Brady II and its ammo taxes, licensing and registration schemes, gun rationing, bureaucrats with the power to determine if you "need" a gun and yes, the repeal of the Second Amendment.

It doesn't matter to them that the Brady Law is a failure.

It doesn't matter to them that the Brady Law has become one more tool that government agents are using to deny the Constitutional rights of law abiding citizens.

It doesn't matter to them that the semi-auto ban gives jack-booted government thugs more power to take away our Constitutional rights, break in our doors, seize our guns, destroy our property, and even injure or kill us.

Schumer, Feinstein, Kennedy, Owens and the rest of the anti-gunners want more and more gun control.

It can be something small and subtle like a regulation expanding the disqualification criteria for the Brady Law. They're fighting for anything that makes it harder for you to own a gun.

The gun banners simply don't like you. They don't trust you. They don't want you to own a gun. And they'll stop at nothing until they've forced you to turn over your guns to the government.

Fact No. 2: If the anti-gunners fail to achieve their goals in Congress, they have a fall-back position in Bill Clinton, the most anti-gun President in American history.

In two short years, Bill Clinton launched two successful attacks on the Constitution. He signed two gun control bills into law. He has sworn to veto any repeal of the semi-auto ban and any restoration of our Constitutional rights.

His Interior and Agriculture Departments have set their sights on closing hunting lands.

And his Environmental Protection Agency is attempting to take jurisdiction over existing uses of lead. This, of course, includes gun ranges and spent shot.

What's more, gun owners aren't the only ones Clinton's EPA has set its sights on.