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Senate

(Legislative day of Monday, May 1, 1995)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Let us pray:

Gracious God, our Father, help us to get inside what is happening in others so that we may see things with their eyes, think things with their minds, and feel things with their hearts. Strengthen us to be as kind to others as we wish them to be to us. Empower us by Your Spirit to be as faithful to others as You have been to us in spite of our shortcomings and failures.

Help us to make the same allowances for others as we would wish them to make for us.

Help us to express the same empathy for others as we would want them to have for us, when we hurt.

Help us to have the same respect and tolerance for the beliefs and ideas of others as we would wish them to have for ours.

Help us to understand others as we would wish to be understood.

So we commit this day to seek to be to others the giving and forgiving love You have been to us. Through Him who taught us the secret of serving others. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

SCHEDULE

Mr. THOMAS. Mr. President, this morning the time for the two leaders has been reserved and there will now be a period for the transaction of morning business not to extend beyond the hour of 10:30 a.m., with Senators permitted to speak for up to 5 minutes each.

At the hour of 10:30 a.m., the Senate will begin the first of two stacked roll-call votes. The first vote is on the confirmation of John Deutch, to be Director of the CIA. The second vote is on the motion to invoke cloture on the Coverdell-Dole amendment. Senators should also be aware that they have until 10:15 a.m. to file first- and second-degree amendments to the Coverdell-Dole amendment.

The Senate will recess today between the hours of 12:30 p.m. and 2:15 p.m. for the weekly policy luncheons.

WAIVING MANDATORY LIVE QUORUM

Mr. THOMAS. Mr. President, I now ask unanimous consent that the mandatory live quorum be waived for the purpose of this morning's cloture vote.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senate will now proceed to a period of morning business.

The Democratic leader, or his designee, is recognized to speak for up to 20 minutes.

Under the previous order, the Senator from Wyoming [Mr. THOMAS] is recognized to speak for up to 20 minutes.

Under the previous order, the Senator from Michigan [Mr. LEVIN] is recognized to speak for up to 20 minutes.

Under the previous order, the Senator from Pennsylvania [Mr. SANTORUM] is recognized to speak for up to 10 minutes.

FRESHMAN FOCUS

Mr. THOMAS. Mr. President, I would like to use our time this morning as a

followup on the freshman focus that we have been carrying on for several weeks and attempt to continue. Some of my colleagues will join later in the morning and then again on Thursday.

As you know, the freshman class has made an effort to talk about the issues that are before the American people, that are before this Congress, and to focus on solving these problems, to focus on the notion that we need to find solutions—solutions that will help us to deliver services more efficiently, will help us to reduce the cost of Government, and will help us to be more effective in dealing with the problems of this country and, at the same time, reduce the size of Government.

So we are interested in exercising the first opportunity that we have had for a number of years to really analyze programs that have been in effect, in many cases, for 30 to 40 years. Frankly, the effort that has been made during that time was simply to add more money to the same program. I think most now would agree that it is time to analyze the effect, the impact, and the product of those programs. And we have, for the first time, a chance to do that.

We have a chance to change some of the efforts that have not succeeded—and there are some—so they are done in a different way. We hope our efforts will help us move forward in the Senate and in the Congress, to solving problems rather than to obstruct or just set down political issues for elections.

Today we want to talk about two issues that are very compelling which are before us and, frankly, issues that we have no alternative other than to solve. One is the budget; the other is Medicare.

Our purpose this week is to talk largely about Medicare. It is clearly related to the budget and, as a result, the two must be talked about together.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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Mr. President, Thomas Jefferson said, "The art of government is the art of being honest." I think that is what we are faced with. This matter of Medicare and the budget is not a problem of the Congress, not a problem of those who are trustees; it is a problem for all of us who are citizens of this country, not only for the benefits that it provides, but each of us who must also pay. We need to be honest with one another as to where we are. The idea of covering up problems because it is politically expedient, or the idea that you can shift problems to somebody else because it is an uncomfortable political position simply does not hold. We have to be honest, face the problems, and talk about them. There are clearly some problems in this area of finance.

Let me talk just a minute about the chart. We are into charts around here and it is not a bad idea. It does demonstrate where we are. This particular chart talks about the Medicare hospital insurance trust fund. It talks about the fact that if we do nothing, it will be bankrupt in 7 years. The chart shows the end-of-year trust fund balances up to 1995, and then projects the balances for the years up to 2004. This is not just a chart that is put together for these kinds of purposes. This is a chart that is a result of the Social Security and Medicare Board of Trustee report that was released just a couple of weeks ago. The trustees being at least three or four members from the Cabinet and some public members. They have indicated this fund will be bankrupt in the year 2002 unless we do something. The balance in the health care insurance trust fund was \$133 billion in 1994 and will rise to \$136 billion in 1995.

In 1996, however, the annual deficits starts to erode the balance of \$136 billion and will be broke in 2002. So that is the problem. It is a solvable problem. But it is not one that we can brush under the door, one that we can ignore, or one to make political issues of. It is one that we must indeed solve.

The next chart shows the impact this spending has on the gross domestic product. The blue being Medicare part A; and the yellow part is Medicare part B. Part A is the hospital portion that is funded by payroll taxes. Part B is that portion that is funded by general funds and beneficiary premiums. You can see how it grows. Here is 1970 and, more currently, in 1995; here we are in the year 2020, as a percentage of gross domestic product. This current period is just below 3 percent, doubling in this period of time.

So we clearly have an issue we have to deal with. The alternative is for the program to go broke. The alternative is not to have the services and that, of course, is not acceptable. Unfortunately, the current administration's position is to ignore the problem. It is to say, gee, it is up to the majority to do something about that. I think that is too bad. I think it is going to have to be something that we do collectively, but we can do something about it.

Why are we where we are? Because this program has grown at a rate of about 10 percent per year, and it continues to do so, as opposed to the private sector health care which has been growing at a more moderate rate of about 5 percent a year. This year, it was 4.4 percent and it is on its way down. Yet the Medicare Program continues to go up. Now, some say—and I go back to the political thing—"You Republicans simply want to cut Medicare so you can give tax cuts." That is not true. That is not where we are. The issue is to fix Medicare so that we can continue to have it over a period of time. There simply is not enough money to leave it as it is and just simply fund it without changing it. That is not an alternative. All the money that we have would be in this program.

So the alternative is to find some ways to reduce this growth. What we are talking about doing—and I think you will see generally in the budget, which is not out yet—you will see an effort to reduce it from the 10.5 percent growth to a growth of maybe 7 percent. We will see in the newspapers that they slashed Medicare, cut Medicare. But what we have done is sought to reduce the growth of Medicare, and then we will find some ways to do it more efficiently. There are ways to do that, to give some options. For example, for those elderly who choose to continue as is, that will be an option. For those who would like to move toward some kind of medical savings account, perhaps that will be an option and that would be a choice, and it will be a reduction in the cost of delivering the same medicine.

The point is that we need to be honest with ourselves in terms of what we are doing. This is not a political kind of football or struggle to see who gets political advantage. The real issue is how do you continue to provide services to people who need services and do it in a way that you can, over time, pay for it. That is the issue. Of course, it is part of the budget, because the budget is how much money we can put out to run Government and what kind of benefits we can have.

As for Medicare part B, I suspect there will be an effort to maintain the contributions that are now there—approximately 31 percent instead of 25 percent of the premium that is required to finance it. We have been moving up at 31 percent. We can go back, but if we hold it at 31 percent, the program will continue to be preserved. So there are alternatives. They are not draconian.

This is where we are on Medicare. I think it is an excellent example of our opportunity in this Congress to find some solutions to share with Americans—all of us—the responsibility of making collective decisions, to meet the responsibility of continuing to have programs where there is need, and to do it in a responsible financial way.

Mr. President, I hope that we can go forward with the bona fide discussion of Medicare and a bona fide discussion

of balancing the budget. I do not think anybody will suggest that it is going to be painless. It is not painless in your family when you find you have to cut back on the growth of expenditures. It is not painless in your business when you discover that it is necessary to make some changes in order to make it work. But it is very possible. It is very possible.

It can be done by continuing to provide those essential services, doing them in a more efficient way, and we can collectively do that.

I am pleased that my associates from the freshman class will be on the floor, talking about this issue and other issues, urging Members to take advantage of the opportunity and, indeed, the request, if not demand, from voters for change. There has been a demand for change. There will be change. This is our opportunity to do that.

Mr. President, I yield the floor.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER (Mr. THOMPSON). The Democratic leader is recognized for 20 minutes.

COMPROMISE NEAR

Mr. DASCHLE. I wish the President a good morning. I want to comment briefly on the series of votes that we will be taking this morning. As the distinguished acting majority leader indicated, there will be a cloture vote this morning.

I think in that regard it is important for people to understand the current circumstances. Senator DOLE has offered an amendment. Senator ROCKEFELLER and Senator GORTON have also offered an amendment, a substitute. We will have the opportunity at some point to vote on those.

I would hope people will vote against cloture again this morning simply to preserve the options that we think are going to be very important, if indeed we reach a compromise here. I think we are getting closer now in the last 48 hours to meaningful compromise.

In that regard, let me specifically single out the distinguished Senator from West Virginia for his remarkable efforts to bring people together, to attempt to find a way to resolve the outstanding differences. He and the distinguished Senator from Washington, Senator GORTON, have done an extraordinary job in the last couple of days in addressing many of the concerns that people have raised. I think we are now beginning to come together in a way that will accommodate some of the concerns that have been raised during the last couple of weeks.

I know that others, as well, have concluded that a compromise is within reach. My distinguished colleague from Louisiana, Senator BREAUX, has also been working on ways to accommodate some of these concerns and bring all sides together.