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The SPEAKER pro tempore. Under a previous order of the House, the gentleman from North Carolina [Mrs. CLAYTON] is recognized for 5 minutes.

[Mrs. CLAYTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.]

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

[Mr. McDERMOTT addressed the House. His remarks will appear hereafter in the Extensions of Remarks.]

COMMENTS ON REPUBLICAN BUDGET

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentleman from New Jersey [Mr. PALLONE] is recognized for 30 minutes as the designee of the minority leader.

Mr. PALLONE. Mr. Speaker, tonight I would like to once again talk about the proposed Republican cuts in Medicare and Medicaid that are included in the budget, which we are most likely going to be voting on this Thursday in the House of Representatives.

I had the opportunity on Monday of this week, just this past Monday in fact, to speak before the Edison Senior Center. Edison is the largest municipality in my district in New Jersey, and there must have been 100 senior citizens at the Edison Senior Center when I was there.

I talked to them about what the Republican leadership was proposing to do with Medicare and Medicaid once again, and how similar the proposals in this budget we will be voting on are to the cuts and fundamental changes in Medicare and Medicaid that the Republican leadership proposed last year, and which the President and which the Democrats in the House of Representatives fought so hard to keep from becoming law.

We were successful. We were successful in stopping those changes to Medicare and Medicaid last year, and many of the seniors at the Edison Senior Center, I indicated to them I felt very strongly that they and the seniors throughout the country were a big part in our effort to try to stop those changes in Medicare, because many of them wrote to their Congressmen or Congresswomen and wrote to their Senators and said they did not like the changes that the Republicans were proposing.

So I asked them to once again start a writing campaign, and talk to other seniors that they know and their family members to say we do not want these radical changes being proposed by the Republicans.

Now, as we know, this current budget plan, this current Republican plan would cut Medicare by \$168 billion over the next 6 or 7 years, and cut Medicaid by \$72 billion. Most of the Medicare cuts this time would be in hospital care. That is particularly important to the State of New Jersey, because many of the hospitals in New Jersey, particularly in urban areas, but also in suburban and rural areas, are having a very difficult time making ends meet. Many of them are more than 50 percent, sometimes 60 percent dependent on Medicare and Medicaid, to keep their operations going. A significant cut in either of those programs really could cause many of those hospitals to close, particularly in the urban areas.

The whole reason we started the Medicare program that was started under President Johnson back in 1963 is because many seniors did not have health insurance, and found it difficult because of lack of funds or because of their condition, their physical condition, to buy health insurance. I think a lot of times we forget what it was like prior to Medicare coming into existence, how many senior citizens did not have health insurance, how many basically were so poor and had to pay money out of their pocket if they wanted health care, so they just basically delayed it, did not go to the hospital or the doctor.

We do not want to go back to that era, the era when seniors were impoverished in order to provide health care for themselves, or when so many of them did not have any health insurance coverage.

One of the things that I told the seniors in my district on Monday is that we are not just talking about money here. I think the money aspect is important, because essentially these large cuts in Medicare and Medicaid are being used to finance tax breaks for mostly wealthy Americans. So the money is an important part of this.

But there are also some fundamental changes in the Medicare program and the Medicaid program that are being proposed here by the Republican leadership that go way beyond the monetary aspect. Essentially what it amounts to is choice, the fact that senior citizens are going to have less choices of doctors and less choices of hospitals. Because what is happening is the way that Republicans have structured these changes in Medicare and Medicaid, they are pushing more and more seniors into HMO's or managed care, where often times they do not have the choice of doctors. They cannot go to the doctor, the specialist they traditionally go to, or sometimes cannot even go to the hospital that they traditionally go to that may be nearby.

I guess one of the things that really bothers me about the Republican rhetoric on the Medicare issue is they keep stressing what they are doing with Medicare is providing more choices. That somehow choice is sort of the

linchpin, if you will, of their recommendation. And I would maintain that just the opposite is true, that the way the reimbursement rate is set up is so that seniors, basically a higher reimbursement rate goes to managed and HMO's, and less to traditional fee for service, where you have your choice of doctors or hospitals. That means seniors are going to have less choices as more and more are pushed into managed care.

I am being joined here tonight by the gentlewoman from Connecticut [Ms. DELAURO] and I wanted to yield some time to her. But I did want to mention, because there was one thing before I do yield, that there was an article in the New York Times this Sunday, that although it did not mention what was happening here in the House with regard to Medicare and Medicaid per se, I think is relevant, and I mention it because they specifically mention our two States, New Jersey and Connecticut.

The article is entitled "The high cost of plugging the gaps in Medicare." Basically what the article says is that Medigap insurance, which is the insurance that seniors buy in order to cover the health care programs or the health care costs that are not covered by Medicare, and about 50 percent of the seniors in this country have Medigap because they want additional coverage, that the cost of Medigap insurance is skyrocketing.

They mentioned the AARP, which has a policy sold by Prudential, that will go up an average of 26 percent more this year. They specifically mention that in New York, the average premium of the five largest Medigap insurers soared 11 percent in a year, a rate equalled or topped in Connecticut or New Jersey. In both our States, we are talking about increases in Medigap insurance that are at least 11 percent in 1 year.

I think that this is directly related to what is happening in Washington with Medicare, because as you make cuts in Medicare, and, of course, the Republicans are talking about much deeper cuts than the President or anything that the Democrats have put forward, as you make these huge cuts in Medicare, and also in Medicaid, what is going to happen is that you are going to find less services that are covered or quality of services that are covered, more out-of-pocket expenses for senior citizens, and I think that that is going to be reflected more and more in higher Medigap premiums.

The other thing it will result in is that more and more people again will be pushed into managed care or HMO's, where they do not have a lot of choices because they will opt for that, rather than have to pay for the large premium increases in the Medigap program.

I would like to yield at this time to Ms. DELAURO, who has been an outspoken advocate of protecting the Medicare program, and I believe has had a lot of impact over the last year when

we were fighting these terrible Republican leadership proposals to try to significantly change the Medicare program.

Ms. DELAURO. I would like to say thank you to my good friend, the gentleman from New Jersey [Mr. PALLONE], who continues to demonstrate tireless, and I mean tireless, leadership on the health care issue, and obviously as it affects America's seniors. I think we ought to be having this debate and discussion, and I am sure we will continue it.

But May is Older Americans Month. I think it is a very fitting time for us to be talking about how what we do here in a budget can truly impact the lives in a very profound way of America's seniors. We saw that from last year's budget. There was an enormous outcry across this country as to what was happening to seniors.

I am a little perplexed that given the outcry that we saw and the public's feelings, if you recall, the public said to the President, veto the budget. Sixty percent of the public said veto the budget that was proposed last year, because of the severe cuts in Medicare and in Medicaid, education and the environment as well, but Medicare and Medicaid, and what that meant for the lives of seniors.

You are absolutely right about the article that was in the New York Times. MediGap was supposed to help to supplement Medicare. And what we are beginning to look at is the beginning, if you will. I mean, there are gaps in Medicare, therefore Medigap is to assist people. What we are looking at, instead of trying to figure out a way in which to make the Medicare system stronger, because people know that no system is perfect. And what we need to do is to make changes, to make it a better program, which we have said all along. Let us fix what is wrong with it, and let us build on it, in the sense that it has truly been a lifesaver for seniors in this country, who not too many years ago, less than half of our seniors had any kind of health care or protection at all. Today 99 percent of seniors have health care coverage, and the difference has been Medicare.

Instead of taking a look at that system, where you can build on the opportunity for long-term care, for home health care, for prescription drug assistance, which we all know is truly one of the areas that affects everyone, but it affects seniors particularly, because many times what seniors do is they do not get the prescription filled. They get it half filled, or they fill it and then they go without eating for a couple of days. But in any of those circumstances, it clearly is not good for their health.

So that we are now going to embark on a new budget proposal that will in fact erode this health care system that we have for seniors today, and I think we both agree and all of us who are engaged in this debate agree that the United States has the best quality health care in the world.

□ 2145

That is not at issue. The question is its affordability and a variety of other questions. If we continue to erode the Medicare System, as is being proposed by the Republican majority in this House, we will then create a second-rate health care system for our seniors. That is not what we ought to be about.

I think there are a couple of interesting things. Over this past weekend the Speaker of the House, NEWT GINGRICH, attacked the Democrats on Medicare, and he told the Republican Convention that the battle over how much money should be spent on Medicare is the most important question facing voters in 1996.

I think that that is probably right, because Medicare is not just a program. Medicare is not just a program. Medicare symbolizes a decent and a dignified retirement to people who have spent a lifetime playing by the rules, working hard, doing all that they can for their family, paying into a system, wanting to make sure that at the end of their lives, in the remaining years of their lives, if they need health care coverage, that they will have it, and that they are not going to get crippled financially by a particular illness. No one decides to get sick. It happens.

I think that the Speaker's partisan attack is unfortunate. We disagree about Medicare but I do think, as I said, that the question of funding Medicare is a critical one. Again, this is part of our value system. Medicare is a priority, and how we define our priorities is how our values are defined and what kind of a Nation we want to try to be.

That is why this issue is so critical and so important, and why we have to continue to focus our time and attention on it.

If we go back to what the Speaker is talking about, it was not too many months ago where he said, and the quote is clear, that the Medicare system should wither on the vine. The majority leader in the Senate bragged about how pleased he was and how proud he was of a vote that he cast in 1965, voting against the Medicare system because it is a system that does not work.

This is recent evidence of people who are in leadership positions in the House of Representatives and in the Senate, who would like to convey to the public that what they want to try to do is to slow the growth of Medicare, when in essence they do not truly believe in a Medicare system and its value and what it means in terms of a decent and secure and safe environment for seniors in this country. That is what the issue is about. That is what the debate is about.

We can deal with numbers, but numbers are not at issue. With this second budget proposal that has been made, to quote Yogi Berra, it is *deja vu* all over again. We are going back essentially to where we were in last year's debate, and that is what the public needs to

know about. We are talking about \$168 billion in Medicare cuts. We are talking about roughly, once again, in terms of the debate that we had over the last year and a half almost, it is \$168 billion in Medicare cuts, it is now \$176 billion in a tax break for the wealthiest Americans.

It is the very same debate, and that is why we have to continue to focus our time and attention on the issue. The question is, will we put hard-working families first or are we going to put special interests first? That is what the debate ultimately comes down to.

Let me say to my colleague, and I know he feels the same way, if we were assured that the money that was being cut was going to go into the solvency, as they talk about, of the Medicare trust fund, we could make an argument for this. But that is not the case. That is not the case at all.

The danger is that we are going to see funds for hospitals cut. In some rural parts of our country we will see that hospitals will close. Once again, deductibles will go up, premiums will go up, the choice of doctor is at risk again. So it is, in fact, the same debate all over again.

We have to be tireless, in my view, as my colleague from New Jersey has said, in continuing to make the case and raising once again the profile of this issue. I compliment my colleague in visiting a senior center over the weekend and getting people to come out once again, to do the writing, to do the calling, to be engaged in signing the questionnaires, et cetera. I will be doing the same thing myself to let the people that I represent know that the battle is on once again.

We have to be indefatigable. We have to be tireless, and the American public needs to speak up all over again on this issue.

Mr. PALLONE. I agree, and I appreciate the remarks the gentlewoman has made, if I could just follow up on two points that she made.

One is when I was at the senior center in Edison on Monday, one of the very first things the gentlewoman discussed was prescription drugs and the cost of prescription drugs, and how some seniors simply cannot afford to buy them or they will not get a refill if they need it. It is amazing to me, because when we talk to seniors when we are in our districts, these issues in many ways are very plain to them.

Many of the seniors in the audience in Edison said to me, "Well, Congressman PALLONE, I don't understand. What Medicare should do," and this is almost a direct quote from one of the individuals, "what Medicare should do is to be expanded to include preventive care." He talked about prescription drugs, because he said, "A lot of times I go to the doctor and he prescribes a drug to me, and Medicare is covering the cost of the doctor visit but it is not covering the drug. So I get the prescription but I go home and I never fill it."

What good is that? The point is that if Medicare were expanded to cover certain kinds of preventive care, like prescription drugs or like home health care visits, we would actually save a lot of money. We should be thinking of creative ways to expand Medicare, deal with prevention, and then save money in the long run.

That is what I was kind of hoping we were going to be doing when we started to talk about Medicare in the beginning of this Congress. But, obviously, I was very naive, and I think I was naive because I did not understand what the gentlewoman brought up, the basic idea, which is that this Republican leadership, both in the Senate and here in the House, really does not like the Medicare program. They have an ideological problem with the Medicare program, and that is why we are getting these quotes from Speaker GINGRICH saying that we will deal with it piece by piece and it will wither on the vine, or from the Republican presidential candidate saying that he is proud of the fact that when he was in the House of Representatives he did not vote for Medicare. They are not really interested in creative ways of trying to save money and expanding the money to help seniors. They just basically want it to go away.

The other thing the gentlewoman mentioned and I thought was so important, she talked about the dangers of Medicare becoming a second rate health care system, and I think we have talked about that a little tonight. But there is also sort of a corollary to that, the notion of a divided system, sort of a class battle, if you will, between the wealthier seniors and the middle class or poorer seniors.

I see that happening, for example, with Medigap. We mentioned that about half the seniors have Medigap and half do not. That means that a lot of seniors, even those who are on Medicare now, increasingly are not able to get certain kinds of health care services because they cannot pay out-of-pocket, because they do not have Medigap. So already we have a two-tiered system.

Now, in this Republican budget, one of the things we did not mention tonight, but I think we should, is that they have brought up again the Medical Savings Accounts, the so-called MSA's, which I call the tax break for the healthy and wealthy. Basically what they are suggesting, and the gentlewoman knows the case, is that seniors opt into a situation where they get catastrophic coverage. If something really terrible happens to them and they have to go to the hospital for a long stay, they are covered, but they are not covered for anything else.

The money that the Federal Government puts up for Medicare, like a voucher, is put into some sort of savings account, and if they have to go to a doctor or they have something that only takes a relatively small degree of care, then they have to pay all that out-of-pocket.

But if an individual has a very high deductible, or are essentially only covered for catastrophic care, the only people that will be able to afford that are the healthy and wealthy, so to speak, because they will say, "Well, that is fine, I will opt for that."

So what do we do? Once these medical savings accounts become part of the Medicare system, we will have a two-tiered system, in essence. The cost for those who do not have the MSA's will probably go up, because they will be the ones that have less money and are more of a burden on the system. So the cost of the system will go up.

I know the gentlewoman has been very concerned about that issue, so if the gentlewoman wants to talk about that I would yield to her.

Ms. DELAURO. It is incredible, and this is a corollary, if you will, because we have the budget proposal now that once again makes this tremendous hit on the Medicare system, juxtaposed with the tax break for the wealthiest Americans; and then we have had an opportunity in this body over the last several months, in a bipartisan way, to look at health care reform or some first steps in terms of health care reform through the Kennedy-Kassebaum bill, and the Roukema bill on the House side that deals with two important issues, the prohibition on pre-existing condition and the ability for people to change jobs and still maintain health insurance; things that people would very, very much like.

There again, rather than taking good pieces of legislation and trying to get them passed, and the President said he would sign the bill, and the authors of the bill said let us move forward, again very bipartisan, they add this concept that the gentleman has talked about, the medical savings account, which creams the healthy off the top, leaves the most frail, the most ill in the traditional health insurance policies, thereby taking the opportunity to bring some relief to people on health care, helping to try to then even lower the cost of health care, and what happens? More people uninsured, we drive the premiums up, and we completely reverse the intent of what we are trying to do by this concept of these savings accounts that healthy people will take advantage of. But the more sick an individual is, the more frail an individual is, they will wind up in the traditional systems.

Those premiums will go up. Less people will be able to afford them. More people will be uninsured. It is quite remarkable.

Then we take that and look at a budget, another one coming in where we have fought this battle and now we have to refight it, or it is just a continuation, quite honestly. It is just a continuation where we are going to see once again the medical savings accounts introduced and Medicare on the chopping block again.

Again, we need to mention over and over again, people need to understand,

Medicaid, a \$72 billion cut. Less than what it was, no question. Nevertheless, this is a system that helps to ensure the health of seniors in nursing homes. We are going to find people who are in nursing homes now, whose families will have to make a decision to take them in or do something else in order to provide health care for them.

I wanted to make one point, because our colleagues on the other side of the aisle will talk about how they want to slow the rate of growth. A noble cause; one that I support, and I know my colleague from New Jersey supports. However, what they do not talk about is how many more people are going into the system every year. No accounting for that and what the increased costs are; no accounting for inflation at all. It is as if the system is dead in the water, stagnant, does not move, is not dynamic, is not fluid, and it is just where it will be today.

□ 2200

We know that is not the case. It is not the case on anything that we deal with. It is changing. It is changing. But they try to say that they are lowering the rate of growth.

We need to lower that rate of growth. I just need to make the point on this that we made in the past. Where are you and where are my Republican colleagues on lowering the rate of growth in private insurance, as we were talking about Medigap policies? Those premiums are going up. Where are we lowering the rate of growth in the cost of prescription drugs? Where are we lowering the rate of growth in other parts of the health system? Why is it that we only want to attack seniors in this process? That is, I think, a question that our colleagues have got to answer.

Mr. PALLONE. If I could reclaim my time, I just want to follow up on what you said about Medicaid, particularly this issue of the rate of growth and not taking into consideration what is actually happening out there in the real world.

What they are proposing for Medicaid, which, as you mentioned, the majority of the people think Medicaid is just for poor people, the reality is the majority of Medicaid funds are used for senior citizens in nursing homes.

One of the things that I mentioned in the past, going back to last year, was that we are going to have a crisis. There was an article in the New York Times back in November that says, "Critics say Republican budget will create shortage of nursing home beds for elderly. The reason for that is exactly what you said, which is that the number of people who are over 85, the over 85 population is growing dramatically and will be over the next 10 or 20 years."

So the numbers that the Republicans are using for Medicaid, and they are going to block grant them to the States, do not take into account how many more seniors are going to be out there that are going to need nursing

home care. It completely ignores it. So we know there is going to be a shortage of beds in nursing homes.

The same thing with regard to children. Medicaid historically over the last 5 or 10 years has been able to absorb the number of children who are no longer covered by private health insurance. In other words, ever since the late 1980's, with all the downsizing and we had large unemployment then and we continue to have an unemployment problem, a lot of parents, when they lost their health insurance, their children were not covered. Because the Congress, under the Democratic leadership, had actually expanded the opportunities where Federal money went to the States, particularly to cover children, and States were encouraged to match those funds on a one-to-one basis, most of the children who were taken off health insurance, because their parents lost it when they lost their jobs or changed jobs, were actually covered by Medicaid. Because as those numbers of children without health insurance grew, Medicaid took up the slack and expanded.

This is a survey that was done by the Journal of the American Medical Association, published again in November's Washington Post, at a time when we were having the big budget battle here. They point out again that that is going to be completely reversed.

If you block grant this money to the States and give them leeway and you cut the rate of growth, so to speak, as the Republicans put it, a lot of States will just cut back on the number of children that are covered. And we will see a lot of children that are simply not covered by Medicaid or by any kind of health insurance whatsoever.

I know that we want to yield the rest of our time to one of our other colleagues. I appreciate the fact that you came, that Ms. DELAURO is on the floor here joining me on this. I know that she and I share the concern about what would happen with Medicare and Medicaid if this Republican budget goes through. Even though it is coming up Thursday and is going to be voted on, we will continue to fight this battle to the end.

Ms. DELAURO. I thank my colleague from New Jersey.

LIBERTY, JUSTICE, AND AN INDEPENDENT JUDICIARY

The SPEAKER pro tempore. Under the Speaker's announced policy of May 12, 1995, the gentlewoman from the District of Columbia [Ms. NORTON] is recognized for 30 minutes as the designee of the minority leader.

Ms. NORTON. Mr. Speaker, I want to particularly thank the gentleman from New Jersey [Mr. PALLONE] for his great kindness in yielding me some of his time this evening. I had wanted this time to speak on liberty, justice, and an independent judiciary.

I come forward because I believe it is my obligation to do so, not as a lawyer,

although I happen to be a lawyer, not as a law professor, although I am still a law professor because I continue to teach a seminar at Georgetown Law Center, but as a Member of Congress.

I am moved to come forward this evening because of recent attacks on the judiciary. Those attacks cannot be answered by the judiciary and they have come from this branch. I come forward this evening to make a plea to my colleagues that the cynicism toward Government which has infected the executive branch and the legislative branch, as Americans regard us, stops at the courthouse door.

Recently, from the legislative branch and the executive branch, there have been troubling signals that we may be willing to pull the judiciary into the polarized politics of the 104th Congress and the Presidential campaign. I agree with the dean of the Fordham University Law School, John Furick, who has said, and may I quote him,

We are at a juncture where we all need to step back, including our President, Congress, governor and mayor, and here he means the governor and mayor of New York, and consider what is at stake when we make our judiciary part of the politics of the present day.

I want to cite two cases that have drawn us into this controversy. They are decisions where I profoundly disagree with what results the courts have reached. One involves Judge Harold Baer. This is the case where the judge initially found that there was an unlawful search and seizure. He threw out the evidence because he found that the police had searched the car when they saw bags being loaded into the car and men running away. And most of us wondered what in the world the judge could be talking about when he said it was reasonable for black men to run away from the cops in this upper Manhattan neighborhood. Thank you very much. As a Member who represents many African Americans, I can tell you that we do not expect people to run away from cops upon seeing them.

New evidence came forward, and the judge reversed himself. Before that happened, Mr. DOLE allowed as how the judge should be impeached because of his initial decision while it was still pending, mind you, and the President stopped short of that but himself criticized the judge very profoundly while the matter was still pending.

This already has had an effect upon the court. The lawyer for the defense himself, and I want to quote his statement, said to the judge in court, asking him to recuse himself, again, I am quoting,

Never before have the President of the United States, the Speaker of the House, 140 Members of Congress and a Presidential candidate sat in on a case and said that a Federal judge should be impeached or resign.

The defense lawyer then called upon Judge Baer to recuse himself entirely from the case saying, and I am quoting,

It would appear you may have been influenced by outside forces.

Thus, when the judge heard new evidence, heard evidence that corroborated the initial evidence of the policemen involved, the defense lawyer said, there is still the appearance of impropriety and you should recuse yourself. I am not sure that the judge can ever get that stain off of himself, although it is clear that there was enough evidence before, frankly, and certainly afterward.

There is a second case from New York where I also disagree with the judge. That was one in which Governor Pataki, himself a lawyer, I believe also Mayor Giuliani called for the removal of a criminal court judge. His name was Lauren Duckman. Judge Duckman had lowered the bail of a suspect allowing the suspect to get out of prison and the suspect proceeded to kill his former girlfriend and it was harassment of his former girlfriend that got him in jail in the first place.

I do not think I need to tell anybody who knows me in this body where I stand on that case. The governor said that if the State commission did not remove this judge within 60 days, then he would ask the State Senate to begin removal proceedings.

Judges are often attacked and as public officials should be open to caustic attack, but I can tell you, Mr. Speaker, I have seldom, if ever, seen these kinds of attacks come from the top of the Government.

I am here this evening to say, stop it. Stop it. This is an attack upon our system of Government. It is difficult for judges to respond.

To his credit, from the top of the judiciary, the Chief Judge, the Chief Justice, Mr. Rehnquist, has in his own way responded, in a speech at the American University Law School. He responded in very lawyer-like fashion, referring to precedent, particularly the impeachment in 1805 of Justice Samuel Chase because of the way he handled three cases. The Senate, however, refused to convict and convictions must take place in the Senate.

Mr. Rehnquist noted the precedent and its viability for more than 200 years, for almost 200 years, and indicated he thought that precedent should stand. He also cited the infamous case of President Franklin Roosevelt who attempted but failed to pack the Supreme Court with extra justices when he thought, frankly, that the Republic was going to fall because the New Deal programs designed to save us from a catastrophic depression were put in jeopardy by the response of the judiciary. Even given the seriousness of those cases and the seriousness of the Baer case and the Duckman case which I have just alluded to, there is no case so serious that it is worth the attacks we have recently seen. I believe Mr. DOLE has pulled back. I believe President Clinton has pulled back. I am here to say, let us all pull back.

Judges must be subject to the same kind of criticism that other public servants are, except that restraint is